



BNP Paribas
Adaptation plan completed
Well positioned for growth

Fixed Income Presentation, London

6 December 2012



BNP PARIBAS | The bank for a changing world

Disclaimer

Figures included in this presentation are unaudited. On 18 April 2012, BNP Paribas issued a restatement of its quarterly results for 2011 reflecting, in particular, an increase of capital allocated to each business from 7% to 9% of risk-weighted assets, the creation of the “Domestic Markets” division and transfers of businesses between business units. In these restated results, data pertaining to 2011 has been represented as though the transactions had occurred on 1st January 2011. This presentation is based on the restated 2011 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.

The information contained in this presentation as it relates to parties other than BNP Paribas or derived from external sources has not been independently verified and no representation or warranty expressed or implied is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of, the information or opinions contained herein. None of BNP Paribas or its representatives shall have any liability whatsoever in negligence or otherwise for any loss however arising from any use of this presentation or its contents or otherwise arising in connection with this presentation or any other information or material discussed.



Overview



A solid bank which has swiftly completed its adaptation plan while maintaining best in class risk management and profitability



A diversified business model strongly rooted in retail banking



A client driven CIB model and a diversified Investment Solutions well positioned for upcoming growth opportunities



Adaptation Plan Completed

Strong Retail Banking Roots

Resilient CIB and Investment Solutions Franchises
Positioning for Upcoming Growth Opportunities

Conclusion



Adaptation Plan Completed

Target (by year end 2012)	Status as at 30 September 2012
● Reduce USD funding needs by -\$65bn	✓ Achieved by April 2012
● CIB: reduction of risk-weighted assets by €45bn	✓ Achieved at end of September 2012 ✓ Total net cost of sales: ~€250m*
● +100 bp of additional common equity Tier 1 to reach a 9% fully loaded Basel 3 CET1 ratio	✓ 9.5% fully loaded Basel 3 CET1 ratio as early as 30 September 2012

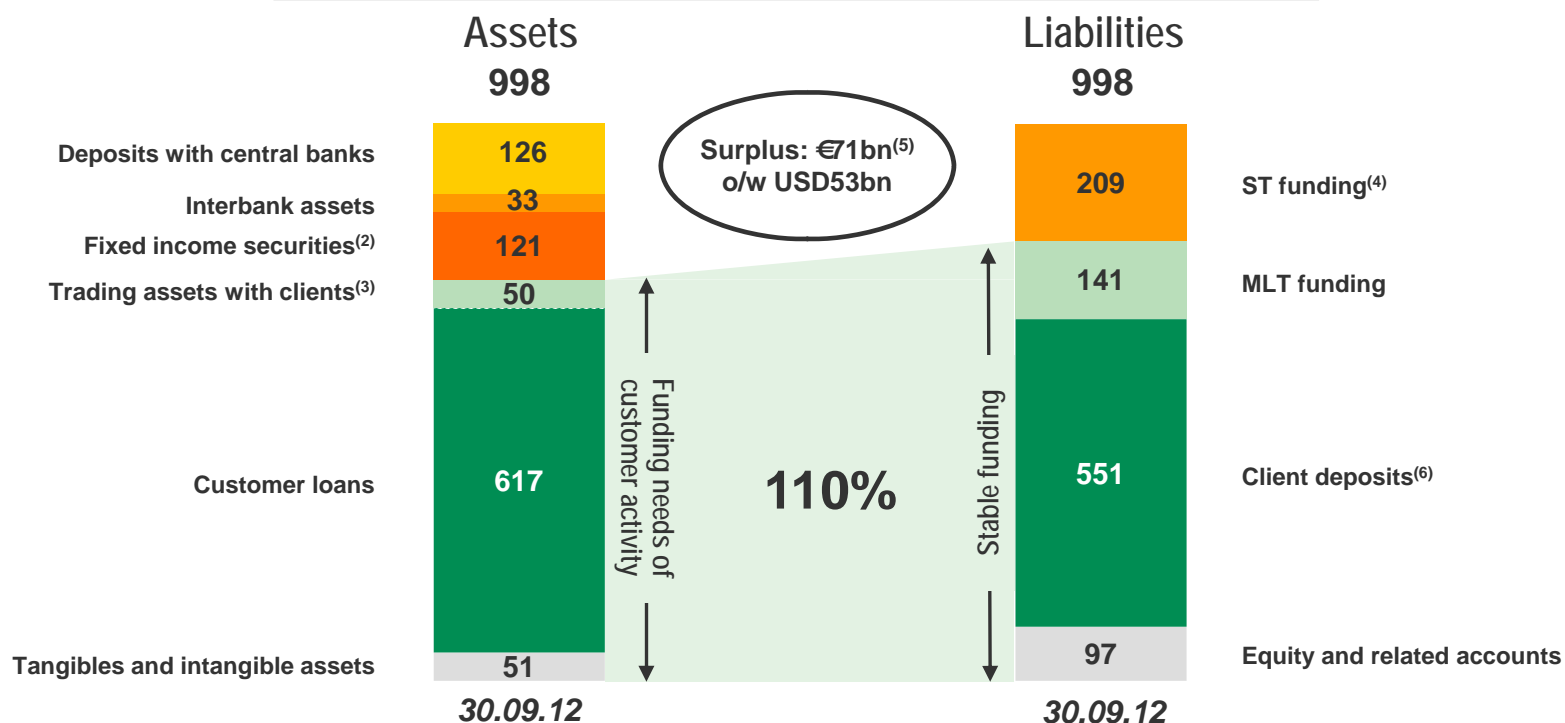
 **Adaptation plan completed ahead of the announced schedule**

** Of which ~€35m from the final deals signed but not yet completed as at 30 September 2012*



Ample Liquidity and Funding (1/3)

> Global Cash Balance Sheet⁽¹⁾ (€bn, banking prudential scope)



- Surplus of stable funding increased to €71bn (+€19bn vs. 30.06.12)

> Stable funding accounts for 110% of the financing needs of customer activity

⁽¹⁾ Balance sheet with netted amounts for derivatives, repos, securities lending/borrowing and payables/receivables;

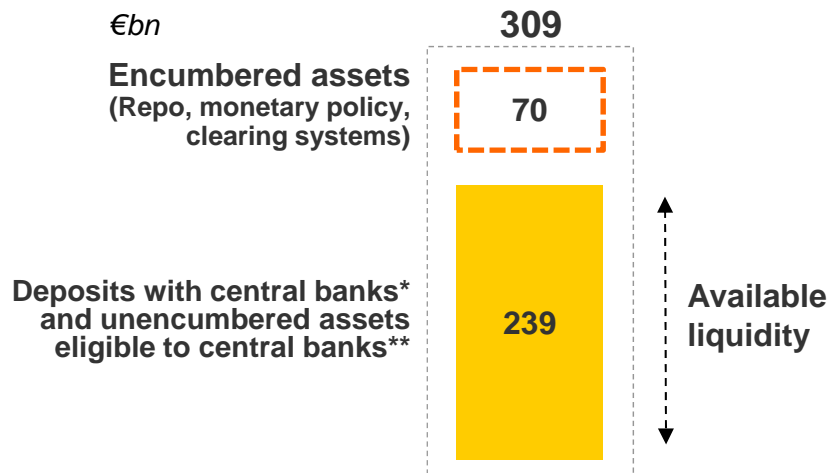
⁽²⁾ Including HQLA; ⁽³⁾ With netted amounts for derivatives, repos and payables/receivables;

⁽⁴⁾ Including LTRO; ⁽⁵⁾ €52bn as at 30.06.12; ⁽⁶⁾ o/w MLT funding placed in the networks: €47bn as at 30.09.12 and €48bn as at 30.06.12



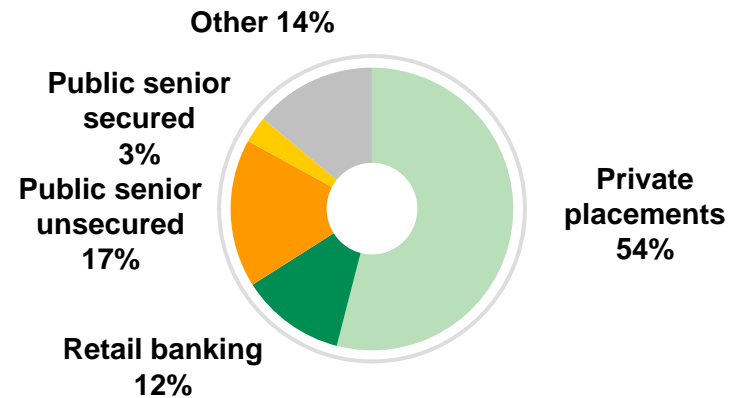
Ample Liquidity and Funding (2/3)

Global liquidity buffer as at 30.09.12



- Liquid and asset reserve immediately available: €239bn**
 - Amounting to 114% of short-term wholesale funding

2012 MLT funding structure - €34bn - breakdown by source



- 2012 MLT programme increased to €34bn*** to capitalise on opportunities
 - Average maturity: 5.6 years
 - At mid-swap +109 bp on average
- 2012 MLT funding programme closed in mid-October

Diversified MLT funding at competitive conditions

* Of which NY Fed deposits: \$44bn; ** After haircuts; *** Including issues at the end of 2011 on top of the €43bn completed under the 2011 programme

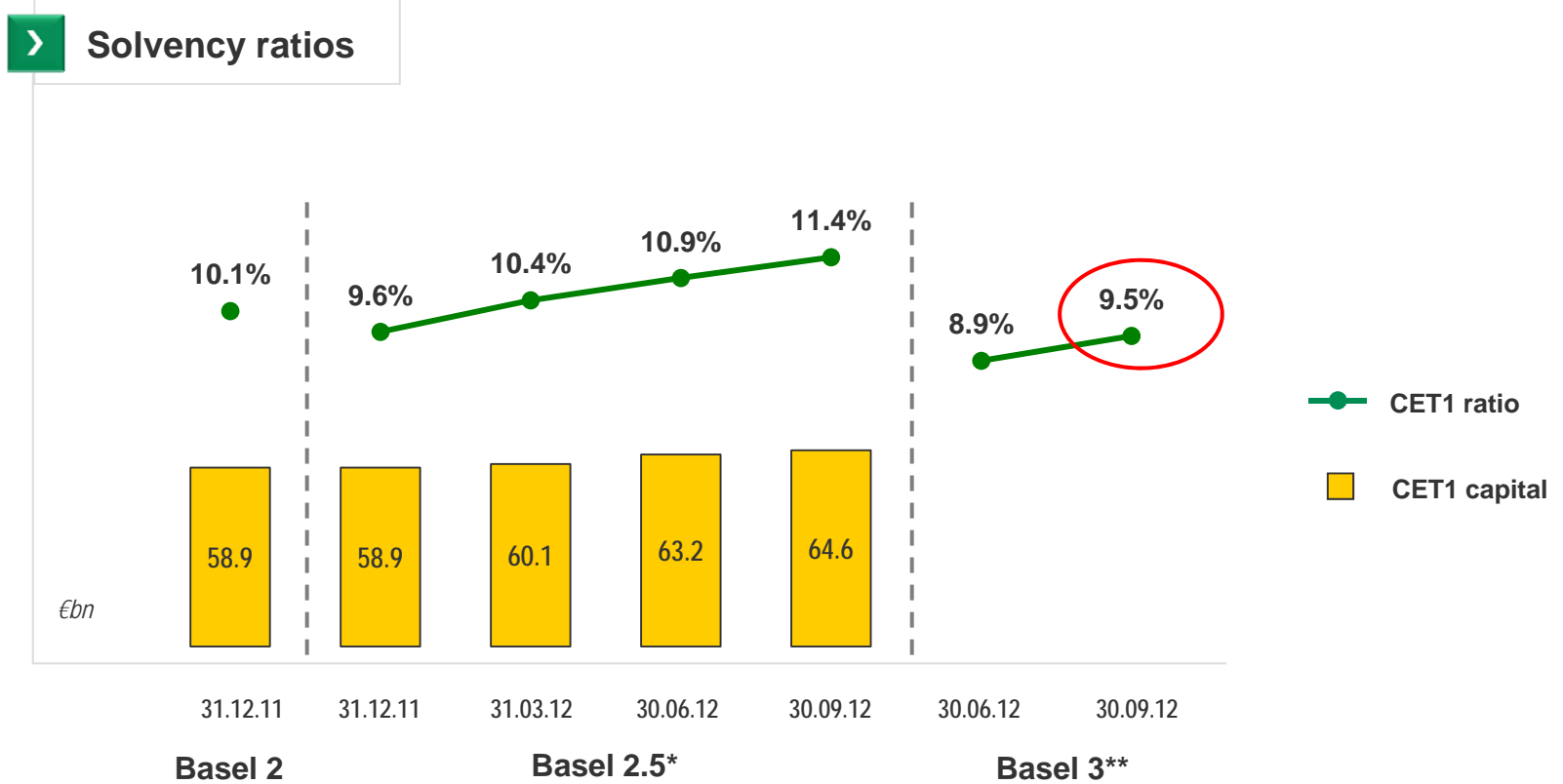


Ample Liquidity and Funding (3/3)

- Recent “Benchmark” public placements
 - EUR 2 year FRN senior unsecured priced on 23 November 2012, €1,5 bn at Euribor3m+43 bp
 - GBP 7 year senior unsecured priced on 13 November 2012, GBP 300 M at G+145 bp
 - EUR 10 year senior unsecured priced on 17 October 2012, €1 bn at MS+105 bp
 - Dollar 5 year senior unsecured priced on 7 September 2012, \$1,25 bn at UST+178 bp
 - EUR 7 year senior unsecured priced on 16 August 2012, €1 bn at MS+108 bp



Strong Solvency









> **Target of a Basel 3 fully loaded ratio at 9% surpassed**

* CRD3; ** CRD4, as expected by BNP Paribas



Solvency Ratios: Moving to Basel 3

> Benchmarking of disclosed CET1 ratio Basel 3 (fully loaded/phased-in)

		30.09.2012	31.12.2012
European Banks		Basel 3 fully loaded ⁽¹⁾	Basel 3 fully loaded ⁽¹⁾
	BNP Paribas	9.5%	
	Deutsche Bank	~7.0%	7.2%
	Intesa Sp ⁽²⁾		>9%
	Unicredito ⁽²⁾		>9%
	Credit Suisse	7.5%	8.5%
	UBS	9.3%	
	Barclays	8.0%	8.2%
US Banks		Basel 3 fully phased-in ⁽³⁾	Basel 3 fully phased-in ⁽³⁾
	Wells Fargo	8.0%	
	Bank of America	9.0%	
	JPMorgan	8.4%	8.8%
	Citigroup	8.6%	

> One of the best capitalised banks in the new world

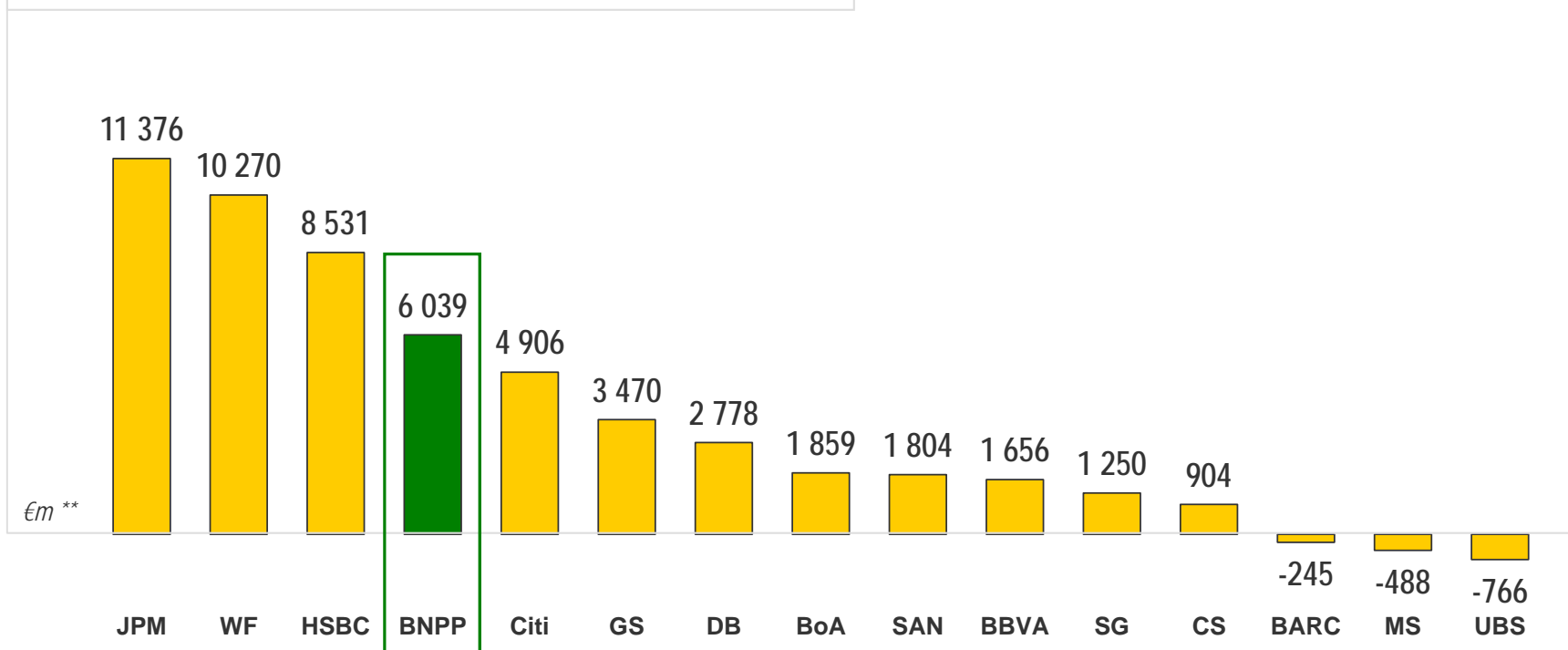
(1) According to CRD4; (2) 2Q12 disclosures, as 3Q12 results were not available at the time of this benchmark ;

(3) According to the Federal Reserve's Notice of Proposed Rulemaking (NPR).



While Ensuring Profit Generation

> 9M12 Net income attributable to equity holders*

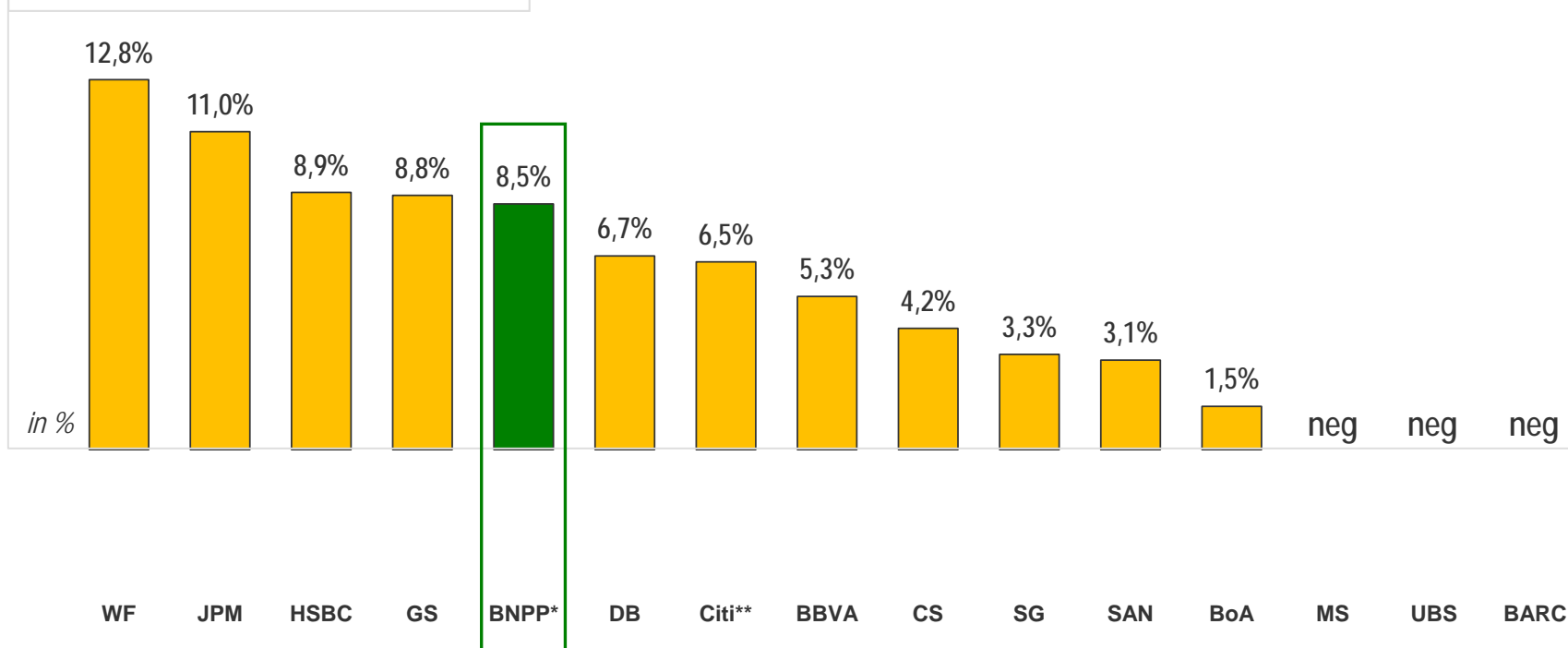


Good profit-generation capacity



Strong Profitability: 9M12 ROE Benchmark

9M12 Return on Equity



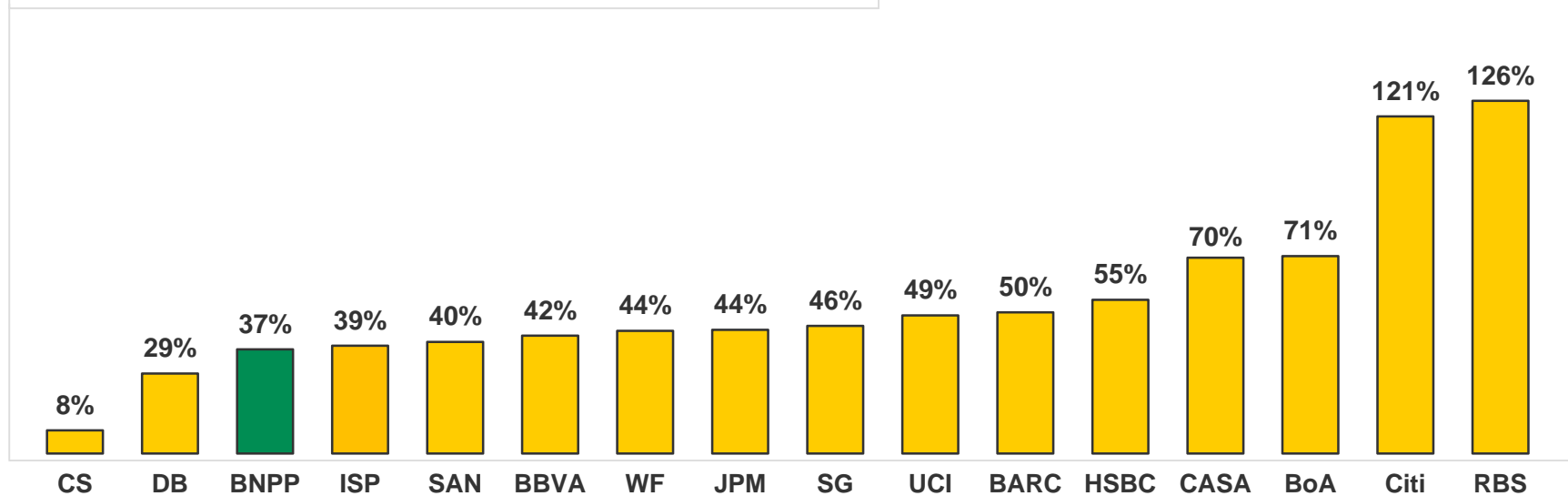
Among the best ROEs

Source: banks; * 9M12 annualised ROE, excluding exceptional result due to the sale of Klepierre, and where the exceptional result from the own credit adjustment is not annualised; ** 1H12 data



A Solid Bank: Proven Risk Management Track Record (1/3)

> Cost of risk/Gross operating income 2007-1H12*



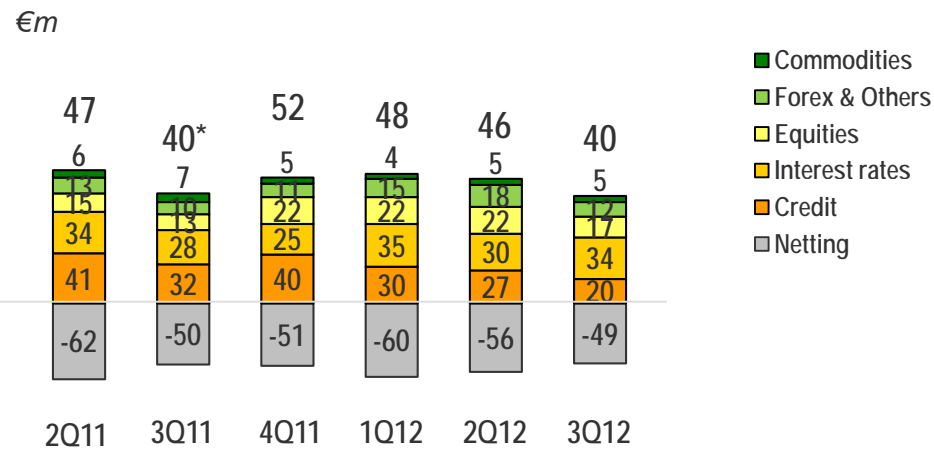
> Stringent risk policy with proven effectiveness

* Source: banks; UBS not included due to negative cumulated GOI over the period

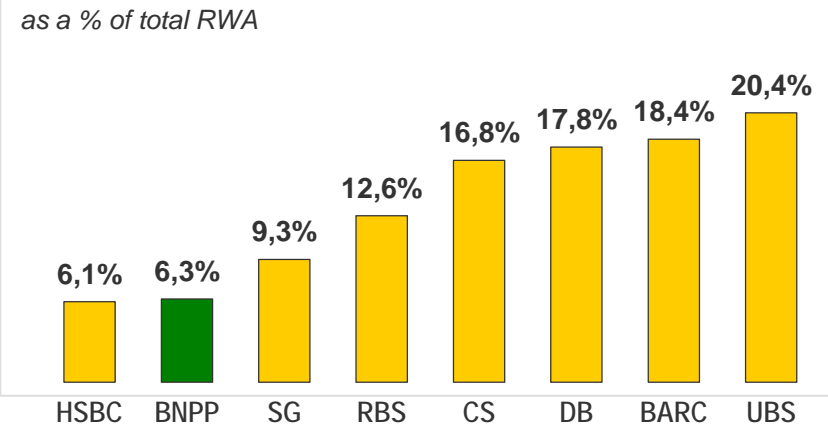


A Solid Bank: Proven Risk Management Track Record (2/3)

> Average 99% 1-day Interval VaR



> Benchmarking Market risks RWA**



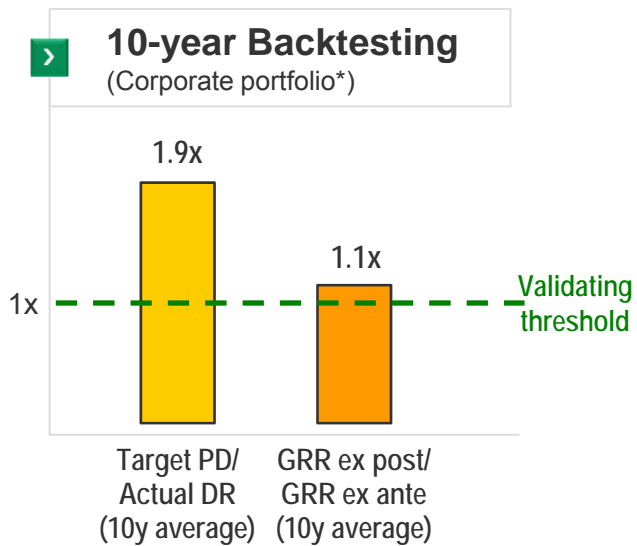
- Low Value at Risk: <€50m on average 2010-3Q12
 - No day of losses > VaR in 2011-3Q12 despite some extremely high levels of volatility
 - Only 10 days of losses > VaR since 2007, validating the theoretical approach
- Market risk diversified across various asset classes and representing one of the lowest percentage of total RWAs amongst comparable banks

> Cautious and successful management of market risks

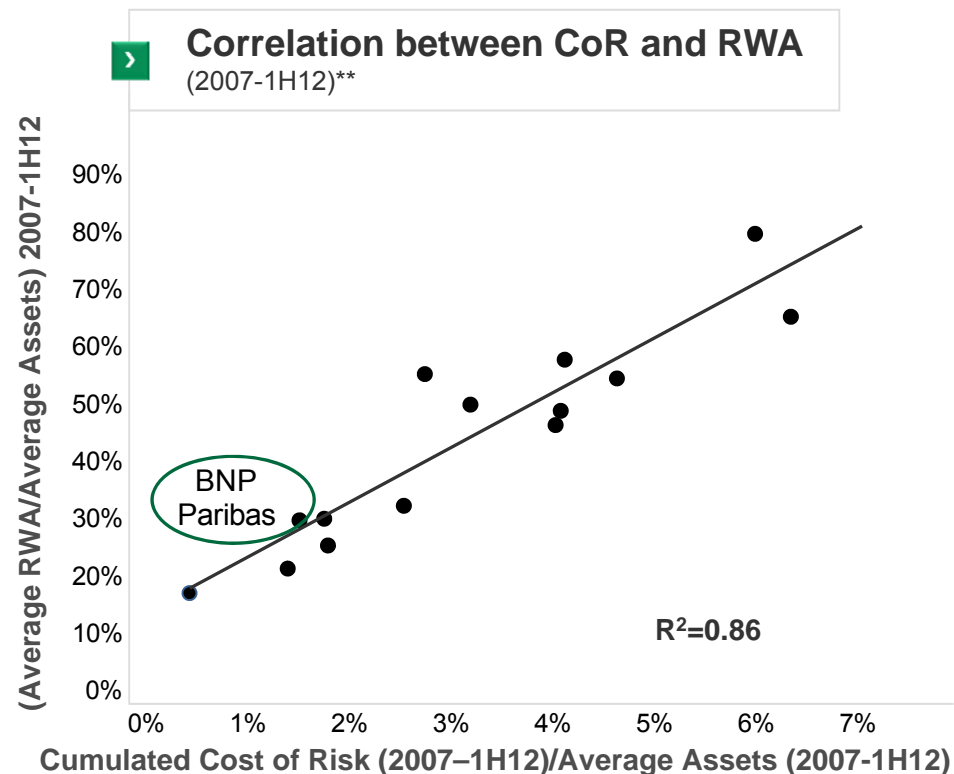
* Including BNP Paribas Fortis integrated as of 01.07.2011 (BNP Paribas Fortis: average VaR €3.7m in 4Q11); ** Banks (31.12.11)



A Solid Bank: Proven Risk Management Track Record (3/3)



PD: Probability of Default - DR: Default Rate
GRR: Global Recovery Rate



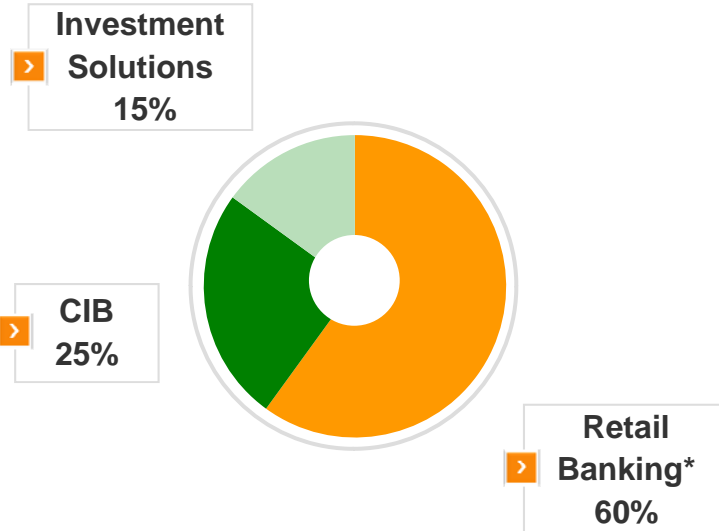
Validation of the internal model

* CIB and French Retail Banking; ** Diversified European Banks and JPM, WF and BoA for the US

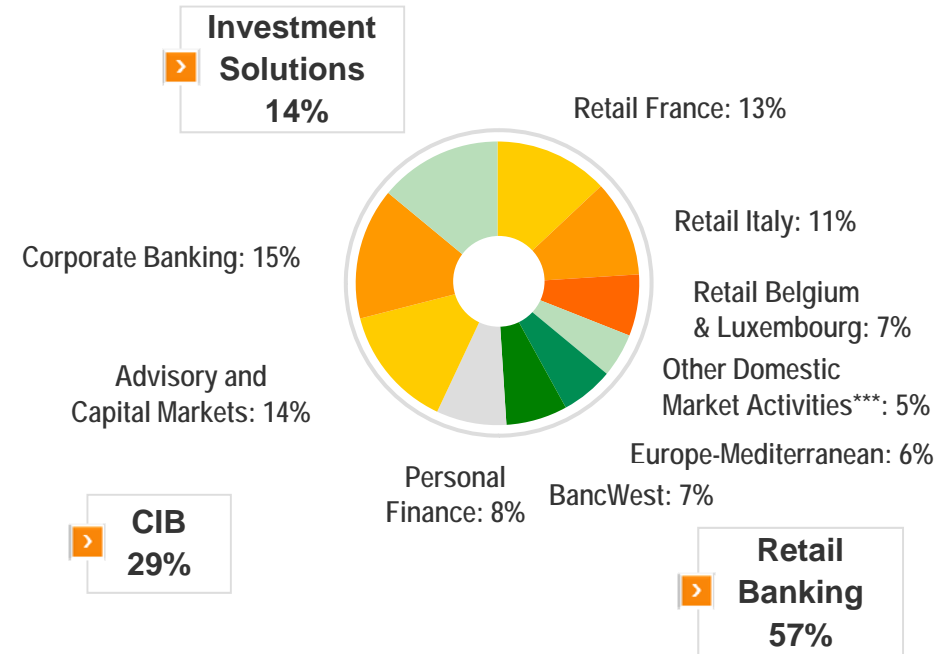


A Solid Bank: Unchanged Well Balanced Business Mix in the New World

Revenues *by operating division in 9M12*



Basel 2.5** Allocated equity *by operating division in 9M12*

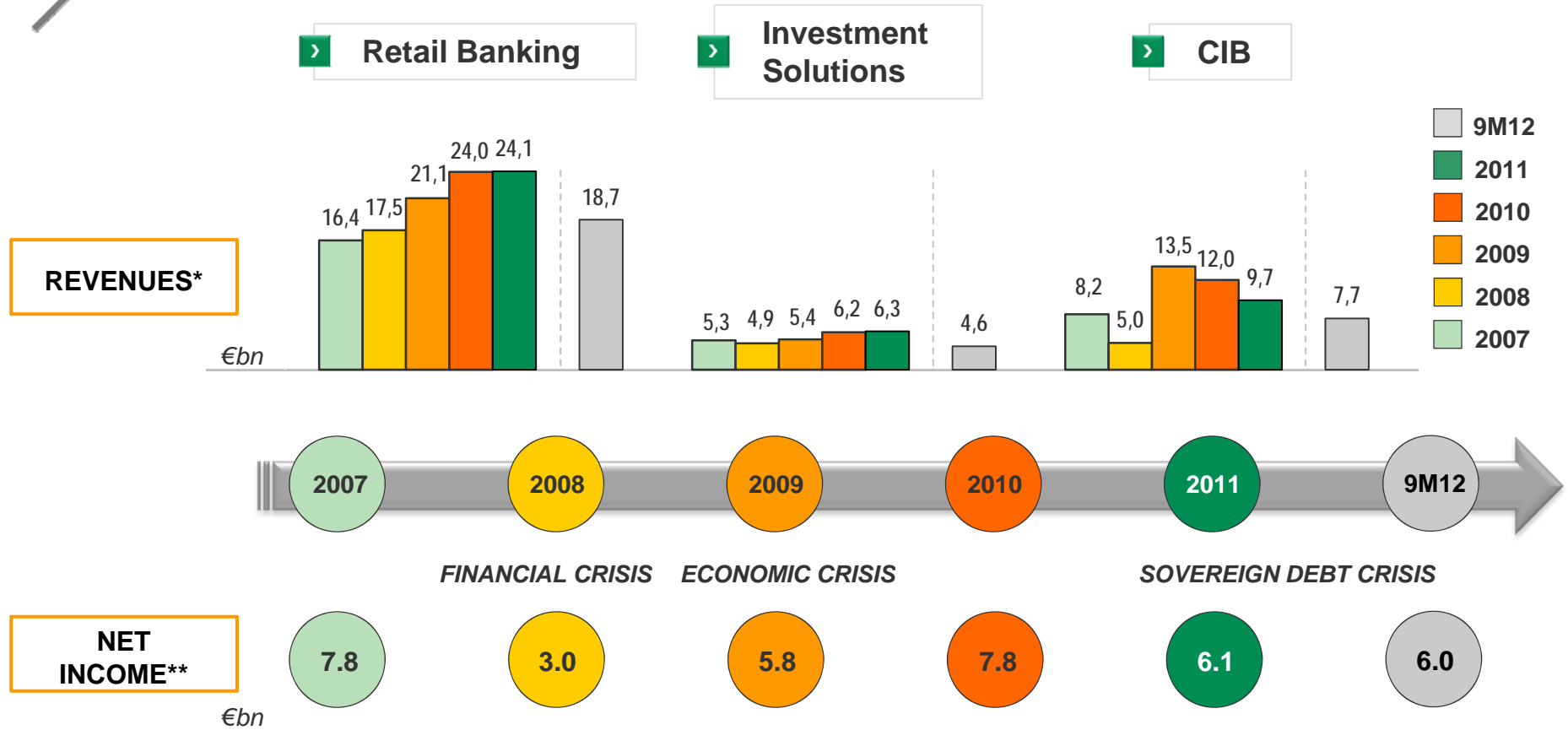


Balanced and diversified portfolio of activities

* Including 2/3 of Private Banking for FRB (including PEL/CEL effects), BNL bc and BeLux RB; ** CRD3; *** Excluding Retail Luxembourg



A Solid Bank: Consistent Group Performance



> Good resilience through the crises

* Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy and Belgium as well as Luxembourg as of 9M12; as published in February 2012 for 2011; ** Attributable to equity holders



Adaptation Plan Completed

Strong Retail Banking Roots

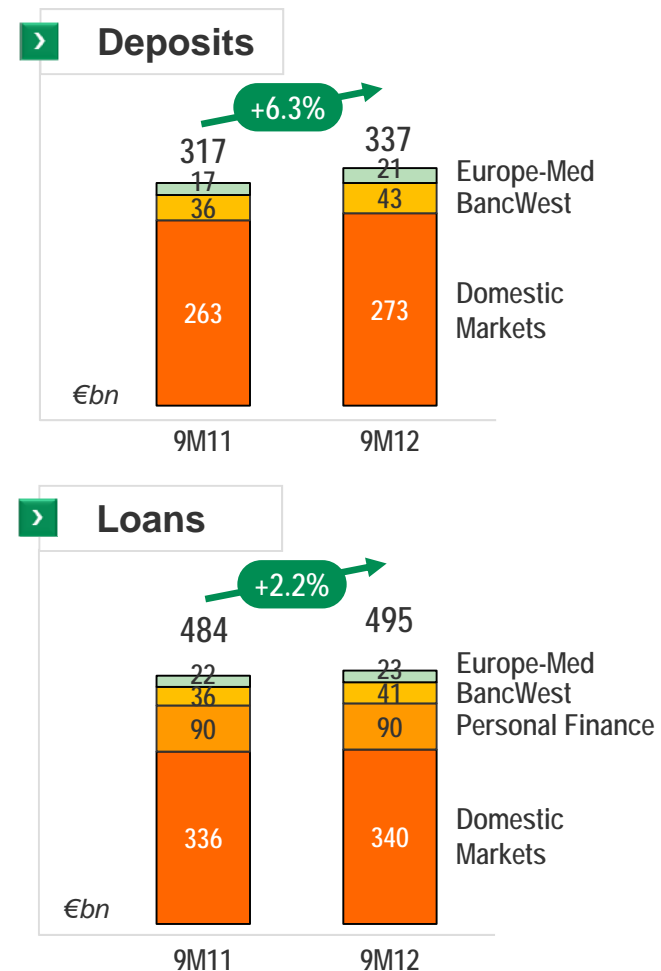
Resilient CIB and Investment Solutions Franchises
Positioning for Upcoming Growth Opportunities

Conclusion



Retail Banking 9M12 Overview

- Pre-tax income*: €5.0bn (+3.6% vs. 9M11)
 - Domestic Markets: stability at a high level
 - Growth in BancWest and Europe-Mediterranean
- Business activity
 - Continued volume growth notably in deposits
 - Stable revenues at a significant level despite lower financial fees
- Cost/Income ratio: 60.0% in 9M12
 - Continuing improvement in Domestic markets
 - Ongoing investments in BancWest and Turkey
- Cost of risk: moderate in most business units (see next slide)
 - Increase in BNL bc as a result of the economic environment
 - Improvement in BancWest and Personal Finance; stability in France and Belgium at a low level



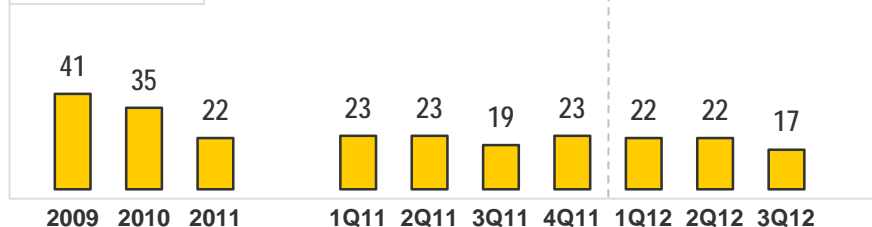
* Including 2/3 of Private Banking of the domestic markets in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg



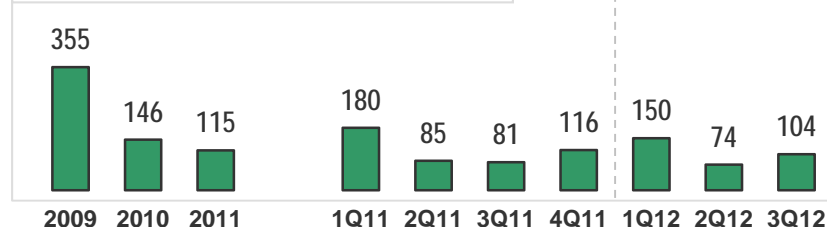
Retail Banking Cost of Risk

Net provisions/Customer loans (in annualised bp)

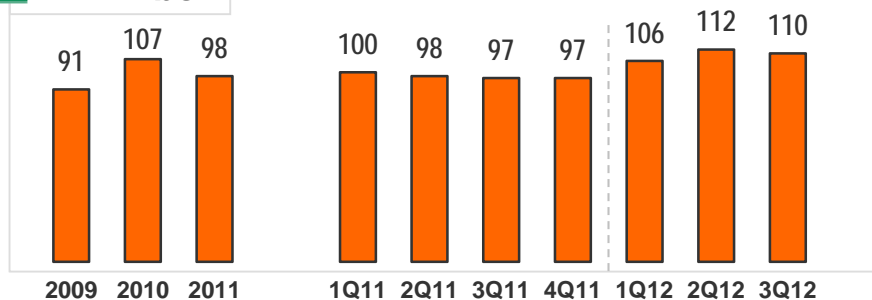
> FRB



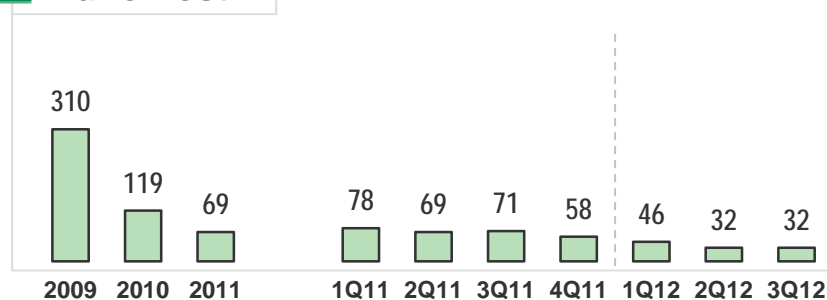
> Europe-Mediterranean



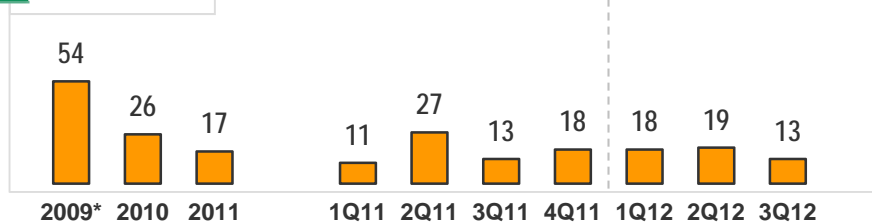
> BNL bc



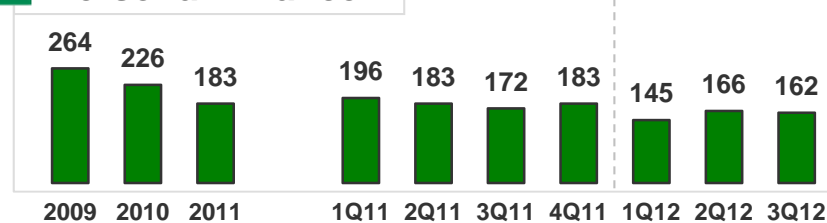
> BancWest



> BRB



> Personal Finance



Retail Banking

Strong Presence in Wealthy Domestic Markets

4,200 branches
~10% market share
(on a population of 135m inhabitants)

4 domestic networks*

BNP Paribas Fortis

- 980 branches
- 3.7m clients



BGL BNP Paribas

- 38 branches
- 0.3m clients



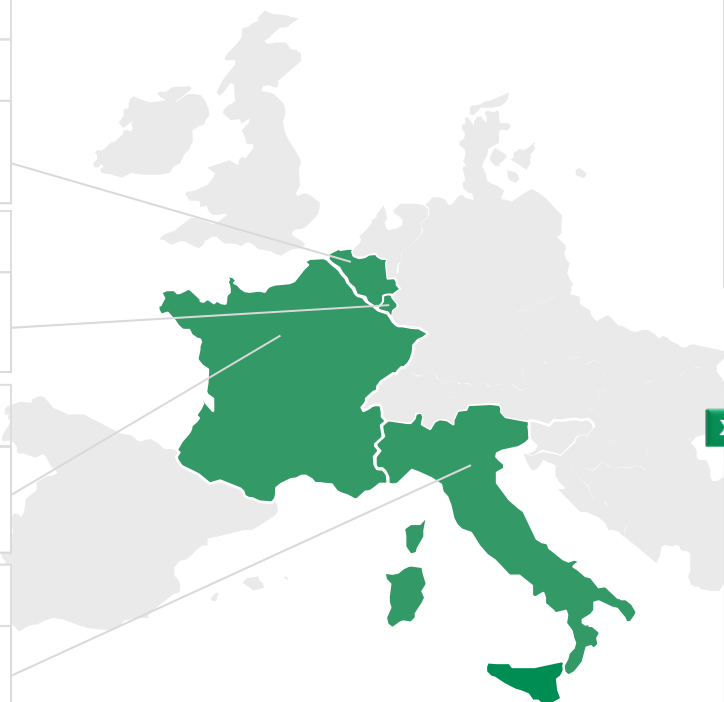
French Retail Banking

- 2,250 branches
- 7.4m clients

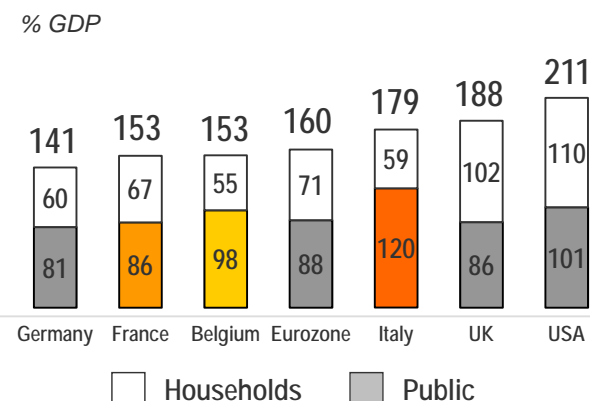


BNL bc

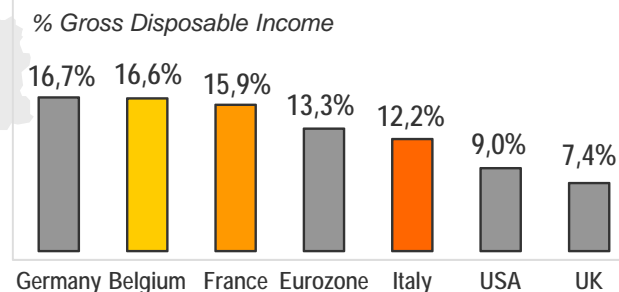
- 890 branches
- 2.7m clients



Public and households debt (2011)**



Gross households savings rate***

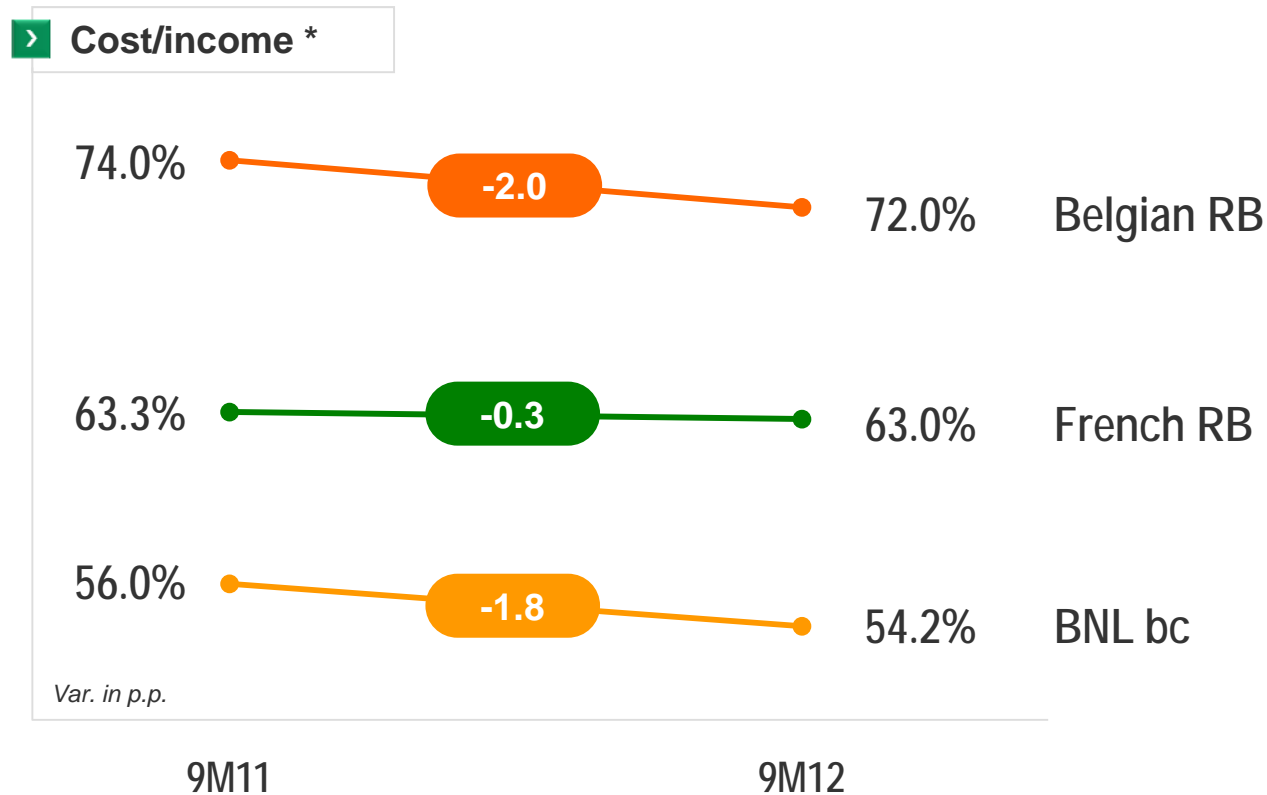


Strong retail networks serving over 14 millions clients

* As at 31.12.2011; ** Source: Eurostat and FED for US; *** As at 31.12.2011, Source: Ameco (October 2012, excl Eurozone last available May 2012)



Retail Banking Cost/Income Optimisation in Domestic Markets



> **Continued improving operating efficiency**

* At constant scope and exchange rates - including 100% of Private Banking, excluding PEL/CEL effects



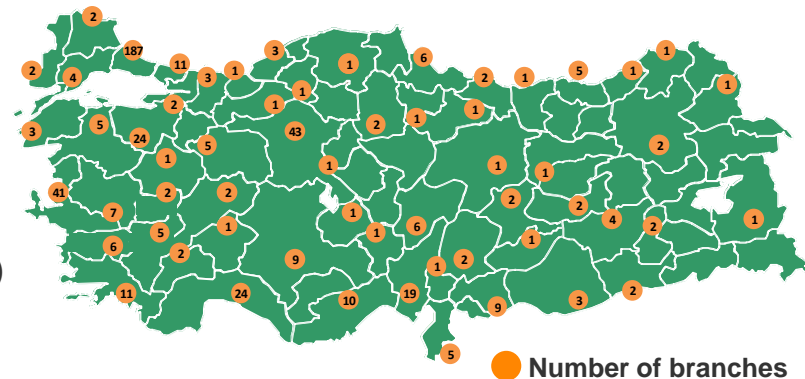
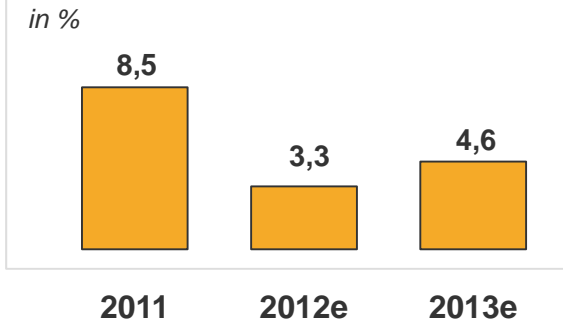
Retail Banking Focus on Turkey

- A robust, dynamic and promising market
 - Sizeable population: 76m inhabitants
 - Strong economic growth fuelling banking volumes
 - Low banking penetration rate yet

- Merger of TEB & Fortis Bank Turkey completed, leading to a #9 ranking in Turkey**
 - Improvement of the network efficiency; 528 branches as at 30 June 2012
 - Roll-out of the integrated model

- Contribution*** to Retail results in 9M12
 - Revenues: €516m (+30.6% vs. 9M11)
 - Cost Income ratio: 67% in 9M12 (-19pp vs. 9M11)
 - Pre-tax income: €122m (x2.9 vs. 9M11)

> GDP annual growth*



A dynamic and attractive market

* Source: Eurostat June 2012 ; **Loans & deposits outstandings as disclosed by companies as at 31.12.11; *** 70% consolidated



Adaptation Plan Completed

Strong Retail Banking Roots

**Resilient CIB and Investment Solutions Franchises
Positioning for Upcoming Growth Opportunities**

Conclusion

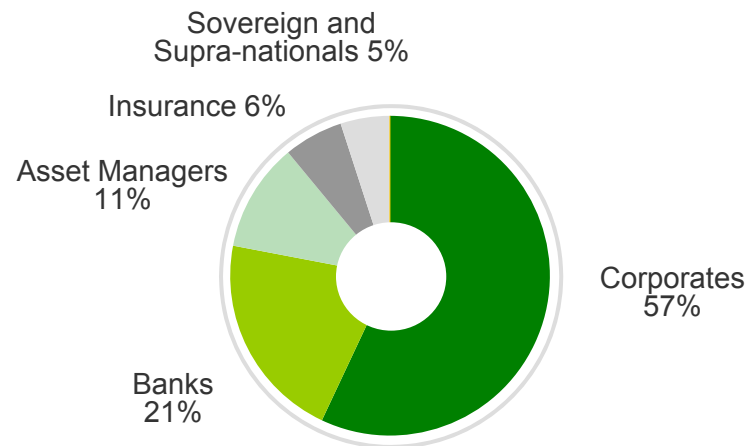


Corporate & Investment Banking

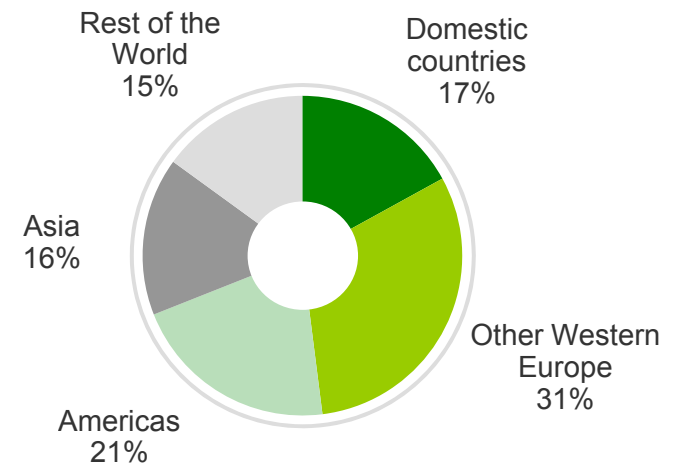
A Strong Client Franchise

- Providing solutions to 15,000 clients across more than 50 countries
 - A well balanced portfolio between Corporates and Financial Institutions & Investors
 - An extensive and diversified franchise across geographies
 - Commercial set-up articulated with Domestic Markets

> Client revenues by type (9M12)



> Client revenues by geography (9M12)



> **A strong franchise driven by client activity**



Corporate & Investment Banking 9M12 Results

- Resilient revenues in a challenging context: € 7.7bn (-5.8% vs. 9M11)

- Advisory and Capital Markets: cautious risk management in market crisis and rebound in the business in 3Q12
- Corporate Banking: decrease in line with the adaptation plan

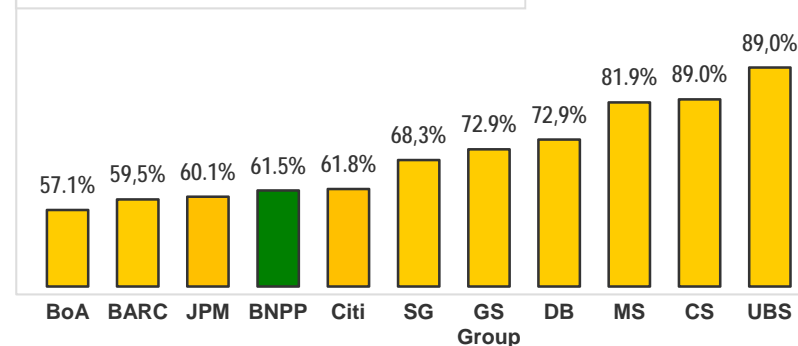
- Cost income ratio at best level in the industry

- 59,3% excluding the cost of the adaptation plan and the one off impact of disposals
- Operating expenses: -2.3% vs. 9M11 at constant scope and exchange rates and excluding the cost of the adaptation plan

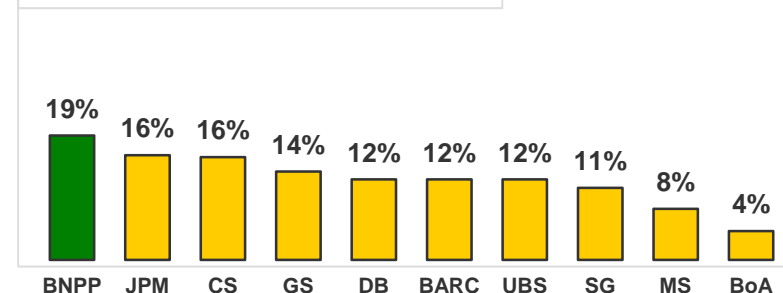
- Pre-tax income: €2.7bn (-27.1% vs.9M11)

- Among best pre-tax ROE compared to peers
- Moderate cost of risk

> Cost/Income ratio 9M12



> CIB Pre- tax ROE* 9M12



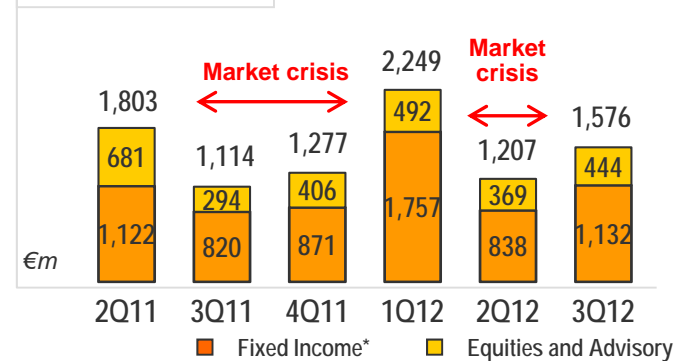
> **Resilient results in a challenging environment**



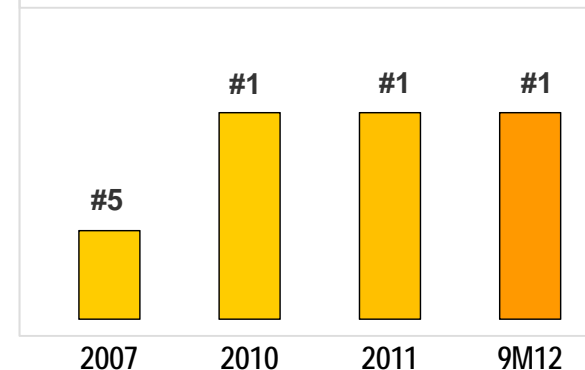
Corporate & Investment Banking Advisory & Capital Markets

- Revenues 9M12: €5.0bn (+2.7% vs. 9M11)
 - Cautious management of market risks
 - Strong rebound in 3Q12 vs. a low base in 3Q11
- Fixed Income
 - Bond issues: leading positions (#1 in euros and #7 for all international issues**)
 - Strong and growing distribution platform in Europe and in the US
- Equity
 - A client driven model: more than 3,250 clients and 1,000 retail distributors
 - Derivatives House of the Year*
 - A wide range of products tailored to client needs (e.g. structured equity, prime brokerage, flow business, equity linked)

> Revenues



> All Bonds in Euros ranking ***



> A strong platform serving issuers and investors

* The Asset Investment Award 2012; ** Source: Thomson Reuters 9M 2012; *** Source: Dealogic 9M12



Corporate & Investment Banking

Corporate Banking

- Revenues 9M12: €2.7bn (-16.7%* vs. 9M11)
 - Evolution in line with the deleveraging plan
 - Strong positions in origination: #1 bookrunner for syndicated financing in Europe (EMEA) by number and #2 by volume**
- A new approach to the business to better serve our clients and tend towards self-funding
- Ambition is three-fold
 - Strengthen relationships with Corporate and Institutional clients
 - Provide a comprehensive corporate banking offer from transaction banking to financing solutions, as well as IB products
 - Enhance regional dimension to reinforce client proximity at regional/local level and optimise resource management

> New Corporate Banking approach

Clients

- ~11,000 corporates and institutionals
- +4,500 additional mid-caps from retail banking (cross-selling)
- **Global footprint:** over 60 entities in over 40 countries

Products

- **Transaction Banking products:** Deposits, Cash Management, Trade
- **Financing solutions:** Plain Vanilla Loans, Specialised Financing
- Cross-selling of the **full range of IB products** (Advisory & CM)

Resources

- Roll-out of the **Originate to Distribute** approach
- **Optimisation** of resources and set-up
- **Regional approach:** organization, commercial strategy and resources



A key strength in the new business environment

* Excluding the impact of loan sales; ** Dealogic 30 September 2012 (EMEA)



Corporate & Investment Banking Focus on Cash Management and Deposits

- Proactive development of cash management
 - A broad worldwide network combining CIB and Retail banking offering
 - Europe: leveraging on “One bank for corporate” launched in 2010
 - Asia: benefit from platform upgrade investments (€50m over the past 2 years) and full banking licence in 12 markets
 - #1 position in Eurozone* and #5 on a worldwide basis**



- Global roll-out of the new “Corporate deposit line”
 - Proactive marketing approach with a dedicated team of specialists
 - Innovative products adapted to clients needs and local regulation (e.g. progressive rates, call, evergreen structures)
 - Global set-up to reach all clients across geographies and business lines

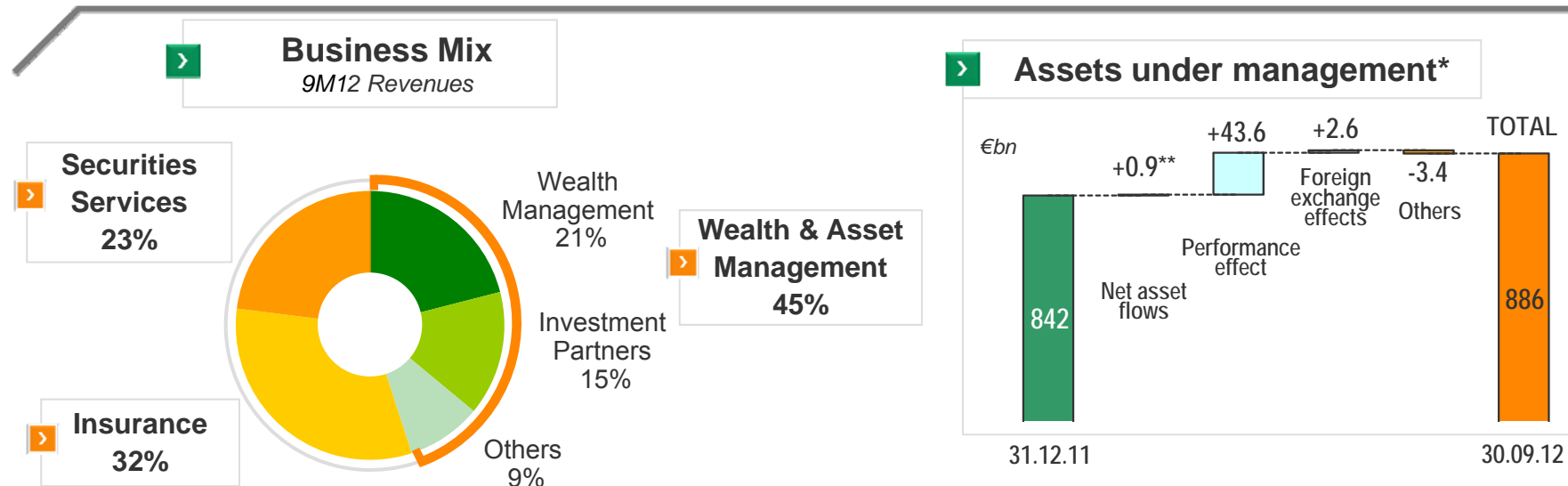


Accelerated effort on deposit gathering and Cash Management



Investment Solutions

Profitable and Diversified Franchises



- Resilient business model
 - Integrated model with excellent complementary fit between businesses
 - €886bn assets under management as at 30 September 2012
- Net asset inflows in the first 9 months of the year: +€12.2bn**
 - Across all businesses bar Asset Management due to limited client risk appetite
- Pre-tax income: €1.5bn in 9M12
 - Pre-tax ROE: 25%

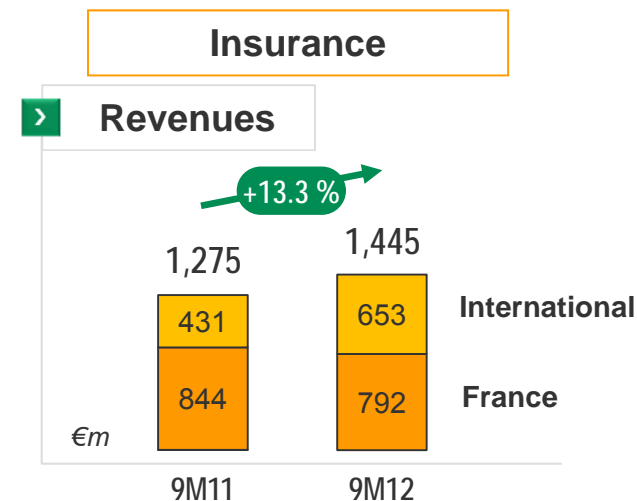
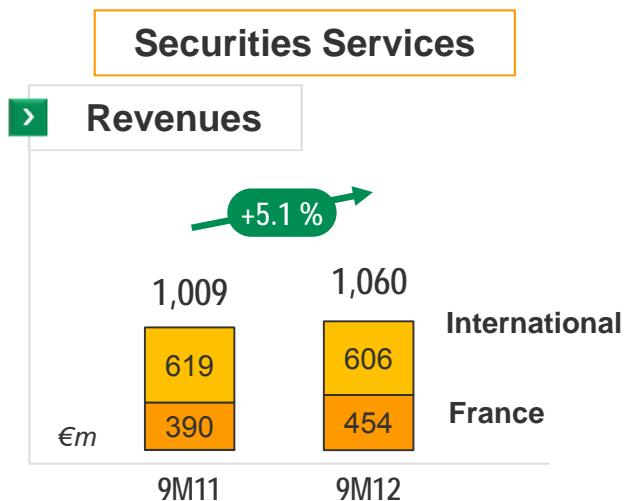
Integrated model generating strong profitability

* Including assets under advisory on behalf of external clients, distributed assets and Personal Investors;
 **+€0.9bn, including the impact of a client's (fund manager) decision in 3Q12 to insource a distribution contract



Investment Solutions

Focus on Securities Services and Insurance



- A recognised leading player
 - Undisputed #1 in Europe with unique access to fragmented exchanges
 - Hedge Fund Administration Services “Top Rated” and “Best in Class” in North America*
 - Best rated custodian in the world
- A growing and profitable business with low capital consumption and high potential liquidity contribution
 - Assets under custody: €5,303bn (+18.4% vs. 9M11)
 - Assets under administration: €996bn (+25.5% vs. 9M11)
- A significant contributor to the Group’s profitability
 - Becoming global: presence in 39 countries
 - Revenue growth driven by increasing managed assets (+13.4% vs. 9M11) and protection insurance
- Continuing to invest in business development
 - Ambitioning to double Asian contribution over the next 5 years
 - Further developing joint ventures with top tier local partners

> **Major global players in their respective business**



CIB & Investment Solutions

Focus on Asia-Pacific: Building on Historical Presence

Corporate and Investment Banking

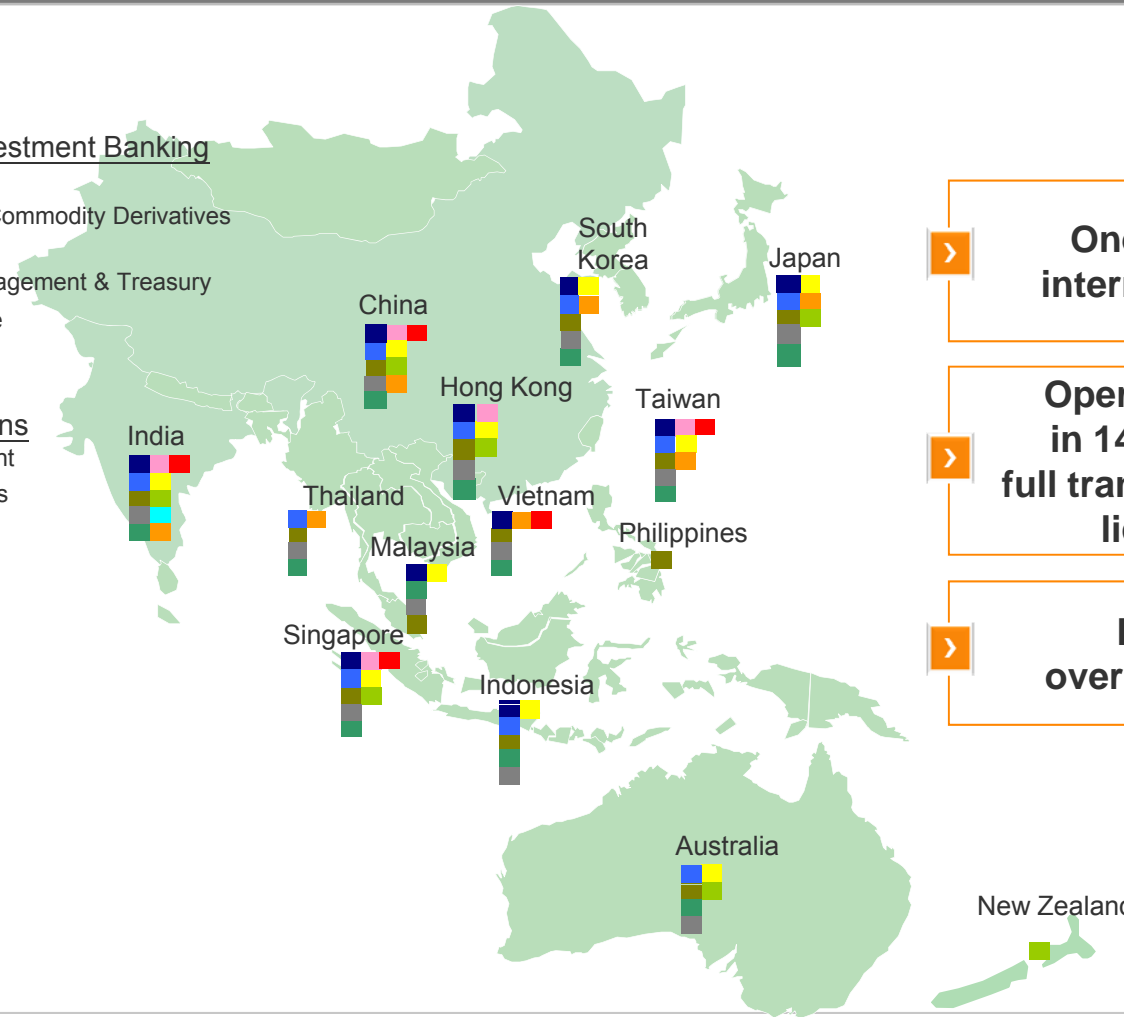
- Corporate Finance
- Global Equities & Commodity Derivatives
- Fixed Income
- Asset Liability Management & Treasury
- Structured Finance

Investment Solutions

- Wealth Management
- Investment Partners
- Securities Services
- Real Estate
- Cardif

Retail Banking

- Retail presence



> **One of the top 5 international banks**

> **Operating platform in 14 markets with full transaction banking licence in 12**

> **Employing over 13,500 people**

> **An extensive client franchise to capture fast growth in Asia**



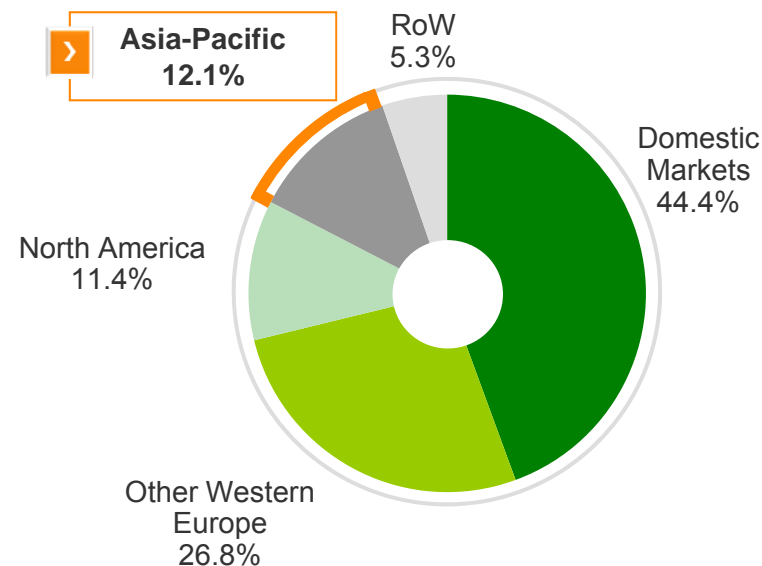
CIB & Investment Solutions

Focus on Asia-Pacific: Continuing Development

- Building on BNP Paribas' long-established platform
 - Sustainable and profitable business set-up
- Well positioned to seize growth opportunities and build market share
 - Seizing current European clients' expansion needs and attracting growing Asian clients' needs in Europe
 - Continuing to invest in IT to improve operational efficiency
- Continuous development of Trade Finance in Asia
 - 25 trade centers with 3 recent openings in India and China, over 40 Trade Experts (vs. 30 in 2011)
 - Trade Finance exposure on corporates increased by 35% in Asia from December 2010 to June 2012
- Fostering cross selling opportunities and increasing co-operation between CIB and Investment Solutions
 - e.g. Corporate Finance and Wealth Management, Capital Market and Securities Services
- BNP Paribas tops *AsiaRisk* interdealer rankings
 - #1 FX Derivatives Dealer and #1 Interest Rate Derivatives Dealer
 - #2 Credit Derivatives Dealer and #2 Equity Derivatives Dealer

CIB - IS Geographic Mix

Revenues 9M12



▶ **BNP Paribas remains in expansion mode in Asia-Pacific**



Adaptation Plan Completed

Strong Retail Banking Roots

Resilient CIB and Investment Solutions Franchises
Positioning for Upcoming Growth Opportunities

Conclusion



Conclusion



**An integrated and diversified business model
that confirmed its resilience
in a challenging economic environment**



**A successfully implemented adaptation plan:
Basel 3 (fully loaded) ratio increased to 9.5%
Surplus of stable funding raised to €71bn**



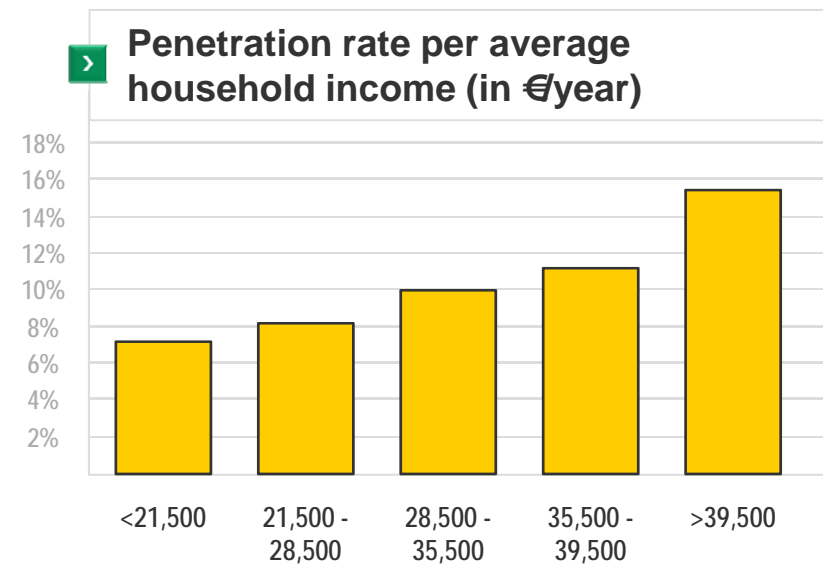
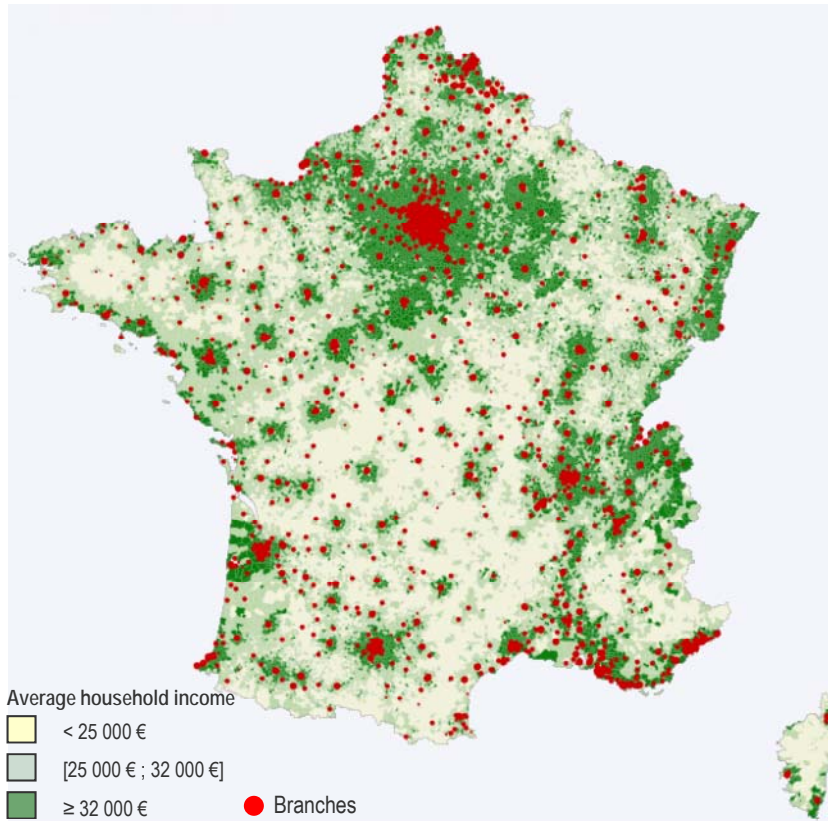
**A solid bank actively financing the economy
and supporting its customers across all business areas**



Appendix



French Retail Banking Presence



> **French Retail Banking well rooted in wealthier areas and segments**



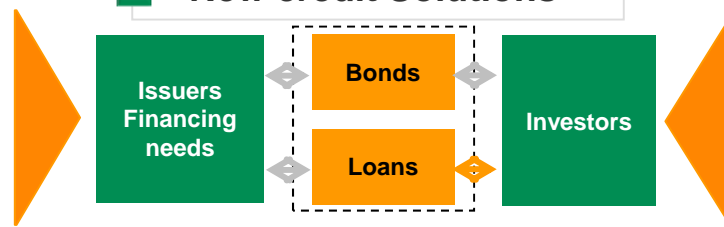
Corporate & Investment Banking Focus on Originate to Distribute

- Provide clients with new credit solutions, by combining the expertise and competitive edge of Specialised Financing/Industries with Fixed Income

Financing Solutions

Short term	Trade	#2 ¹
	Commodity	Top 10 ¹
Medium to long term	Media Telco	#1 EMEA ¹
	Acquisition	#1 EMEA ¹
	Leveraged	#4 EMEA ¹
	Oil & Gas	#1 EMEA ¹
	Shipping	Top 10 ⁴
	Export	#6 ¹
	Aircraft	Finance House of the Year ³
Project	Top 10 Europe ¹	

New credit Solutions



Fixed Income

All bonds in €	#1 ⁵
All Int. bonds	#6 ⁵
All Int. bonds in USD	#10 ¹
All Covered bonds	#4 ⁵
Interest rate Credit & EM	#4 Europe ⁶
Credit derivatives	House of the Year ⁷
Interest Rates derivatives	#4 for EUR ²

Case studies 3Q12

Sector	Deal	
Aircraft	Air China	Phoenix 2012 LLC (Air China) USD140.8m Secured Notes Guaranteed by Ex-Im Bank of the US. Sole Bookrunner
Aircraft	Thai Airways	European Export Credit Loan. 12Y JPY denominated loan (~USD203m) fully subscribed by another bank. Facility Agent and Security Trustee
Media Telco	FRANCE TELECOM-ORANGE	Sole arranger of the EUR62m structured lease financing of a new cable layer vessel leased to France Telecom Marine.
Corporate	AB InBev	EUR2.25bn three-tranche 5y/7y/12y Joint Bookrunner

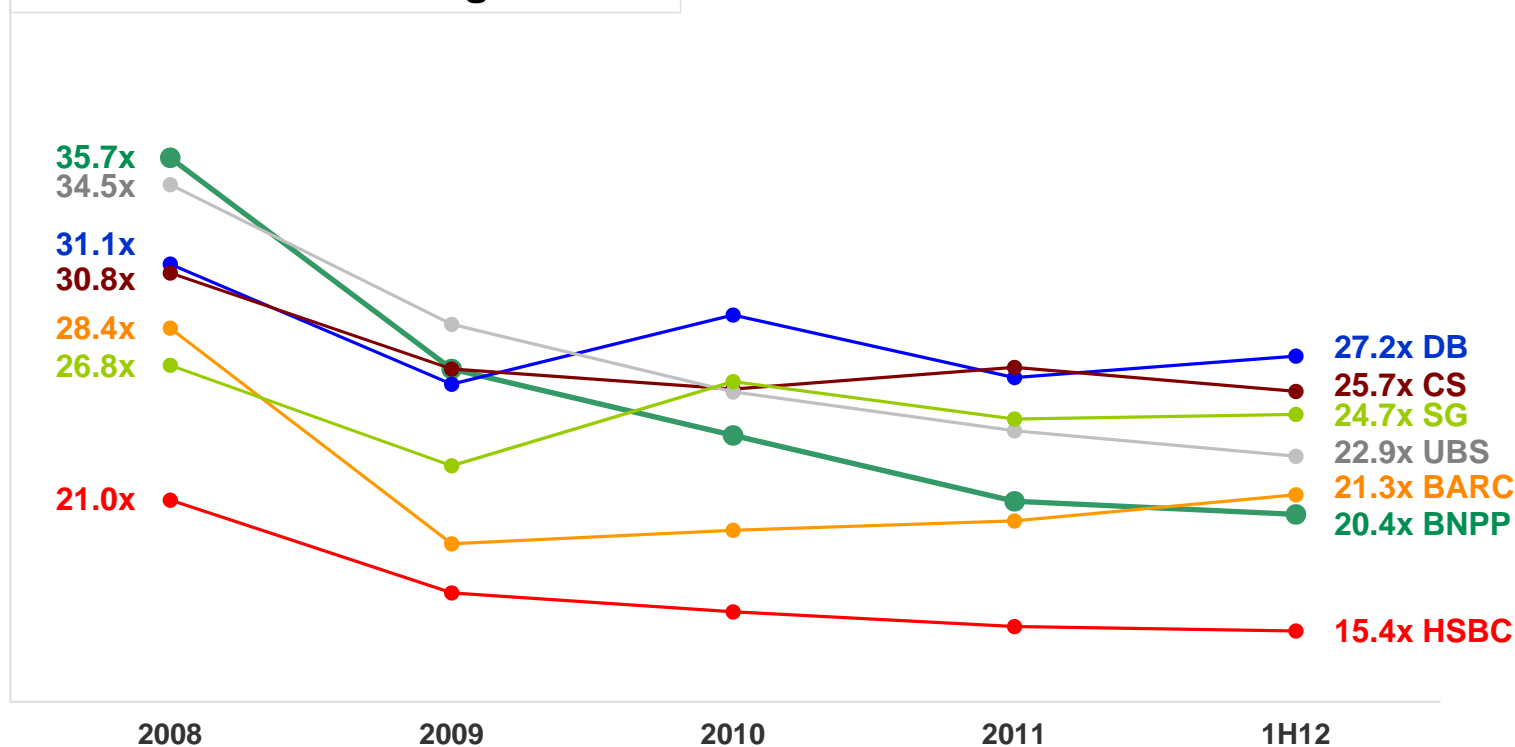
Combining strong origination and distribution capacities

Ranking by: 1) Dealogic 1H12; 2) Euromoney; 3) Jane's Transport Finance - 2011; 4) Marine Money; 5) Thomson Reuters 1H12; 6) Greenwich; 7) Asia Risk Award



Deleveraging Track-Record

> 2008 – 1H12 Leverage ratio *

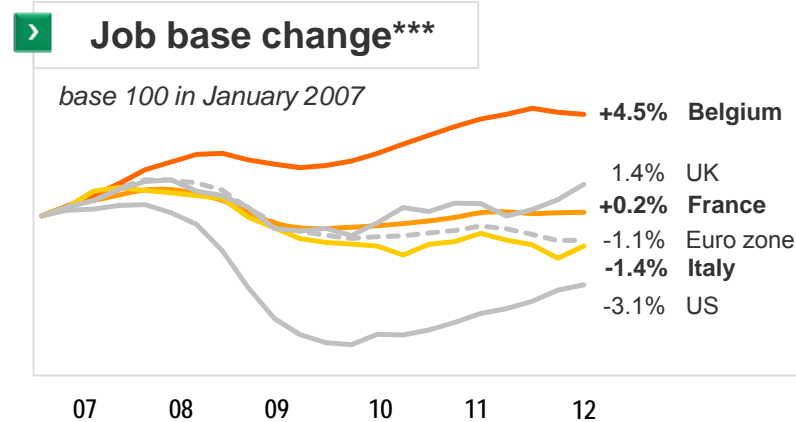
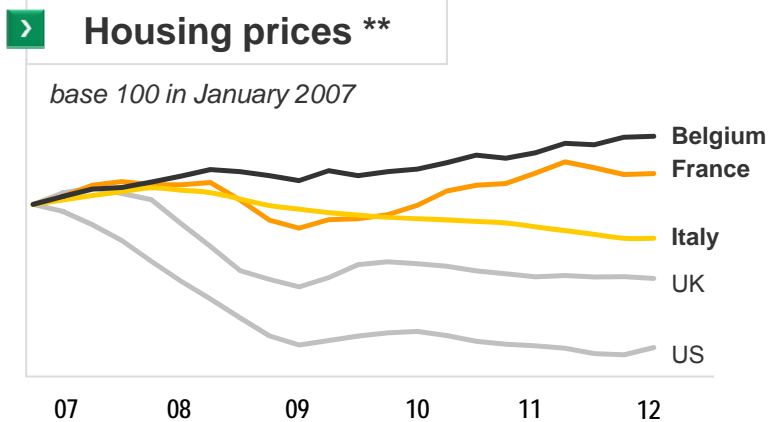
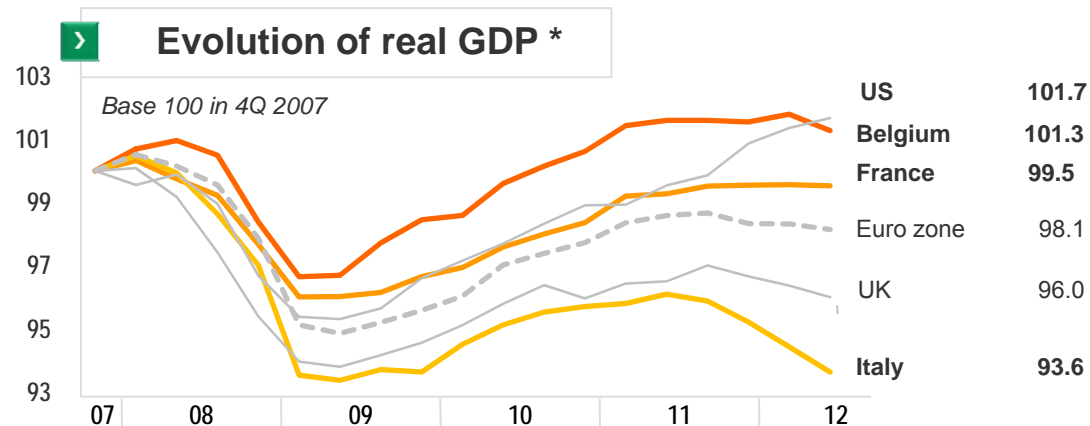


Strong deleveraging track-record

** Defined as tangible assets (total assets less goodwill and intangibles) excluding derivative assets divided by Tier 1 capital, as published by banks.*



Domestic Retail Markets



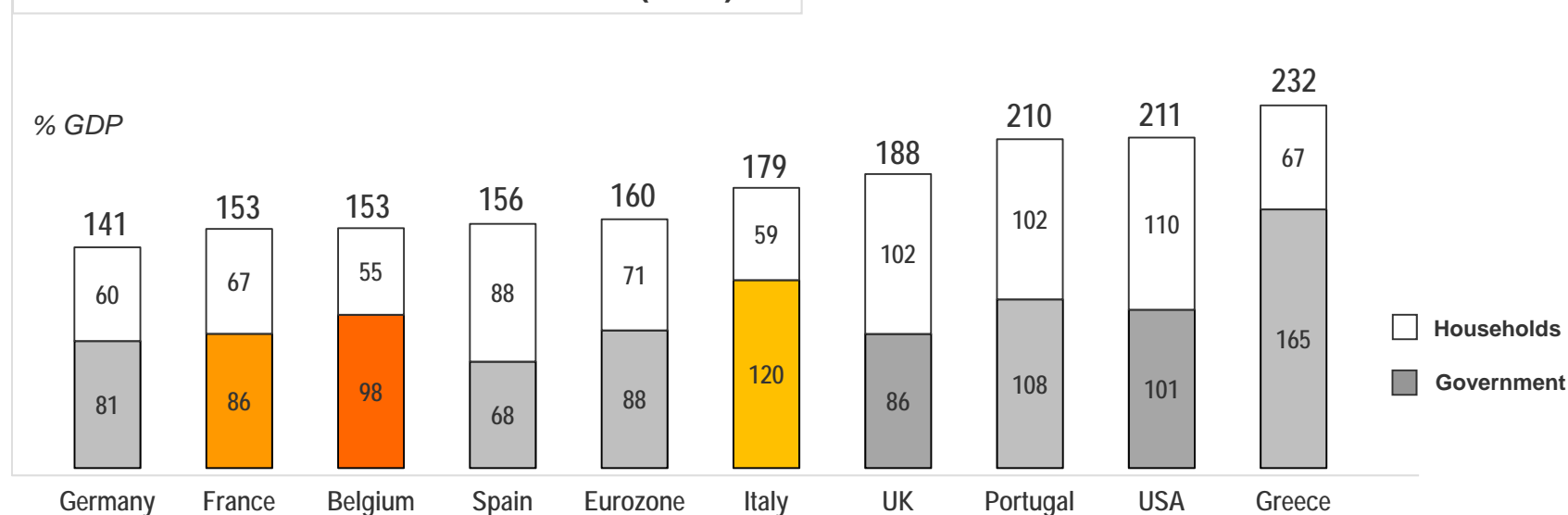
> Moderate impact of the crisis in our domestic markets despite fiscal discipline, recovery under way

* Source: States and Eurostat; ** States; *** Source: Eurostat, BLS, ONS



Consolidated Debt & Fiscal Balance by Country

Government and Households debt (2011)*



* Source: Eurostat and FED for US



Sovereign Debt Exposure in the Banking Book as at 30 September 2012

Sovereign exposures (€bn)*	30.06.2011	31.12.2011	30.09.2012	Change vs. 30.06.2011	30.09.2012 Group Share
Programme countries					
Greece	3.5	1.0	0.2		0.2
Ireland	0.4	0.3	0.2		0.2
Portugal	1.4	1.4	0.7		0.5
Total programme countries	5.3	2.6	1.1	-79.1%	0.9
Germany	3.9	2.5	0.5		0.5
Austria	1.0	0.5	0.1		0.1
Belgium	16.9	17.0	16.0		11.9
Cyprus	0.1	0.0	0.0		0.0
Spain	2.7	0.4	0.4		0.3
Estonia	0.0	0.0	0.0		0.0
Finland	0.4	0.3	0.3		0.2
France	14.8	13.8	9.5		9.0
Italy	20.5	12.3	11.6		11.4
Luxembourg	0.0	0.0	0.0		0.0
Malta	0.0	0.0	0.0		0.0
Netherlands	8.4	7.4	7.2		5.4
Slovakia	0.0	0.0	0.0		0.0
Slovenia	0.0	0.0	0.0		0.0
Other euro zone countries	68.6	54.3	45.6	-33.6%	38.8
Total euro zone	73.9	56.9	46.7	-36.8%	39.7
Other EEA countries	4.5	2.8	3.0	-32.9%	2.7
Rest of the world	27.8	15.6	16.9	-39.3%	16.5
Total	106.2	75.3	66.6	-37.3%	58.9

* After impairment, excluding revaluations and accrued coupons

