BNP PARIBAS | The bank for a changing world

BNP Paribas
Well Positioned in the 2009 Environment

Baudouin Prot

Chief Executive Officer

Morgan Stanley Conference, London

31 March 2009

Disclaimer

This presentation contains forward-looking statements about BNP Paribas, Fortis Bank NV/SA and certain of their affiliates and the proposed tie-up that had been announced. Forward-looking statements include financial projections and estimates and their underlying assumptions and perspectives regarding plans, objectives and outcomes expected with respect to future events, operations, products and services, and assumptions regarding future performance and synergies. Many factors, a number of which are beyond BNP Paribas' control, could cause actual outcomes to differ significantly from expected outcomes. Among these factors are the securing of required regulatory authorisations, the approval of BNP Paribas shareholders, the development of the businesses of BNP Paribas or Fortis Bank NV/SA and their subsidiaries, banking and financial services and insurance industry trends, future capital expenditures and acquisitions, changes in the global economy or in BNP Paribas' and Fortis Bank NV/SA's key local markets, the competitiveness of the market and regulatory factors. The occurrence of these events is uncertain and their outcomes may differ from current expectations which may in turn significantly affect expected outcomes. Actual outcomes may differ materially from those expected or implied in forecasts. BNP Paribas undertakes no obligation to publicly revise or update any forecasts.

The information contained in this presentation, to the extent it relates to parties other than BNP Paribas or comes from external sources, has not been independently verified and no expressed or implied representations or warranties are made or given in relation thereto, and no certainty is given that information or opinions contained herein are true, correct, accurate or complete. Neither BNP Paribas nor its agents or representatives may be held any liability for any negligence or for any other reason in connection with any losses arising from any use of this presentation or its contents or otherwise arising from this presentation or any other materials or information to which it may make reference.

2008 results of operating divisions with Basel II normative equity

2008 Results

Structural Strengths

Adjustment to the New Environment

Fortis: Two New Domestic Markets

Conclusion

Key Figures

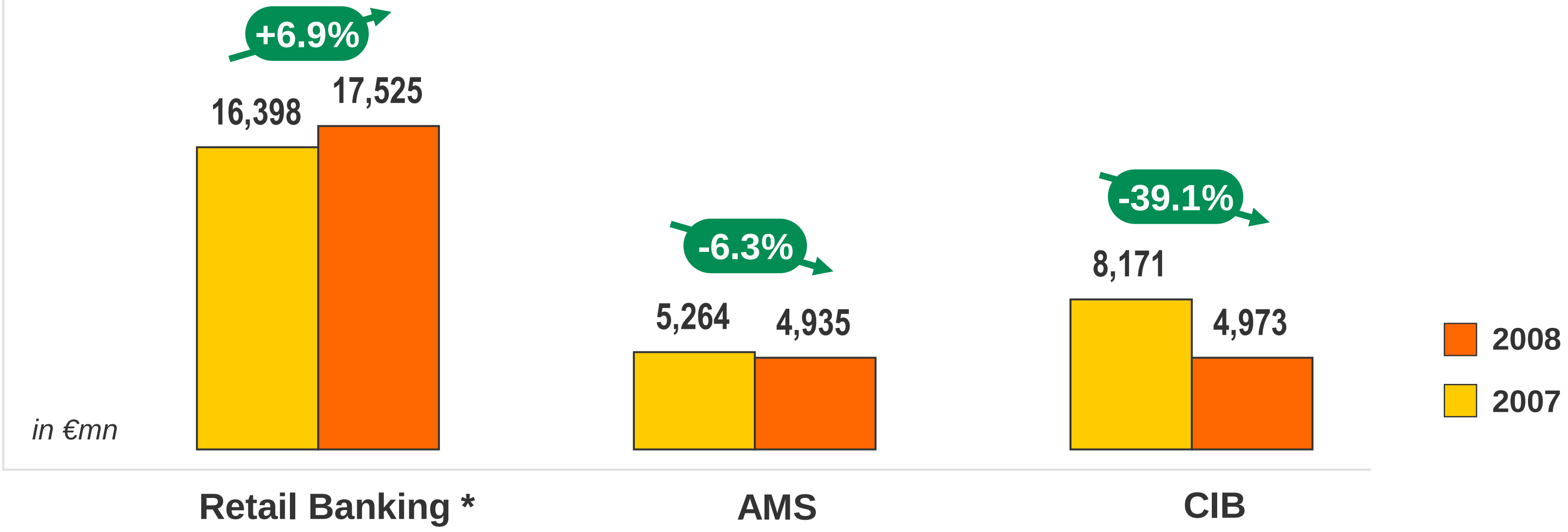
	2008	2008/2007	2007
Net income group share	€3,021mn	-61.4%	
ROE after tax	6.6%		
Dividend*	€1.00		€3.35

3 billion euros in net income despite an unprecedented deepening of the financial crisis since September

* Subject to AGM approval

Revenues

Revenues *(including the impact of the financial crisis)*



Retail Banking and AMS held up well

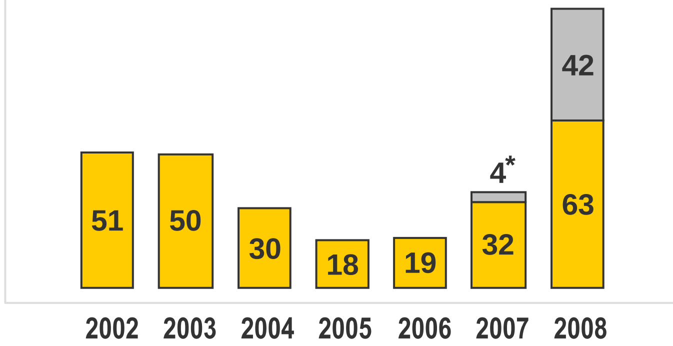
*Including 100% of French Private Banking and excluding PEL/CEL effects and 100% of Italian Private Banking

Cost of Risk

- Sharp rise in the cost of risk in 2008: €5.7bn vs €1.7bn in 2007
- Impact of cost of risk related to market counterparties: €2.2bn
  - Impact of one-off items (of which Lehman, Icelandic banks, Madoff, monoline insurers)
- Impact of the economic downturn in the U.S. (BancWest: +€0.3bn), in Personal Finance (+€0.5bn) then in Ukraine (+€0.3bn)
- Domestic markets: lowest household indebtedness ratios in Europe
  - France: mortgages primarily at fixed rate and well secured
  - Italy: contained household exposure and good quality mortgages, close monitoring of lending to small and medium enterprises

Cost of risk - Group

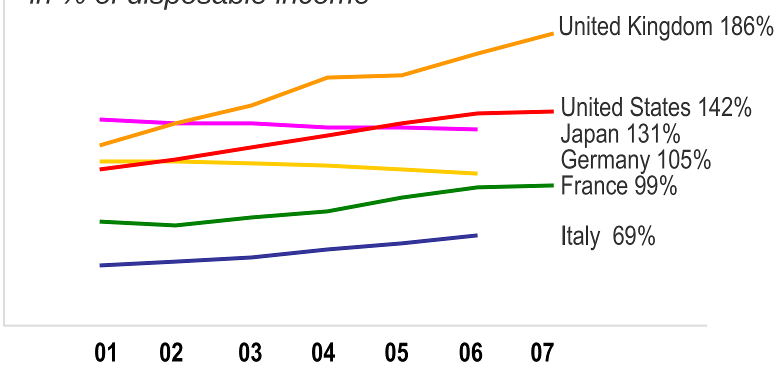
net provisions/Risk-Weighted Assets under Basel I (in bp)



* Impact of capital markets and of BancWest's investment portfolio

Household debt **

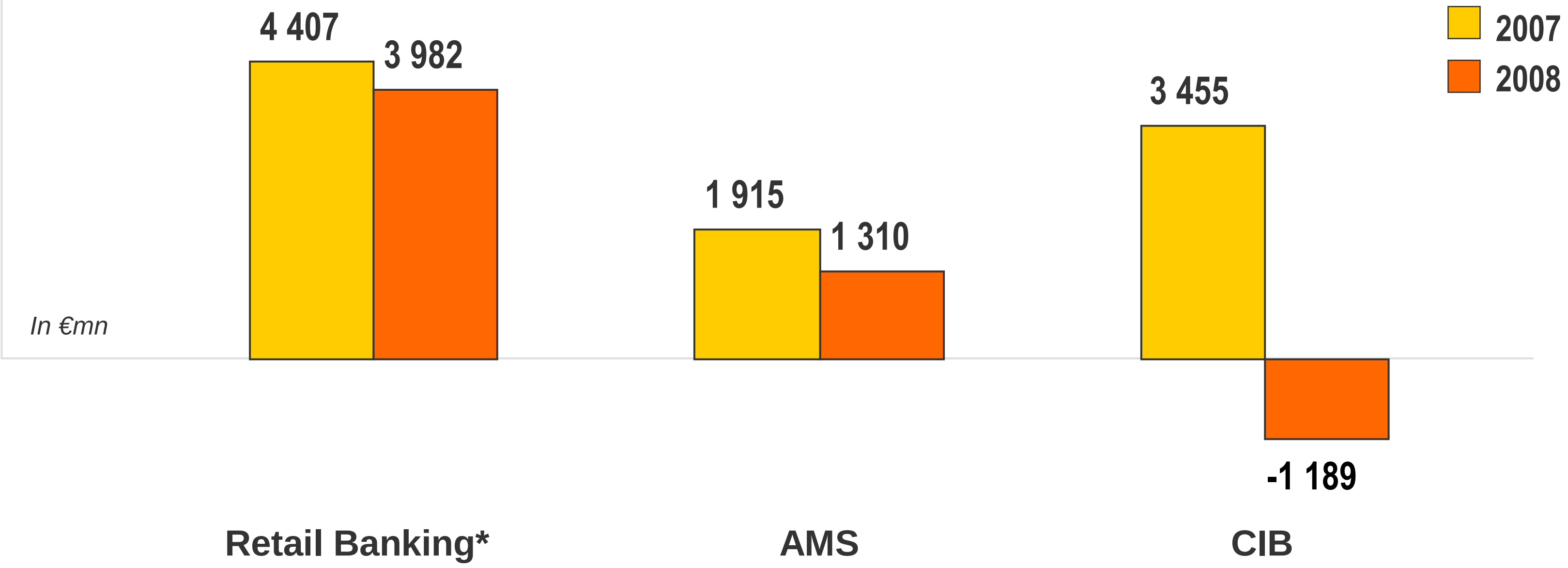
in % of disposable income



** Source: OECD

Pre-Tax Income

Pre-tax income*

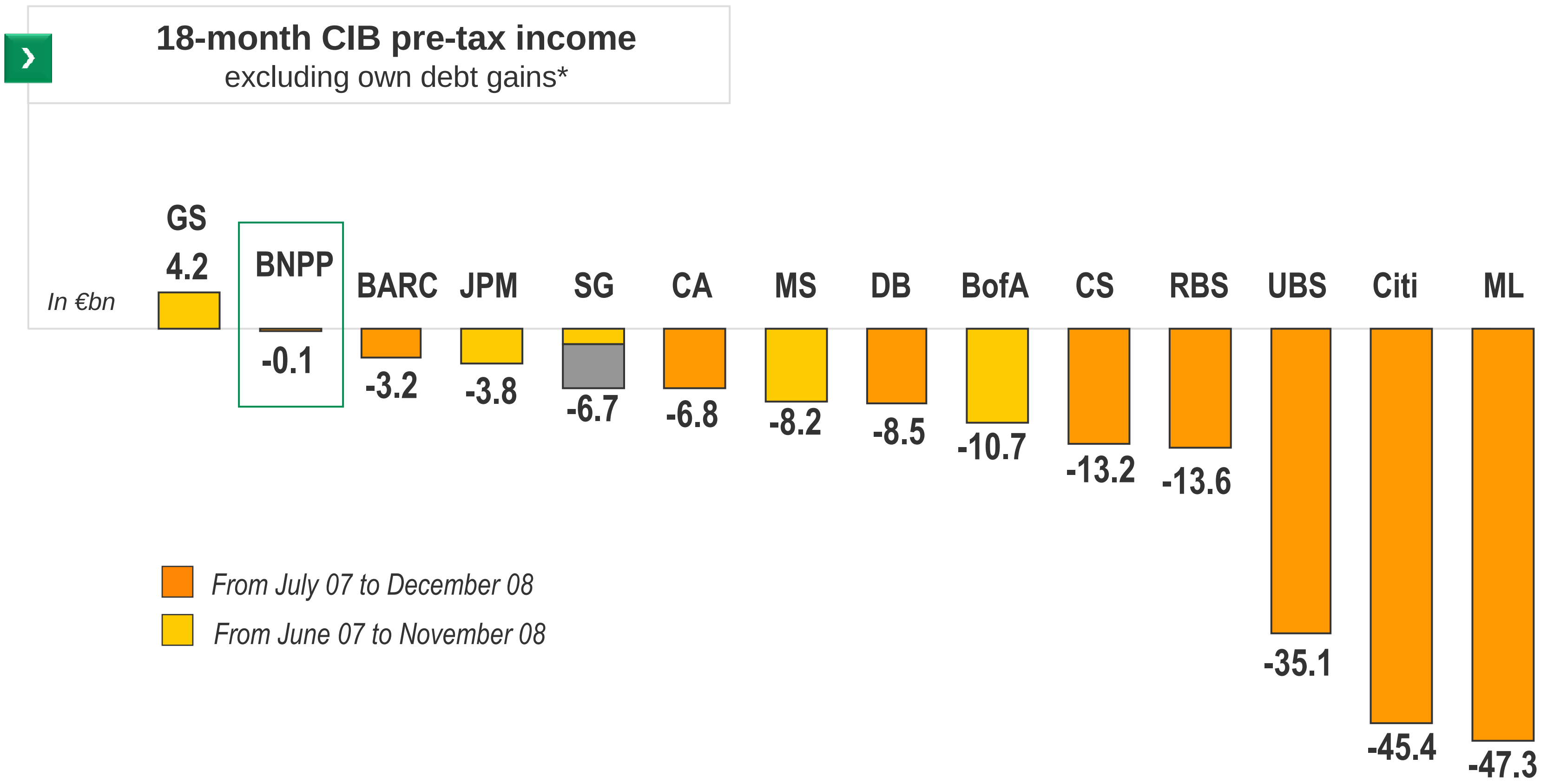


	Retail Banking*	AMS	CIB
Pre-Tax ROE	24.6%	28.2%	n.s.

Significant profitability in Retail Banking and AMS despite the downturn in the environment

*Including 2/3 of French and Italian Private Banking, excluding PEL/CEL effects

CIB Results Since the Beginning of the Criss



BNP Paribas held up well despite 4Q08 results

* Sources: banks

2008 Results

Structural Strengths

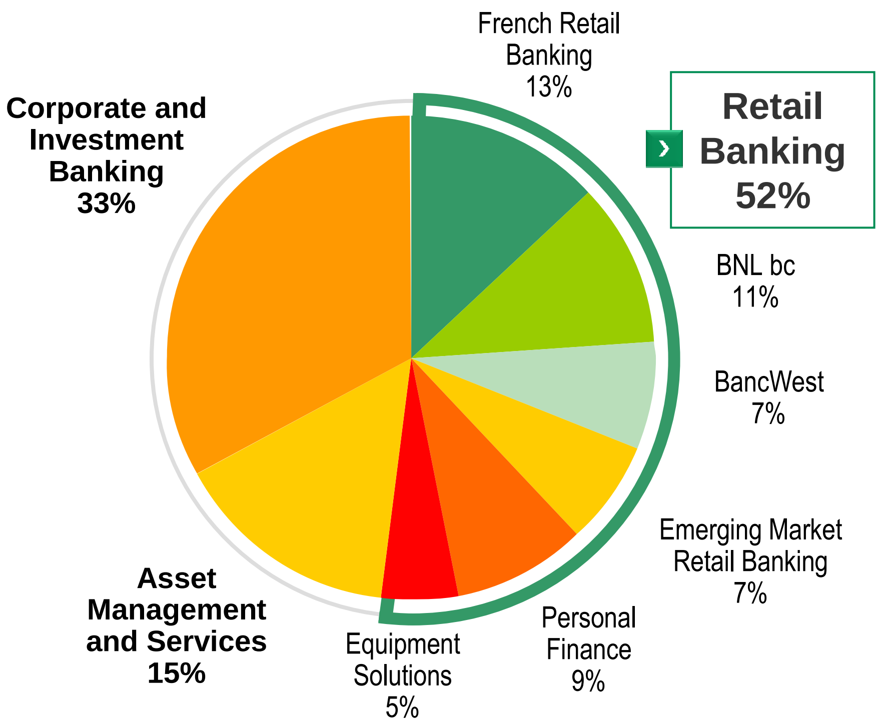
Adjustment to the New Environment

Fortis: Two New Domestic Markets

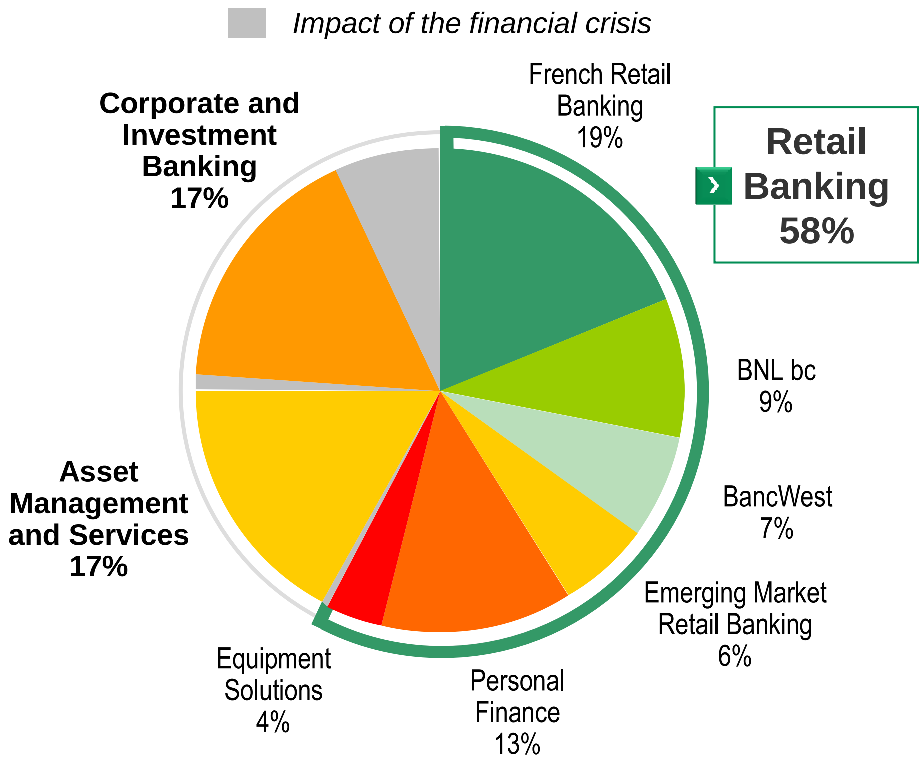
Conclusion

Business Mix

2008 allocated equity 31.2bn€



2008 revenues, adjusted for direct impact of the financial crisis: 29.6bn€*



Well diversified business mix with a strong retail base

(*) *Operating divisions only, excluding the impact of the financial crisis*

Retail Banking

- Creation of "Retail Banking", which includes all BNP Paribas' retail banking activities, with new resources
  - New corporate functions will manage cross-cutting businesses and projects (Marketing, Development, Brand, United States, Private Banking and HR)
  - Creation of "Retail Banking Information Systems"
  - Emerging Markets Retail Banking converted into an integrated operating entity
- Four objectives
  - Lead the Group's development initiatives in retail banking
  - Pool expertise
  - Promote industrialisation and share large-scale investments
  - Expand cross-selling

- 6,000 branches
- 16mn bank customers
- #1 provider of consumer lending in Europe

Accelerate the development and the overall coherence of retail banking activities

Integrated Banking Model

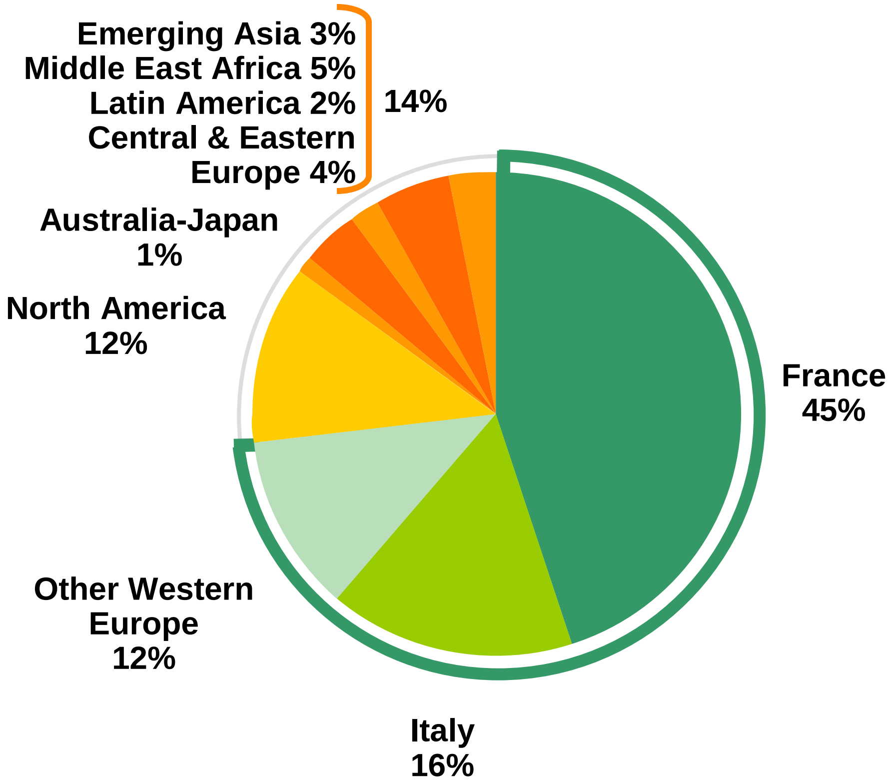
- All group activities are core
  - Retail banking provides critical mass of customers
  - AMS: asset gathering arm of BNP Paribas
  - CIB: clear action plan to adapt the platform to the new environment
- Important cross selling skills developed since the creation of BNP Paribas
  - Initially implemented in France
  - Rolled out in full in Italy and selectively in Emerging Markets
- Intensify cross selling culture
  - Management exchanges between businesses

Extract further value from the franchise

Geographic Mix

- Limited reliance on emerging markets
  - Central & Eastern Europe: 4%
- Limited goodwill from risky regions
  - Emerging countries: €764mn only, including UkrSibbank €119mn
  - BancWest: no acquisition since December 2005

2008 revenues*

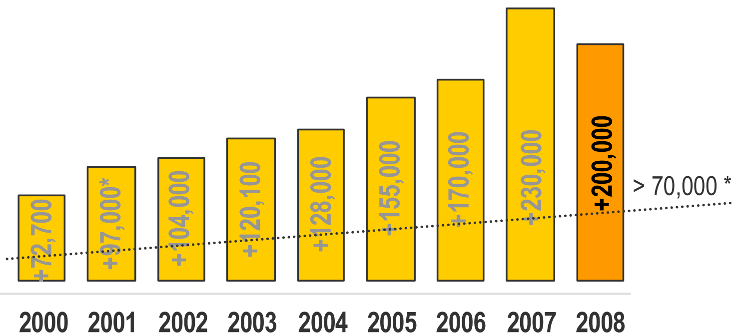


73% Western Europe: a pan European Group o/w 61% in France and Italy

*Operating divisions

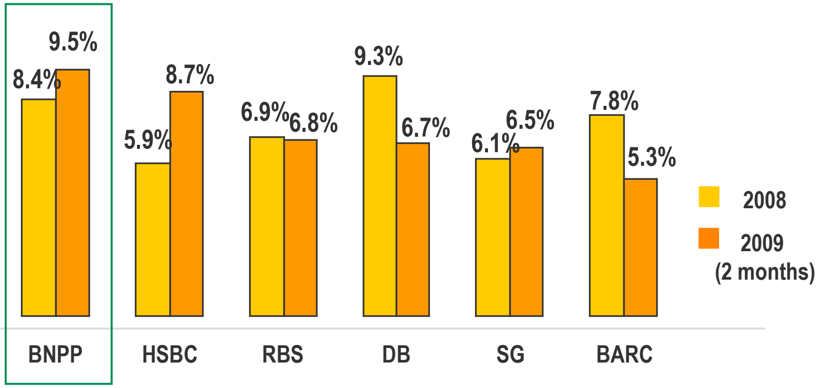
Market Share Gains

FRB: net increase in the number of individual accounts

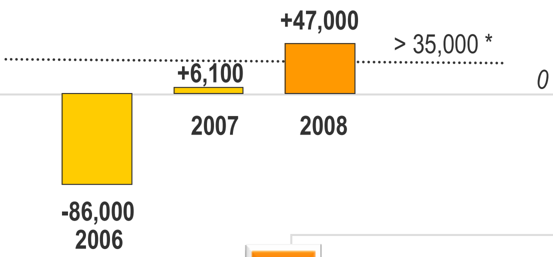


CIB: Euro bond bookrunner league table

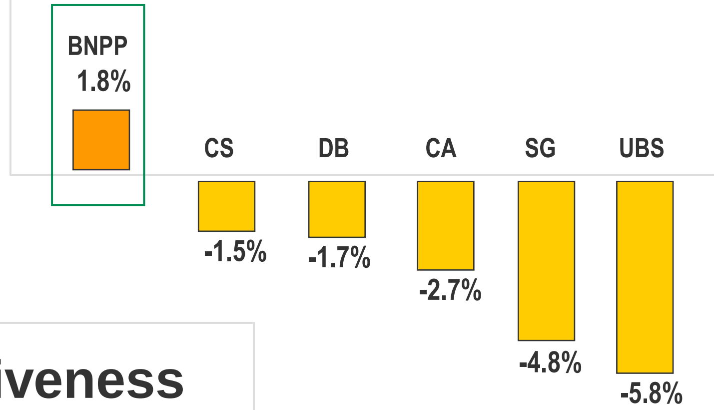
*(Euro all bonds market share – Top 6) ***



BNL bc: net increase in the number of individual accounts



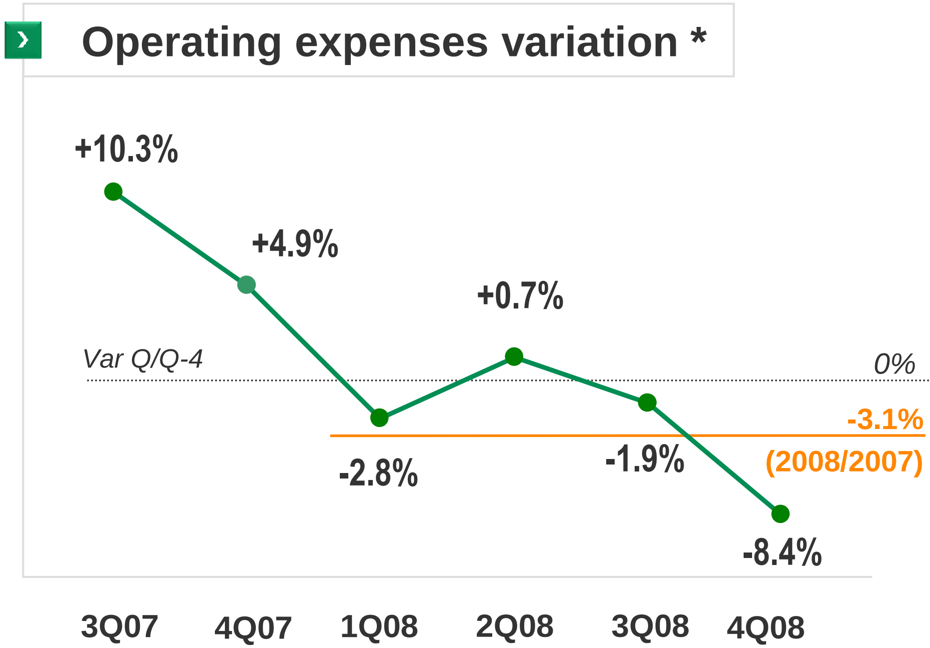
AMS: 2008 net asset inflows



Enhanced attractiveness

* Minimun number of accounts to be opened to gain market share **Source : Thomson Reuters League Tables

Cost Flexibility



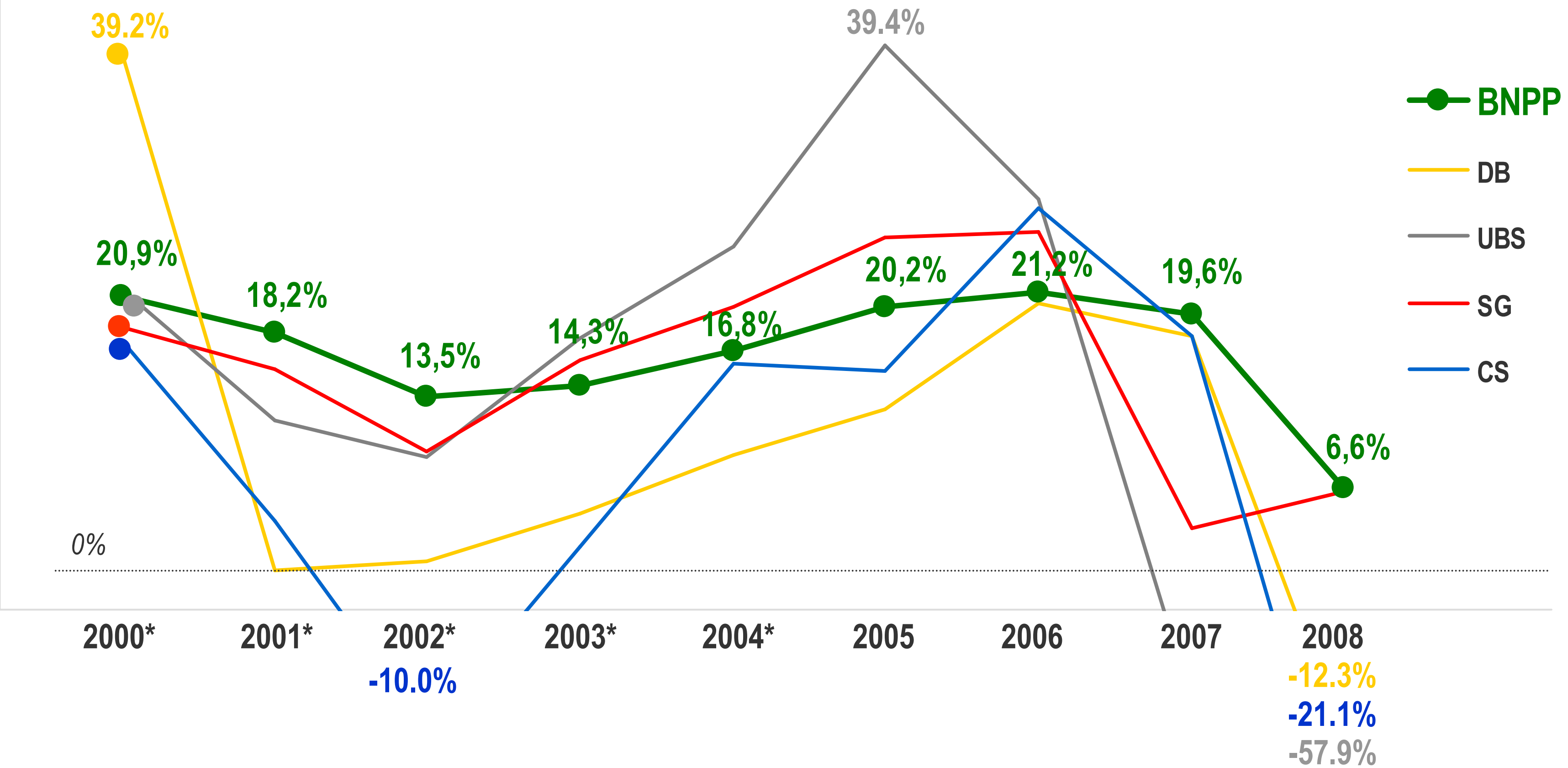
- Cost adjustment measures in all divisions
- Sharp reduction in bonuses

Rapid adjustment in cost management

*Operating divisions

RoE

Return on Equity



Attention paid to the risk/return ratio across the cycle

** French accounting standards for BNP Paribas*

BNP PARIBAS | The bank for a changing world

2008 Results

Structural Strengths

Adjustment to the New Environment

Fortis: Two New Domestic Markets

Conclusion

De-risking Corporate and Investment Banking

Strong measures to reduce risk

- Reduce market risk, well under way
  - Reduce the VaR
  - Reduce Stress Test sensitivity
  - Reduce illiquid structural risks,
  - Reduce basis risk

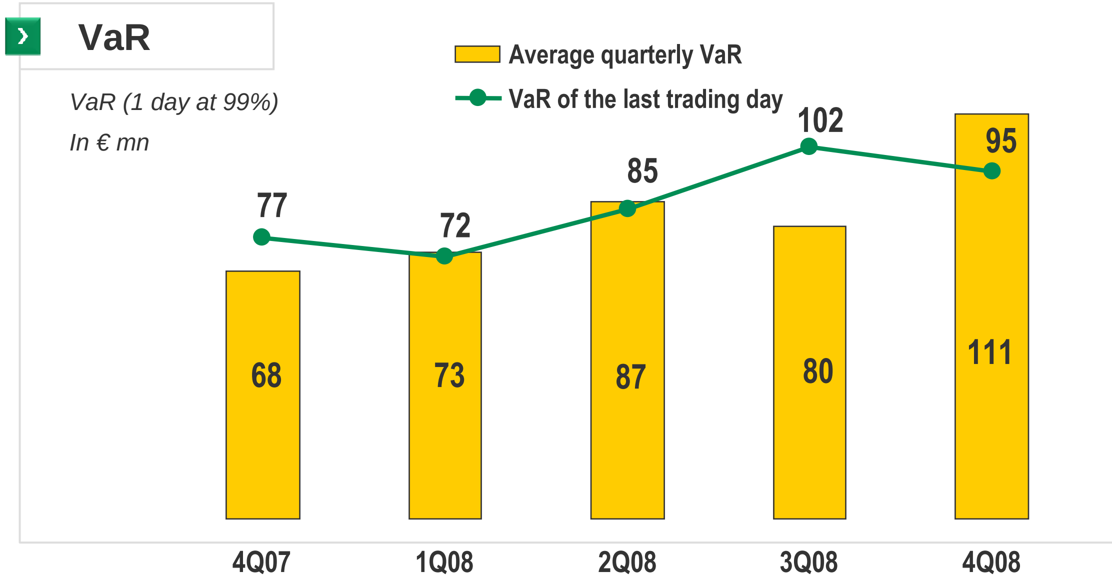
- Sharply decrease risk-weighted assets
  - Market risk: effects of the risk reduction strategy
  - Credit risk: stabilise despite the procyclical effects of Basel II
- Increase selectivity on credit and counterparty risks

Reactive adaptation

- Adapt the product and service offering to new client demand and risk appetite
  - Continue to develop flow business
  - Develop tailor-made hedging solutions
  - Down size the most complex structured product business

- Streamline the organisation
  - Priority focus on leadership in Europe
  - Adapt the US platform and the network of operations in emerging countries
  - Reduce the cost base

Reduce VaR to Weather Adverse Markets



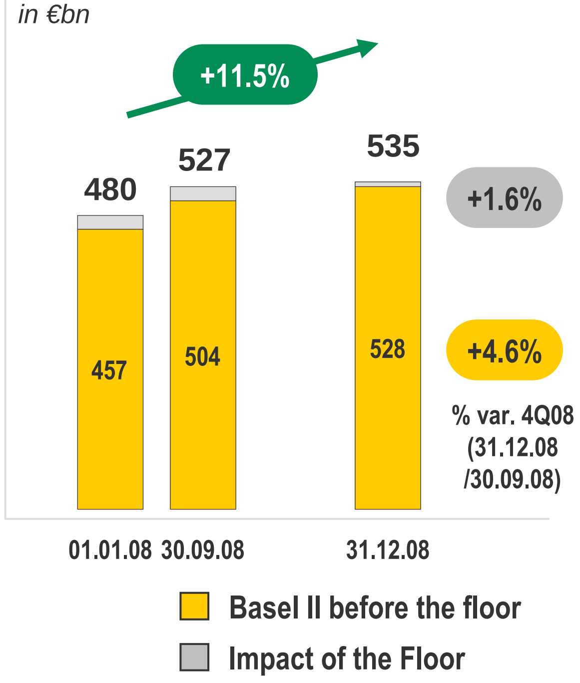
- Average VaR up sharply in 4Q08, with a peak in October
  - Without increasing positions
  - Abrupt change in the level of market parameters, in particular for interest rates and equity markets
  - 3 days of losses beyond the VaR in October in an environment of extreme and repeated shocks on all markets
- Curbing the VaR as at 31.12.08
  - Impact of reduced positions and the easing of certain parameters at the end of the year on equities and credit

Only 7 days of losses beyond the VaR in 2008

Risk-Weighted Assets (Basel II)

- Risk-weighted assets: +11.5%/01.01.08
- Rise from €527bn (as at 30.09.08) to €535bn including floor, only +1.6% in 4Q08
- Rise from €504bn to €528bn excluding floor, +4.6% (+€24bn)
  - Effect of market risk, including the impact of the volatility on VaR: +€15bn
  - Effect of falling equity markets on investment portfolio: +€10bn
  - Effect of the transfer of trading assets to the Banking book: €2bn
  - Decline in the outstandings of CIB's financing businesses: -€9bn
- 2009 target: €20bn reduction throughout the Group at constant scope and exchange rates
  - Sharp decline for CIB
  - Stabilisation in international retail
  - Continue to pursue growth in France (+4%/2008) and in Italy

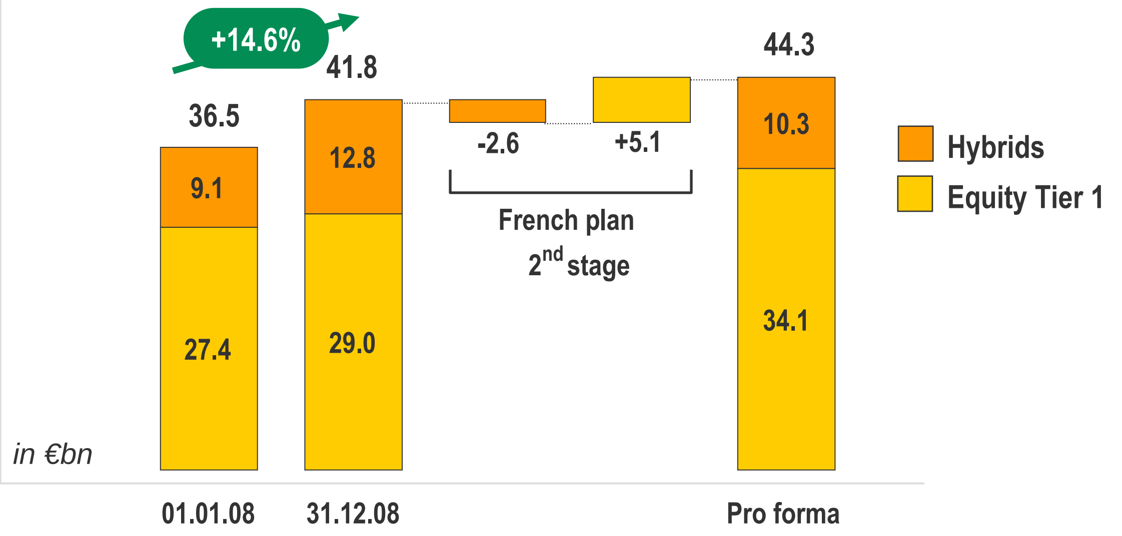
Risk-weighted assets



2009 risk-weighted assets reduction program

Equity

Tier 1 Capital



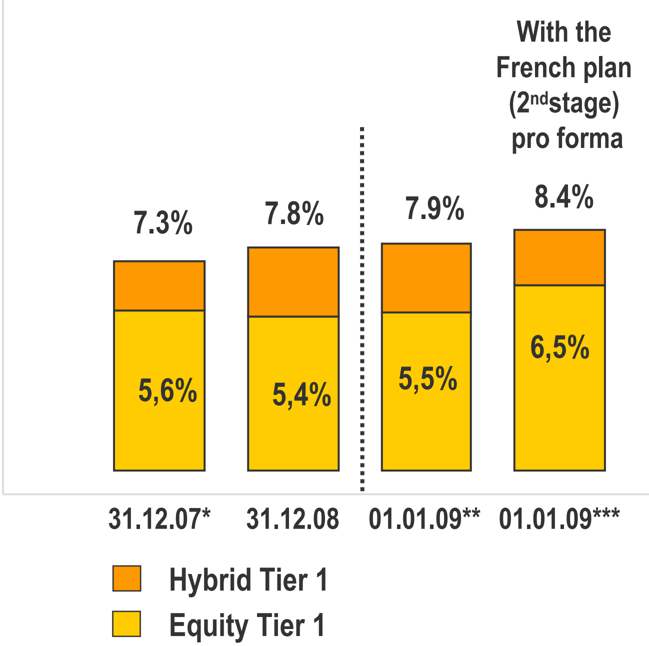
- Tier 1 Capital: €41.8bn, +14.6%/01.01.08 (+€5.3bn)
  - Excluding hybrids: €29.0bn, +5.8%/01.01.08 (+€1.6bn)
- Contribution of €5.1bn from the French economic stimulus plan
  - 1st stage (December): issuance of €2.55bn non-innovative hybrids
  - 2nd stage: issuance of €5.1bn non-voting shares and to redeem the first tranche of €2.55bn in hybrids

Reinforcing equity

Solvency

- Tier 1 Ratio at 7.8% as at 31.12.08
  - Adapted to BNP Paribas' risk profile
  - After a proposed dividend of €1.00
- Effect of the lowering of the floor: +0.1pt as at 01.01.09
- Impact of the contribution to the second stage of the French economic stimulus plan: +50bp
  - Tier 1 Ratio at 8.4% pro forma
- 2009 targets
  - Increase equity by generating earnings
  - Reduce risk-weighted assets (+30bp)
- In the medium term, maintain a Tier 1 ratio above 7.5%

Tier 1 Ratio



Capital management adapted to the environment

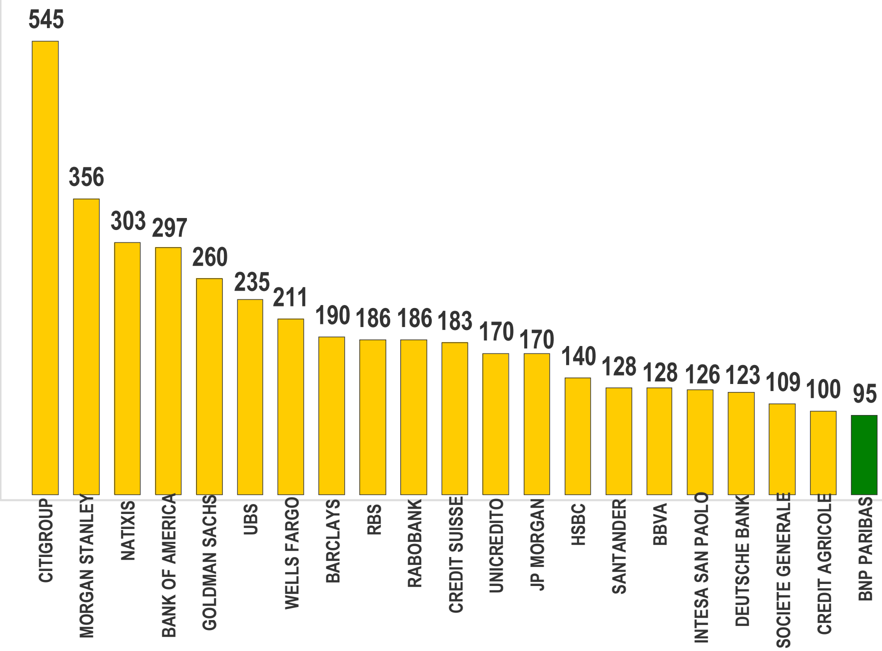
* Basel 1 RSI ** Excluding floor *** After participation to the 2nd stage of the French plan

Liquidity

- Loan to deposit ratio reduced to 119% vs 129% as at 31.12.07
- The lowest CDS spread of the peer group
  - One of the 6 best rated banks by S&P
- Benchmark issues post Lehman
  - First senior debt issue: €1.5bn with a 5-year maturity in Dec. 2008
  - First covered bond issue: €1.5bn with a 5-year maturity in Jan. 2009
- March 18: €1.5bn 3-years maturity issue
  - 140bp over swap at issuance
  - Secondary market holding up well
- 2009 MLT issue programme: €30bn
  - €12.6 bn already completed or under way

5-year senior CDS spreads

in bp as at 24.03.09



Source: Bloomberg

A very proactive approach drawing on a major competitive advantage

Cost Management

- Adapt the cost base to the 2009 environment
- CIB: reduce costs
  - Adapt the US platform and operations in emerging countries
  - Reduce the cost base (excluding variable compensation) by 5% on a full year basis
- AMS: very selective acquisitions
  - Optimise the international network
- Retail Banking: very selective growth
  - FRB and BNL bc: maintain costs at their 2008 level
  - BancWest and Personal Finance: improve operating efficiency
  - UkrSibbank: downsize and streamline the branch network

Retail Banking 2009 operating efficiency targets

	Jaws
French Retail Banking	+1%
BNL bc	+5%
Personal Finance	+2%

Group: stabilise costs in 2009*/2008, excluding variable compensation

** At constant scope and exchange rates*

Fortis
New Deal Outline

- Acquisition of 75% of Fortis Bank Belgium and 16% of Fortis Bank Luxembourg by BNP Paribas
  - Paid in BNP Paribas shares
- Acquisition of 25% of Fortis Insurance Belgium by Fortis Bank Belgium
  - Paid in cash
  - Strategic industrial partnership between Fortis Bank Belgium and Fortis Insurance Belgium
- Ring fencing of most impaired structured credit assets
  - Equity tranche: €1.7bn, o/w 12% for BNP Paribas
  - Senior debt tranche: €4.85bn o/w 10% for BNP Paribas and the rest for Fortis Bank, fully guaranteed by the Belgian state
  - Super senior debt tranche: €4.85bn for Fortis bank
- Partial guarantee from the Belgian state of the portfolio of structured assets remaining on Fortis Bank Belgium's balance sheet (nominal value of ~€21.5bn)
  - Guarantee of a second loss tranche up to €1.5bn beyond a first loss of €3.5bn
- New mechanism for maintaining the Tier 1 ratio of Fortis Bank Belgium at 9.2%

More embedded security, given the environment

Fortis
Industrial Project

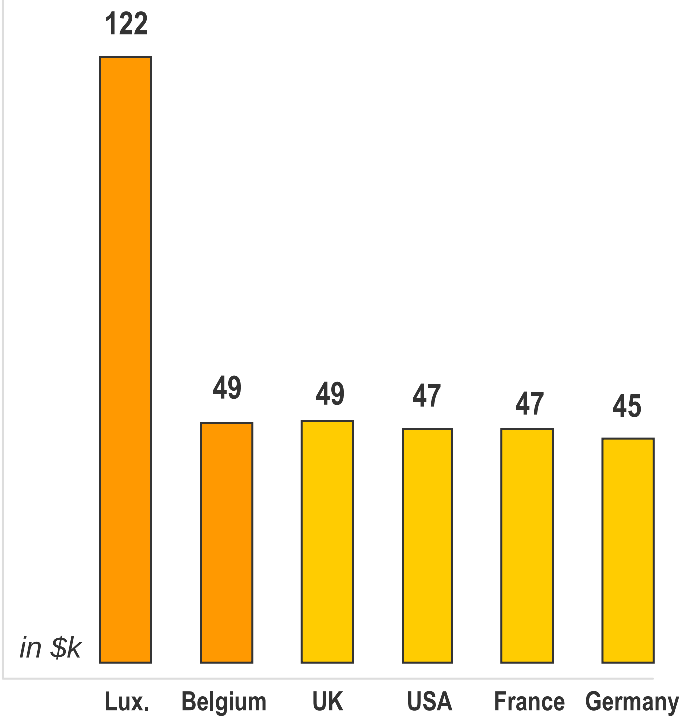
- Creation of a leading European banking group with 4 domestic markets in retail banking
- Become #1 deposit base in the Eurozone with more than €540bn and a loan to deposit ratio of 120%
- Extension of BNP Paribas' integrated retail-banking model to Belgium and Luxembourg
  - Includes strong bancassurance partnership with Fortis Insurance Belgium
- Greater scale in the strategic businesses of asset management and private banking, with more than €660bn in assets under management for the combined group
  - #1 private bank in the Eurozone
  - #5 asset manager in Europe

EPS accretive as early as 2010, excluding restructuring costs
Tier 1 neutral

Fortis
Market Shares

	Belgium	Luxembourg
Network		
Branches	1,064	37
Private banking centres	10	3
Business centres	22	1
Clients	3mn	280k
Market position		
Retail banking (deposits)	#1	#1
Consumer lending	#2	#2

2009E GDP per capita



A unique opportunity to acquire a #1 position in two of the wealthiest countries in Europe

Source – Fortis

Fortis
Time Table*

9 March
New deal announced

8/9 April: Fortis EGMs

Start industrial plan

Finalise industrial plan

Investor Day

March › April › May › June › Autumn › December

Closing

Stage 1
Acquisition of a controlling stake in Fortis Bank Belgium

Stage 2
BNP Paribas' EGM to approve the acquisition of a further 21% stake in Fortis Bank Belgium and a 16% stake in Fortis Bank Luxembourg

› Operational tie-up to start immediately after closing/stage 1

** Subject to approval by banking and insurance regulators, in particular the CBFA and the CECEI, the competent antitrust authorities and the European Commission*

2008 Results

Structural Strengths

Adjustments to the New Environments

Fortis: Two New Domestic Markets

Conclusion

Conclusion

Confirmed resilience of business model and global positioning despite an unprecedented crisis since September

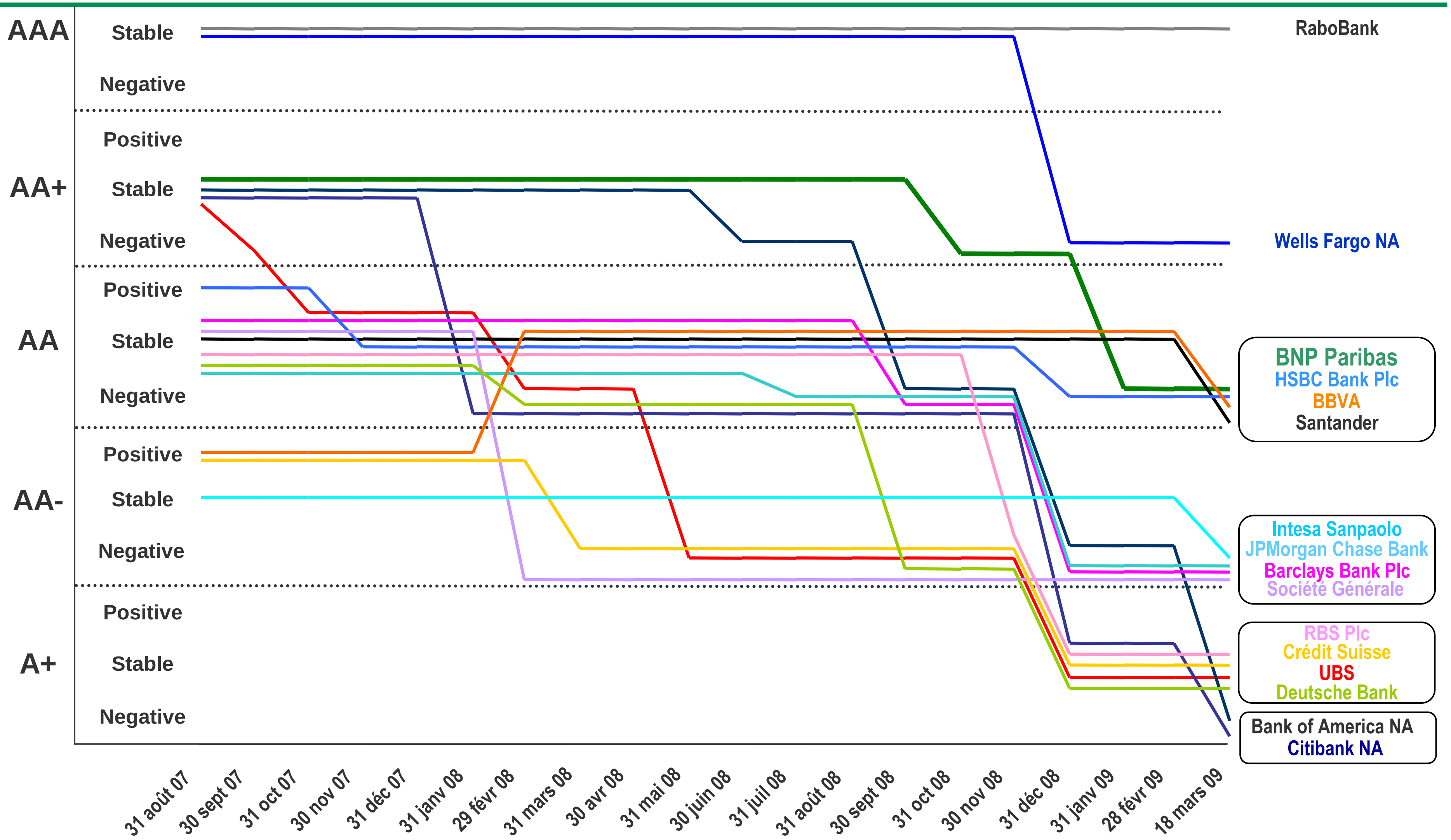
Adaptation to the new environment well under way

BNP Paribas well positioned to withstand 2009 challenges

BNP PARIBAS | The bank for a changing world

Appendices

Evolution of S&P Ratings Since August 2007



Data Source : BNP Paribas Credit Data Application and Bloomberg

Non-Voting Shares
A New Capital Instrument Under French Law

- Non-voting shares are equity
  - Issued at ordinary share's price (average price of 30 days preceding the issue)
  - Losses absorbed *pari-passu* with common stocks in the event of liquidation as well as continued operation
  - Non-cumulative dividend, paid only if a dividend is paid to ordinary shares
  - Rank as Tier 1 without any ceiling
- No voting rights
  - No voting or subscription rights
  - No government intervention in the Group's management
  - Non-convertible
- Preferential but capped remuneration
  - Remuneration greater than ordinary dividends: 105% in 2009 with a minimal yield of about 8% plus gradual growth up to 125% of the dividend in 2018 with a minimal yield of about 9.5%
  - Yield capped at roughly 16%
  - Possible* for the issuer to buy them back at a price capped at 120% of the issue price until 2013 and the cap gradually goes up to 160% of the issue price after 2018
- Limited dilution
  - Minimum yield, in case of distribution, inferior to the cost of capital
  - Participation in value creation, limited by yield and buyback price caps

+0.5pt pro forma effect on the Tier 1 ratio at the end of 2008 and +1pt on the equity Tier 1 ratio

(*) *Subject to approval from the Banking Commission*

Assets Transferred to the Banking Book

- Only in 4Q08, with no retroactive effect
- Assets transferred because they became illiquid: €7.8bn
  - LBO in trading portfolio €1.7bn
  - Illiquid bonds €3.3bn
  - ABS €1.6bn
- Impact on income
  - No impact at the time of the transfer
  - After transfer, reported income of €78mn pre-tax
  - Had there been no reclassification, the income reported a posteriori would have been: -€424mn before tax
- Effect on risk-weighted assets: +€2bn
- No further transfers expected
  - One-off change in management mode due to the crisis, which has left certain trading assets illiquid

Limited transfers with a moderate impact