BNP Paribas

Best in Class Returns in Europe and Strong Solvency and Funding

Fixed Income Presentation
March 2017

BNP PARIBAS

The bank for a changing world

Disclaimer

The figures included in this presentation are unaudited. On 29 March 2016, BNP Paribas issued a restatement of its quarterly results for 2015 reflecting, in particular (i) an increase in the capital allocated to each business line to 11% of risk-weighted assets, compared to 9% previously, (ii) the charge of subordination costs of Additional Tier 1 and Tier 2 debt issued by the Group to the divisions and business lines, a review of the way it charges and remunerates liquidity between the Corporate Centre and the business lines and the adaptation of the allocation practices for revenues and operating expenses of Treasury activities within CIB, (iii) the allocation to the divisions and business lines of the contribution to the Single Resolution Fund, the reduction of the French systemic tax and new contributions to the deposit guarantee funds of BNL and Luxembourg Retail Banking which had been temporarily booked in the operating expenses of the Corporate Centre and (iv) some limited internal transfers of business activities and results. The 2015 quarterly result series have been restated reflecting these effects as if they had occurred on 1st January 2015. This presentation is based on the restated 2015 quarterly series.

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. It should be recalled in this regard that the Supervisory Review and Evaluation Process is carried out each year by the European Central Bank, which can modify each year its capital adequacy ratio requirements for BNP Paribas.

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.

The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding.

Strong Solvency and Capital Generation Capacity

Launch of the 2020 Business Development Plan

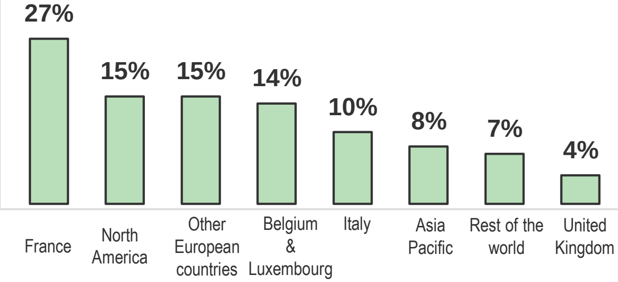
Focus on Capital Instruments and MLT Funding

Appendix

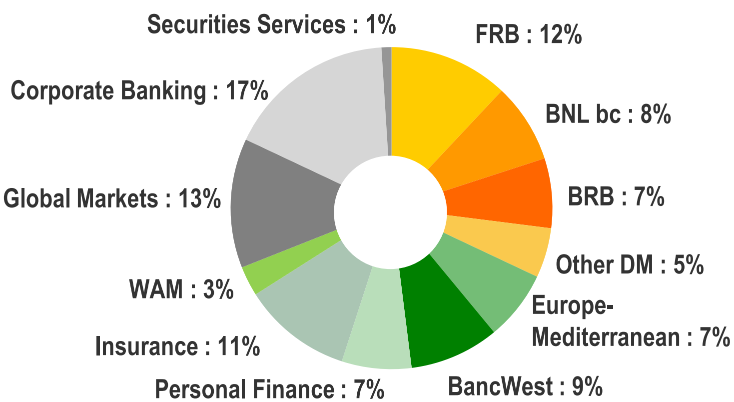
The Strength of a Diversified and Integrated Business Model…

- A business model diversified by country and business which has demonstrated its strength
  - No country, business or industry concentration
  - Presence primarily in developed countries (>85%)
  - No business unit > 20% of allocated equity
  - Business units and regions evolving according to different cycles
- Activities focused on customers' needs
  - A strong cooperation between businesses & regions
- A clear strength in the new environment
  - Sizeable retail banking operations allowing significant investments in digital banking and new technologies
  - Critical mass in market activities that helps to support credit disintermediation
  - A growing presence in stronger potential areas

Gross commitments* by region: €1,438bn as at 31.12.2016



Allocated equity by business as at 31.12.2016



A well-balanced business model based on 3 pillars: Domestic Markets, IFS and CIB

** Total gross commitments, on and off balance sheet, unweighted*

Confirmed by 2016 Performance...

Revenue growth despite a low interest rate environment and a lacklustre market context this year	**Revenues: +1.1% vs. 2015**
Cost containment	**+0.4% vs. 2015**
Rise in gross operating income	**+2.6% vs. 2015**
Significant decrease in the cost of risk	**-14.1% vs. 2015 (46 bp)***
Rise in net income Group share **Dividend per share**	**€7,702m (+15.1% vs. 2015)** **€2.70****
Solid organic capital generation	**CET1***: 11.5% (+60 bp vs. 31.12.15)**

Good results and solid capital generation

** Cost of risk/Customer loans at the beginning of the period; ** Subject to the approval of Annual General Meeting on 23 May 2017; *** As at 31 December 2016, CRD4 ("fully loaded" ratio)*

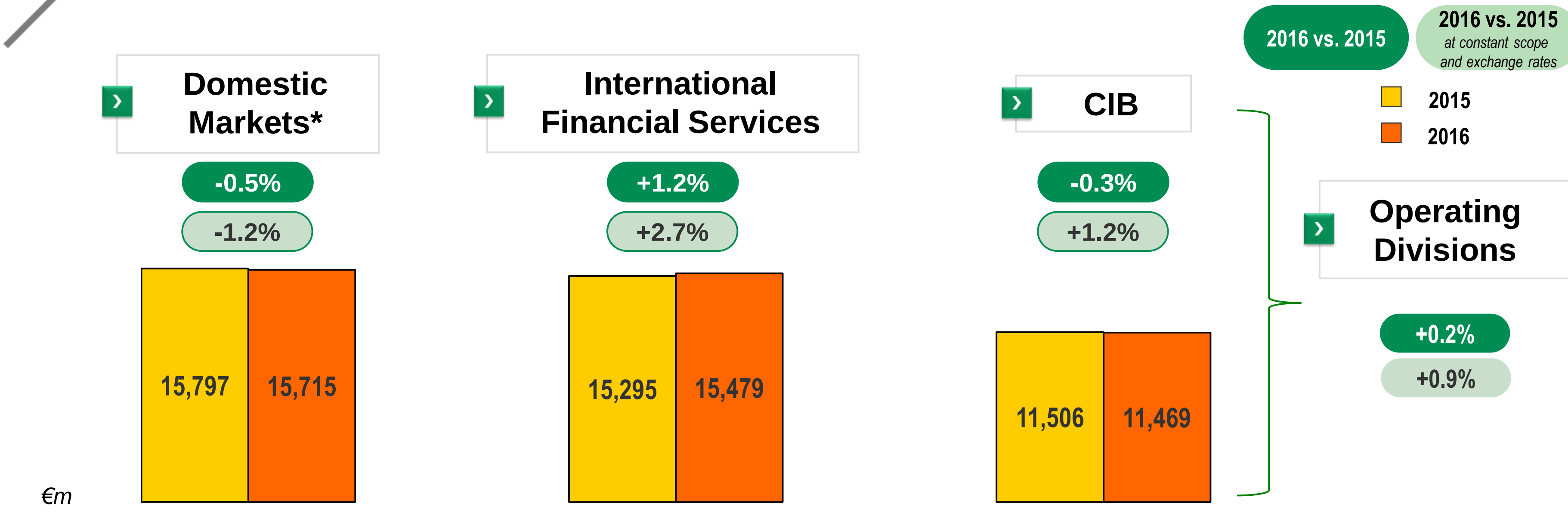
Consolidated Group - 2016

	2016	2015	2016 vs. 2015
Revenues	**€43,411m**	**€42,938m**	**+1.1%**
Operating expenses	-€29,378m	-€29,254m	+0.4%
Gross operating income	**€14,033m**	**€13,684m**	**+2.6%**
Cost of risk	-€3,262m	-€3,797m	-14.1%
Costs related to the comprehensive settlement with U.S. authorities	€0m	-€100m	n.s.
Non operating items	€439m	€592m	-25.8%
Pre-tax income	**€11,210m**	**€10,379m**	**+8.0%**
Net income attributable to equity holders	**€7,702m**	**€6,694m**	**+15.1%**
Net income attributable to equity holders excluding one-off items*	**€7,802m**	**€7,338m**	**+6.3%**

Good overall performance

* See slide 31

Revenues of the Operating Divisions - 2016

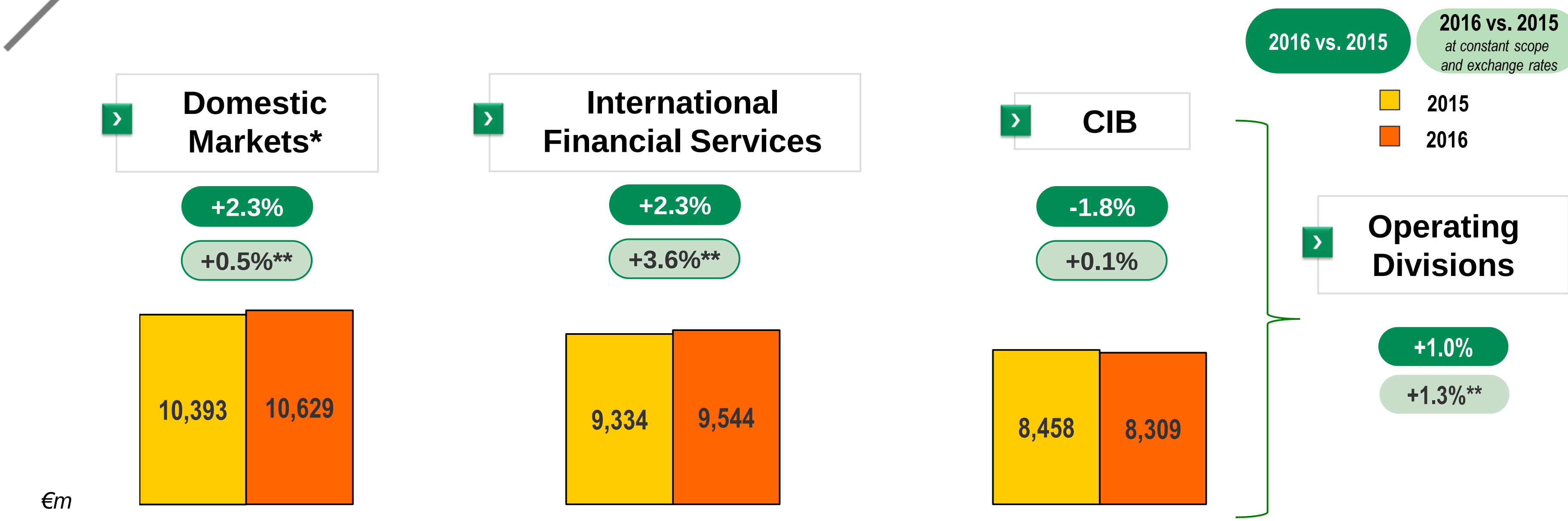


- Unfavourable foreign exchange effect this year
- Slight decrease in the revenues of Domestic Markets as a result of the low interest rate environment
- Rise in the revenues of IFS
- Growth in the revenues of CIB at constant scope and exchange rates despite a particularly unfavourable market environment in 1Q16

Growth of the operating divisions despite a challenging environment

** Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg*

Operating Expenses of the Operating Divisions - 2016



- Rise in banking taxes and contributions (impact of +0.6%***)
- Impact of the new regulations and the strengthening of compliance
- Simple & Efficient savings plan offsetting the natural costs' drift (inflation, etc.)
- First effects of CIB's savings plan

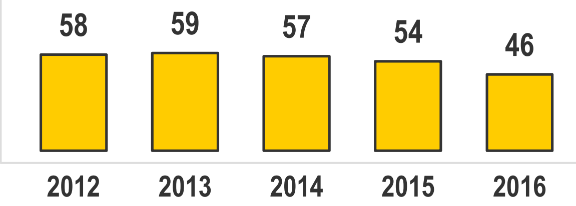
Cost containment but rise in taxes as well as regulatory and compliance costs

** Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg; ** Excluding exceptional operating expenses (see slide 5); *** Rise in taxes and banking contributions: +€172m vs. 2015*

Cost of Risk - 2016 (1/2)

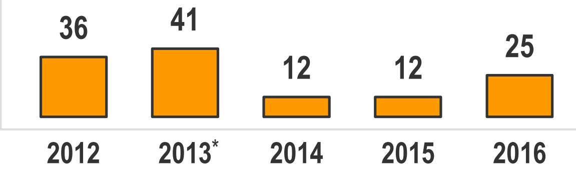
Cost of risk/Customer loans at the beginning of the period (in bp)

Group



- Cost of risk: €3,262m (-€535m vs. 2015)
- Significant decline in the cost of risk

CIB - Corporate Banking



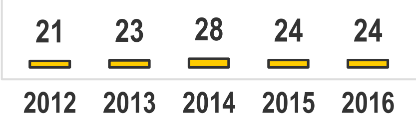
- €292m (+€154m vs. 2015)
- Cost of risk at a low level
- Reminder: positive effect of provisions write-backs in 2014 and 2015

* Restated

Cost of Risk - 2016 (2/2)

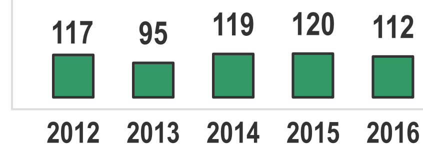
Cost of risk/Customer loans at the beginning of the period (in bp)

FRB



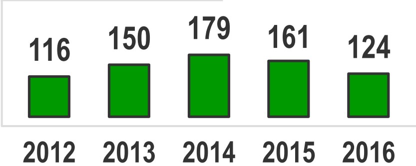
- €342m (stable vs. 2015)
- Cost of risk still low

Europe-Mediterranean



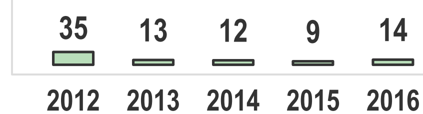
- €437m (-€29m vs. 2015)
- Cost of risk ~stable

BNL bc



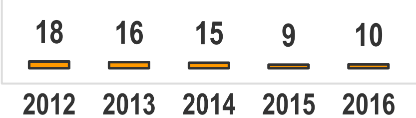
- €959m (-€289m vs. 2015)
- Continued decrease in the cost of risk

BancWest



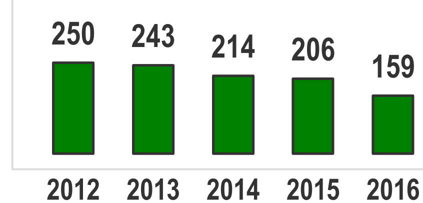
- €85m (+€35m vs. 2015)
- Cost of risk still low

BRB



- €98m (+€13m vs. 2015)
- Very low cost of risk

Personal Finance

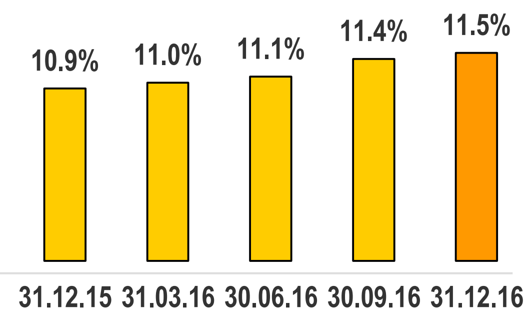


- €979m (-€196m vs. 2015)
  - Effect of the low interest rates and the growing positioning on products with a better risk profile
  - Provisions write-backs following sales of doubtful loans (~-€50m)

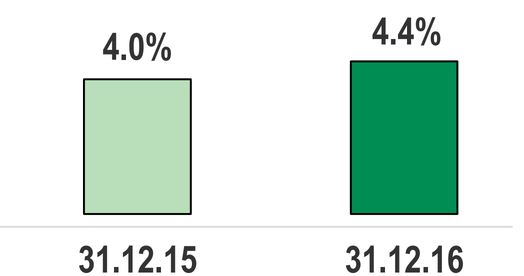
Strong Financial Structure

- Fully loaded Basel 3 CET1 ratio*: 11.5% as at 31.12.16 (+60 bp vs. 31.12.15):
  - Essentially due to the 2016 results after taking into account the dividend payment
- Fully loaded Basel 3 leverage**: 4.4% as at 31.12.16
  - Calculated on total Tier 1 Capital
- Liquidity Coverage Ratio: 123% as at 31.12.16
- Immediately available liquidity reserve: €305bn*** (€266bn as at 31.12.15)
  - Equivalent to over one year of room to manœuvre in terms of wholesale funding

Fully loaded Basel 3 CET1 ratio*



Fully loaded Basel 3 leverage ratio**



Solid capital generation
Continued increase of the fully loaded Basel 3 CET1 ratio

** CRD4 "2019 fully loaded"; ** CRD4 "2019 fully loaded", calculated according to the delegated act of the EC dated 10.10.2014 on total Tier 1 Capital and using value date for securities transactions; *** Liquid market assets or eligible to central banks (counterbalancing capacity) taking into account prudential standards, notably US standards, minus intra-day payment system needs*

Success of the 2014-2016 Plan Financial Targets Achieved

			2016 Target	2016 Achieved	
Growth	Organic growth of revenues		≥ +10% vs. 2013	+12.1% (including acquisitions)[1]	☑
Efficiency	Simple & Efficient costs savings target	€2.0bn in 2015 Initial Plan	€2.8bn	€3.3bn	☑
	Cost income ratio	66% in 2013 excluding S&E costs	-3 pts vs. 2013	66.8%[2] -2 pts excluding regulatory costs	☒
Profitability	ROE[3]	7.8% in 2013	≥ 10%	10.3%	☑
Capital	Fully loaded Basel 3 CET1 Ratio	10.3%[4] end 2013	10.0%	11.5%	☑
	Pay-out ratio	2002-2007: 33-40% 2008-2012: 25-33%	~45%	45%[5]	☑

- Strong net income growth: €7.7bn in 2016 vs. €4.8bn in 2013
  - Excluding exceptional elements: €7.8bn vs. €6.0bn (+29.1%)[6]

Strong income growth and capital generation

[1] +6.7% excluding acquisitions; [2] Excluding exceptional elements; [3] Excluding exceptional elements, on the basis of CET1 ratio of 10%; (4) CRD4 (fully loaded); [5] Subject to approval at the Shareholders' Meeting; (6) Net impact of exceptional elements: -€0.1bn in 2016, -€1.2bn in 2013

Strong Solvency and Capital Generation Capacity

Launch of the 2020 Business Development Plan

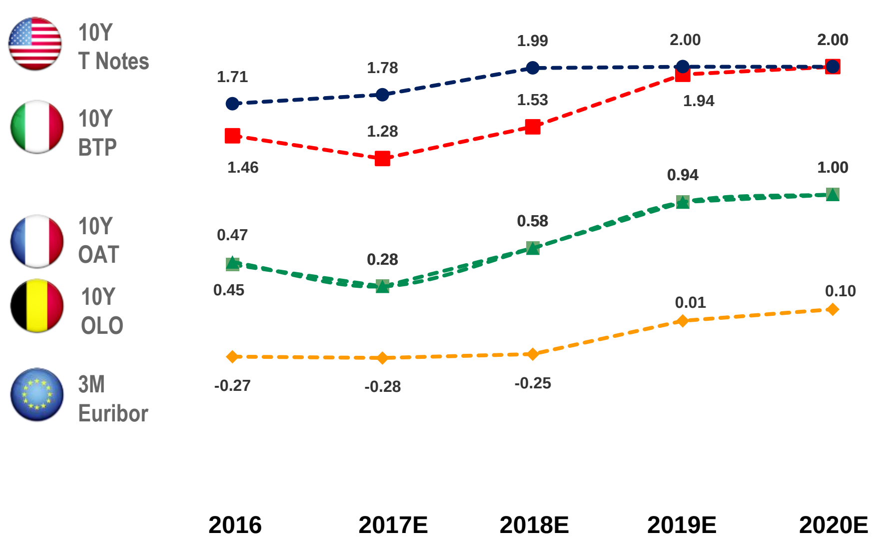
Focus on Capital Instruments and MLT Funding

Appendix

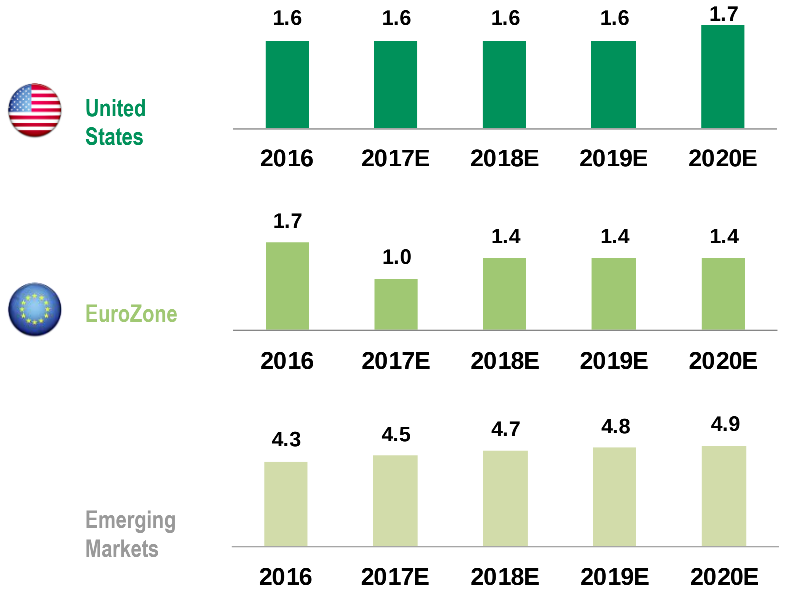
2020 Business Development Plan
A Scenario Based on Conservative Assumptions

Conservative assumptions of a lacklustre macroeconomic environment

Gradual exit from the low interest rate environment



Moderate GDP growth



A business development plan based on a scenario of moderate, gradual and differentiated economic recovery

2020 Business Development Plan: New Customer Experience, Digital Transformation & Savings

Capitalise on existing initiatives

Digital applications, products and systems

Wa! · SMART derivatives · PAY · #DIGIBIZ · Hello bank! · BGZoptima · CORTEX · CEPTETEB · CENTRIC · MySafePlace · ARVAL Active Link · MyAccounts @OneBank

Tech Labs

ECHANGEUR · L'ATELIER BNP PARIBAS GROUP · @rdif lab

Incubators, accelerators and partnerships

Future Lab · WAI · CO.STATION · BNP PARIBAS INTERNATIONAL HACKATHON · LUISS EnLabs

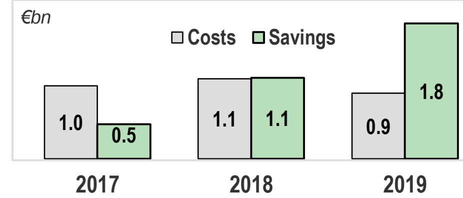
Invest in a new customer experience, digital transformation and operating efficiency…

~€3bn in transformation costs
between 2017 and 2019 …

- **New customer experience**
- **Digital transformation**
- **Operating efficiency**

… financed by ~ €3.4bn in savings during the same period

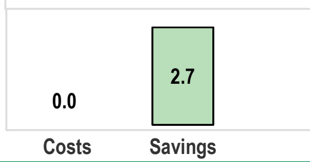
Investments & savings

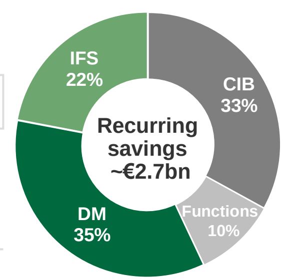


…and generate ~€2.7bn in recurrent annual savings starting from 2020

- Balanced contribution of all the Group's businesses and functions to savings
- ~150 programmes
- A new IT function organisation in the Group

2020 Investments & savings





2020 Business Development Plan: 5 Levers for a New Customer Experience & a More Effective and Digital Bank

1	**Implement new customer journeys**	■ New digitalised, expanded, seamless and personalised customer journeys (more services, more attractiveness, choice of channel, etc.) ■ Upgraded service models (better customer segmentation based on user habits, “the right product at the right time and through the right channel,” etc.) ■ Digitalisation of distribution by developing digital customer interfaces ■ New services made available
2	**Upgrade the operational model**	■ Streamlining and automatisation of end-to-end processes ■ Simplification of the organisations ■ Shared platforms and smart sourcing
3	**Adapt information systems**	■ Evolution of information systems and incorporation of new technologies in order to accelerate digital ■ Improvement of IT efficiency and agile practices ■ Promotion of innovation
4	**Make better use of data to serve clients**	■ Better reliability of data and enhancement of data use for the benefit of customers ■ Reinforcement of data storage, protection and analysis capacities ■ Use of cutting-edge technologies (artificial intelligence, machine learning, etc.)
5	**Work differently**	■ More digital, collaborative and agile work practices ■ Day-to-day digital environment & digital and innovation driven culture ■ Staff training

Group's 2020 Business Development Plan Financial Targets

			2020 Target
Growth	**Revenues growth**		**2016-2020 CAGR[1] ≥ +2.5%**
Efficiency	**Plan's savings target**		**~€2.7bn in recurring cost savings starting from 2020**
	Cost income ratio	**2016: 66.8%[2]**	**63%**
Profitability	**ROE**	**2016: 9.4%[2]**	**10%**
Capital	**Fully loaded Basel 3 CET1 ratio**	**11.5% in 2016**	**12%[3]**
	Pay-out ratio	**2016: 45%[4]**	**50%[4]**

An ambitious plan that aims to generate an average increase in net income > 6.5% a year until 2020

[1] Compounded annual growth rate; [2] Excluding exceptional items; [3] Assuming constant regulatory framework; [4] Subject to shareholder approval

2020 Business Development Plan: a Trajectory Based on Expected 2020 Regulatory Constraints

		2016	2020 Target[2]
CET 1 ratio	■ CRD IV (Basel 3) ■ 2016 SREP: anticipated level of fully loaded Basel 3 CET1 ratio of 10.25% in 2019[1]	**11.5%** Fully loaded Basel 3 CET1 ratio	**12%**
Total capital **TLAC** **MREL**	■ 2016 SREP: anticipated level of Total Capital requirement of 13.75% in 2019[3] ■ TLAC requirement: 20.5% in 2019[4] ■ MREL: thresholds to be determined on a case by case basis by the resolution authorities (SRB) according to the CRD V/CRR 2 (under discussion)	**Total Capital (fully loaded) ratio: 14.2%** • CET1 ratio: 11.5% • Tier 1 and Tier 2: 2.7%	**Total Capital (fully loaded) ratio: 15%** • CET1 ratio: 12% • Tier 1 and Tier 2: 3% **TLAC ratio: 21%**
Liquidity	■ LCR: CRD IV/CRR ■ NSFR: CRD V/CRR 2 (under discussion)	**LCR: 123%**	**LCR > 100%** **NSFR > 100%**
Leverage	■ CRD IV (minimum level of 3%) ■ Additional requirements for G-SIB still under discussion	**4.4%** Fully loaded Basel 3 leverage	**4%**

Regulatory constraints
that continue to increase during the period[5]

[1] Excluding Pillar 2 Guidance; [2] Assuming constant regulatory framework; [3] Anticipated level of Tier 1 requirement in 2019: 11.75%; [4] Minimum requirement raised to 22.5% as at 01/01/2022; [5] In the current Basel 3 regulatory framework

Strong Solvency and Capital Generation Capacity

Launch of the 2020 Business Development Plan

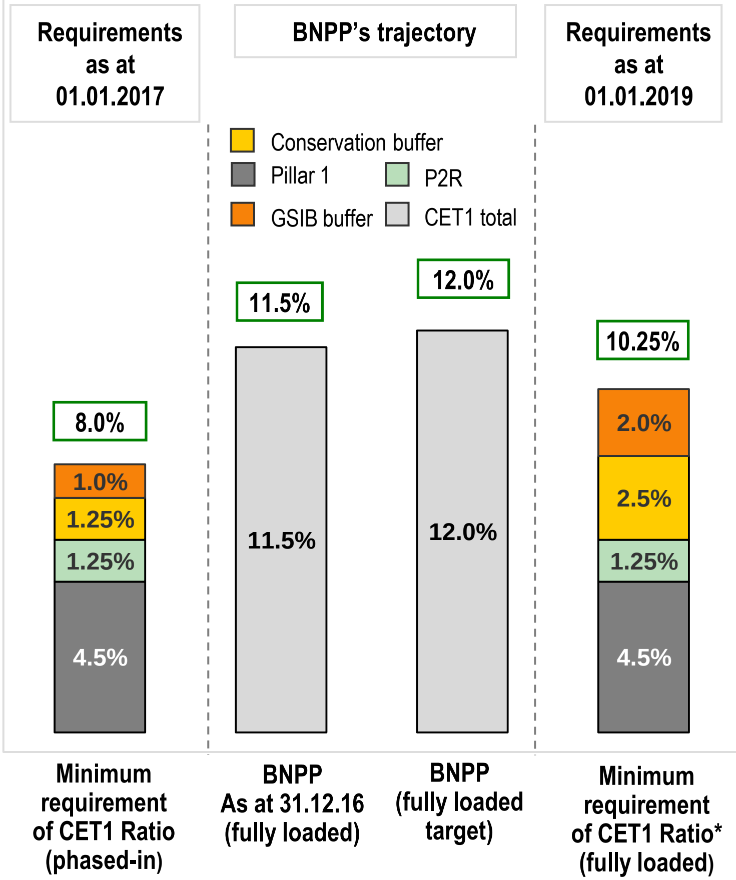
Focus on Capital Instruments and MLT Funding

Appendix

2016 Supervisory Review and Evaluation Process (SREP) CET1 Ratio

- New CET1 ratio requirement following the SREP performed by the ECB: 8.0% in 2017 (phased-in)
  - Of which a G-SIB buffer of 1.0% and a Conservation buffer of 1.25%
  - Of which a Pillar 2 requirement (P2R) of 1.25%
  - Excluding a Pillar 2 guidance (P2G), non public
  - Fully loaded CET1 ratio of 11.5% as at 31.12.16, well above the regulatory requirement
- Anticipated level of a fully loaded Basel 3 CET1 ratio requirement of 10.25% in 2019 (excluding P2G)*
  - Given the gradual phasing-in of the Conservation buffer to 2.5% and the assumption of a 2.0% G-SIB buffer
  - Will constitute the CET1 requirement taken into account** for the restrictions applicable to distributions (Maximum Distributable Amount – MDA)
- Target of a fully loaded CET1 ratio of 12.0%

CET1 Ratio



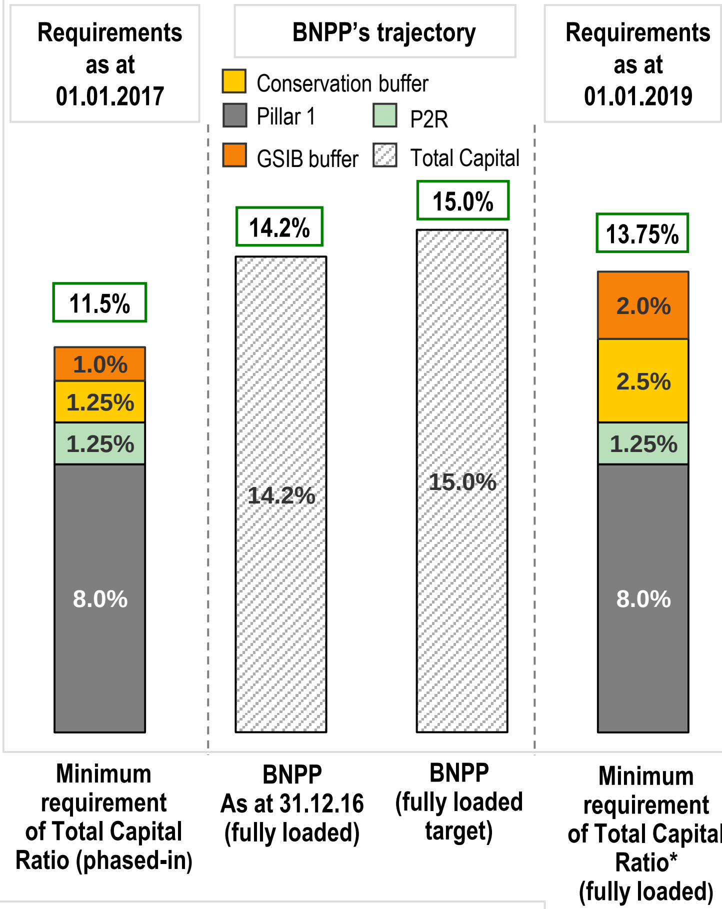
CET1 ratio already well above 2019 requirement

** Assuming P2R remains constant between 2017 and 2019 (reminder: SREP is carried out each year by the ECB which can modify each year its capital adequacy ratio requirements); ** As of 2019 (8% in 2017)*

2016 Supervisory Review and Evaluation Process (SREP) Total Capital Ratio

- New Total Capital ratio requirement following the SREP performed by the ECB: 11.5% in 2017 (phased-in)
  - Of which a Pillar 1 Total Capital requirement of 8%
  - Of which a G-SIB buffer of 1.0% and a Conservation buffer of 1.25%
  - Of which a Pillar 2 requirement (P2R) of 1.25%
  - Fully loaded Total Capital ratio of 14.2% as at 31.12.16, well above the regulatory requirement
- Anticipated level of a fully loaded Total Capital ratio requirement of 13.75% in 2019*
  - Given the gradual phasing-in of the Conservation buffer to 2.5% and the assumption of a 2.0% G-SIB buffer
  - Will constitute the Total Capital requirement taken into account** for the restrictions applicable to distributions (MDA)
- Target of a Total capital ratio at 15%
  - Reminder: Tier 1 and Total Capital ratios requirements are on a cumulative basis
  - Reminder: Tier 1 and Total Capital ratios requirements now include the P2R but do not include the P2G
- Target of 3% of capital instruments by 2020***

Total Capital Ratio



Total Capital ratio already above 2019 requirement

* Assuming P2R remains constant between 2017 and 2019 (reminder: SREP is carried out each year by the ECB which can modify each year its capital adequacy ratio requirements); ** As of 2019 (11.50% in 2017); *** Subject to market conditions

Focus on Capital Instruments

- Overall capital instruments target of 3% by 2020*
  - AT1 and Tier 2 levels as at 31.12.16: 2.7%
- Additional Tier 1: €2.0bn issued in 2016
  - Given the current stock, €7bn of AT1 instruments will still be outstanding as at 01.01.2019, of which €3bn grandfathered
- Tier 2: €4.5bn*** issued under the 2016 programme and €1.2bn issued under the 2017 programme
  - $1.25bn 10 year bullet Tier 2 priced on 6 March 2017 at Treasuries + 215bps
  - Given the current stock, €13bn of Tier 2 instruments will still be outstanding as at 01.01.2019

Evolution of existing Tier 1 and Tier 2 debt (outstanding as at 09.03.17; eligible or admitted to grandfathering)**

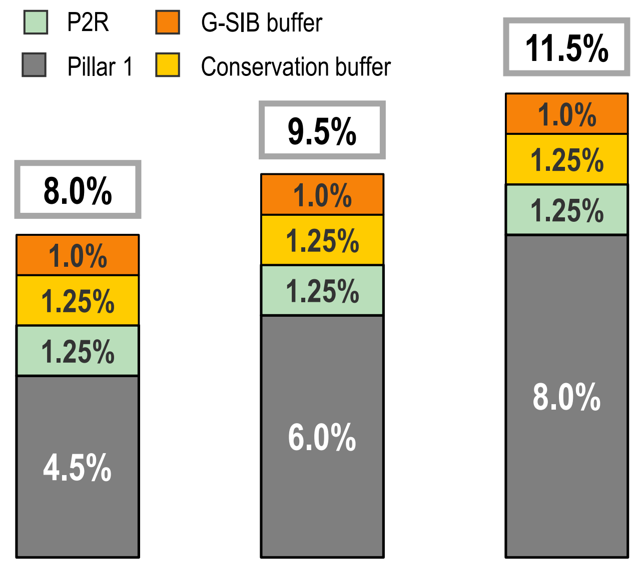
in €bn	09.03.2017	01.01.2018	01.01.2019
AT1	9	8	7
T2	14	13	13

** Depending on market conditions; ** Assuming callable institutional instruments are called at the first call date, taking into account prudential amortisation of instruments, and excluding, in particular, prudential deductions not related to instruments; *** Including the Tier 2 prefunding of €750m issued in November 2015*

Distance to Maximum Distributable Amount Restrictions

- Reminder: since 2016 SREP, Pillar 2 is composed of:
  - “Pillar 2 Requirement ” (public), applicable to CET1, Tier 1 and Total Capital ratios
  - “Pillar 2 Guidance” (non public), non applicable for distributable amount restrictions (MDA - Maximum Distributable Amount*)
- 2017 Capital requirements:
  - CET1: 8.0%
  - Tier 1: 9.5%
  - Total Capital: 11.5%
- Distance as at 01.01.17 to Maximum Distributable Amount* restrictions equal to the lowest of the 3 calculated amounts: <u>€19.1bn</u>

Capital requirements as at 01.01.17



	CET1	TIER 1	TOTAL CAPITAL
Phased in ratios of BNP Paribas as at 31.12.2016	11.6%	12.9%	14.5%
Distance** as at 01.01.17 to Maximum Distributable Amount* restrictions	3.6% €23.0bn	3.4% €21.5bn	3.0% €19.1bn

** As defined by the Art. 141 of CRD4; ** Calculated on the basis of RWA of €638bn (phased in)*

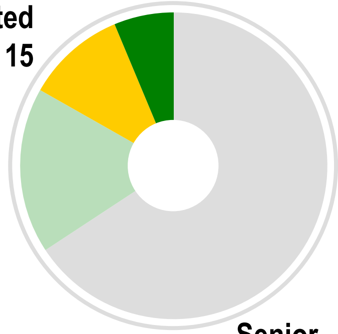
Wholesale Medium/Long-Term Funding 2016 Programme

2016: €25bn MLT funding programme completed

- Additional Tier 1: €2.0bn issued*
  - $750m issued on 7 December 2016, perpetual Non Call 5.25, 6.75% coupon, over $5bn order book, 364 investors
  - Reminder: $1.5bn AT1 issued on 23 March 2016, perpetual Non Call 5, 7.625% coupon , 325 investors
- Tier 2: €4.5bn issued*
  - Mid-swap +198 bp on average, average maturity of 10.3 years**
- Senior debt: €18.5bn issued*
  - Average maturity of 5.8 years, mid-swap +51 bp on average
  - Of which €6.8bn of senior unsecured debt eligible to the 2.5% MREL allowance as at 01.01.2019
  - Of which €500m issued in covered bond at 7 years, mid-swap -10 bp by BNP Paribas Fortis in October 2016
  - Of which €500m inaugural issuance of green bond at 5.5 years, mid-swap +40 pb, in November 2016

Wholesale MLT funding structure breakdown***: €143bn as at 31.12.16

(excluding TLTRO)



2016 issuance programme completed at favourable conditions

** As at 31 December 2016; ** Including the Tier 2 prefunding of €750m issued in November 2015; *** Figures restated according to the new broader definition of wholesale funding, as described in the 2016 Registration Document and Annual Financial Report (Pillar 3); **** Debt qualified prudentially as Tier 1 booked as subordinated debt or as equity*

Wholesale Medium/Long-Term Funding 2017 Programme

2017: €25bn MLT funding programme

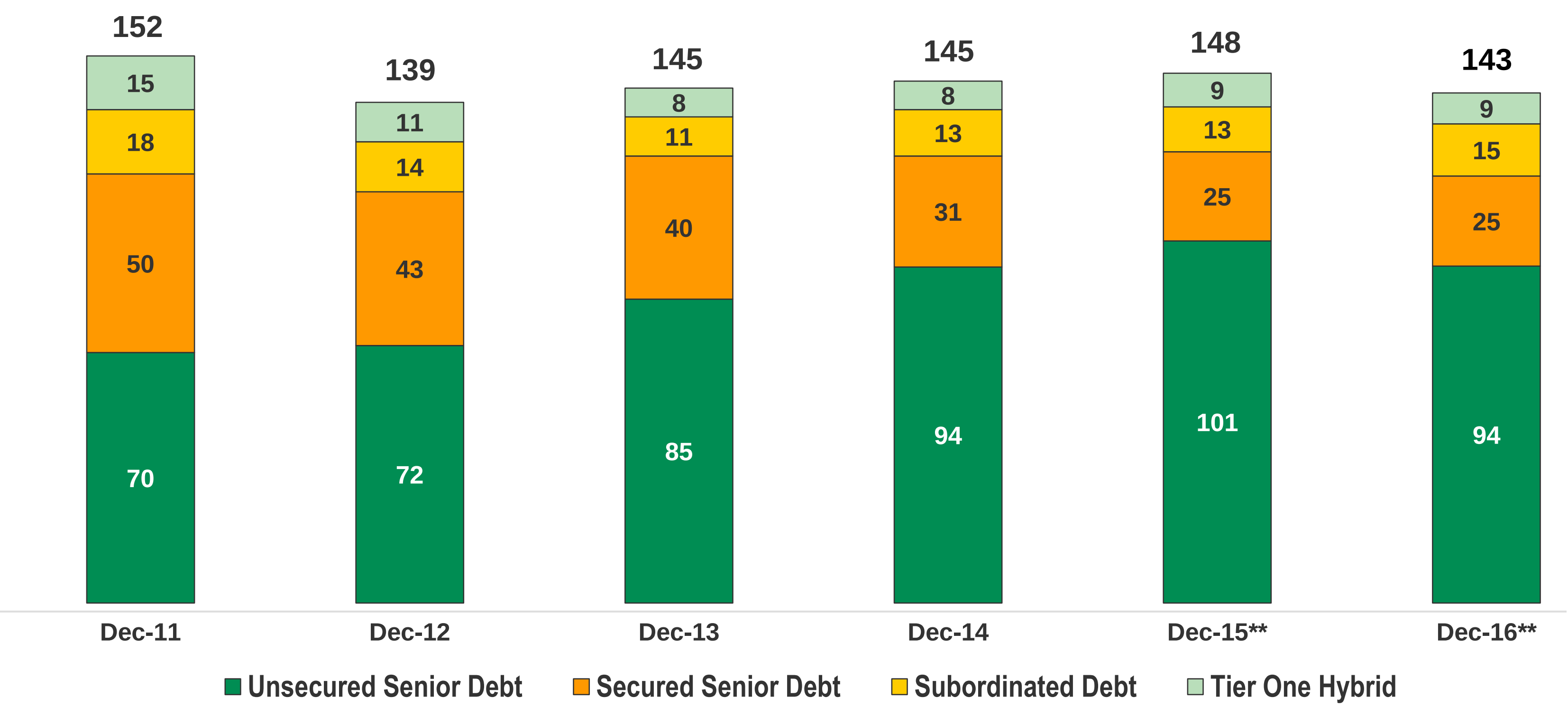
- Of which issues of capital instruments to be carried out with a total target of 3% by 2020*
  - $1.25bn 10 year bullet Tier 2 priced on 6 March 2017 at Treasuries +215bps.
- Of which non preferred senior debt: €10bn (€3.5bn already issued as at 9 March 2017)
  - Inaugural issue of $1.75bn in non preferred senior debt, maturity of 7 years, T + 160 bp, order book of over $5.5bn
  - Inaugural issue of €1.0bn in non preferred senior debt, maturity of 6.75 years, mid-swap + 92 bp, order book of over €2.6bn
  - Several other issuances in various currencies (JPY, SGD, AUD...)
- Remaining part of the programme to be completed with structured products and, to a lesser extent, with covered bonds
  - €500m of Covered Bond issued on 15 February 2017 at mid swap -3bps
- Overall, €7.2bn already issued as at 9 March 2017
  - Average maturity of 5 years, mid-swap +81 bp on average**

2017 issuance programme progressing well in all debt categories

** Subject to market conditions; ** Including the 3.5bn of non-preferred senior debt*

Medium/Long Term Funding Outstanding

Wholesale MLT funding outstanding* (€bn)



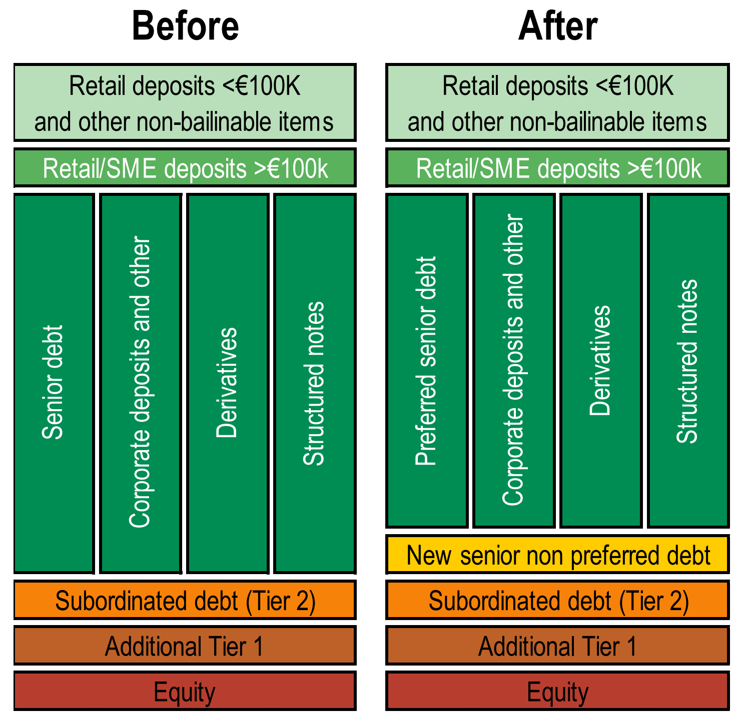
Overall MLT funding stable over the period

** Source: ALM funding; ** Figures restated according to the new broader definition of wholesale funding, as described in the 2016 Registration Document and Annual Financial Report (Pillar 3)*

Focus on TLAC: Adaptation for French G-SIBs

- Change under French Law in the hierarchy in liquidation and resolution context
  - To facilitate resolution and the respect of MREL/TLAC requirements
  - Preference to all creditors including the current holders of senior debt
  - Creation of a new category of senior non preferred debt which will rank junior to the current senior unsecured debt but in priority to subordinated debt
  - Law effective since 10 December 2016
- A clear and straightforward creditors hierarchy
- This solution is currently considered as a potential new reference framework for European Union*

Simplified creditor hierarchy

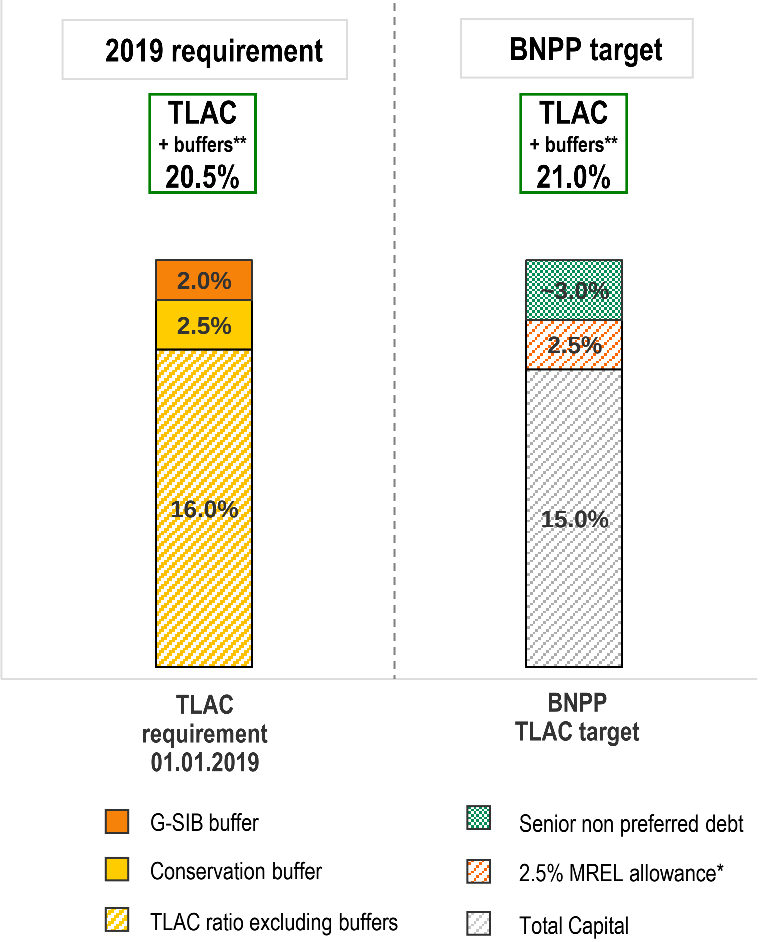


** Proposal from the European Commission to modify the hierarchy of debt within the European Union (new Directive amending art 108 of BRRD)*

Evolution of the Total Loss Absorbing Capacity (TLAC) Ratio

- TLAC requirement of 20.5% in 2019
  - Including Conservation buffer and G-SIB buffer
- Targeted issuance of ~€10bn of senior non preferred debt each year until 01.01.2019***
  - To be realised within the usual medium/long term funding programme of about €25bn per year
- Target of a TLAC ratio of 21.0%
  - Including ~5.5% of TLAC eligible debt to be filled with:
    i) the 2.5% MREL allowance* and
    ii) ~3% of senior non preferred debt

TLAC Ratio



** See the proposal from the European Commission implementing TLAC in the European Union; ** Conservation buffer and G-SIB buffer; *** Depending on market conditions*

Key Features of Senior Non Preferred Debt

- Main characteristics of this new senior debt
  - To be issued by BNP Paribas under the EMTN or US MTN programme
  - Senior Non Preferred Notes (falling within the category of obligations described in Article L.613-30-3-I-4 of the French Monetary and Financial Code)
  - Not structured debt*
  - Initial maturity > 1 year
  - Subject to conversion or write-down in a resolution before the current senior unsecured but after subordinated debt
  - Issue documentation obligatorily stipulates that such new senior debt belongs to the new statutory ranking

- Senior non preferred debt target
  - ~€10bn each year until 01.01.2019**, as part of the usual medium/long term funding programme of about €25bn per year
  - This new senior non preferred debt will become the new senior debt for upcoming non structured issuance

Senior non preferred issuance
=> the new senior unsecured going forward

** As defined in a decree yet to be published; ** Depending on market conditions*

Strong Solvency and Capital Generation Capacity

Launch of the 2020 Business Development Plan

Focus on Capital Instruments and MLT Funding

Appendix

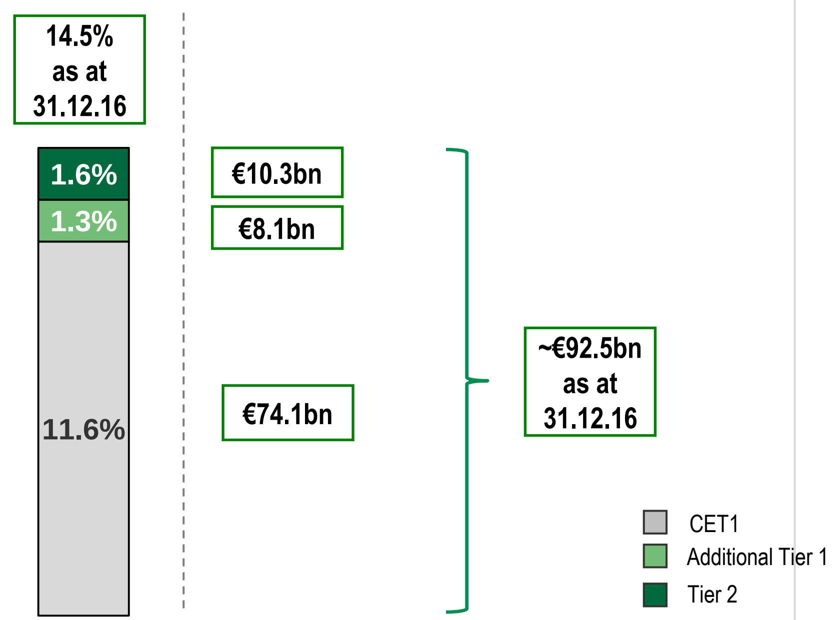
Main Exceptional Items - 2016

	2016	2015
Revenues		
Own credit adjustment and DVA *(Corporate Centre)*	-€59m	+€314m
Capital gain on the sale of Visa Europe shares *(Corporate Centre)*	+€597m	
Total exceptional revenue items	***+€538m***	***+€314m***
Operating expenses		
Simple & Efficient transformation costs *(Corporate Centre)*		-€622m
CIB transformation costs and restructuring costs of acquisitions* (*Corporate Centre*)	-€553m	-€171m
Restructuring costs of Businesses**	-€144m	
Compulsory contribution to the resolution process of 4 Italian banks***	-€52m	-€69m
Total exceptional operating expenses items	***-€749m***	***-€862m***
Costs related to the comprehensive settlement with U.S. authorities *(Corporate Centre)*		
Costs related to the remediation plan		-€100m
	€0m	***-€100m***
Other non operating items		
Goodwill impairments**** *(Corporate Centre)*	-€127m	-€993m
Capital gain on the sale of a non-strategic stake*****		+€94m
Sale of the stake in Klépierre-Corio *(Corporate Centre)*		+€716m
Dilution capital gain due to the merger between Klépierre and Corio *(Corporate Centre)*		+€123m
Total exceptional non operating items	***-€127m***	***-€60m***
Total exceptional items (pre-tax)	**-€338m**	**-€708m**
Total exceptional items (after tax)	**-€100m**	**-€644m**

** LaSer, Bank BGZ, DAB Bank, GE LLD; ** BNL bc (-€50m), BRB (-€80m), WAM (-€7m), Corporate Centre (-€7m); *** BNL bc (-€47m in 2016, -€65m in 2015), Personal Finance (-€5m in 2016, -€4m in 2015); **** Of which full goodwill impairment of BNL bc (-€917m in 2015) and of BGZ (-€127m in 4Q16); ***** CIB-Corporate Banking (€74m), Corporate Centre (€20m)*

Prudential Phased-in Total Capital

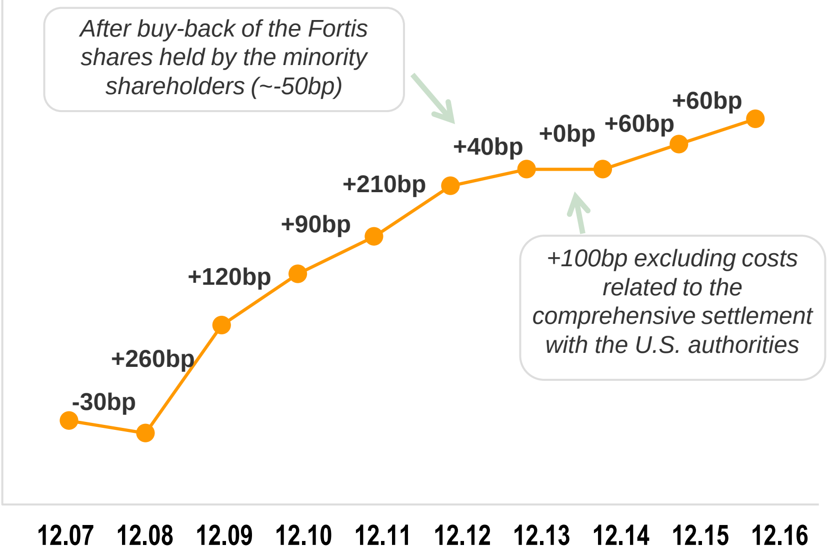
Prudential phased-in Total Capital as at 31.12.16



~€92bn of prudential phased-in Total Capital as at 31.12.16

Steady organic growth of CET1 ratio across the cycle

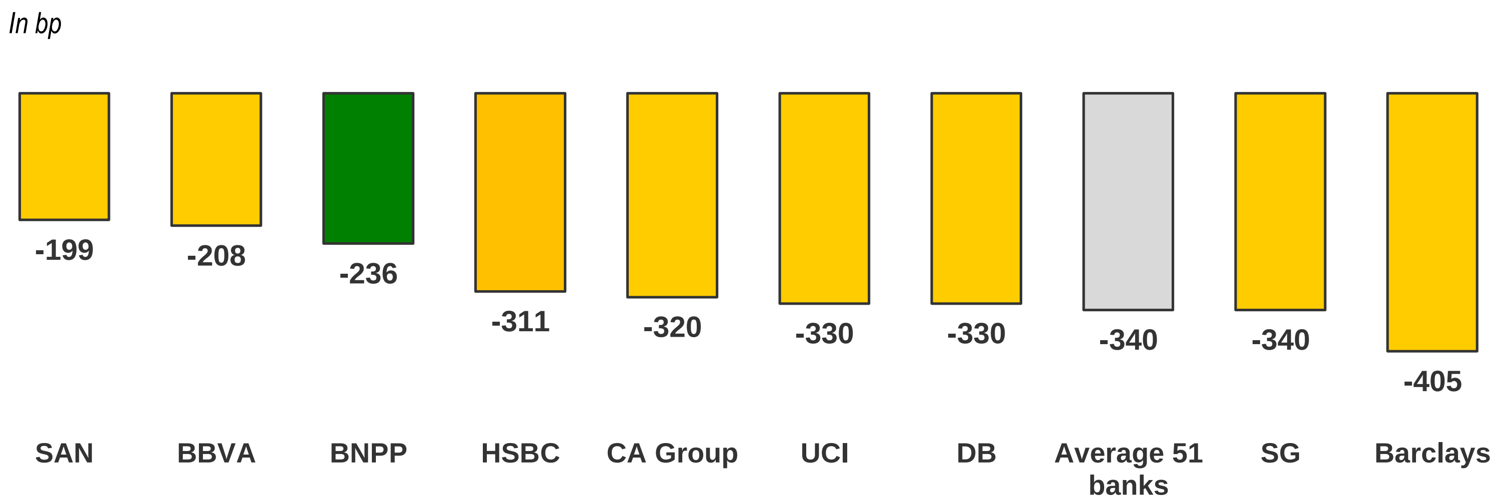
Annual evolution of the CET1 ratio*



** Basel 2 from December 2007 to December 2011, Basel 2.5 as at December 2012, then fully loaded Basel 3 for the years after*

Proven Resilience in Stress Tests

2016 European Stress Tests
Impact of Adverse scenario on CET1 ratio - peer group*



Adverse scenario impact for BNPP was ~100bp lower than the average of the 51 European banks tested

Based on the fully loaded ratio as at 31.12.2015

S&P – Rating Benchmark

As of 9 March 2017

AA-	**HSBC Bank plc** (negative)	**Royal Bank of Canada** (negative)
A+	**Rabobank** (stable)	**UBS** (stable)
A	**BNP Paribas** (stable) **Crédit Agricole** (stable) **Wells Fargo & Co*** (negative)	**Crédit Suisse** (stable) **Société Générale** (stable) **Lloyds Bank plc** (negative)
A-	**Santander** (positive) **Barclays Bank plc** (negative)	**JP Morgan Chase & Co*** (stable)
BBB+	**RBS plc** (stable) **BBVA** (stable) **Bank of America Corp.*** (stable) **Goldman Sachs Group*** (stable)	**Commerzbank** (CreditWatch positive) **Citigroup*** (stable) **Morgan Stanley Holding*** (stable) **Deutsche Bank** (CreditWatch positive)
BBB-	**Unicredit** (stable)	**Intesa San Paolo** (stable)

Any rating action may occur at any time

** Holding company as main issuer of senior debt. Bank entities are rated as follows: Wells Fargo Bank NA: AA- (negative), JP Morgan Chase Bank NA: A+ (stable), Citibank NA: A+ (stable), Bank of America NA: A+ (stable), Morgan Stanley Bank: A+ (stable); Data Source: Bloomberg*

Moody's – Rating Benchmark

As of 9 March 2017

Aa2	**Rabobank** (negative)	**HSBC Bank plc** (negative)
Aa3	**Royal Bank of Canada** (negative)	
A1	**BNP Paribas** (stable) **UBS** (stable) **Barclays Bank plc** (negative)	**Lloyds Bank plc** (stable) **Crédit Agricole** (stable) **Crédit Suisse** (stable)
A2	**Société Générale** (stable)	**Wells Fargo & Co*** (stable)
A3	**RBS plc** (positive) **Morgan Stanley Holding*** (stable) **JPMorgan Chase & Co*** (stable)	**Santander** (stable) **Goldman Sachs Group*** (stable)
Baa1	**Commerzbank** (stable) **Bank of America Corp.*** (positive) **Intesa San Paolo** (negative)	**Citigroup*** (stable) **BBVA** (stable) **Unicredit** (stable)
Baa2	**Deutsche Bank** (stable)	

Any rating action may occur at any time

** Holding company as main issuer of senior debt. Bank entities are rated as follows: Wells Fargo Bank NA: Aa2 (Stable), JP Morgan Chase Bank NA: Aa3 (stable), Citibank NA: A1 (stable), Bank of America NA: A1 (positive), Morgan Stanley Bank: A1 (stable); Data Source: Bloomberg*

Fitch – Rating Benchmark

As of 9 March 2017

AA	Royal Bank of Canada (negative)	
AA-	HSBC Bank plc (stable) Rabobank (stable)	Wells Fargo & Co* (negative)
A+	BNP Paribas (stable) Lloyds Bank plc (stable)	JPMorgan Chase & Co* (stable) UBS (stable)
A	Crédit Agricole (positive) Barclays Bank plc (stable) Morgan Stanley Holding* (stable) Société Générale (stable)	Crédit Suisse (stable) Citigroup* (stable) Goldman Sachs Group (stable) Bank of America Corp.* (stable)
A-	Santander (stable) Deutsche Bank (CreditWatch negative)	BBVA (stable)
BBB+	Intesa San Paolo (negative) Commerzbank (stable)	RBS plc (stable) Unicredit (negative)

Any rating action may occur at any time

** Holding company as main issuer of senior debt. Bank entities are rated as follows: Wells Fargo Bank NA: AA (negative), JP Morgan Chase Bank NA: AA- (stable), Citibank NA: A+ (stable), Bank of America NA: A+ (stable), Morgan Stanley Bank: A (stable); Data Source: Bloomberg*

Rating for BNP Paribas Senior Preferred Debt and Rating for Senior Non Preferred Debt

Rating for BNP Paribas senior preferred debt

Rating for BNP Paribas senior non preferred debt

Standard & Poor's	Fitch Ratings	DBRS	Moody's
AA+	AA+	AA (High)	Aa1
AA	AA	AA (Middle)	Aa2
AA-	AA-	AA (Low)	Aa3
A+	A+	A (High)	A1
A	A	A (Middle)	A2
A-	A-	A (Low)	A3
BBB+	BBB+	BBB (High)	baa1
BBB	BBB	BBB (Middle)	baa2