



BNP Paribas Turning to the future

Fixed Income Presentation

*Germany
December 2014*



BNP PARIBAS | The bank for a changing world

Disclaimer

Figures included in this presentation are unaudited. On 14 March 2014, BNP Paribas issued a restatement of its quarterly results for 2013 reflecting, in particular, (i) the adoption of the accounting standards IFRS 10 “Consolidated Financial Statements”, IFRS 11 “Joint Arrangements”, which has, in particular, the effect of decreasing the Group’s 2013 net income attributable to equity holders by €14m, as well as the amended IAS 28 “Investments in Associates and Joint Ventures”; (ii) certain internal transfers of activities and results made as of 1 January 2014, in the context of the medium-term plan, (iii) the application of Basel 3 which modifies the capital allocation by division and business line and (iv) the evolution of allocation practices of the liquidity costs to the operating divisions in order to align them to the Liquidity Coverage Ratio approach. Moreover, in order to ensure the comparability with the future 2014 results, pro-forma 2013 accounts have been prepared considering TEB group under full consolidation for the whole year. In these restated results, data pertaining to 2013 has been represented as though the transactions had occurred on 1st January 2013. This presentation is based on the restated 2013 quarterly data.

This presentation includes forward-looking statements based on current beliefs and expectations about future events. Forward-looking statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future events, operations, products and services, and statements regarding future performance and synergies. Forward-looking statements are not guarantees of future performance and are subject to inherent risks, uncertainties and assumptions about BNP Paribas and its subsidiaries and investments, developments of BNP Paribas and its subsidiaries, banking industry trends, future capital expenditures and acquisitions, changes in economic conditions globally or in BNP Paribas’ principal local markets, the competitive market and regulatory factors. Those events are uncertain; their outcome may differ from current expectations which may in turn significantly affect expected results. Actual results may differ materially from those projected or implied in these forward looking statements. Any forward-looking statement contained in this presentation speaks as of the date of this presentation. BNP Paribas undertakes no obligation to publicly revise or update any forward-looking statements in light of new information or future events.

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Overview



**Very good overall performance in 3Q14
thanks to the diversified business and geographic mix**



**Quality of the assets confirmed by AQR results
Rock-solid balance sheet**



Development plan investments starting to bear fruit



**Banking Union progress and ECB measures
to fuel economic recovery in Europe**



3Q14 Results Highlights

Continuing to Move Forward in All Divisions

Ongoing Adjustments in Europe

Appendix



3Q14 Results Highlights

Closing of two bolt-on acquisition deals* this quarter

- BGZ in Poland
- LaSer now wholly-owned

Revenue growth in all the operating divisions, driven in particular by the specialised businesses, international retail and Fixed Income

Revenues of the operating divisions:
+2.6%** vs. 3Q13

Rise in gross operating income

+4.2% vs. 3Q13

Cost of risk down this quarter

-9.2% vs. 3Q13

A rock-solid balance sheet: quality of assets confirmed by AQR results

Basel 3 CET1 ratio: 10.1%***

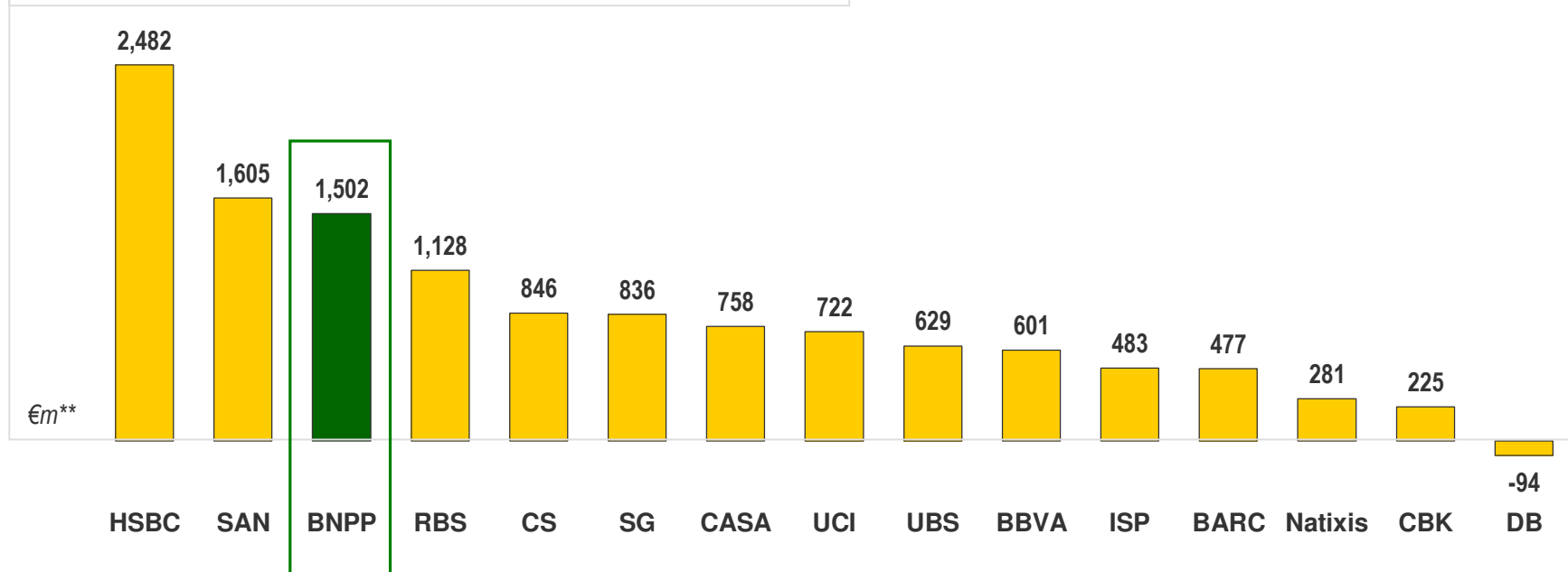
Net income attributable to equity holders: €1.5bn (+10.6% vs. 3Q13)

* Closing of the acquisition of DAB expected in 4Q14 (subject to the approval of the regulatory authorities); ** At constant scope and exchange rates; *** As at 30 September 2014, CRD4 (fully loaded), after taking into account AQR results



Solid Profitability

> 3Q14 Net income attributable to equity holders*



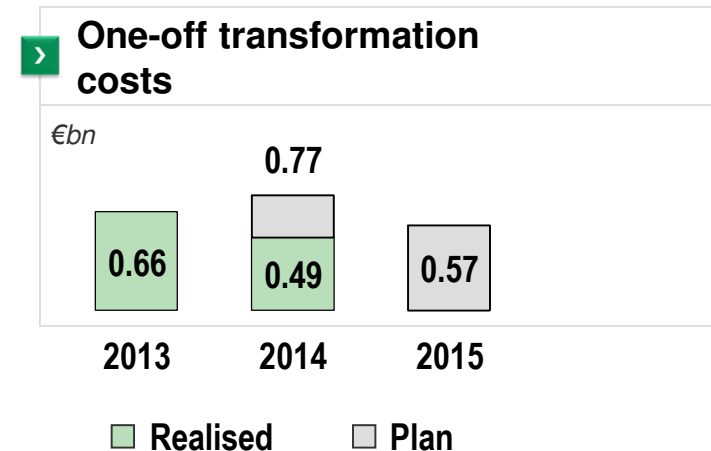
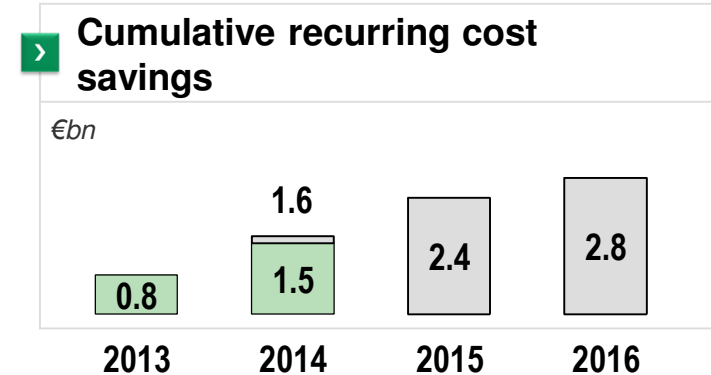
Good profit-generation capacity



3Q14 Results

Delivering on Simple & Efficient

- Continued the momentum throughout the entire Group
 - 1,360 programmes identified including 2,600 projects of which 96% are already under way
- Cost savings: €1,475m since the launch of the project
 - Of which €241m recorded in 3Q14
 - Reminder: €2.8bn annual target starting from 2016
- Transformation costs: €148m in 3Q14
 - €488m in 9M14
 - Reminder: €770m target for the year

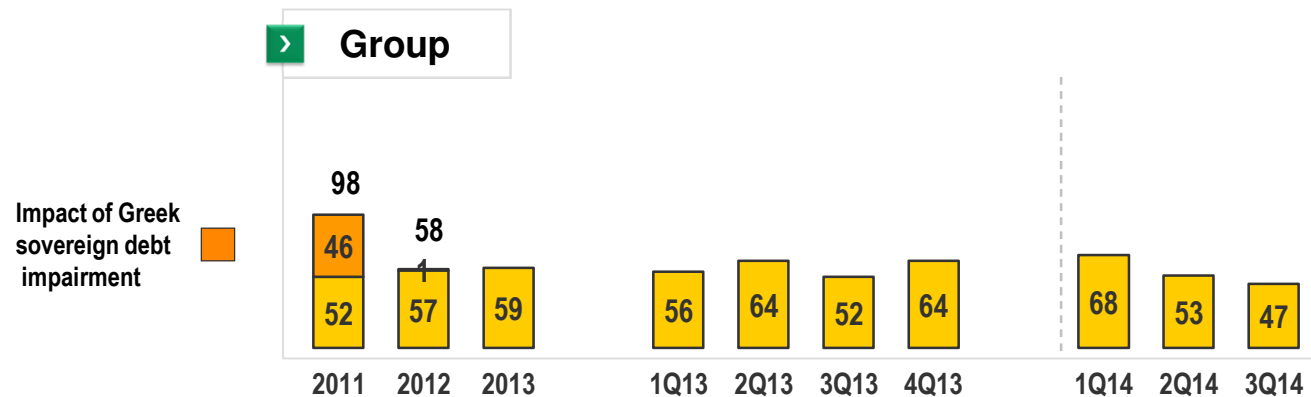


Recurring cost savings in line with the plan



Rock-Solid Balance Sheet Stringent Group Risk Policy

Net provisions/Customer loans (in annualised bp)



- Cost of risk down by €76m vs. 3Q13 at €754m in 3Q14
 - BNL continues to weigh, cost of risk stable at a high level
 - Other businesses at a low level (French and Belgian Retail, BancWest) or improved this quarter (Personal Finance and CIB)

> **Cost of risk down this quarter**



Asset Quality Review (AQR) Results (1/2)

- The European Central Bank conducted a Comprehensive Assessment of the 130 most significant Eurozone banking groups' balance sheets encompassing:
 - An Asset Quality Review – AQR
 - A Stress Test performed in close cooperation with the European Banking Authority (EBA)
- An unprecedented exercise in terms of scope and duration
 - BNP Paribas supplied 370 million data points
 - Over 50% of credit and market risk-weighted assets reviewed
 - ECB carried out portfolio selection from November 2013 to February 2014
 - Portfolios selected were reviewed from February 2014 to July 2014
- Minor overall impact of the AQR on BNP Paribas Group's CET1 ratio: -15 bp as at 31.12.2013
 - Amongst the best comparable European banks
- The Stress Test shows the Group's ability to withstand a severe stress scenario
 - With extremely severe assumptions with respect to evolutions of economic and market conditions



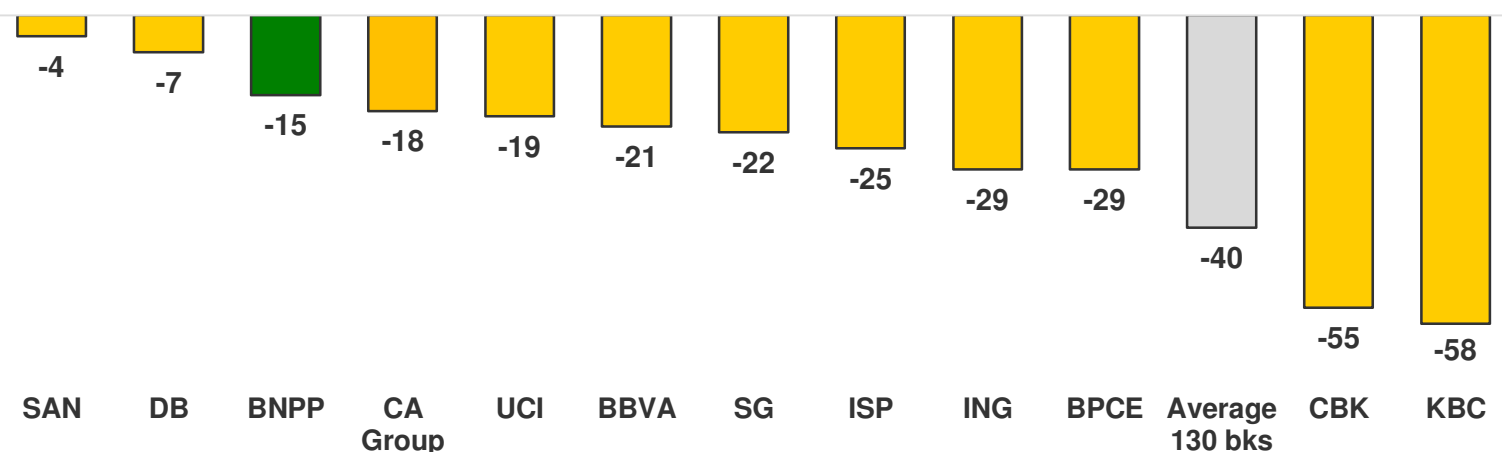
Quality of assets confirmed by AQR results



Asset Quality Review (AQR) Results (2/2)

> Impact of AQR on CET1 ratio - peer group (bp)^(*)

In bp



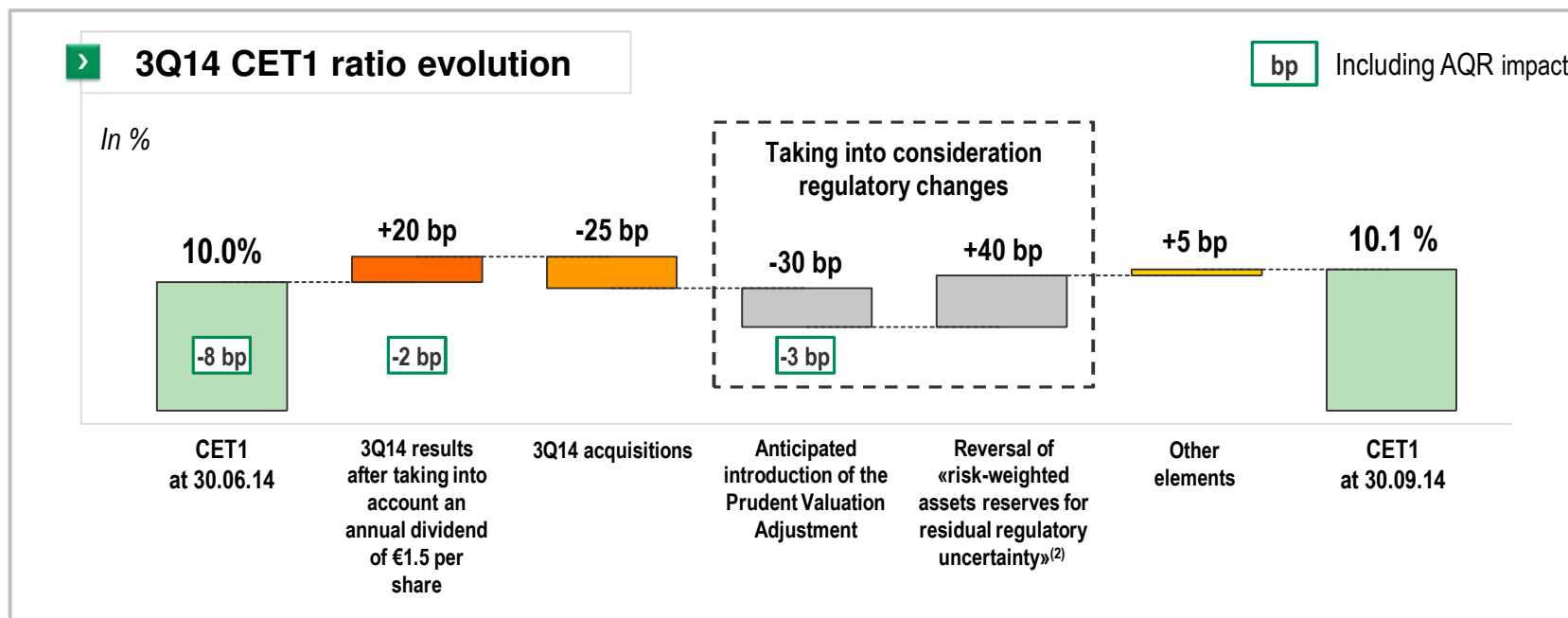
**Minor impact of the AQR on BNPP CET1 ratio
Amongst the best comparable European banks**

^(*) Based on the phased-in ratio as at 31.12.2013



Rock-Solid Balance Sheet Financial Structure

- Fully loaded Basel 3 CET1 ratio⁽¹⁾: 10.1% as at 30.09.2014 (after taking into account AQR results)



- Fully loaded Basel 3 leverage ratio⁽³⁾: 3.5% calculated on total Tier 1 capital⁽⁴⁾

AQR adjustments and PVA taken into account in the CET1 ratio as at 30.09.14

⁽¹⁾ CRD4; ⁽²⁾ See appendix 5 of « 2013 Restatement of quarterly series »; ⁽³⁾ CRD4, calculated according to the delegated act of the European Commission dated 10.10.2014;

⁽⁴⁾ Including the forthcoming replacement of Tier 1 instruments that have become ineligible with equivalent eligible instruments



Rock-Solid Balance Sheet

2014 Medium Long-Term Funding Programme

2014 MLT wholesale funding programme: €23bn

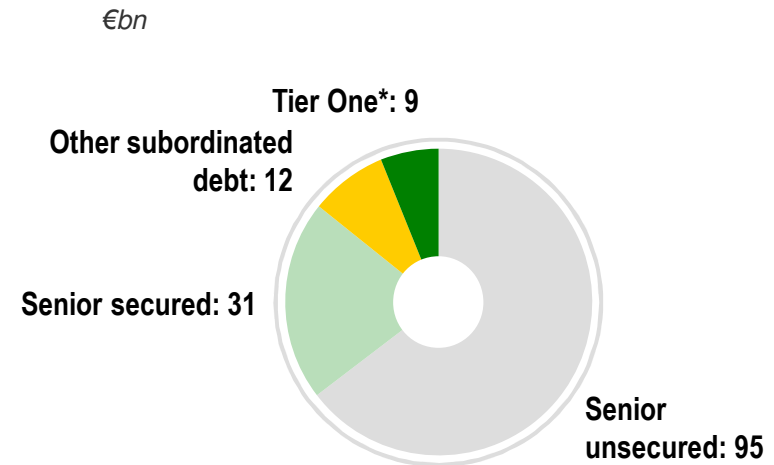
- Senior debt: €27.6bn realised** at 15.10.2014
 - Maturity: 4.5 years on average
 - Mid-swap +43 bp on average
 - Primarily senior unsecured
 - Of which 55% public issues and 45% private placements
- Tier 2 issuance of €750m with a 13 year maturity, with a repayment option after 8 years (13NC8Y), realised on 6 October 2014 (mid-swap +183bp)
- Tier 2 issuance of USD1bn with a 10 year maturity, realised on 14 October 2014 (US Treasury +195bp)

2014 MLT funding programme placed in the networks: €7bn

- €9.9bn realised** at 15.10.2014

➤ **€1.5bn in Tier 2 issuances in October 2014**

Wholesale MLT funding structure breakdown as at 30.09.14: €147bn



* Debt qualified prudentially as Tier 1 recorded as subordinated debt or as equity;

** Including issues at the end of 2013 (€8.3bn) in addition to the €37bn issued under the 2013 programme



Implementation of major changes to the Group's Compliance and Control Procedures

- Following the comprehensive settlement with the US authorities
- Changes to the Group's internal control setup
 - Vertical integration of the Compliance and Legal functions, creation of a Group Supervisory and Control Committee and of a Group Conduct Committee
 - New organisation and review of procedures under way ; an international consulting firm to assist with the process
- Remediation plan agreed as part of the comprehensive settlement with the U.S. authorities
 - A new Group U.S. Financial Security Department in New York currently being set up (target staff size: ~50 people)
 - All USD flows for the entire Group will be ultimately processed and controlled via the New York branch: definition of the programmes of action completed, setup gradually getting under way
 - Reminder: €200m in one-off costs booked in 2Q14 related to the upcoming costs of the overall remediation plan
- Continuing to increase resources earmarked for compliance
 - Increase the staffing of the function, which is already up by over 40% since 2009 (1,125 people in 2009, nearly 1,600 in 2013)
 - New internal control tools (for instance, roll out of new transaction filtering software) and reinforcement of Know Your Customer procedures
 - Increasing the number and expanding the content of the Group's employee training programmes: introduction of new mandatory training programmes



Implementation in line with the action plan



3Q14 Results Highlights

Continuing to Move Forward in All Divisions

Ongoing Adjustments in Europe

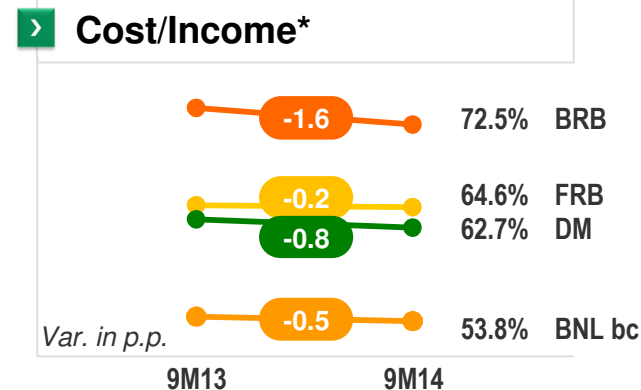
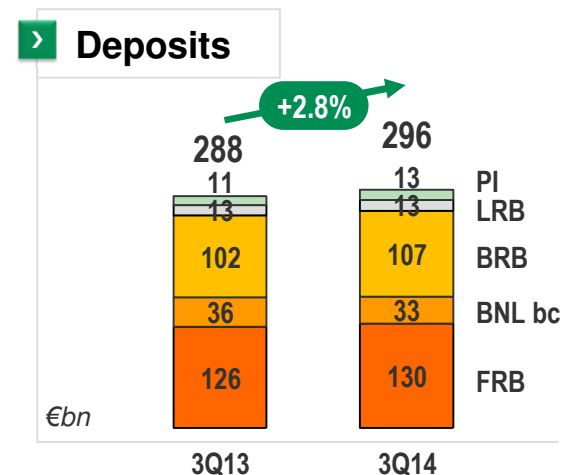
Appendix



Domestic Markets 3Q14 Results

- Business activity
 - Deposits: +2.8% vs. 3Q13, good growth in France, Belgium and at Cortal Consors in Germany
 - Loans: -0.2% vs. 3Q13, loan demand stabilisation
 - Cash management: #1 in France, Belgium and Italy (*Euromoney 2014*)
 - Roll-out of new branch layouts across the networks: differentiated formats and new customer in-branch experience

- Revenues*: €3.9bn (+0.9% vs. 3Q13)
 - Strong growth at Arval and Leasing Solutions
 - Persistently low interest rate environment
- Operating expenses*: -€2.5bn (+0.1% vs. 3Q13)
 - Good cost control, positive jaws effect (+0.8 pt)
- GOI*: €1.4bn (+2.2% vs. 3Q13)
- Pre-tax income**: €0.9bn (-4.0% vs. 3Q13)



> Continued improvement of the operating efficiency

* Including 100% of Private Banking, excluding PEL/CEL effects; ** Including 2/3 of Private Banking, excluding PEL/CEL effects



International Retail Banking 3Q14 Results

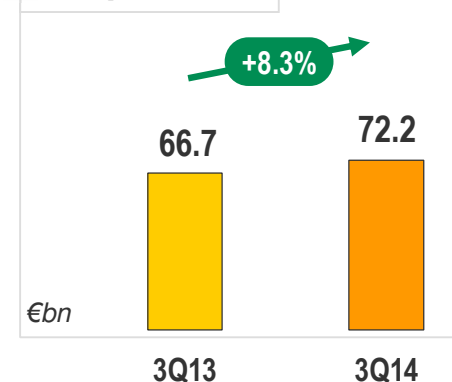
- Strong business activity
 - Deposits: +8.3%⁽¹⁾ vs. 3Q13, up in most countries, strong rise at BancWest and in Turkey
 - Loans: +8.7%⁽¹⁾ vs. 3Q13, rise in particular in Turkey and continued strong growth in corporate and consumer loans at BancWest
 - U.S. Private Banking: +26% increase in assets under management vs. 30.09.13 (\$8.2bn as at 30.09.14)

- Revenues⁽²⁾: +11.1%⁽¹⁾ vs. 3Q13
 - Up in all regions, strong revenue growth in Turkey
 - Low interest rates environment in the US

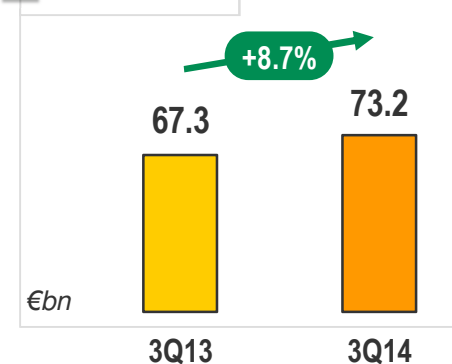
- Operating expenses⁽²⁾: +4.8%⁽¹⁾ vs. 3Q13
 - Increase in regulatory costs at BancWest⁽³⁾
 - Impact of the bolstering of the commercial setup in Turkey and in Morocco (opened 13 and 17 branches respectively vs. 30.09.13)

- Pre-tax income⁽⁴⁾: €348m (+23.8%⁽¹⁾ vs. 3Q13)

> Deposits⁽¹⁾



> Loans⁽¹⁾



Strong revenue growth

⁽¹⁾ At constant scope and exchange rates; ⁽²⁾ Including 100% of Private Banking in the United States and in Turkey; ⁽³⁾ CCAR; ⁽⁴⁾ Including 2/3 of Private Banking



Personal Finance 3Q14 Results

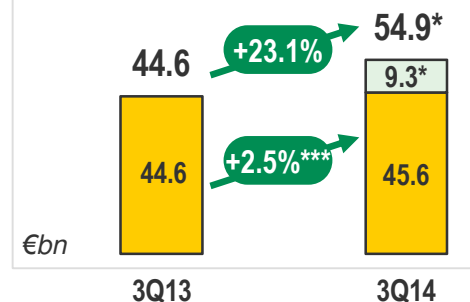
- Good growth dynamic
 - LaSer now wholly-owned**: ~4,700 persons and €9.3bn in outstandings
Personal Finance : position as the #1 specialty player in Europe strengthened
 - Acquisition of RCS in South Africa, a point of sale credit specialist
 - Partnerships in the automobile sector: good growth in car loan outstandings (+2.7%*** vs. 3Q13)

- Revenues: €1,083m (+18.8% vs. 3Q13)
 - Impact in particular of the switch for LaSer to full consolidation method
 - +2.1% vs. 3Q13 at constant scope and exchange rates: business growth and rise in outstandings in Germany, Belgium and Central Europe

- Operating expenses: €505m (+22.3% vs. 3Q13)
 - +2.4% vs. 3Q13 at constant scope and exchange rates: in line with the business development plan
 - Positive jaws effect*** excluding the impact of a provision this quarter for a one-off contribution to Portugal's resolution fund

- Pre-tax income: €330m (+25.5% vs. 3Q13)
 - +11.9% at constant scope and exchange rates (cost of risk improvement)

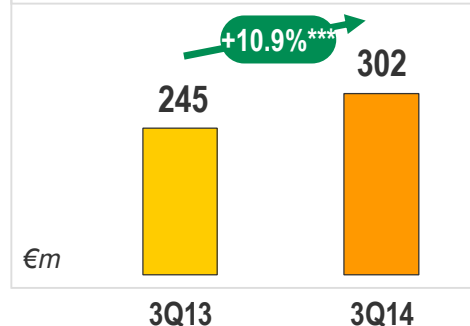
Consolidated outstandings



■ PF excluding LaSer
■ LaSer

* LaSer pro-forma average outstandings over the quarter

Operating income



Good business growth and rise in revenues

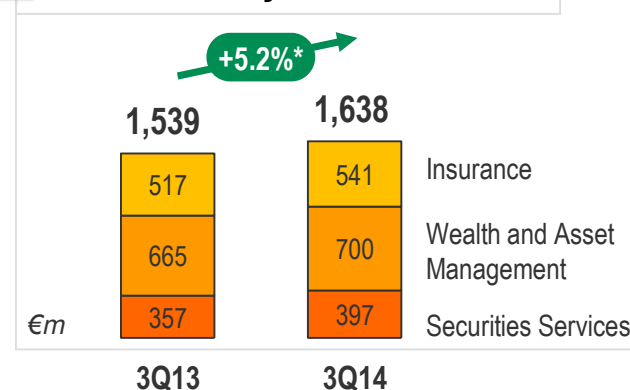
** Closed on 25 July 2014 the acquisition of Galeries Lafayette's stake (50%) in LaSer; *** At constant scope and exchange rates



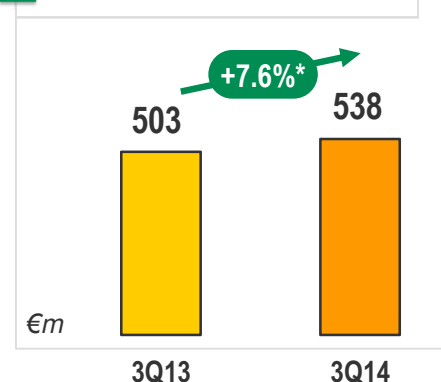
Investment Solutions 3Q14 Results

- Revenues: €1,638m (+5.2%* vs. 3Q13)
 - Insurance: +5.9%* vs. 3Q13, strong growth in international protection insurance (Asia, Latin America)
 - WAM**: +3.2%* vs. 3Q13, good performance of Wealth Management, in particular in the domestic markets and in Asia; growth in Real Estate Services
 - Securities Services: +8.0%* vs. 3Q13, due to the rise in the number of transactions and assets under custody
- Operating expenses: €1,146m (+4.3%* vs. 3Q13)
 - Insurance : +5.5%* vs. 3Q13, as a result of continued growth in the business internationally
 - WAM**: +3.3%* vs. 3Q13, impact of business development investments (Wealth Management, Asset Management)
 - Securities Services: +4.8%* vs. 3Q13, due to business growth
- Pre-tax income: €538m (+7.6%* vs. 3Q13)

Revenues by business unit



Pre-tax income



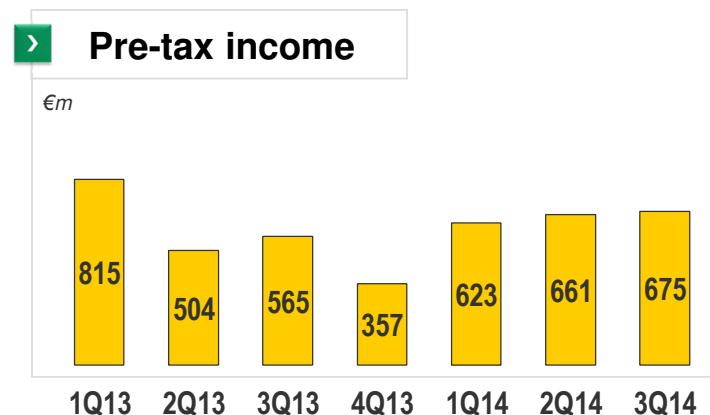
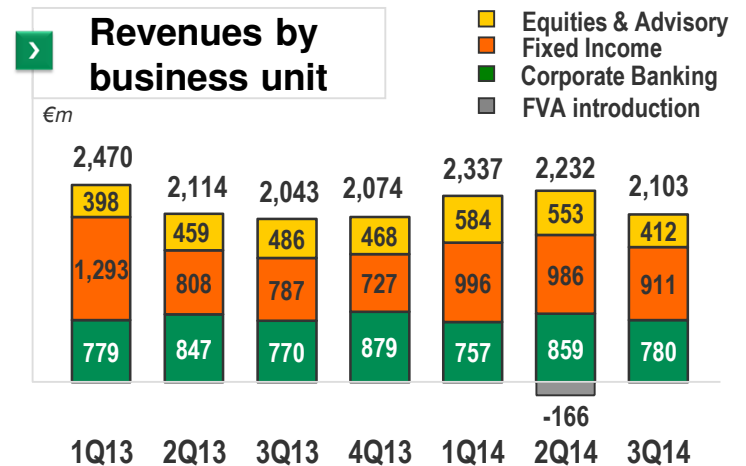
**Good business development
Sustained income growth**

* At constant scope and exchange rates; ** Asset Management, Wealth Management, Real Estate Service



Corporate and Investment Banking 3Q14 Results

- Revenues: €2,103m (+2.9%* vs. 3Q13)
 - Advisory & Capital Markets: +3.1%* vs. 3Q13, growth in Fixed Income and slowdown in the Equities & Advisory businesses
 - Corporate Banking: +2.7%* vs. 3Q13, still driven by strong growth in Asia
- Operating expenses: €1,514m (+4.8%* vs. 3Q13)
 - Impact of the increase in business activity in Advisory & Capital Markets
 - Continued investment in business development plans
 - Increase in regulatory costs
- Pre-tax income: €675m (+23.8%* vs. 3Q13)
 - Cost of risk: net write-back this quarter



Good overall performance



* At constant scope and exchange rates

Germany

A Target for our Development in Europe

- A diversified organisation covering all client segments
 - 12 businesses
 - ~4,000 employees

- Dynamic roll out of the plan with bolt-on acquisitions in targeted businesses
 - Digital bank: acquisition of DAB^(*)
(€5bn of additional deposits, number of clients nearly doubled to 1.4 million in this segment in Germany)
 - Personal Finance: renewal of the successful strategic partnership with Commerzbank^(**) until 2020 (1.5 million active clients and €4.7bn loan book as at 30.06.14, i.e +4.0% vs. 30.06.13)
 - Real Estate: acquired Imoplan (property management) and iii-investments (asset management)
 - Securities Services: acquired local depositary business of Commerzbank



> Strengthening positions to build future development

^(*) Closing of the acquisition of DAB expected in 4Q14 (subject to the approval of the regulatory authorities); ^(**) Joint venture in which BNP Paribas Personal Finance has a 50.1% stake



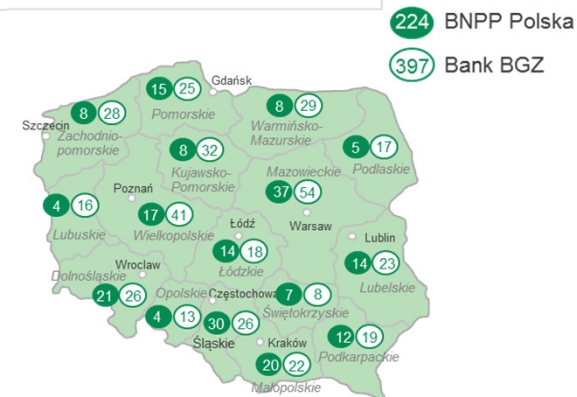
Poland

Acquisition of BGZ

- Acquisition of 89% of BGZ (closing on 15 September⁽¹⁾)
 - With BNP Paribas Polska and the Group's specialised businesses, towards the creation of BGZ BNP Paribas, a reference bank in Poland
- Strategic rationale
 - Increase presence in an attractive market with GDP growth prospects above Euro zone and moderate banking penetration (~70%)
 - Improve critical mass by reaching ~4% to 5% of market share, positioning the Group as the 7th largest local bank
 - Limited overhang and complementarity of the franchise
 - Significant cost and revenue synergies achievable, after one-off restructuring costs
- BGZ profile: a well-established brand
 - 390 branches mostly in small and medium sized cities
 - Strong expertise in the agri and food business
 - Successful internet banking tool (Optima) with ~100,000 users
 - Self funded bank with a L/D ratio of 95% as at 30.09.14

> Branch network

N° of branches



> 9M14 combined key figures in €m⁽²⁾

Balance Sheet	Deposits market share ⁽³⁾	4.4%
	Total loans	11,627
	Total deposits	10,247
Profit and Loss	Revenues	424
	Net income	61



Towards the critical mass in a dynamic market

⁽¹⁾ 89% ownership interest in BGZ at the close of the public offering (17 October 2014), including Rabobank Polska merged with BGZ in June 2014;

⁽²⁾ BNPP Polska + BGZ + Rabobank Polska, local accounts; exchange rate as at 30.09.14 (€1= PLN4.18); ⁽³⁾ As at 31.12.13



Asia Pacific

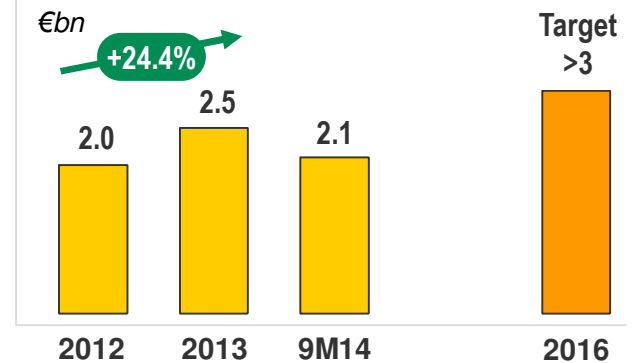
Continued Development of the Business

- Developing CIB and IS activities in 9M14
 - Continued growth in revenues (+10.3% vs. 9M13⁽¹⁾) in both divisions
 - Several awards won in 2014: Derivatives House of the Year in Asia⁽²⁾; Best Cash Management Solution in HK and India⁽³⁾ and Best Private Bank in Hong Kong⁽³⁾
 - One of the 3 non-Asian banks designated by the HKMA⁽⁴⁾ as Primary Liquidity Providers for offshore renminbi market (CNH) in Hong Kong
 - Joint Global Coordinator of the first ever listing CNH transaction of a Chinese institution in France

- Grow financed assets with parallel increase in deposits gathering
 - Strong growth of both commercial assets (+47%) and deposits⁽⁵⁾ (+37%), since the launch of the plan (31.12.2012)
 - Continued growth of Wealth Management: +15% of AuM vs. 31.12.13 (USD 56bn as at 30.09.14)

- Significant new commercial partnerships
 - China: Bank of Nanjing (consumer finance and leasing), Bank of Beijing (insurance), Geely (car financing) and Shanghai Ba-shi (car rental)
 - Insurance: several partnerships signed in South Korea and Vietnam

> CIB & IS revenues



China/France:

Bank Of China Ltd, Paris Branch

CNH 1.5bn 3.35% due 2016
& CNH 500m 3.85% due 2019
Reg S Senior Unsecured Bond

Debut international bond issue from
Bank of China Limited, Paris Branch

Joint Global Coordinator and Joint Bookrunner
July 2014



Well on track in all the businesses

⁽¹⁾ At constant scope and exchange rate; ⁽²⁾ The Asset 2014; ⁽³⁾ Asset Asian Awards 2014;

⁽⁴⁾ Hong Kong Monetary Authority; ⁽⁵⁾ Corporates, Wealth Management and Securities Services (excluding wholesale deposits)



3Q14 Results Highlights

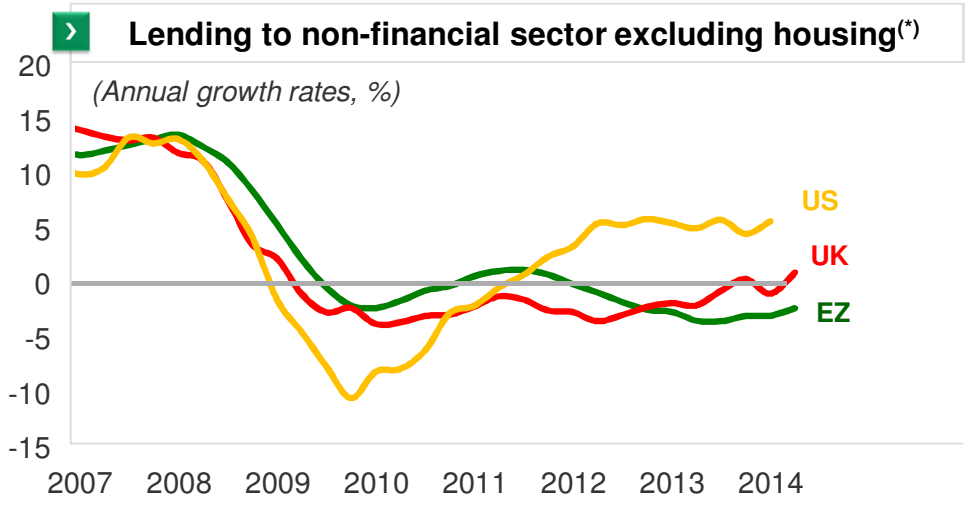
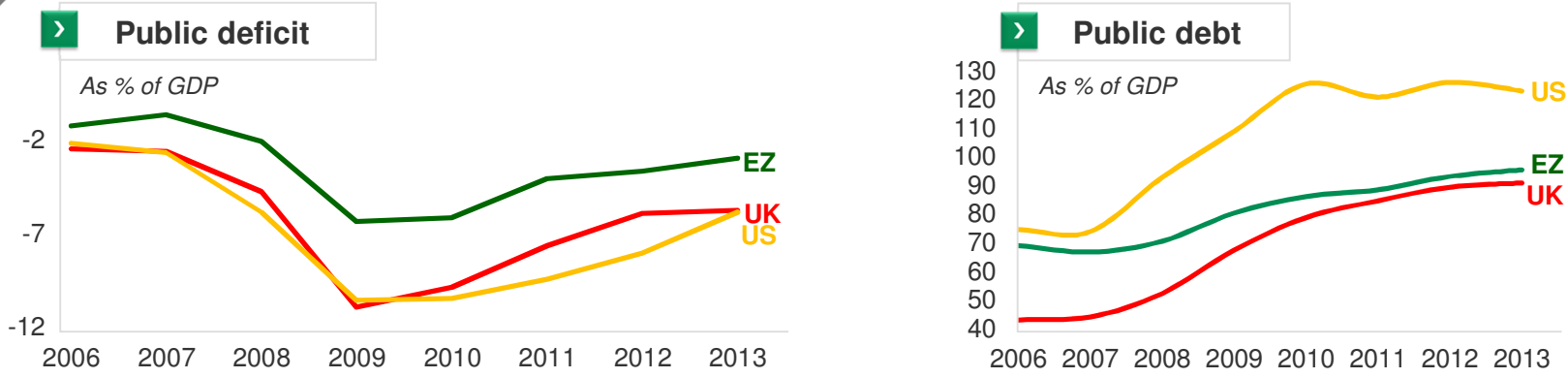
Continuing to Move Forward in All Divisions

Ongoing Adjustments in Europe

Appendix



Situation of the Euro zone Economy

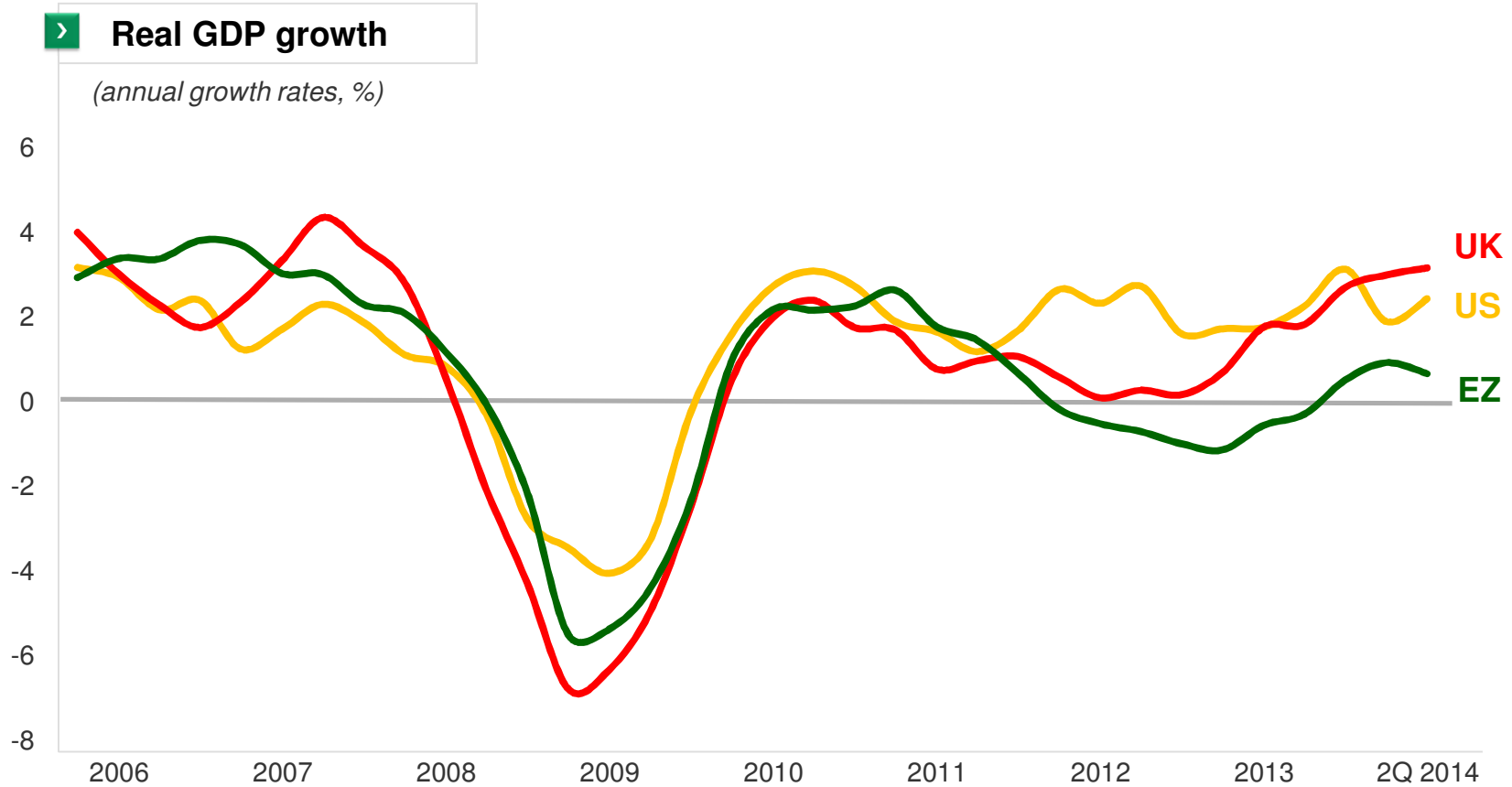


Public deficit curbing and lending contraction in the Euro area

^(*) Lending from banks and other financial institutions to households and non-financial corporates (excluding housing)



Situation of the Euro zone Economy



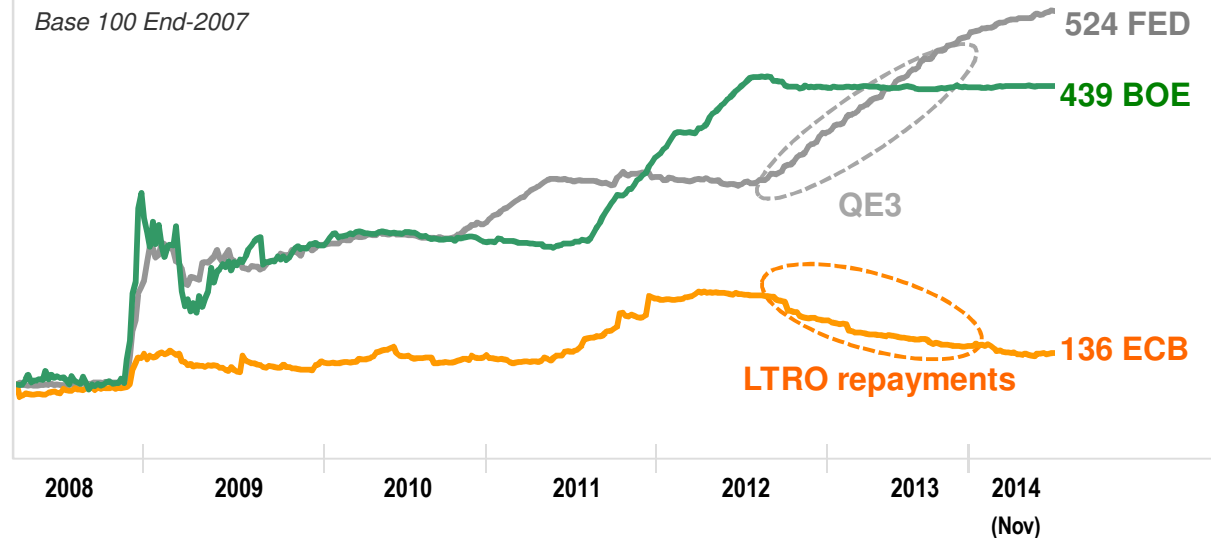
> Recovery delayed in the Euro area

Source: Central Banks



ECB: Ongoing Actions

> Central banks assets: ample room to manoeuvre for ECB



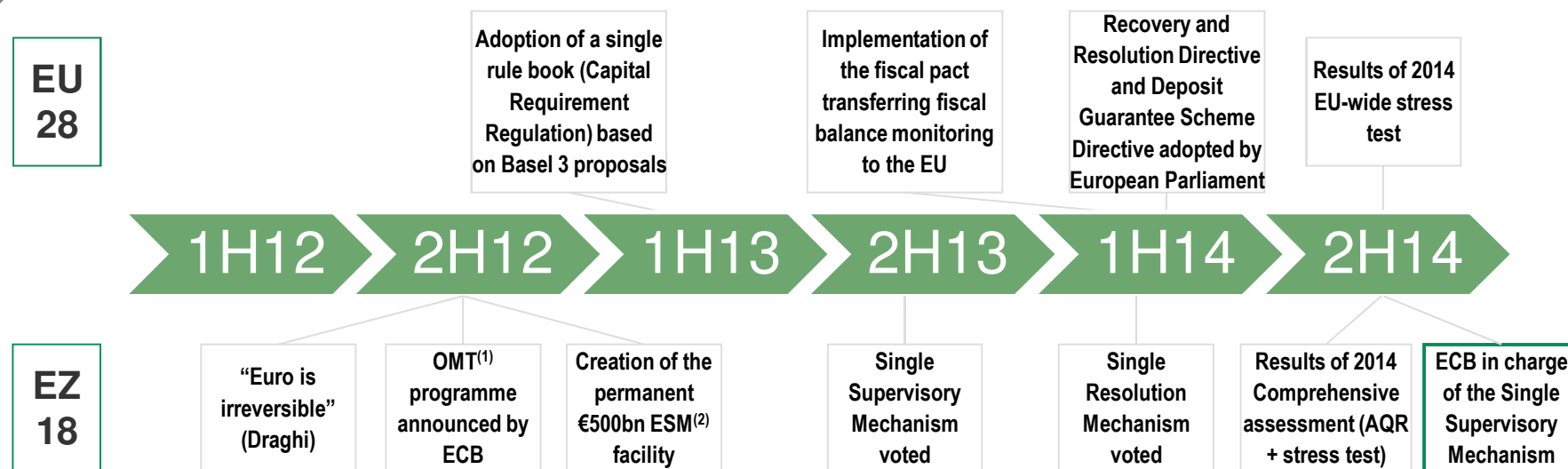
- Targeted LTROs: a 4-year refinancing subject to conditions and commitments
 - Cheap liquidity injection into the banking system
 - Conditional on a rebound in loans to corporates and households (excluding housing)
- A strong potential support to the economic recovery in Europe



**New TLTROs well designed
to address current lending constraints in the Euro area**



New European Banking Framework



- The three pillars of the Banking Union decided in 2013 are being rolled out
 - Single Supervisory Mechanism (SSM) voted in October 2013 : ECB in charge since beginning of November
 - Single Resolution Mechanism (SRM) voted in April 2014, to be fully effective January 2016
 - Deposit Guarantee Scheme voted in April 2014, to be transposed by July 2015

> Banking Union is now well on track in the Euro area



⁽¹⁾ Outright Monetary Transactions; ⁽²⁾ European Stability Mechanism

Conclusion



Good sales and marketing drive, confirming the loyalty of institutional, corporate and individual clients



Very good overall performance in 3Q14 thanks to the diversified business and geographic mix



**Quality of the assets confirmed by AQR results
Rock-solid balance sheet**



Banking Union progress and ECB measures to fuel economic recovery in Europe



3Q14 Results Highlights

Continuing to Move Forward in All Divisions

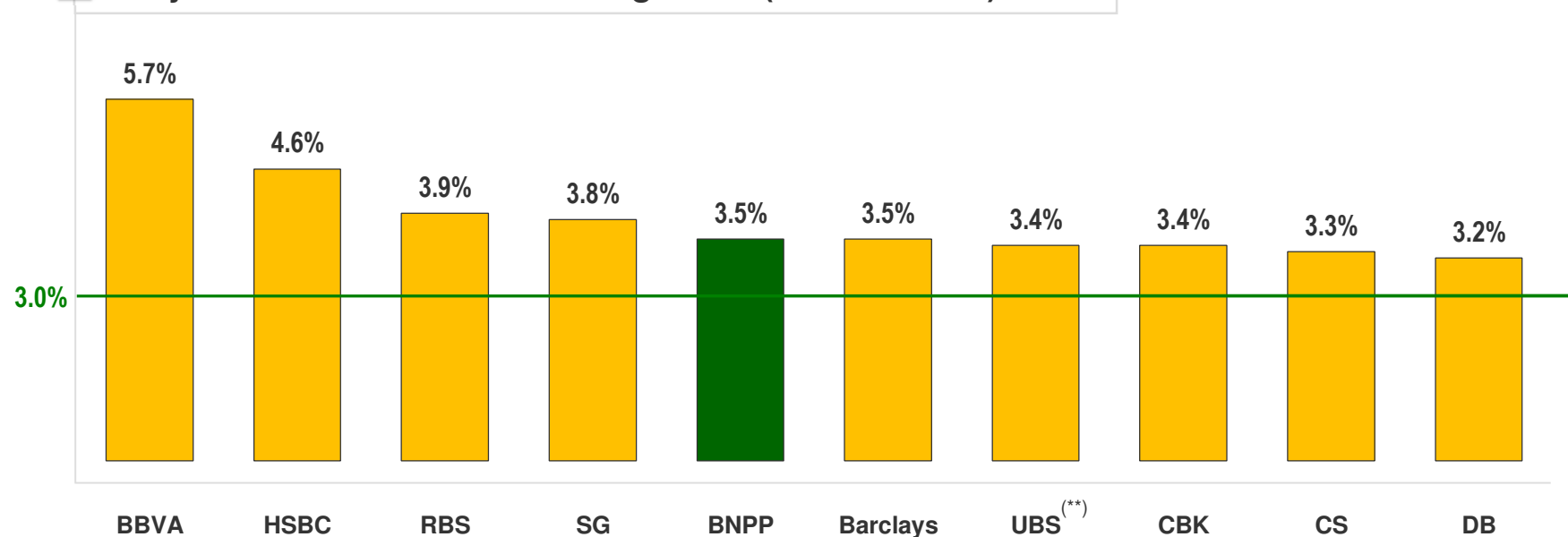
Ongoing Adjustments in Europe

Appendix



Leverage Ratio Well Above 2018 CRD4 Threshold

> Fully loaded Basel 3 Tier 1 leverage ratio (as at 30.09.14)(*)



> Leverage ratio above 3% threshold

(*) As disclosed by banks of the peer group, according to CRD4 / calculated according to the delegated act of the European Commission dated 10.10.2014, Swiss rules;

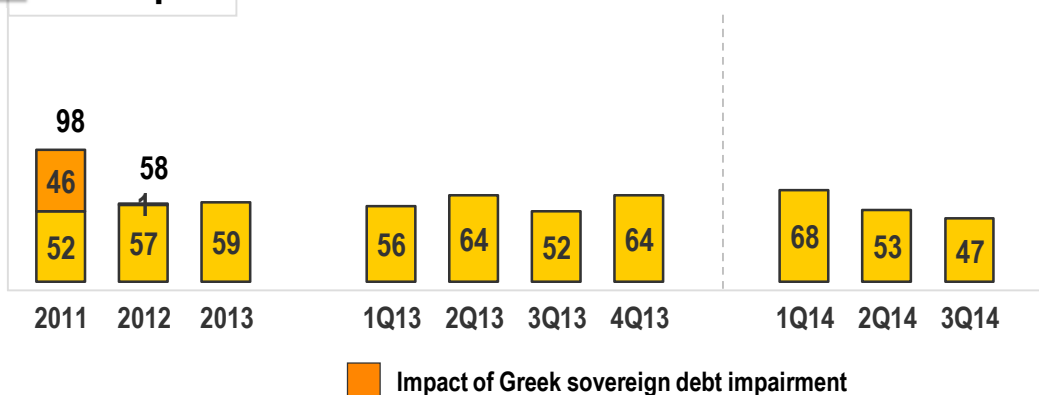
(**) Calculated on the basis of disclosed data



Variation in the Cost of Risk by Business Unit (1/3)

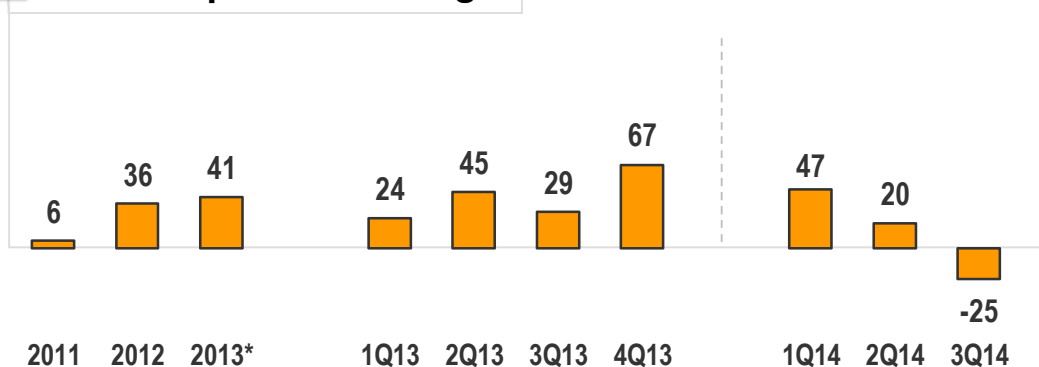
Net provisions/Customer loans (in annualised bp)

> Group



- Cost of risk: €754m
- -€101m vs. 2Q14
- -€76m vs. 3Q13
- Cost of risk down this quarter

> CIB - Corporate Banking



- Cost of risk: -€68m
- -€119m vs. 2Q14
- -€145m vs. 3Q13
- Provisions more than offset by write-backs this quarter

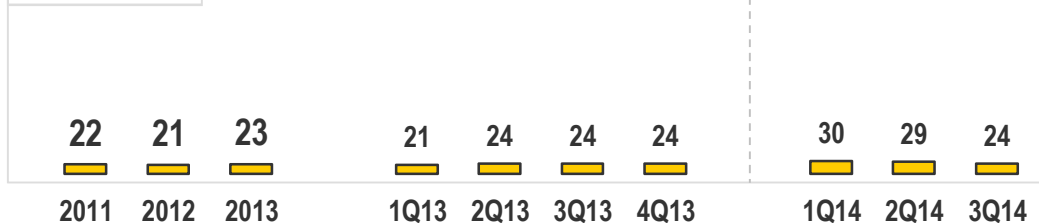
* Restated



Variation in the Cost of Risk by Business Unit (2/3)

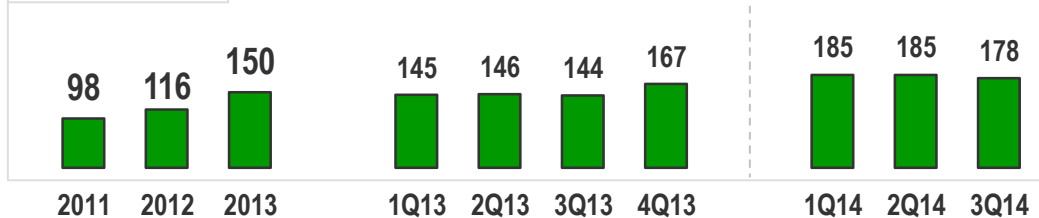
Net provisions/Customer loans (in annualised bp)

FRB



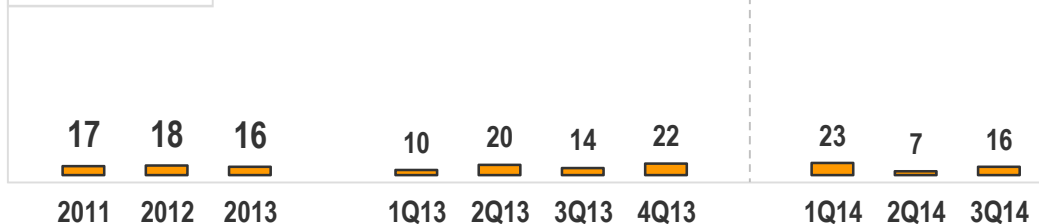
- Cost of risk: €85m
 - -€18m vs. 2Q14
 - -€5m vs. 3Q13
- Cost of risk still low

BNL bc



- Cost of risk: €348m
 - -€16m vs. 2Q14
 - +€61m vs. 3Q13
- Cost of risk high due to the challenging environment

BRB



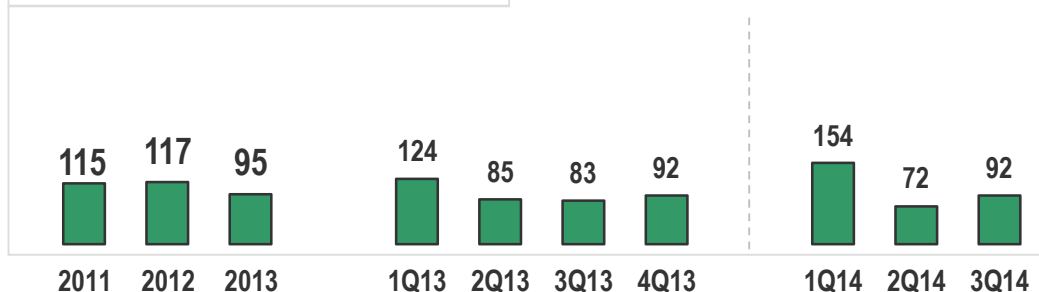
- Cost of risk: €36m
 - +€21m vs. 2Q14
 - +€6m vs. 3Q13
- Low cost of risk



Variation in the Cost of Risk by Business Unit (3/3)

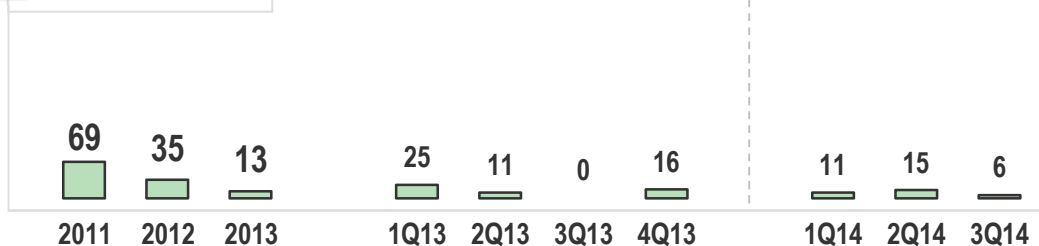
Net provisions/Customer loans (in annualised bp)

> Europe-Mediterranean



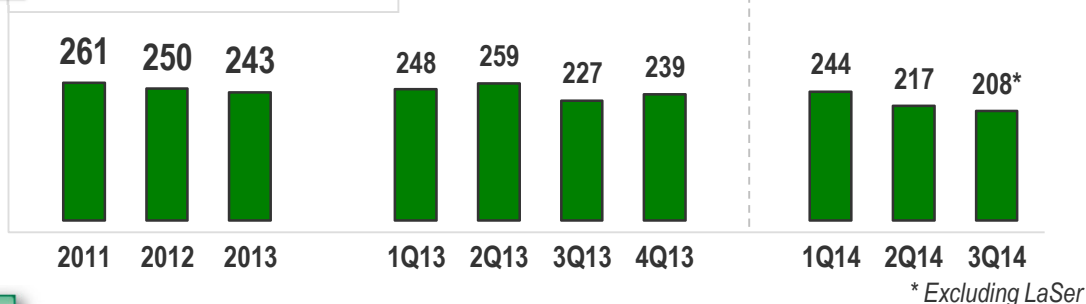
- Cost of risk: €66m
 - +€16m vs. 2Q14
 - +€7m vs. 3Q13
- Cost of risk up moderately this quarter

> BancWest



- Cost of risk: €6m
 - -€10m vs. 2Q14
 - +€6m vs. 3Q13
- Cost of risk particularly low this quarter

> Personal Finance



- Cost of risk: €276m
 - +€27m vs. 2Q14
 - +€22m vs. 3Q13
- Scope effect due to the acquisition of LaSer (+€37m)
- Decline in the cost of risk excluding this effect

