



BNP PARIBAS

SECOND UPDATE TO THE 2014 REGISTRATION DOCUMENT AND HALF YEAR FINANCIAL REPORT FILED WITH THE AMF ON AUGUST 3, 2015

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The English language version of this report is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is accurate presentation of the original. However, in all matters of interpretation, views or opinion expressed in the original language version of the document in French take precedence over the translation.

Société Anonyme (Public Limited Company) with capital of 2,492,372,484 euros
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Only the French version of the second update to the 2012 Registration document has been submitted to the AMF. It is therefore the only version that is binding in law.

The original document was filed with the AMF (French Securities Regulator) on 3 August 2015, in accordance with article 212–13 of the AMF’s General Regulations. It may be used in support of a financial transaction only if supplemented by a Transaction Note that has received approval from the AMF. This document was prepared by the issuer and its signatories assume responsibility for it.

1. Half year management report

1.1 Group presentation

BNP Paribas, Europe's leading provider of banking and financial services, has four domestic retail banking markets in Europe, namely in Belgium, France, Italy and Luxembourg. It operates in 75 countries and has close to 188,000 employees, including over 147,000 in Europe. BNP Paribas holds key positions in its two main businesses:

- **Retail Banking and Services, which includes:**
 - Domestic Markets, comprising:
 - French Retail Banking (FRB);
 - BNL banca commerciale (BNL bc), Italian retail banking;
 - Belgian Retail Banking (BRB);
 - Other Domestic Markets activities including Luxembourg Retail Banking (LRB)
 - International Financial Services, comprising:
 - Europe-Mediterranean;
 - BancWest;
 - Personal Finance;
 - Insurance;
 - Wealth and Asset Management;
- **Corporate and Institutional Banking (CIB).**
 - Corporate Banking;
 - Global Markets;
 - Securities Services.

BNP Paribas SA is the parent company of the BNP Paribas Group.

1.2 First Half 2015 results

STRONG INCOME GROWTH AND SOLID ORGANIC CAPITAL GENERATION

BNP Paribas posted a very good performance this first half in a context of a gradual return to growth in Europe. Revenues were up sharply and grew in all the operating divisions. The Group showed the strength of its integrated business model building on a solid and diversified customer base.

Revenues totalled 22,144 million euros, up by 13.7% compared to the second half 2014. They include in the first half of the year an exceptional impact of +117 million euros in Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA). The one-off revenue items for the first half of 2014 totalled -116 million euros.

The revenues of the operating divisions were up significantly (+13.0% compared to the first half 2014) with a very good growth at International Financial Services (+20.5%) and Corporate and Institutional Banking (+19.7%), and continued increase in Domestic Markets¹ (+2.5%). They benefited from the positive impact of the acquisitions made in 2014.

Operating expenses, at 14,891 million euros, were up by 13.1%. They include the one-off impact of Simple & Efficient transformation costs and the restructuring costs of the acquisitions made in 2014 which totalled 347 million euros (340 million euros in the first half of 2014). They also include the 245 million euro impact² of the first contribution to the Single Resolution Fund, whose entire contribution for 2015 was fully booked in the first quarter of the year based on the IFRIC 21 “Levies” interpretation.

The operating expenses of the operating divisions were up by 11.0%, resulting in a largely positive jaws effect (2 points). They were up 1.7% in Domestic Markets¹, 20.6% in International Financial Services and 13.4% in CIB.

Gross operating income was up by 14.8%, at 7,253 million euros. It increased by 16.7% for the operating divisions.

The Group’s cost of risk was slightly up by 0.4%, at 1,947 million euros (56 basis points of outstanding customer loans), compared to first half of last year due to the scope effect related to the acquisitions made in 2014³. It was down excluding this effect. It included in the first half of 2014 a one-off 100 million euro provision due to the exceptional situation in Eastern Europe.

Non operating items totalled 931 million euros. They include in particular in the first half of the year a dilution capital gain from the merger between Klépierre and Corio and a capital gain from the sale of a 7% stake in Klépierre-Corio for a total amount of 487 million euros as well as a 94 million euro capital gain from the sale of a non-strategic stake⁴. Non operating items totalled 250 million euros in the first half of 2014.

As a reminder, the Group had separately booked in the first half of last year a total of 5,950 million euros in costs related to the comprehensive settlement with the U.S. authorities.

¹ Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)

² Estimated impact, net of the reduction of the French systemic tax

³ 142 million euro scope effect

⁴ CIB-Corporate Banking (€74m), Corporate Centre (€20m)

Pre-tax income thus came to 6,237 million euros (-1,320 million euros in the first half of 2014). It was up very sharply by 26.8% for the operating divisions.

The Group generated 4,203 million euros in net income attributable to equity holders (-2,815 million euros in the first half of 2014). Excluding the impact of one-off items, it was up sharply by 14.1%, illustrating the Group's very good performance in the first half of the year. Return on equity, excluding exceptional items, was 10.1%.

As at 30 June 2015, the fully loaded Basel 3 common equity Tier 1 ratio¹ stood at 10.6%, up by 30 basis points compared to 31 March 2015. The fully loaded Basel 3 leverage ratio² came to 3.7% (+30 basis points compared to 31 March 2015). The Group's immediately available liquidity reserve was 290 billion euros (291 billion euros as at 31 December 2014), equivalent to over one year of room to manoeuvre in terms of wholesale funding.

The net book value per share was 68.8 euros, equivalent to a compounded annualised growth rate of 6.5% since 31st December 2008, illustrating the continuous value creation throughout the cycle.

Lastly, the Group is actively implementing the remediation plan agreed as part of the comprehensive settlement with the U.S. authorities and is continuing to reinforce its internal control and compliance system.

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RETAIL BANKING & SERVICES

DOMESTIC MARKETS

In a context of a gradual recovery in demand for loans in Europe, Domestic Markets' outstanding loans rose by 1.5% compared to the first half 2014. Deposits were up by 6.1%. Excluding the effect of the acquisition of DAB Bank in Germany, they rose by 4.1% with a good growth in particular in France and in Belgium. Domestic Markets' sales and marketing drive was reflected in particular by sustained growth (+6.5% compared to 30 June 2014) in the assets under management in Private Banking in France, in Italy and in Belgium, and by BNP Paribas Factor being voted best Import Export factoring company for the second year in a row.

Revenues³, at 8,039 million euros, were up by 2.5% compared to the first half of 2014 with a good growth at BRB and in the specialised businesses (Personal Investors, Arval and Leasing Solutions) partly offset by the effects of a persistently low interest rate environment. At constant scope and exchange rates, they were up by 1.5%.

Operating expenses³ (5,099 million euros) were up by 1.7% compared to the first half of last year. At constant scope and exchange rates, they were up by only 0.4% thanks to continued cost control and despite the development of the specialised businesses, helping to generate a positive 1.1 point jaws effect.

¹ Ratio taking into account all the CRD4 rules with no transitory provisions

² Ratio taking into account all the rules of the CRD4 directives with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014, including the forthcoming replacement of Tier 1 instruments that have become ineligible with equivalent eligible instruments

³ Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg

Gross operating income¹ totalled 2,940 million euros, up by 4.0% compared to the first half of last year.

Given the moderate reduction in the cost of risk, notably in Italy, and after allocating one-third of Private Banking's net income to Wealth Management business (International Financial Services division), the division reported a significant growth of pre-tax income², at 1,870 million euros (+15.4% compared to the first half of 2014³).

French Retail Banking (FRB)

In a context of a gradual recovery in demand in the corporate and individual segments, FRB's outstanding loans rose by 1.1% compared to the first half of 2014. Deposits continued a sustained pace of growth (+4.2%) with in particular a strong growth in current accounts. Off balance sheet savings enjoyed a good growth with a 4.7% rise in life insurance outstandings compared to the level as at 30 June 2014. Private Banking's assets under management reached 87.5 billion euros, confirming the business number 1 position in France.

Revenues⁴ totalled 3,360 million euros, down by 2.1% compared to the first half of 2014. Net interest income was down by 4.7% given the impact of persistently low interest rates (decrease in the margin on deposits and on renegotiated loans). Fees were up for their part by 1.7% with a good performance of fees on off balance sheet savings and the gradual adaptation of customer conditions.

Thanks to the continuing effect of operating efficiency measures, operating expenses⁴ were down by 0.3% compared to the first half 2014.

Gross operating income⁴ thus came to 1,159 million euros, down by 5.4% compared to the same period last year.

The cost of risk⁴ remained at a low level, at 24 basis points of outstanding customer loans. It was down by 35 million euros compared to the first half of 2014.

Thus, after allocating one-third of French Private Banking's net income to the Wealth Management business (International Financial Services division), FRB posted 900 million euros in pre-tax income² (-4.4% compared to the first half of 2014).

BNL banca commerciale (BNL bc)

BNL bc continued to adapt its business model in a more favourable context.

Outstanding loans were down by 1.3% compared to the first half of 2014 due to the repositioning on the best corporate and small business clients and despite increase in loans to individuals. Deposits were down by 2.1%, due to a reduction focused on the most costly deposits, notably those of corporates. BNL bc continued the development of off balance sheet savings with strong growth, compared to 30 June 14, in life insurance outstandings (+11.8%) and mutual funds (+29.2%). Private Banking continued to enjoy a good business drive with a 10.4% growth in assets under management compared to 30 June 2014.

¹ Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg

² Excluding PEL/CEL effects

³ +15.0% at constant scope and exchange rates

⁴ Including 100% of Private Banking in France (excluding PEL/CEL effects)

Revenues¹ were down by 2.3% compared to the first half of 2014, at 1,593 million euros. Net interest income was down by 4.9% due to the repositioning on the better corporate clients and the low interest rate environment. Fees rose by 3.3% thanks to the very good growth of off balance sheet savings in line with the increase of outstandings.

Operating expenses¹ rose by 0.6% compared to the first half of 2014, to 892 million euros due to the one-time impact of real estate projects in the second quarter 2015.

Gross operating income¹ thus came to 701 million euros, down by 5.8% compared to the same period a year earlier.

The cost of risk¹, still high at 166 basis points of outstanding customer loans, was down moderately (-89 million euros compared to the first half of 2014) with a gradual improvement of the loan portfolio quality as evidenced by the significant decrease in doubtful loan inflows.

Thus, after allocating one-third of Italian Private Banking's net income to the Wealth Management business (International Financial Services division), BNL bc posted 40 million euros in pre-tax income, up by 39 million euros compared to the first half of 2014.

Belgian Retail Banking

BRB generated a very good operating performance. Loans were up by 3.3% compared to the first half of 2014 due to the growth in loans to individual customers and corporate clients. For their part, deposits rose by 3.8% thanks in particular to a strong growth in current accounts. The business reported a good performance in off balance sheet savings with a 20.5% growth in mutual fund outstandings compared to their level as at 30 June 2014.

Revenues² were up by 7.3% compared to the first half of 2014, at 1,785 million euros. Net interest income rose by 5.1%, in line in particular with increased volumes and margins holding up well, and fees were up by 13.9% due to the very good performance of financial fees.

Operating expenses² totalled 1,292 million euros, up by only 0.2% compared to the first half of 2014, thanks to the effect of operating efficiency measures, helping to produce a largely positive jaws effect (7.1 points).

At 493 million euros, gross operating income² was thus up sharply (+31.5%) compared to the same period last year.

The cost of risk² was particularly low this semester, at 8 basis points of outstanding customer loans, down by 32 million euros compared to the first half of 2014.

Thus, after allocating one-third of Belgian Retail Banking's net income to the Wealth Management business (International Financial Services division), BRB posted 412 million euros in pre-tax income, up sharply compared to the first half of last year (+137 million euros).

¹ Including 100% of Italian Private Banking

² Including 100% of Belgian Private Banking

Other Domestic Markets businesses (Arval, Leasing Solutions, Personal Investors and Luxembourg Retail Banking)

The business activity of Domestic Markets' specialised businesses showed a strong drive. At Arval, the financed fleet was up by 7.0% compared to the first half of 2014, reaching 740,000 vehicles. Personal Investors' deposits were up sharply (+69.8%). Beyond the effect of the acquisition of DAB Bank, they were up by 20.5% at constant scope and exchange rates, thanks to a good level of new customers and the success of Hello bank! in Germany. In Leasing Solutions, there was a good growth in the outstandings of the core portfolio offset however by the continued reduction of the non-core portfolio.

Luxembourg Retail Banking's outstanding loans grew by 2.4% compared to the first half of 2014 due to growth in mortgages, and in corporate loans. Deposits were up by 6.1% with good deposit inflows on the corporate segment.

Revenues¹ were up by 16.7% compared to the first half of 2014, at 1,301 million euros, including the effect of the acquisition of DAB Bank in Germany. At constant scope and exchange rates, they rose by 9.7% with a good growth in all the businesses and a rise in particular in Arval's revenues.

Operating expenses¹ rose by 13.2% compared to the first half of 2014, to 714 million euros. At constant scope and exchange rates, they were up by 2.9%, in line with the development of the business, producing a largely positive jaws effect.

The cost of risk¹ was up by 3 million euros compared to the first half of 2014, at 72 million euros.

On the whole, the contribution by these four business units to Domestic Markets' pre-tax income, after allocating one-third of Luxembourg Private Banking's net income to the Wealth Management business (International Financial Services division), was 518 million euros, up sharply (+28.5%) compared to the first half of 2014.

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INTERNATIONAL FINANCIAL SERVICES

International Financial Services reported a very good first half: Personal Finance continued its international business development and forged new partnerships, Europe-Mediterranean and BancWest showed good business drive, Insurance and Wealth and Asset Management saw a strong increase in their assets under management (+10.2% compared to what it was as at 30 June 2014). The division has been also successfully proceeding with the integration of two acquisitions made in 2014: Bank BGZ (Europe-Mediterranean) and LaSer (Personal Finance).

Revenues, at 7,609 million euros, were up by 20.5% compared to the first half of 2014 (+4.9% at constant scope and exchange rates), with growth in all the business units.

¹ Including 100% of Luxembourg Private Banking

Operating expenses (4,670 million euros) were up by 20.6% compared to the first half of the last year. At constant scope and exchange rates, they were up by 5.0% in line with the good development of the business.

Gross operating income totalled 2,939 million euros, up by 20.4% compared to the first half of 2014 (+4.8% at constant scope and exchange rates).

The cost of risk was 895 million euros (+24.5% but +3.0% at constant scope and exchange rates compared to the low level of the first half of 2014).

International Financial Services' pre-tax income was up sharply at 2,285 million euros (+18.8% compared to the first half of 2014 and +8.2% at constant scope and exchange rates).

Personal Finance

Personal Finance continued its business development. The business unit implemented its new banking partnerships alliances (BCC-Grupo CajaMar in Spain and Poste Italiane in Italy) and saw a strong growth in its car loan business with outstandings up by 6.4% at constant scope and exchange rates compared to the first half of 2014.

Outstanding loans grew in total by 23.6% compared to the first half of 2014 due in particular to the acquisition of LaSer. At constant scope and exchange rates¹, they were up by 3.0% on the back of the gradual recovery of demand in the Eurozone.

Revenues grew by 27.2% compared to the first half of 2014, to 2,365 million euros. At constant scope and exchange rates¹, they rose by 1.4%, driven in particular by revenue growth in Germany, Italy and Spain.

Operating expenses were up by 31.2% compared to the first half of 2014, at 1,162 million euros. At constant scope and exchange rates¹, they were up by 1.7% on the back of the development of the business.

Gross operating income thus came to 1,203 million euros, up by 23.5% compared to the same period last year (+1.1% at constant scope and exchange rates¹).

The cost of risk increased by 53 million euros compared to the first half of 2014, to 580 million euros (205 basis point of outstanding customer loans). Excluding the scope effect related to the acquisition of LaSer (+88 million euros), it was down by 35 million euros.

Personal Finance's pre-tax income thus came to 655 million euros, up by 33.9% compared to the first half of 2014 (+19.8% at constant scope and exchange rates¹).

Europe Mediterranean

Europe-Mediterranean maintained its good business drive with the continued development of activity. Loans rose by 13.6%² compared to the first half of 2014 with a rise in outstandings in particular in Turkey and Poland. Deposits grew by 9.9%², also with a strong growth in Turkey and in Poland. The development of the business was reflected in particular by increased cross-selling in Turkey with CIB (revenues up by 23.2%² compared to the first half of 2014)

¹ With LaSer fully consolidated on a pro forma basis in the first half of 2014

² At constant scope and exchange rates

and with Private Banking (assets under management up by 23% compared to their level as at 30 June 2014, at 4.3 billion euros).

Revenues¹, at 1,258 million euros, were up by 15.2%² compared to the first half of 2014 in line with volume growth.

Operating expenses¹, at 864 million euros, rose by 7.1%² compared to the first half of last year.

The cost of risk¹, at 259 million euros, was at 134 basis point of outstanding customer loans, up by 77 million euros² compared to the low level of the first half of 2014.

Non operating items, at 83 million euros, were up sharply (+50.9%) due notably to the strong contribution from the associated companies with a very good performance in Asia.

Thus, after allocating one-third of Turkish Private Banking's net income to Wealth Management business, Europe-Mediterranean generated 217 million euros in pre-tax income, up significantly compared to the first half of 2014 (+18.9%², and +49.7% at historical scope and exchange rates given a significant foreign exchange effect).

BancWest

BancWest continued its good commercial drive in a favourable context. Loans grew by 6.6%² compared to the first half of 2014 due to the sustained growth in corporate and consumer loans. Deposits increased by 6.3%² with a strong rise in current and savings accounts. BancWest continued the development of Private Banking with assets under management totalling 9.5 billion U.S. dollars as at 30 June 2015 (+20% compared to 30 June 2014).

Revenues³, at 1,392 million euros, grew by 7.8%² compared to the first half of 2014, due notably to the volume growth.

Operating expenses³, at 940 million euros, rose by 10.3%² compared to the first half of 2014 as a result in particular of a rise in regulatory costs (CCAR and set up of the Intermediate Holding Company). Excluding this effect, they were up by 4.3%² in line with the strengthening of the commercial set up in private banking and consumer finance partly offset by savings from the streamlining of the network.

At 35 million euros, the cost of risk³ remained very low, at 13 basis points of outstanding customer loans. It was up by 8 million euros compared to the first half of 2014.

Thus, after allocating one-third of U.S. Private Banking's net income to Wealth Management business, BancWest posted 417 million euros in pre-tax income, up by 2.3% at constant exchange rates compared to the first half of 2014 (+29.1% at current exchange rates due to the appreciation of the dollar against the euro).

¹ With 100% of Turkish Private Banking

² At constant scope and exchange rates

³ With 100% of Private Banking in the United States

Insurance and Wealth and Asset Management

Insurance and Wealth and Asset Management reported a good overall performance, sustained by a strong rise in assets under management and positive asset inflows in all the businesses.

Assets under management¹ were up sharply at 949 billion euros as at 30 June 2015 (+10.2% compared to their level as at 30 June 2014). They rose by 55 billion euros compared to 31 December 2014, due in particular to a +26.7 billion euro performance effect, on the back of the favourable evolution in equity markets and interest rates, and a +13.5 billion euro foreign exchange effect due to the depreciation of the euro. Net asset inflows were also largely positive at +13.9 billion euros with very good asset inflows at Wealth Management in the domestic markets and in Asia, sustained asset inflows in Insurance in France, Italy and Asia and asset inflows in Asset Management driven in particular by diversified funds.

As at 30 June 2015, assets under management¹ were split as follows: Asset Management (387 billion euros), Wealth Management (331 billion euros), Insurance (210 billion euros) and Real Estate Services (21 billion euros).

In Insurance, revenues, at 1,127 million euros, grew by 5.8% compared to the first half of 2014 due to the business growth and the good performance of financial markets. At 579 million euros, operating expenses rose by 7.2% in relation with the continued growth in the business, in particular internationally. Pre-tax income, at 640 million euros, was thus up by 8.5% compared to the first half of last year.

Wealth and Asset Management's revenues, at 1,489 million euros, were up by 5.4% due in particular to the good performance of Wealth Management in the domestic markets and in Asia, and an increase in Asset Management compared to a high base in the first half of 2014. Operating expenses, at 1,142 million euros, were up by 7.6% due in particular to continued business development investments. At 356 million euros, Wealth and Asset Management's pre-tax income, after receiving one-third of the net income of private banking in the domestic markets, in Turkey and in the United States, was thus down by 5.3% compared to the first half of 2014.

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CORPORATE AND INSTITUTIONAL BANKING (CIB)

CIB again generated a very good performance this half year. Revenues, at 6,394 million euros, rose by 19.7% compared to the first half of 2014 with client activity growing in all the businesses.

Global Markets' revenues were up by 26.6% at 3,599 million euros, compared to the first half of 2014 (+19.6% excluding the impact of the introduction of FVA² in the second quarter 2014). The Global Markets' business continued to be sustained this half year. The revenues of the Equity and Prime Services business unit, at 1,341 million euros, were up by 22.9%

¹ Including distributed assets

² Funding Valuation Adjustment

compared to the first half of 2014 with a good growth in all businesses. FICC's¹ revenues, at 2,258 million euros, were up by 17.8%² with a good growth in forex and commodities and a less favourable context in rates and credit where the business ranked number 2 for all bonds in euros and number 9 for all international bonds.

Securities Services' revenues, at 916 million euros, rose for their part by 16.4% on the back of a very good business drive (assets under custody up by 17.8% and number of transactions up by 19.3% compared to 30 June 2014).

Corporate Banking's revenues, at 1,879 million euros, grew by 9.8% compared to the first half 2014 driven by a sustained growth in the Americas, in line with the good business development and growth in Europe and in Asia Pacific despite the contraction of the Energy & Commodities business unit, while other business units continuing their good development. Loans, at 123 billion euros, were up by 14.6% compared to the first half 2014. Deposits, at 93 billion euros, maintained their good growth (+26.9%) thanks in particular to the development of international cash management.

The operating expenses of CIB, at 4,330 million euros, rose by 13.4% compared to the first half of 2014 due to the impact of the appreciation of the U.S. dollar (+4.1% at constant scope and exchange rates) and the still high regulatory costs as a result in particular of the set up of CCAR and the Intermediate Holding Company in the United States.

The cost of risk was at a very low level (110 million euros), down by 25 million euros compared to the first half of 2014.

After accounting for a one-off capital gain of 74 million euros from the sale of a non-strategic stake, CIB' pre-tax income totalled 2,131 million euros, up sharply by 52.8% compared to the first half 2014 (+28.8% at constant scope and exchange rates).

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CORPORATE CENTRE

The Corporate Centre's revenues totalled +410 million euros compared to +242 million euros in the first half of 2014. They include a +117 million euro Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA) (-251 million euros in the first half of 2014) as well as a good contribution of BNP Paribas Principal Investments. The Corporate Centre's revenues also include in the first half of 2014 a +301 million euro net capital gain from the exceptional sales of equity investments.

Operating expenses totalled 923 million euros compared to a low base of 580 million euros in the first half of 2014. They include in particular the 245 million euro impact³ of the first contribution to the Single Resolution Fund, whose entire contribution for 2015 was booked in the first half based on the IFRIC 21 "Levies" interpretation, 264 million euros in Simple & Efficient transformation costs (340 million euros in the first half of 2014) and 83 million euros in restructuring costs concerning the acquisitions made in 2014 (9 million euros in the first half 2014).

The cost of risk totalled 22 million euros (11 million euros in the first half of 2014).

¹ Fixed Income, Currencies and Commodities

² Excluding the impact of the introduction of FVA in the second quarter 2014

³ Estimated impact, net of the reduction of the French systemic tax

Non operating items totalled 519 million euros compared to 46 million euros in the first half 2014. They include in particular a +123 million euro dilution capital gain from the merger between Klépierre and Corio, a +364 million euro capital gain from the sale of a stake in Klépierre-Corio and the part allocated to the Corporate Centre (20 million euros¹) of a capital gain from the sale of a non-strategic stake.

As a reminder, following the comprehensive settlement with the U.S. authorities regarding the review of certain USD transactions, the Group booked in the second half 2014 a total of 5,950 million euros in one-off costs (5,750 million euros in penalties and 200 million euros for the costs related to the remediation plan).

The Corporate Centre's pre-tax income was -16 million euros compared to -6,253 million euros in the first half of 2014.

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¹ 94 million euros in capital gain, of which 74 million euros at CIB-Corporate Banking and 20 million euros at Corporate Centre

FINANCIAL STRUCTURE

The Group's balance sheet is rock-solid.

The fully loaded Basel 3 common equity Tier 1 ratio¹ stood at 10.6% as at 30 June 2015, up by 30 basis points compared to 31 December 2014 due primarily to the net income of the first half after taking into account a 45% dividend pay-out.

The Basel 3 fully loaded leverage ratio², calculated on total Tier 1 capital³, totalled 3.7% as at 30 June 2015, up by 10 basis points compared to 31 December 2014.

The evolution of the fully loaded Basel 3 common equity Tier 1 and leverage ratios illustrates the Group's solid organic capital generation and its ability to manage its balance sheet according to regulatory changes.

The Group's liquid and asset reserve immediately available totalled 290 billion euros (compared to 291 billion euros as at 31 December 2014), which is equivalent to over one year of room to manoeuvre in terms of wholesale funding.

¹ Taking into account all the rules of the CRD4 directives with no transitory provisions. Subject to the provisions of Article 26.2 of Regulation (EU) No 575/2013

² Taking into account all the rules of the CRD4 directives with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014

³ Including the forthcoming replacement of Tier 1 instruments that have become ineligible with equivalent eligible instruments



Second Quarter 2015 Results



BNP PARIBAS | The bank for a changing world

31 July 2015

Disclaimer

Figures included in this presentation are unaudited. On 24 March 2015, BNP Paribas issued a restatement of its quarterly results for 2014 reflecting, in particular, the new organization of the Bank's operating divisions as well as the adoption of the accounting standards IFRIC 21. This presentation is based on the published or the restated 2014 data as appropriate.

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.

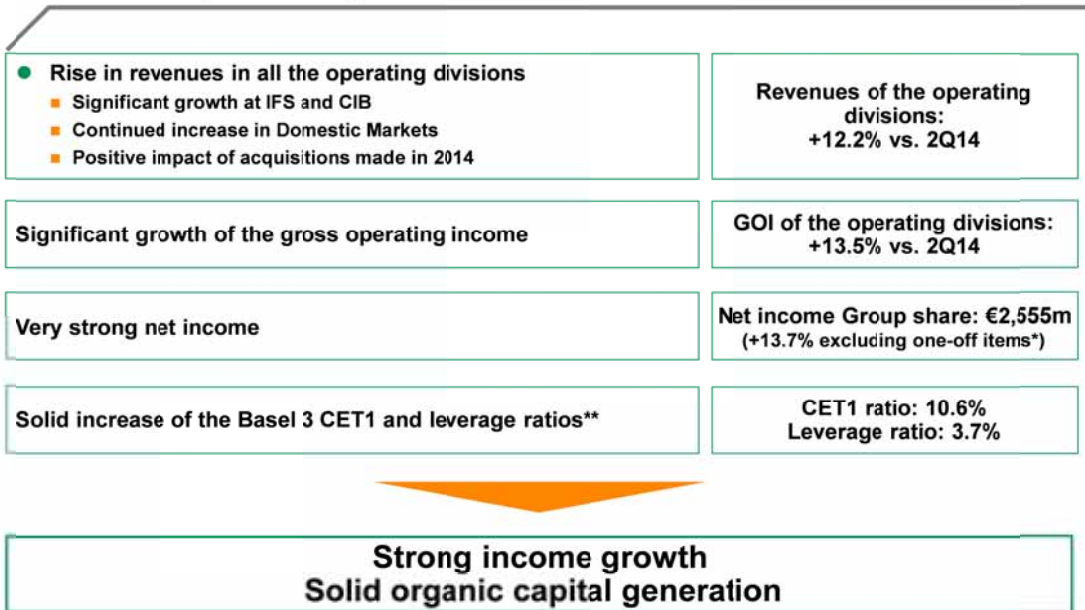
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2Q15 Key Messages



Group Results

Division Results

1H15 Detailed Results

Appendix



2Q15 Main Exceptional Items

	2Q15	2Q14
Revenues		
Introduction of FVA* (CIB – Global Markets)		-€166m
Own credit adjustment and DVA (Corporate Centre)	+€80m	-€187m
Total exceptional revenue items	+€80m	-€353m
Operating expenses		
Simple & Efficient transformation costs and restructuring costs of LaSer, Bank BGZ and DAB Bank (Corporate Centre)	-€217m	-€198m
Total exceptional operating expenses	-€217m	-€198m
Costs related to the comprehensive settlement with U.S. authorities (Corporate Centre)		
Amount of penalties (excluding amount already provisioned)		-€5,750m
Costs related to the remediation plan		-€200m
Total		-€5,950m
Non operating items		
Sale of a 7% stake in Klépierre-Corio (Corporate Centre)	+€364m	
Dilution capital gain due to the merger between Klépierre and Corio (Corporate Centre)	+€56m	
Total exceptional non operating items	+€420m	
Total one-off items	+€283m	-€6,501m

* Funding Valuation Adjustment



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2Q15 Consolidated Group

	2Q15	2Q14*	2Q15 vs. 2Q14	2Q15 vs. 2Q14 Operating Divisions
Revenues	€11,079m	€9,569m	+15.8%	+12.2%
Operating expenses	-€7,083m	-€6,368m	+11.2%	+11.4%
Gross Operating income	€3,996m	€3,201m	+24.8%	+13.5%
Cost of risk	-€903m	-€855m	+5.6%	+1.7%
Costs related to the comprehensive settlement with U.S. authorities		-€5,950m	n.s.	
Non operating items	€592m	€154m	n.s.	+38.0%
Pre-tax income	€3,685m	-€3,450m	n.s.	+18.2%
Net income attributable to equity holders	€2,555m	-€4,218m	n.s.	
Net income attributable to equity holders excluding exceptional items	€2,300m	€2,023m	+13.7%	


Very good performance

* See restated figures for 2014, published on 24 March 2015



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1H15 Consolidated Group

	1H15	1H14*	1H15 vs. 1H14	1H15 vs. 1H14 Operating Divisions
Revenues	€22,144m	€19,480m	+13.7%	+13.0%
Operating expenses	-€14,891m	-€13,161m	+13.1%	+11.0%
Gross operating income	€7,253m	€6,319m	+14.8%	+16.7%
Cost of risk	-€1,947m	-€1,939m	+0.4%	-0.2%
Costs related to the comprehensive settlement with U.S. authorities		-€5,950m	n.s.	
Non operating items	€931m	€250m	n.s.	n.s.
Pre-tax income	€6,237m	-€1,320m	n.s.	+26.8%
Net income attributable to equity holders	€4,203m	-€2,815m	n.s.	
Net income attributable to equity holders excluding one-off items**	€3,845m	€3,369m	+14.1%	

Annualised ROE excluding exceptional items: 10.1%

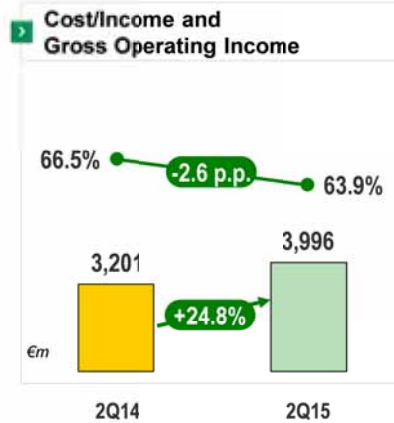
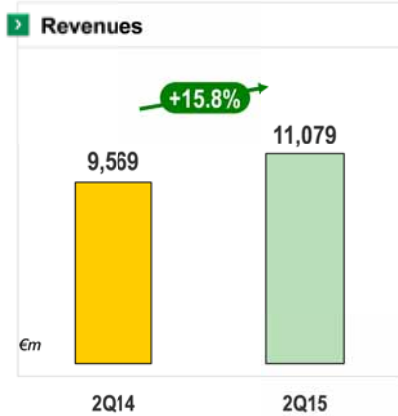
* See restated figures for 2014, published on 24 March 2015; ** See slide 35



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2Q15 Consolidated Group



Strong revenue growth
Significant improvement of the cost/income ratio



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2Q15 Revenues of the Operating Divisions



- Impact of acquisitions made in 2014 and significant foreign exchange effect

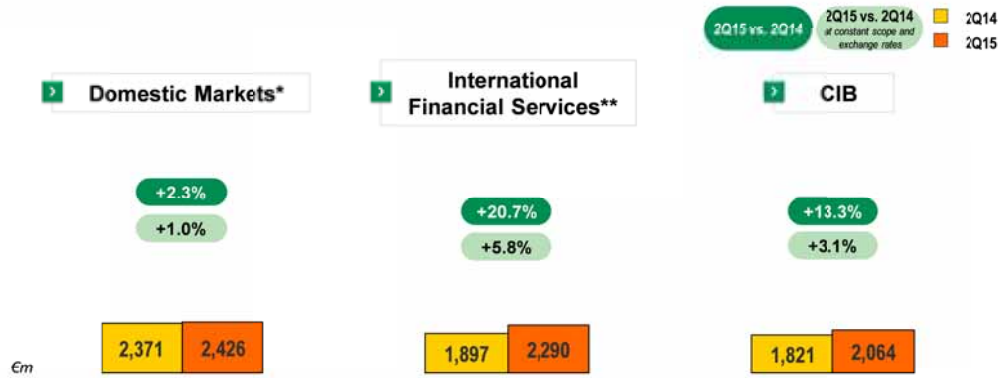
Rise in revenues in all the operating divisions

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

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2Q15 Operating Expenses of the Operating Divisions



- Impact of acquisitions made in 2014 and significant foreign exchange effect
- Continued improvement of the cost/income ratio

Effects of Simple & Efficient Rise in regulatory costs and continued business development

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

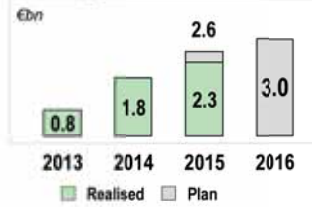
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Simple & Efficient

- Continued the momentum throughout the entire Group
 - 1,364 programmes identified including 2,659 projects
 - 53% of projects initiated since 2013 already completed
- Cost savings: €2,283m since the launch of the plan
 - Equivalent to 76% of the new €3.0bn target per year from 2016
 - Of which €262m booked in 2Q15
- Transformation costs: €154m in 2Q15
 - €264m in 1H15
 - Reminder: €620m target in 2015

3 Cumulative recurring cost savings



3 One-off transformation costs



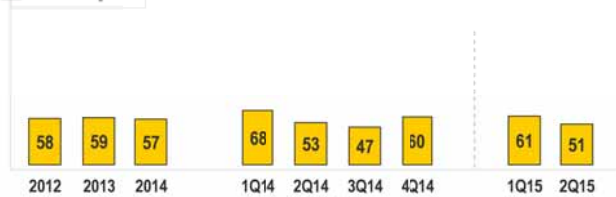
Success of the Simple & Efficient savings plan



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

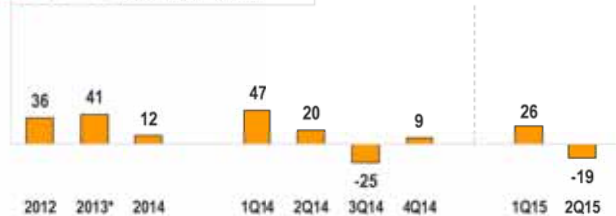
Net provisions/Customerloans (in annualised bp)

Group



- Cost of risk: €903m
 - -€141m vs. 1Q15
 - +€48m vs. 2Q14
- Scope effect linked to the acquisitions made in 2014 (+€68m)
- Slight decrease vs. 2Q14 excluding this effect

CIB - Corporate Banking

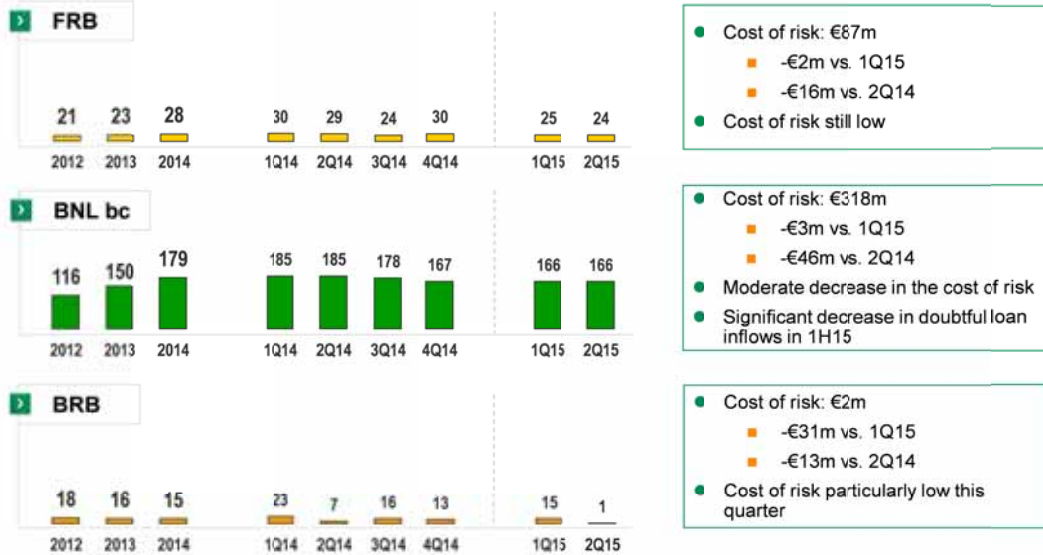


- Cost of risk: -€55m
 - -€129m vs. 1Q15
 - -€106m vs. 2Q14
- Provisions more than offset by write-backs this quarter



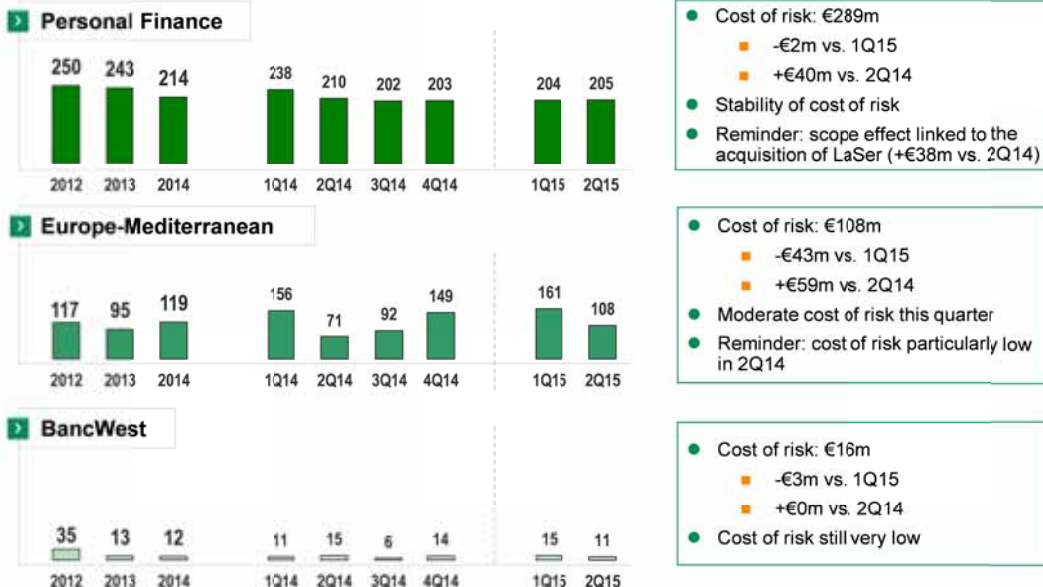
Variation in the Cost of Risk by Business Unit (2/3)

Net provisions/Customerloans (in annualised bp)



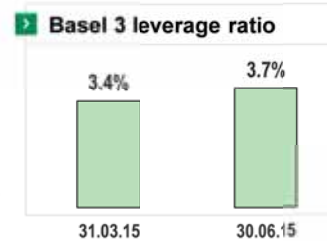
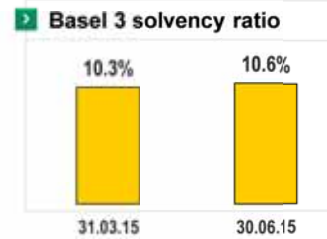
Variation in the Cost of Risk by Business Unit (3/3)

Net provisions/Customerloans (in annualised bp)



Financial Structure

- Fully loaded Basel 3 CET1 ratio*: 10.6% as at 30.06.15 (+30 bp vs. 31.03.15)
 - 2Q15 results after taking into account a 45% dividend pay-cut: +20 bp
 - Reduction of risk-weighted assets, notably the exposure to counterparty risks: +10 bp**
 - Limited foreign exchange and interest rate effects on the ratio
- Fully loaded Basel 3 leverage ratio***: 3.7% as at 30.06.15 (+30 bp vs. 31.03.15)
 - Reduction of the leverage exposure in capital market activities
- Immediately available liquidity reserve: €290bn**** (€291bn as at 31.12.14)
 - Amounting to ~165% of short-term wholesale funding, equivalent to over 1 year of room to manoeuvre

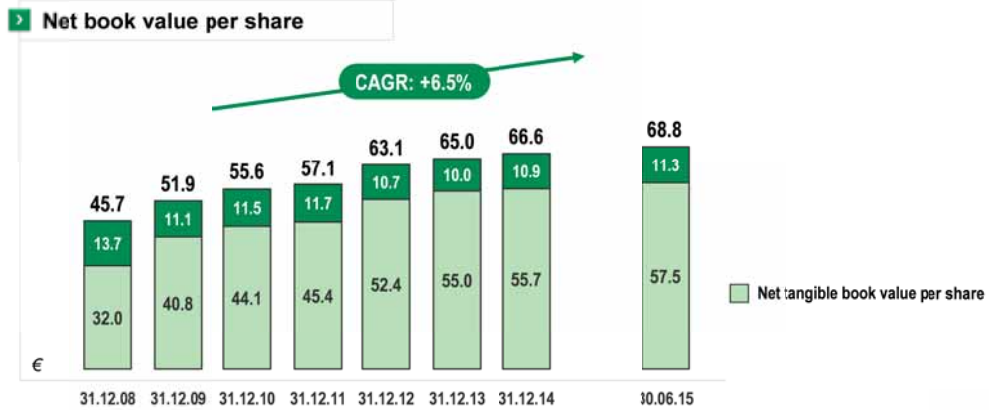


Solid organic capital generation

*CRD4 ** Excluding interest rate and foreign exchange effects *** CRD4, calculated according to the delegated act of the European Commission dated 10.10.2014 (see note 4) on slide 70) **** Deposits with central banks and unencumbered assets eligible to central banks, after haircut



Net Book Value per Share



Continued growth in the net book value per share throughout the cycle



Implementation of the Remediation Plan and Reinforcement of Compliance and Control Procedures

- Continued implementation of the remediation plan agreed as part of the comprehensive settlement with the U.S. authorities
 - 43 projects of which 15 are already finalised: progress of the projects in line with the timetable defined
 - All USD flows for the entire Group will be ultimately processed and controlled via the New York branch: continued transfers of processing to the New York branch in accordance with the defined timetable (USD flows of 106 Group's entities henceforth processed by the New York branch)
 - The new Group Financial Security department in the US, based in New York, up and running: staff of 46; 9 onsite inspections planned in 2015

- Reinforcement of compliance and control procedures
 - Vertical integration of the Compliance and Legal functions completed
 - Work startup of the Ethics Committee
 - Increased resources earmarked for Compliance: 450 staff hired since January 2015
 - Increase in the number of controls performed by the General Inspection: new team specialised in compliance and financial security issues up and running (16 inspectors by the end of June, 25 entities already audited)
 - Training under way of about 200 specialists of international financial sanctions
 - Continued operational implementation of a stronger culture of compliance: compulsory training programmes for Group employees set up
 - Reinforcement and harmonisation of mandatory periodic client portfolio review procedures (Know Your Customer)



Group Results

Division Results

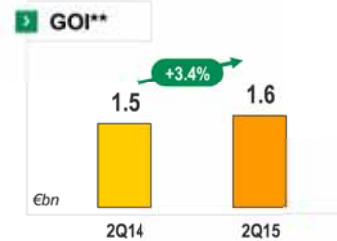
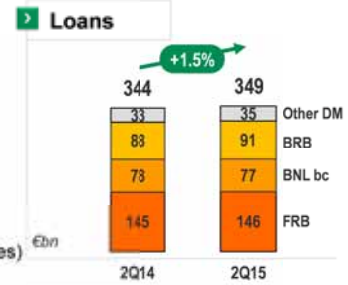
1H15 Detailed Results

Appendix



Domestic Markets - 2Q15

- Business activity
 - Loans: +1.5% vs. 2Q14, gradual recovery in demand for loans
 - Deposits: +6.3% vs. 2Q14 (+4.3% excluding the acquisition of DAB Bank in Germany), good growth in particular in France and Belgium
 - Good increase of private banking assets under management in France, Italy and Belgium: +6.5% vs. 30.06.14
 - BNP Paribas Factor voted best Import Export factoring company for the second year in a row in 2015*
- Revenues**: €4.0bn; +2.7% vs. 2Q14 (+1.9% at constant scope and exchange rates)
 - Good performance of BRB and the specialised businesses (Personal Investors, Arval, Leasing Solutions)
 - Persistently low interest rate environment
- Operating expenses**: €2.4bn; +2.3% vs. 2Q14 (+1.0% at constant scope and exchange rates)
 - Continued cost control
 - Ongoing development of the specialised businesses
- Pre-tax income***: €1.1bn; +13.9% vs. 2Q14 (+14.1% at constant scope and exchange rates)
 - Decline in the cost of risk, in particular in Italy



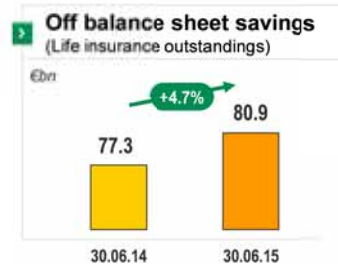
**Gradual return to growth in Europe
Strong income growth**

*Source: Factors Chain International; ** Including 100% of Private Banking, excluding PEL/CEL; *** Including 2/3 of Private Banking, excluding PEL/CEL



Domestic Markets French Retail Banking - 2Q15

- Business activity
 - Loans: +0.8% vs. 2Q14, gradual recovery in demand in the corporate and individual segments
 - Deposits: +3.6% vs. 2Q14, good growth in current accounts continuing
 - Off balance sheet savings: good development, increase in life insurance outstandings (+4.7% vs. 30.06.14), with a growing share of unit-linked contracts (82% of net inflows in 2Q15)
 - Private Banking: number 1 ranking in France with €87.5bn in assets under management
- Revenues*: -2.0% vs. 2Q14
 - Net interest income: -5.9%, impact of persistently low interest rates (decrease in margins on deposits and on renegotiated loans)
 - Fees: +3.8%, good performance of fees on off balance sheet savings and gradual adaptation of customer conditions
- Operating expenses*: -0.1% vs. 2Q14
 - Continuing effect of operating efficiency measures
- Pre-tax income**: €476m (-5.2% vs. 2Q14)



**Impact of persistently low interest rates
Good cost containment**

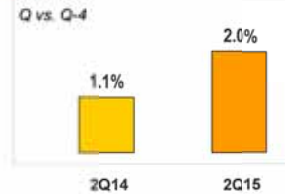
* Including 100% of French Private Banking, excluding PEL/CEL effects; ** Including 2/3 of French Private Banking, excluding PEL/CEL effects



Domestic Markets BNL banca commerciale - 2Q15

- **Business activity**
 - Loans: -1.0% vs. 2Q14, continued selective repositioning on the corporate and small business segments, rise in loans to individuals
 - Deposits: +0.4% vs. 2Q14, rise in the individual client segment
 - Development of off balance sheet savings: strong growth of outstandings in life insurance (+11.8% vs. 30.06.14) and mutual funds (+29.2% vs. 30.06.14)
 - Private Banking: growth in assets under management (+10.4% vs. 30.06.14)
- **Revenues*: -2.7% vs. 2Q14**
 - Net interest income: -5.8% vs. 2Q14, as a result of the repositioning on the better corporate clients and the low interest rate environment
 - Fees: +3.5% vs. 2Q14, good performance of off balance sheet savings as a result of the rise in outstandings
- **Operating expenses*: +1.9% vs. 2Q14**
 - One-time impact of real estate projects; cost stability otherwise
- **Pre-tax income**: €23m (+€13m vs. 2Q14)**
 - Moderate decline in the cost of risk

Loans to individuals



Off balance sheet savings (Life insurance outstandings)



More favourable economic environment Gradual improvement of the quality of the loan portfolio

* Including 100% of Italian Private Banking; ** Including 2/3 of Italian Private Banking



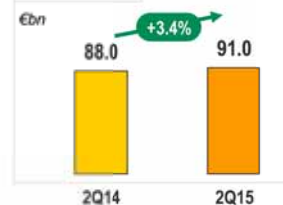
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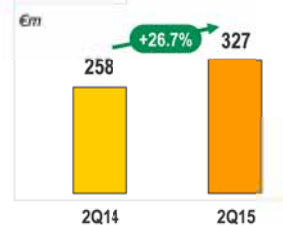
Domestic Markets Belgian Retail Banking - 2Q15

- **Business activity**
 - Loans: +3.4% vs. 2Q14, growth in loans to individual and corporate customers
 - Deposits: +4.1% vs. 2Q14, strong growth in current accounts
 - Good performance of off balance sheet savings (mutual fund outstandings: +20.5% vs. 30.06.14)
- **Revenues*: +8.4% vs. 2Q14**
 - Net interest income: +6.5% vs. 2Q14, in line with increased volumes and margins holding up well
 - Fees: +14.1% vs. 2Q14, very strong performance of financial fees
- **Operating expenses*: stable vs. 2Q14**
 - Effect of operating efficiency measures**
- **Pre-tax income***: €312m (+38.1% vs. 2Q14)**
 - Cost of risk particularly low this quarter

Loans



GOI*



Very good operating performance

* Including 100% of Belgian Private Banking; ** Impact this quarter of non-recurring items which offset each other: booking of the balance of the 2015 Deposit Guarantee Scheme in compliance with IFRIC 21 (€26m) offset by non-recurring items in particular the one-off reimbursement of the Subscription Tax; *** Including 2/3 of Belgian Private Banking

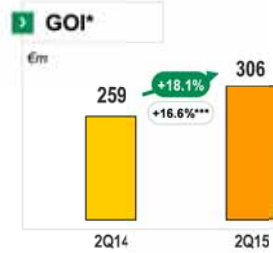


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Domestic Markets Other Activities - 2Q15

- Specialised Domestic Markets businesses
 - Arval: strong growth in the financed fleet (746,000 vehicles, +7.0% vs. 2Q14)
 - Leasing Solutions: rise in outstandings of the core portfolio and reduction of the non-core portfolio
 - Personal Investors (PI): strong increase in deposits due to the acquisition of DAB Bank and the success of Hello bank! in Germany
- Luxembourg Retail Banking: good deposit inflows, growth in mortgage loans
- Revenues*: +16.9% vs. 2Q14
 - Effect in particular of the acquisition of DAB Bank in Germany (PI)
 - +10.5% at constant scope and exchange rates
 - Good growth across all the businesses
- Operating expenses*: +15.8% vs. 2Q14
 - +5.2% at constant scope and exchange rates
 - Largely positive jaws effect
- Pre-tax income**: €282m (+27.0% vs. 2Q14)
 - +26.7% at constant scope and exchange rates



Good sales and marketing drive and strong income growth

* Including 100% of Private Banking in Luxembourg; ** Including 2/3 of Private Banking in Luxembourg; *** At constant scope and exchange rates

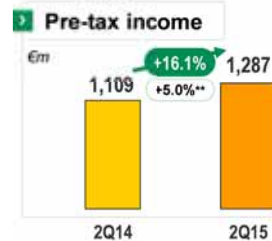
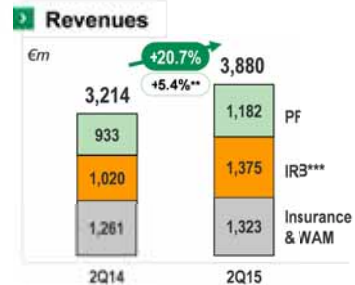


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International Financial Services - 2Q15

- Integration of acquisitions made in 2014 progressing well: Bank BGZ (Europe-Med) and LaSer (Personal Finance)
- Strong business activity
 - Personal Finance: continued growth drive
 - International Retail Banking*: good business development
 - Insurance and WAM: strong increase in assets under management (+10.2% vs. 30.06.14)
- Revenues: €3.9bn; +20.7% vs. 2Q14 (+5.4%** vs. 2Q14)
 - Good overall performance
- GOI: €1.6bn; +20.7% vs. 2Q14 (+4.9%** vs. 2Q14)
- Pre-tax income: €1.3bn; +16.1% vs. 2Q14 (+5.0%** vs. 2Q14)



Good growth in all the businesses

* Europe-Med and BanciWest; ** At constant scope and exchange rate; *** Including 2/3 of Private Banking in Turkey and in the United States



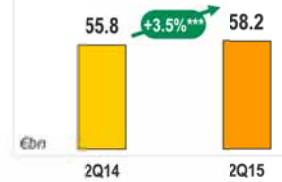
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International Financial Services Personal Finance - 2Q15

- **Outstandings loans: +24.1% vs. 2Q14, effect of the acquisition of LaSer**
 - +3.5%* at constant scope and exchange rates
 - Recovery of demand in the Eurozone
- **Continued business development**
 - Implementation of two new banking partnership alliances (BCC - Grupo CajaMar in Spain and Poste Italiane in Italy)
 - Car loans: strong rise in outstandings (+7.9%** vs. 2Q14)
- **Revenues: +26.7% vs. 2Q14 (+1.8%* at constant scope and exchange rates)**
 - Growth of revenues in Germany, Italy and Spain
- **Operating expenses: +29.8% vs. 2Q14 (+2.1%* at constant scope and exchange rates)**
 - On the back of the business development
- **GOI: +23.9% vs. 2Q14 (+1.5%* at constant scope and exchange rates)**
- **Pre-tax income: €339m (+24.2% vs. 2Q14)**
 - +12.5%* at constant scope and exchange rates

Consolidated outstandings



Pre-tax income



Continued growth

* With LaSer pro forma in 2Q14; ** At constant scope and exchange rates; *** At constant scope and exchange rates with LaSer pro forma in 2Q14



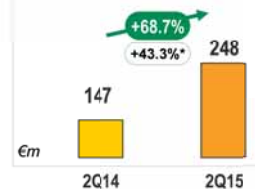
International Financial Services Europe-Mediterranean - 2Q15

- **Very good business drive**
 - Deposits: +11.0%* vs. 2Q14, strong growth in Turkey and in Poland
 - Loans: +13.8%* vs. 2Q14, driven in particular by Turkey and Poland
 - Turkey: good development of cross-selling with CIB (revenues: +4.2%* vs. 2Q14) and with Private Banking (assets under management: €4.3bn, +23% vs. 30.06.14)
- **Revenues**: +17.1%* vs. 2Q14**
 - In line notably with volume growth
- **Operating expenses**: +5.7%* vs. 2Q14**
- **GOI**: +43.3%* vs. 2Q14**
- **Pre-tax income***: €180m (+16.3%* vs. 2Q14)**
 - +42.9% vs. 2Q14 at historical scope and exchange rates

Loans*



GOI**



Continued business development Strong income growth

* At constant scope and exchange rates; ** Including 100% of Turkish Private Banking; *** Including 2/3 of Turkish Private Banking



International Financial Services BancWest - 2Q15

- Continued strong business activity in a favourable economic environment
 - Deposits: +5.4%* vs. 2Q14, strong rise in current and savings accounts
 - Loans: +6.6%* vs. 2Q14, continued strong growth in corporate and consumer loans
 - Private Banking: +20% increase in assets under management vs. 30.06.14 (\$9.5bn as at 30.06.15)
- Revenues**: +9.4%* vs. 2Q14
 - Due notably to the volume growth
- Operating expenses**: +12.2%* vs. 2Q14
 - +5.8%*, excluding increase in regulatory costs (CCAR and Intermediate Holding Company in particular)
 - Strengthening of the commercial set up (Private Banking and consumer finance) partially offset by streamlining of the network
- Pre-tax income***: €246m (+6.7%* vs. 2Q14)
 - +33.7% at historical exchange rate, including the rise in USD vs. 2Q14



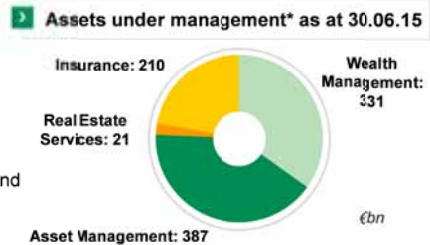
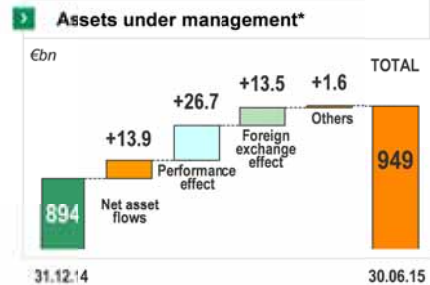
**Strong sales and marketing drive
Good contribution to Group's results**

* At constant scope and exchange rates; ** Including 100% of Private Banking in the United States; *** Including 2/3 of Private Banking in the United States



International Financial Services Insurance and WAM - Asset Flows and AuM - 1H15

- Assets under management*: €949bn as at 30.06.15
 - +6.2% vs. 31.12.14 (+10.2% vs. 30.06.14)
 - Performance effect on the back of the favourable evolution in equity markets and interest rates
 - Foreign exchange effect largely positive due to the depreciation of the euro
- Net asset flows: +€13.9bn in 1H15
 - Wealth Management: strong asset inflows in domestic markets and in Asia
 - Asset Management: asset inflows driven in particular by diversified funds
 - Insurance: sustained asset inflows in France, Italy and Asia
- Real Estate Services: a strategic and growing business
 - # 3 in real estate services to corporates in Continental Europe**;
 - leading positions in France and Germany
 - ~70% of the business in services (transactions, consulting, fund and property management)
 - Generates significant cross-selling with the Group's other businesses



Strong increase in assets under management

* Including distributed assets; ** Source: Property Week, June 2015

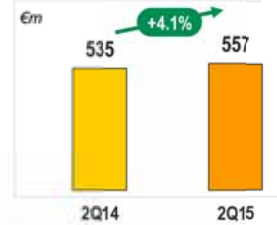


International Financial Services Insurance and WAM - 2Q15

Insurance

- Revenues: €557m; +4.1% vs. 2Q14
 - Good business growth
- Operating expenses: €274m; +8.3% vs. 2Q14
 - On the back of business development
- Pre-tax income: €336m; +7.0% vs. 2Q14

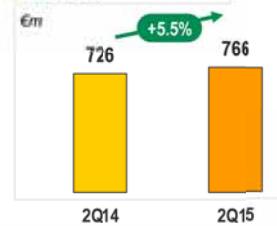
Revenues (Insurance)



Wealth and Asset Management*

- Revenues: €766m; +5.5% vs. 2Q14
 - Good Wealth Management business in the domestic markets and in Asia
 - Increase in Asset Management in the domestic markets
- Operating expenses: €579m; +9.5% vs. 2Q14
 - Continued business development investments
- Pre-tax income: €186m; -12.3% vs. 2Q14

Revenues (WAM*)



Good overall performance



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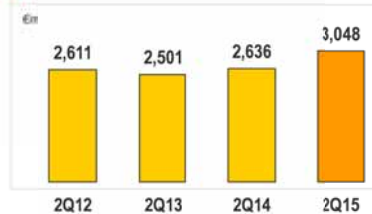
* Asset Management, Wealth Management, Real Estate Services

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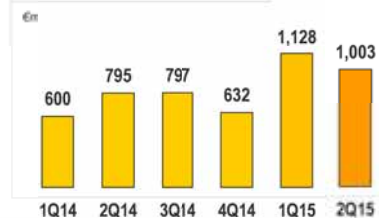
Corporate and Institutional Banking - 2Q15 Summary

- Revenues: €3,048m (+15.6% vs. 2Q14)
 - Growth in the 3 business units: Global Markets (+24.5%*), Securities Services (+14.4%), Corporate Banking (+3.8%)
- Operating expenses: €2,064m (+13.3% vs. 2Q14)
 - Regulatory costs still high (set up of the IHC** in the United States, compliance, etc.)
 - Impact of the appreciation of the U.S. dollar (+3.1% at constant scope and exchange rates)
- GOI: €984m (+20.7% vs. 2Q14)
- Pre-tax income: €1,003m (+26.2% vs. 2Q14)
 - +12.4% at constant scope and exchange rates
 - Annualised pre-tax ROE >20%

Strong growth of revenues in 2Q15



Pre-tax income



Continued income growth



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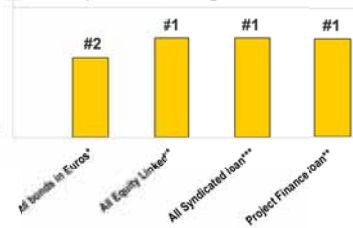
* +10.3%, excluding the impact of the introduction of FVA (-€166m) in 1Q14; ** Intermediate Holding Company

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Corporate and Institutional Banking - 2Q15 Business Activity

- **Global Markets: strong business activity this quarter**
 - Favourable environment in the equity markets, less favourable context for Fixed Income (uncertainties over monetary policies and tensions related to Greece)
 - VaR still at a low level (€37m)
 - Bond issues: ranked #2 for all bonds in euros and #9 for all international bonds*
- **Securities Services: maintained a very good drive**
 - Assets under custody: +17.8% vs. 2Q14
 - Number of transactions: +19.3% vs. 2Q14
- **Corporate Banking**
 - Client loans: +17% vs. 2Q14, driven by the Americas
 - Client deposits: €93bn (+27% vs. 2Q14), maintained good growth
 - BNP Paribas selected by RBS as the 're'erral bank' for its Cash Management and Trade Finance clients outside the United Kingdom and Ireland
 - Contraction of the Energy & Commodities business in Europe and in Asia Pacific, development of the other businesses
 - Advisory: ranked #1 for equity-linked issues in EMEA**

European rankings in 1H15



Client loans



Business growth

* Source: Thomson Reuters 1H15; ** Source: Dealogic 1H15 Europe, Middle-East & Africa; *** Source: Dealogic EMEA, number of deals



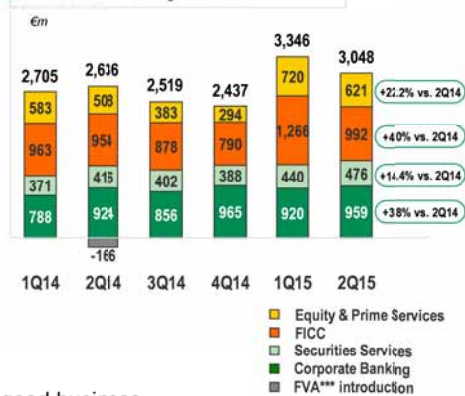
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Corporate and Institutional Banking - 2Q15 Revenues by Business Unit

- **Global Markets: €1,613m (+10.3% vs. 2Q14*)**
 - Equity & Prime Services: +22.2% vs. 2Q14, sustained volumes in flow business and strong demand for structured products
 - FICC: +4.0% vs. 2Q14*, good growth in forex and commodities, context less favourable in credit and rates
- **Securities Services: €476m (+14.4% vs. 2Q14)**
 - On the back of the increased number of transactions and assets under custody
- **Corporate Banking: €959m (+3.8% vs. 2Q14)**
 - Strong growth in the Americas in connection with the good business development
 - Decline on the Energy & Commodities in Europe** and in Asia Pacific
 - Good performance of project finance, export finance and media telecom

Revenues by business unit



Revenue growth in all the business units

* Excluding the impact of the introduction of FVA; ** Europe, Middle-East & Africa; *** Funding Valuation Adjustment



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Conclusion



**Good performance
in all of the operating divisions**



**Strong income growth
Net income Group share: €2,555m**



Solid increase of the Basel 3 CET1 and leverage ratios



Group Results

Division Results

1H15 Detailed Results

Appendix



1H15 Main Exceptional Items

- **Revenues**
 - Introduction of FVA* (CIB – Global Markets)
 - Own credit adjustment and DVA (Corporate Centre)
 - Net capital gains from exceptional equity investment sales (Corporate Centre)
- **Operating expenses**
 - Simple & Efficient transformation costs and restructuring costs of LaSer, Bank BGZ et DAE Bank (Corporate Centre)
- **Cost of risk**
 - Portfolio provision due to the exceptional situation in Eastern Europe
- **Costs related to the comprehensive settlement with U.S. authorities (Corporate Centre)**
 - Amount of penalties (excluding amount already provisioned)
 - Costs related to the remediation plan
- **Non operating items**
 - Capital gain on the sale of a non-strategic stake**
 - Sale of a 7% stake in Klépierre-Corio (Corporate Centre)
 - Dilution capital gain due to the merger between Klépierre and Corio (Corporate Centre)
- **Total one-off items**

	1H15	1H14
		-€166m
	+€117m	-€251m
		+€301m
	+€117m	-€116m
	-€347m	-€340m
	-€347m	-€340m
		-€100m
		-€100m
		-€5,750m
		-€200m
		-€5,950m
	+€34m	
	+€334m	
	+€123m	
	+€591m	
	+€351m	-€6,506m

* Funding Valuation Adjustment; ** CIB-Corporate Banking (€74m), Corporate Centre (€20m)



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BNP Paribas Group - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	11,079	9,569	+15.8%	11,065	+0.1%	22,144	19,480	+13.7%
Operating Expenses and Dep.	-7,063	-6,368	+11.2%	-7,808	-9.3%	-14,891	-13,161	+13.1%
Gross Operating Income	3,996	3,201	+24.8%	3,257	+22.7%	7,253	6,319	+14.8%
Cost of Risk	-93	-855	+56%	-1,044	-3.5%	-1,947	-1,939	+0.4%
Costs related to the comprehensive settlement with US authorities	0	-5,950	n.s.	0	n.s.	0	-5,950	n.s.
Operating Income	3,063	-3,604	n.s.	2,213	+99.8%	5,306	-1,570	n.s.
Share of Earnings of Equity-Method Entities	164	138	+18.8%	137	+19.7%	301	241	+24.9%
Other Non Operating Items	428	16	n.s.	202	n.s.	630	9	n.s.
Non Operating Items	592	154	n.s.	339	+74.6%	931	250	n.s.
Pre-Tax Income	3,655	-3,450	n.s.	2,552	+44.4%	6,237	-1,320	n.s.
Corporate Income Tax	-1,035	-671	+54.2%	-811	+27.6%	-1,846	-1,324	+39.4%
Net Income Attributable to Minority Interests	-5	-97	-2.1%	-93	-2.2%	-188	-171	+9.9%
Net Income Attributable to Equity Holders	2,555	-4,218	n.s.	1,648	+55.0%	4,203	-2,815	n.s.
Cost/Income	63.9%	66.5%	-2.6 pt	70.6%	6.7 pt	67.2%	67.6%	-0.4 pt

- Corporate income tax: average tax rate of 31.1% in 1H15



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Retail Banking and Services - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	7,763	6,999	+10.9%	7,610	+2.0%	15,373	13,902	+10.6%
Operating Expenses and Dep.	-4,652	-4,207	+10.6%	-4,986	-6.7%	-9,638	-8,761	+10.0%
Gross Operating Income	3,111	2,792	+11.4%	2,624	+18.6%	5,735	5,141	+11.6%
Cost of Risk	-855	-825	+4.8%	-950	-8.9%	-1,815	-1,793	+1.2%
Operating Income	2,246	1,967	+14.2%	1,674	+34.2%	3,920	3,348	+17.1%
Share of Earnings of Equity-Method Entities	136	92	+47.8%	111	+22.5%	247	184	+34.2%
Other Non Operating Items	-2	10	n.s.	-10	-80.0%	-12	11	n.s.
Pre-Tax Income	2,380	2,069	+15.0%	1,775	+34.1%	4,155	3,543	+17.3%
Cost/Income	59.9%	60.1%	-0.2 pt	65.5%	-5.6 pt	62.7%	63.0%	-0.3 pt
Allocated Equity (€bn)						40.3	37.5	+7.3%

Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium, Luxembourg, at BancWest and TEB for the Revenues to Pre-tax income line items



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Domestic Markets - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	4,017	3,910	+2.7%	4,022	-0.1%	8,039	7,842	+2.5%
Operating Expenses and Dep.	-2,426	-2,371	+2.3%	-2,673	-9.2%	-5,099	-5,014	+1.7%
Gross Operating Income	1,591	1,539	+3.4%	1,349	+17.9%	2,940	2,828	+4.0%
Cost of Risk	-432	-507	-14.8%	-490	-11.8%	-922	-1,075	-14.2%
Operating Income	1,159	1,032	+12.3%	859	+34.9%	2,018	1,753	+15.1%
Share of Earnings of Equity-Method Entities	9	-10	n.s.	5	+80.0%	14	-6	n.s.
Other Non Operating Items	-4	1	n.s.	-15	-73.3%	-19	1	n.s.
Pre-Tax Income	1,164	1,023	+13.8%	849	+37.1%	2,013	1,748	+15.2%
Income Attributable to Wealth and Asset Management	-71	-63	+12.7%	-72	-1.4%	-143	-128	+11.7%
Pre-Tax Income of Domestic Markets	1,093	960	+13.9%	777	+40.7%	1,870	1,620	+15.4%
Cost/Income	60.4%	60.6%	-0.2 pt	66.5%	-6.1 pt	63.4%	63.9%	-0.5 pt
Allocated Equity (€bn)						18.6	18.7	-0.5%

Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg for the Revenues to Pre-tax income items

- Revenues: +2.5% vs. 1H14
 - +1.5% at constant scope and exchange rates (impact of the acquisition of DAB Bank in Germany)
 - Good growth of BRB and the specialised businesses (Arval, Leasing Solutions, Personal Investors)
 - Impact of persistently low interest rates
- Operating expenses: +1.7% vs. 1H14
 - +0.4% at constant scope and exchange rates
 - Good cost containment
 - Positive jaws effect (+1.1 pt at constant scope and exchange rates)



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Domestic Markets French Retail Banking - 1H15 (excluding PEL/CEL effects)

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	1,677	1,712	-2.0%	1,683	-0.4%	3,360	3,432	-2.1%
Incl. Net Interest Income	974	1,035	-5.9%	971	+0.3%	1,945	2,041	-4.7%
Incl. Commissions	703	677	+3.8%	712	-1.3%	1,415	1,391	+1.7%
Operating Expenses and Dep.	-1,071	-1,072	-0.1%	-1,130	-5.2%	-2,201	-2,237	-0.3%
Gross Operating Income	606	640	-5.3%	553	+9.6%	1,159	1,225	-5.4%
Cost of Risk	-87	-103	-15.5%	-89	-2.2%	-176	-211	-16.6%
Operating Income	519	537	-3.4%	464	+11.9%	983	1,014	-3.1%
Non Operating Items	1	0	n.s.	1	+0.0%	2	1	+100.0%
Pre-Tax Income	520	537	-3.2%	465	+11.8%	985	1,015	-3.0%
Income Attributable to Wealth and Asset Management	-44	-35	+25.7%	-41	+7.3%	-85	-74	+14.9%
Pre-Tax Income of French Retail Banking	476	502	-5.2%	424	+12.3%	900	941	-4.4%
Cost/Income	63.9%	62.6%	+1.3 pt	67.1%	-3.2 p	65.5%	64.3%	+1.2 pt
Allocated Equity (€bn)						6.8	6.7	+1.3%

Including 100% of French Private Banking for the Revenues to Pre-tax income line items (excluding PEL/CEL effects)

- **Revenues: -2.1% vs. 1H14**
 - Net interest income: -4.7%, impact of persistently low interest rates (decrease of margins on deposits and on renegotiated loans)
 - Fees: +1.7%, good performance of fees on off balance sheet savings (life insurance in particular) and gradual adaptation of customer conditions
- **Operating expenses: -0.3% vs. 1H14**
 - Continuing effect of operating efficiency measures



Domestic Markets French Retail Banking - Volumes

Average outstandings (€bn)	Outstandings 2Q15	%Var/2Q14	%Var/1Q15	Outstandings 1H15	%Var/1H14
LOANS	145.7	+0.8%	-0.2%	145.9	+1.1%
Individual Customers	77.9	+1.2%	+0.4%	77.8	+0.7%
Incl. Mortgages	68.0	+1.5%	+0.6%	67.8	+0.8%
Incl. Consumer Lending	9.9	-0.6%	-0.7%	10.0	-0.2%
Corporates	67.8	+0.4%	-0.9%	68.1	+1.5%
DEPOSITS AND SAVINGS	134.6	+3.6%	-0.1%	134.7	+4.2%
Current Accounts	62.1	+12.0%	+4.8%	60.7	+10.7%
Savings Accounts	60.4	+0.1%	+2.1%	59.8	-0.2%
Market Rate Deposits	12.1	-14.7%	-25.8%	14.2	-2.4%
	30.16.15	%Var/ 30.06.14	%Var/ 31.03.15		
OFF BALANCE SHEET SAVINGS					
Life Insurance	80.9	+4.7%	+0.9%		
Mutual Funds ⁽¹⁾	43.5	-0.9%	-2.1%		

(1) FRB network customers, excluding life insurance.

- **Loans: +0.8% vs. 2Q14**, gradual recovery in demand for loans
- **Deposits: +3.6% vs. 2Q14**, strong growth in current accounts
- **Off balance sheet savings:**
 - Good asset inflows in life insurance
 - Decrease in money market funds as a result of the persistently low interest rates



Domestic Markets BNL banca commerciale - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	791	813	-2.7%	802	-1.4%	1,593	1,631	-2.3%
Operating Expenses and Dep.	-439	-431	+1.9%	-453	-3.1%	-892	-887	+0.6%
Gross Operating Income	352	382	-7.9%	349	+0.9%	701	744	-5.8%
Cost of Risk	-318	-364	-12.6%	-321	-0.9%	-639	-728	-12.2%
Operating Income	34	18	+88.9%	28	+21.4%	62	16	n.s.
Non Operating Items	0	0	n.s.	-1	n.s.	-1	0	n.s.
Pre-Tax Income	34	18	+88.9%	27	+25.9%	61	16	n.s.
Income Attributable to Wealth and Asset Management	-11	-8	+37.5%	-10	+10.0%	-21	-15	+40.0%
Pre-Tax Income of BNL bc	23	10	n.s.	17	+35.3%	40	1	n.s.
Cost/Income	55.5%	53.0%	+2.5 pt	56.5%	-1.0 pt	56.0%	54.4%	+1.6 pt
Allocated Equity (€bn)						5.3	5.8	-9.0%

Including 100% of the Italian Private Banking for the Revenues to Pre-tax income line items

- Revenues: -2.3% vs. 1H14
 - Net interest income: -4.9% vs. 1H14, as a result of the repositioning on the better corporate clients and the low interest rate environment
 - Fees: +3.3% vs. 1H14, very good performance of off balance sheet savings as a result of growth in outstandings
- Operating expenses: +0.6% vs. 1H14
 - Continued cost containment



Domestic Markets BNL banca commerciale - Volumes

Average outstandings (€bn)	Outstandings 2Q15	%Var/2Q14	%Var/1Q15	Outstandings 1H15	%Var/1H14
LOANS	77.4	-1.6%	+0.3%	77.3	-1.3%
Individual Customers	38.4	+2.0%	+1.1%	38.2	+1.3%
Incl. Mortgages	25.0	-0.4%	+0.5%	24.9	-0.5%
Incl. Consumer Lending	4.0	+6.4%	+1.8%	4.0	+6.3%
Corporates	39.0	-3.8%	-0.3%	39.1	-4.1%
DEPOSITS AND SAVINGS	33.7	+0.4%	+2.7%	33.3	-2.1%
Individual Deposits	22.3	+4.7%	+3.7%	21.9	+1.3%
Incl. Current Accounts	21.9	+5.8%	+3.9%	21.5	+2.7%
Corporate Deposits	11.4	-7.0%	+0.8%	11.4	-8.3%

€bn	30.06.15	%Var/30.06.14	%Var/31.03.15
OFF BALANCE SHEET SAVINGS			
Life Insurance	16.0	+11.8%	+3.4%
Mutual Funds	12.4	+29.2%	+3.8%

- Loans: -1.0% vs. 2Q14
 - Individuals: +2.0% vs. 2Q14, gradual recovery of demand, rise in consumer loans
 - Corporates: -3.8% vs. 2Q14, continued selective repositioning on the better corporate clients
- Deposits: +0.4% vs. 2Q14
 - Rise in deposits in the individual segment, in particular current accounts
- Off balance sheet savings: strong asset inflows



Domestic Markets Belgian Retail Banking - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15/ 1Q15	1H15	1H14	1H15 / 1H14
Revenues	891	822	+8.4%	894	-0.3%	1,785	1,664	+7.3%
Operating Expenses and Dep.	-564	-564	+0.0%	-728	-22.5%	-1,292	-1,289	+0.2%
Gross Operating Income	327	258	+26.7%	166	+97.0%	493	375	+31.5%
Cost of Risk	-2	-15	-86.7%	-33	-93.9%	-35	-67	-47.8%
Operating Income	325	243	+33.7%	133	n.s.	458	308	+48.7%
Non Operating Items	1	2	-50.0%	-13	n.s.	-12	3	n.s.
Pre-Tax Income	326	245	+33.1%	120	n.s.	446	311	+43.4%
Income Attributable to Wealth and Asset Management	-14	-19	-26.3%	-20	-30.0%	-34	-36	-5.6%
Pre-Tax Income of Belgian Retail Banking	312	226	+38.1%	100	n.s.	412	275	+48.8%
Cost/Income	63.3%	68.6%	-5.3 pt	81.4%	-18.1 pt	72.4%	77.5%	-5.1 pt
Allocated Equity (€bn)						3.7	3.4	+7.1%

Including 100% of Belgian Private Banking for the Revenues to Pre-tax income line items

- Revenues: +7.3% vs. 1H14
 - Net interest income: +5.1% vs. 1H14, in particular due to volume growth and margins holding up well
 - Fees +13.9% vs. 1H14, very good performance of financial and credit fees
- Operating expenses: +0.2% vs. 1H14
 - Effect of operating efficiency measures
 - Largely positive jaws effect (7.1 pts)



Domestic Markets Belgian Retail Banking - Volumes

Average outstandings (€bn)	Outstandings 2Q15	%Var/2Q14	%Var/1Q15	Outstandings 1H15	%Var/1H14
LOANS	91.0	+3.4%	+0.3%	90.8	+3.3%
Individual Customers	60.4	+3.6%	+0.7%	60.2	+3.6%
Incl. Mortgages	42.7	+4.9%	+1.0%	42.5	+4.8%
Incl. Consumer Lending	0.3	-35.8%	-48.1%	0.4	-3.8%
Incl. Small Businesses	17.5	+1.6%	+1.5%	17.3	+0.9%
Corporates and Local Governments	30.5	+2.9%	-0.3%	30.6	+2.8%
DEPOSITS AND SAVINGS	109.9	+4.1%	+1.8%	108.9	+3.8%
Current Accounts	38.5	+16.8%	+5.4%	37.5	+16.1%
Savings Accounts	65.6	+1.8%	+0.4%	65.5	+1.9%
Term Deposits	5.9	-28.7%	-4.2%	6.0	-28.9%
	30.06.15	%Var/ 30.06.14	%Var/ 31.03.15		
OFF BALANCE SHEET SAVINGS					
Life Insurance	25.2	-1.5%	-1.1%		
Mutual Funds	30.7	+20.5%	+5.2%		

- Loans: +3.4% vs. 2Q14
 - Individuals: +3.6% vs. 2Q14, good growth in mortgages
 - Corporates: +2.9% vs. 2Q14, growth in loans to SMEs
- Deposits: +4.1% vs. 2Q14
 - Individuals: strong growth in current and savings accounts
 - Corporates: strong increase in current accounts



Domestic Markets Other Activities - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15* / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	658	563	+16.9%	643	+2.3%	1,301	1,115	+16.7%
Operating Expenses and Dep.	-352	-304	+15.8%	-362	-2.8%	-714	-631	+13.2%
Gross Operating Income	306	259	+18.1%	281	+8.9%	587	484	+21.3%
Cost of Risk	-25	-25	+0.0%	-47	-46.8%	-72	-69	+4.3%
Operating Income	281	234	+20.1%	234	+20.1%	515	415	+24.1%
Share of Earnings of Equity-Method Entities	3	-11	n.s.	4	-25.0%	7	-9	n.s.
Other Non Operating Items	0	0	n.s.	-1	n.s.	-1	0	n.s.
Pre-Tax Income	284	223	+27.4%	237	+19.8%	521	406	+28.3%
Income Attributable to Wealth and Asset Management	-2	-1	+100.0%	-1	+100.0%	-3	-3	+0.0%
Pre-Tax Income of Other Domestic Markets	282	222	+27.0%	236	+19.5%	518	403	+28.5%
Cost/Income	53.5%	54.0%	-0.5 pt	56.3%	-2.8 pt	54.9%	56.6%	-1.7 pt
Allocated Equity (€bn)						2.8	2.7	+3.9%

Including 100% of Private Banking in Luxembourg for the Revenues to Pre-tax income line items

- Scope effect related to the acquisition of DAB Bank in Germany (Personal Investors)
- At constant scope and exchange rates vs. 1H14
 - Revenues*: +9.7%, good growth across all the businesses, rise in particular of Arval's revenues
 - Operating expenses*: +2.9%, largely positive jaws effect
 - Pre-tax income**: +26.9%
- Associated companies
 - 1H14 reminder: rise in the cost of risk in a Leasing Solutions subsidiary

* Including 100% of Private Banking in Luxembourg; ** Including 2/3 of Private Banking in Luxembourg



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Domestic Markets Luxembourg Retail Banking - Personal Investors

Luxembourg Retail Banking

Average outstandings (€bn)	2Q15	%Var/2Q14	%Var/1Q15	1H15	%Var/1H14
LOANS	8.2	+3.2%	+0.9%	8.2	+2.4%
Individual Customers	5.9	+3.0%	+0.8%	5.9	+3.1%
Corporates and Local Governments	2.4	+3.9%	+1.3%	2.3	+0.8%
DEPOSITS AND SAVINGS	13.8	+3.2%	-0.8%	13.9	+6.1%
Current Accounts	6.4	+28.0%	+5.1%	6.2	-26.2%
Savings Accounts	5.6	+0.2%	-1.5%	5.6	-0.4%
Term Deposits	1.0	-35.0%	-15.0%	2.0	-19.2%
€bn	30.16.15	%Var/30.06.14	%Var/31.03.15		
OFF BALANCE SHEET SAVINGS					
Life Insurance	0.9	+0.3%	-2.1%		
Mutual Funds	1.8	-0.8%	-0.9%		

- Loans vs. 2Q14: growth in mortgages and corporate loans
- Deposits vs. 2Q14: good deposit inflows, particularly in the corporate client segment, on the back of the development of cash management

Personal Investors

Average outstandings (€bn)	2Q15	%Var/2Q14	%Var/1Q15	1H15	%Var/1H14
LOANS	0.7	+63.3%	-4.8%	0.7	-66.6%
DEPOSITS	21.2	+74.2%	+9.1%	20.3	-69.8%
€bn	30.16.15	%Var/30.06.14	%Var/31.03.15		
ASSETS UNDER MANAGEMENT	83.1	+2.2%	-0.1%		
European Customer Orders (millions)	3.8	+2.0%	-15.4%		

- Reminder: acquisition of DAB Bank on 17 December 2014 (€36.4bn of assets under management of which €5.2bn in deposits*)
- Deposits vs. 2Q14: +25.6%**, strong increase still sustained by a good level of new customer acquisitions and the development of Conscrsbank in Germany
- Assets under management vs. 2Q14: +14.4%** , good sales and marketing drive and performance effect

* As at 31.12.14; ** At constant scope and exchange rates



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Domestic Markets Arval - Leasing Solutions

Arval

Average outstandings (€bn)	2Q15	%Var*/2Q14	%Var*/1Q15	1H15	%Var*/1H14
Consolidated Outstandings	10.0	+10.5%	+2.4%	9.8	+10.2%
Financed vehicles ('000 of vehicles)	746	+7.0%	+1.6%	740	+7.0%

- Consolidated outstandings: +10.5%* vs. 2Q14, strong growth driven by international business development
- Financed fleet: +7.0% vs. 2Q14, very good sales and marketing drive
- Strengthening of the online offering with the launch of new management tools (Arval Webstore, Arval Active link ...)

Leasing Solutions

Average outstandings (€bn)	2Q15	%Var*/2Q14	%Var*/1Q15	1H15	%Var*/1H14
Consolidated Outstandings	16.2	+0.0%	+0.3%	16.2	-0.1%

- Consolidated outstandings: stable* vs. 2Q14, continued reduction in the non-core portfolio but increase in outstandings of the core portfolio



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* At constant scope and exchange rates

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International Financial Services - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15/ 1Q15	1H15	1H14	1H15 / 1H14
Revenues	3,880	3,214	+20.7%	3,729	+4.0%	7,609	6,313	+20.5%
Operating Expenses and Dep.	-2,290	-1,897	+20.7%	-2,380	-3.8%	-4,670	-3,811	+20.6%
Gross Operating Income	1,590	1,317	+20.7%	1,349	+17.9%	2,939	2,442	+20.4%
Cost of Risk	-433	-319	+35.7%	-462	-6.3%	-895	-719	+24.5%
Operating Income	1,157	998	+15.9%	887	+30.4%	2,044	1,723	+18.6%
Share of Earnings of Equity-Method Entities	128	102	+25.5%	106	+20.8%	234	190	+23.2%
Other Non Operating Items	2	9	-77.8%	5	-60.0%	7	10	-30.0%
Pre-Tax Income	1,287	1,109	+16.1%	998	+29.0%	2,285	1,923	+18.8%
Cost/Income	59.0%	59.0%	+0.0 pt	63.8%	-4.8 pt	61.4%	61.3%	+0.1 pt
Allocated Equity (€bn)						21.7	18.9	+14.9%

- Scope effect related to the acquisition of Bank BGZ (Europe-Med) and LaSer (Personal Finance)
- At constant scope and exchange rates vs. 1H14
 - Revenues: +4.9%; growth across all the business units
 - Operating expenses: +5.0%; related to the good business development
 - Cost of risk: +3.0%
 - Pre-tax income: +8.2%



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International Financial Services Personal Finance - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15/ 1Q15	1H15	1H14	1H15 / 1H14
Revenues	1,182	933	+26.7%	1,183	-0.1%	2,365	1,860	+27.2%
Operating Expenses and Dep.	-571	-440	+29.8%	-591	-3.4%	-1,162	-886	+31.2%
Gross Operating Income	611	493	+23.9%	592	+3.2%	1,203	974	+23.5%
Cost of Risk	-289	-249	+16.1%	-291	-0.7%	-580	-527	+10.1%
Operating Income	322	244	+32.0%	301	+7.0%	623	447	+39.4%
Share of Earnings of Equity-Method Entities	15	23	-34.8%	17	-11.8%	32	36	-11.1%
Other Non Operating Items	2	6	-66.7%	-2	n.s.	0	6	n.s.
Pre-Tax Income	339	273	+24.2%	316	+7.3%	655	489	+33.9%
Cost/Income	48.3%	47.2%	+1.1 pt	50.0%	-1.7 pt	49.1%	47.6%	+1.5 pt
Allocated Equity (€bn)						3.6	3.3	+8.3%

- Scope effect related to the switch for LaSer to full consolidation method
- Revenues: +27.2% vs. 1H14 (+1.4% vs. 1H14 at constant scope and exchange rates*)
 - Continued growth drive
 - Growth of revenues in Germany, Italy and Spain
- Operating expenses: +31.2% vs. 1H14 (+1.7% vs. 1H14 at constant scope and exchange rates*)
 - In line with the business development
- Pre-tax income: +33.9% vs. 1H14
 - +19.8% at constant scope and exchange rates*, decline in cost of risk

* With LaSer pro forma in 1H14



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International Financial Services Personal Finance - Volumes and Risks

Average outstandings (€bn)	Outstandings		%Var/2Q14 at constant scope and exchange rates		%Var/1Q15 at constant scope and exchange rates		Outstandings		%Var/1H14 at constant scope and exchange rates	
	2Q15	1H15	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates	2Q15	1H14	historical	at constant scope and exchange rates
TOTAL CONSOLIDATED OUTSTANDINGS	5€.2	57.8	+24.1%	+3.5%	+1.2%	+1.4%	57.8	57.8	+23.6%	+3.0%
TOTAL OUTSTANDINGS UNDER MANAGEMENT (1)	6€.1	67.5	+4.8%	+3.9%	+2.0%	+1.6%	67.5	67.5	+4.1%	+3.2%

(1) Including 100% of outstandings of subsidiaries not fully owned as well as of all partnerships

Cost of risk/outstandings

Annualised cost of risk/outstandings as at beginning of period	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
France	2.21%	1.70%	2.50%	1.77%	2.36%	1.76%
Italy	2.89%	3.69%	2.40%	2.70%	2.26%	2.61%
Spain	1.77%	2.30%	1.77%	2.01%	0.16%	1.18%
Other Western Europe	1.62%	0.56%	0.83%	1.14%	1.09%	1.59%
Eastern Europe	3.83%	2.11%	1.41%	2.95%	1.75%	1.73%
Brazil	5.54%	4.78%	4.51%	3.90%	7.32%	6.43%
Others	1.20%	1.58%	1.88%	3.43%	1.89%	2.39%
Personal Finance	2.38%	2.10%	2.62%	2.03%	2.04%	2.05%



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International Financial Services Europe-Mediterranean - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	658	491	+34.0%	600	+9.7%	1,258	939	+34.0%
Operating Expenses and Dep.	-410	-344	+19.2%	-454	-9.7%	-864	-893	+24.7%
Gross Operating Income	248	147	+68.7%	146	+69.9%	394	246	+60.2%
Cost of Risk	-108	-49	n.s.	-151	-28.5%	-259	-155	+67.1%
Operating Income	140	98	+42.9%	-5	n.s.	135	91	+48.4%
Non Operating Items	40	29	+37.9%	43	-7.0%	83	55	+50.9%
Pre-Tax Income	180	127	+41.7%	38	n.s.	218	146	+49.3%
Income Attributable to Wealth and Asset Management	0	-1	n.s.	-1	n.s.	-1	-1	+0.0%
Pre-Tax Income of Europe-Mediterranean	180	126	+42.9%	37	n.s.	217	145	+49.7%
Cost/Income	62.3%	70.1%	-7.8 pt	75.7%	-13.4 pt	68.7%	73.8%	-5.1 pt
Allocated Equity (€bn)						4.4	3.5	+26.7%

Including 100% of Turkish Private Banking for the Revenue to Pre-tax income line items

- Scope effect related to the acquisition of Bank BGZ in Poland
- Foreign exchange effect due in particular to the variation in the value of the Turkish lira
 - TRY vs. EUR*: -1.9% vs. 2Q14, -6.1% vs. 1Q15, +3.6% vs. 1H14
- At constant scope and exchange rates vs. 1H14
 - Revenues**: +15.2%, good drive due to volume growth
 - Operating expenses**: +7.1%, bolstering the commercial set up in Turkey
 - Pre-tax income***: +18.9%, strong income growth
- Non operating items: strong contribution from the associated companies (very good performance of Asia)

* Average rates; ** Including 100% of Turkish Private Banking; *** Including 2/3 of Turkish Private Banking



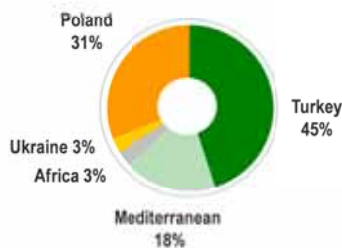
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International Financial Services Europe-Mediterranean - Volumes and Risks

Average outstandings (€bn)	Outstandings		%Var/2Q14		%Var/1Q15		Outstandings		%Var/1H14	
	2Q15	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates	1H15	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates
LOANS	39.1		+39.9%	+13.8%	+0.7%	+2.3%	38.9		+42.6%	+13.6%
DEPOSITS	33.9		+40.4%	+11.0%	-1.1%	+0.9%	34.1		+42.9%	+9.9%

Geographic distribution of 2Q15 outstanding loans



Cost of risk/outstandings

Annualised cost of risk/outstandings as at beginning of period	2Q14	3Q14	4Q14	1Q15	2Q15
Turkey	0.97%	0.93%	1.43%	1.01%	1.02%
Ukraine	1.97%	5.76%	6.48%	12.85%	4.40%
Poland	0.79%	0.17%	0.51%	0.64%	0.79%
Others	-0.02%	0.57%	2.22%	2.48%	1.13%
Europe-Mediterranean	0.74%	0.92%	1.49%	1.61%	1.40%



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International Financial Services BancWest – 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15/ 1Q15	1H15	1H14	1H15 / 1H14
Revenues	728	537	+35.6%	664	+9.6%	1,302	1,251	+32.4%
Operating Expenses and Dep.	-465	-336	+38.4%	-475	-2.1%	-940	-702	+33.9%
Gross Operating Income	263	201	+30.8%	189	+39.2%	452	349	+29.5%
Cost of Risk	-16	-16	+0.0%	-19	-15.8%	-35	-27	+29.6%
Operating Income	247	185	+33.5%	170	+45.3%	417	322	+29.5%
Non Operating Items	1	1	+0.0%	3	-66.7%	4	4	+0.0%
Pre-Tax Income	248	186	+33.3%	173	+43.4%	421	326	+29.1%
Income Attributable to Wealth and Asset Management	-2	-2	+0.0%	-2	+0.0%	-4	-3	+33.3%
Pre-Tax Income of BancWest	246	184	+33.7%	171	+43.9%	417	323	+29.1%
Cost/Income	63.9%	62.6%	+1.3 pt	71.5%	-7.6 pt	67.5%	66.8%	+0.7 pt
Allocated Equity (€bn)						5.2	4.2	+23.8%

Including 100% of U.S Private Banking for the Revenues to Pre-tax income line items

- Foreign exchange effect
 - USD vs. EUR*: +23.9% vs. 2Q14, +1.8% vs. 1Q15, +22.7% vs. 1H14
- Revenues: +7.8%** vs. 1H14
 - Due notably to the volume growth
- Operating expenses: +10.3%** vs. 1H14
 - +4.3%** net of the increase in regulatory costs***
 - Strengthening of the commercial set up (Private Banking, consumer finance) partially offset by streamlining of the network

* Average rates; ** At constant scope and exchange rates; *** CCAR and Intermediate Holding Company notably



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International Financial Services BancWest - Volumes

Average outstandings (€bn)	Outstandings	%Var/2Q14 at constant scope and exchange rates		%Var/1Q15 at constant scope and exchange rates		Outstandings	%Var/1H14 at constant scope and exchange rates	
	2Q15	historical		historical		1H15	historical	
LOANS	55.7	+32.1%	+6.6%	+3.1%	+1.3%	54.8	+30.8%	+6.6%
Individual Customers	25.3	+30.1%	+5.1%	+2.7%	+0.9%	25.0	+29.5%	+5.5%
Incl. Mortgages	10.3	+22.8%	-0.9%	+0.0%	-1.7%	10.3	+23.2%	+0.3%
Incl. Consumer Lending	15.0	+35.7%	+9.5%	+4.5%	+2.7%	14.7	+34.4%	+9.5%
Commercial Real Estate	14.6	+32.9%	+7.3%	+2.9%	+1.1%	14.4	+32.0%	+7.6%
Corporate Loans	15.7	+34.4%	+8.5%	+4.1%	+2.3%	15.4	+31.8%	+7.4%
DEPOSITS AND SAVINGS	59.0	+30.6%	+5.4%	+2.3%	+0.5%	58.4	+30.5%	+6.3%
Deposits Excl. Jumbo CDs	50.5	+31.5%	+6.2%	+3.0%	+1.2%	49.7	+30.4%	+6.2%

- Loans: +6.6%* vs. 2Q14
 - Strong increase in consumer and corporate loans
- Deposits: +5.4%* vs. 2Q14
 - Good growth in current and savings accounts

* At constant scope and exchange rates



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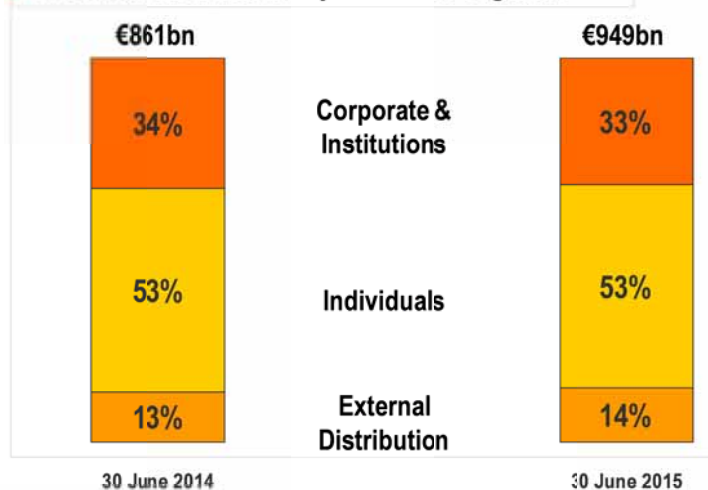
International Financial Services Insurance and WAM* - Business

	30.06.15	30.06.14	%Var/ 30.06.14	31.03.15	%Var/ 31.03.15
Assets under management (€bn)	949	861	+10.2%	969	-2.0%
Asset Management	387	355	+8.9%	401	-3.6%
Wealth Management	331	297	+11.4%	332	-0.2%
Real Estate Services	21	19	+12.8%	21	+1.5%
Insurance	210	190	+10.4%	215	-2.3%
	2Q15	2Q14	%Var/ 2Q14	1Q15	%Var/ 1Q15
Net asset flows (€bn)	2.8	-6.9	n.s.	11.1	-74.7%
Asset Management	-3.0	-3.0	-1.7%	4.3	n.s.
Wealth Management	3.8	-4.9	n.s.	4.9	-23.6%
Real Estate Services	0.2	-0.3	n.s.	0.2	-32.9%
Insurance	1.9	1.4	+34.8%	1.6	+17.0%

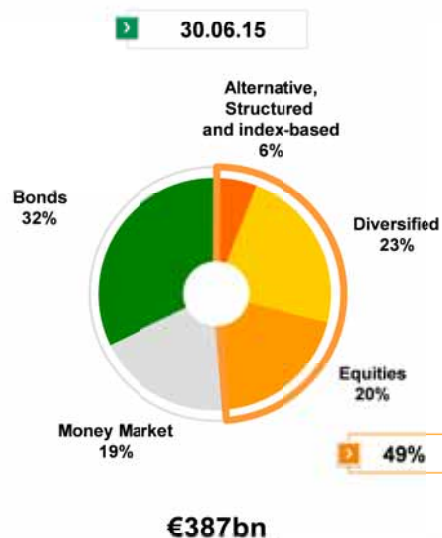


International Financial Services Breakdown of Assets by Customer Segment

Breakdown of assets by customer segment



International Financial Services Asset Management - Breakdown of Managed Assets



International Financial Services Insurance - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	557	535	+4.1%	570	-2.3%	1,127	1,065	+5.8%
Operating Expenses and Dep.	-274	-253	+8.3%	-305	-10.2%	-579	-540	+7.2%
Gross Operating Income	283	282	+0.4%	265	+6.8%	548	525	+4.4%
Cost of Risk	-4	-1	n.s.	0	n.s.	-4	-3	+33.3%
Operating Income	279	281	-0.7%	265	+5.3%	544	522	+4.2%
Share of Earnings of Equity-Method Entities	56	33	+69.7%	39	+43.6%	95	70	+35.7%
Other Non Operating Items	1	0	n.s.	0	n.s.	1	-2	n.s.
Pre-Tax Income	336	314	+7.0%	304	+10.5%	640	590	+8.5%
Cost/Income	49.2%	47.3%	+1.9 pt	53.5%	-4.3 pt	51.4%	50.7%	+0.7 pt
Allocated Equity (€bn)						6.6	6.2	+7.7%

- Gross written premiums: €15.1bn (+5.2% vs. 1H14)
 - Continued growth in the protection insurance business
- Technical reserves: +8.3% vs. 1H14
- Revenues: +5.8% vs. 1H14 (+4.6% vs. 1H14 at constant scope & exchange rates)
 - Good business growth
 - Effect: of the good performance of financial markets
- Operating expenses: +7.2% vs. 1H14 (+4.5% vs. 1H14 at constant scope & exchange rates)
 - In relation with the continued growth in the business, in particular internationally
- Very good performance of associated companies



International Financial Services Wealth and Asset Management - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15/ 1Q15	1H15	1H14	1H15 / 1H14
Revenues	766	726	+5.5%	723	+5.9%	1,489	1,413	+5.4%
Operating Expenses and Dep.	-579	-529	+9.5%	-563	+2.8%	-1,142	-1,061	+7.6%
Gross Operating Income	187	197	-5.1%	160	+16.9%	347	352	-1.4%
Cost of Risk	-16	-4	n.s.	-1	n.s.	-17	-7	n.s.
Operating Income	171	193	-11.4%	159	+7.5%	330	345	-4.3%
Share of Earnings of Equity-Method Entities	15	18	-16.7%	8	+87.5%	23	30	-23.3%
Other Non Operating Items	0	1	n.s.	3	n.s.	3	1	n.s.
Pre-Tax Income	186	212	-12.3%	170	+9.4%	356	376	-5.3%
Cost/Income	75.6%	72.9%	+2.7 pt	77.9%	-2.3 pt	76.7%	75.1%	+1.6 pt
Allocated Equity (€bn)						1.8	1.7	+8.1%

- Revenues: +5.4% vs. 1H14 (+1.6% vs. 1H14 at constant scope and exchange rates)
 - Good performance of Wealth Management in domestic markets and in Asia
 - Increase in Asset Management vs. high base in 1H14
- Operating expenses: +7.6% vs. 1H14 (+3.3% vs. 1H14 at constant scope and exchange rates)
 - Impact of business development investments (Wealth Management in Asia, Real Estate Services)



Corporate and Institutional Banking - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15/ 1Q15	1H15	1H14	1H15 / 1H14
Revenues	3,048	2,636	+15.6%	3,346	-8.9%	6,394	5,341	+19.7%
Operating Expenses and Dep.	-2,064	-1,821	+13.3%	-2,266	-8.9%	-4,330	-3,820	+13.4%
Gross Operating Income	984	815	+20.7%	1,080	-8.9%	2,064	1,521	+35.7%
Cost of Risk	-14	-39	-64.1%	-96	-85.4%	-110	-135	-18.5%
Operating Income	970	776	+25.0%	984	-1.4%	1,954	1,386	+41.0%
Share of Earnings of Equity-Method Entities	13	25	-48.0%	8	+62.5%	21	21	+0.0%
Other Non Operating Items	20	-6	n.s.	136	-85.3%	156	-12	n.s.
Pre-Tax Income	1,003	795	+26.2%	1,128	-11.1%	2,131	1,395	+52.8%
Cost/Income	67.7%	69.1%	-1.4 pt	67.7%	+0.0 pt	67.7%	71.5%	-3.8 pt
Allocated Equity (€bn)						17.7	15.8	+12.2%

- Revenues: +19.7% vs. 1H14; good revenue growth
 - All business units up: Global Markets (+26.6%*), Corporate Banking (+9.8%) et Securities Services (+16.4%)
- Operating expenses: +13.4% vs. 1H14; good overall control
 - Impact of the appreciation of the U.S. dollar (+4.1% at constant scope and exchange rates)
 - Significant increase of regulatory costs (set up of the IHC** in the United States, compliance, etc.)
- Pre-tax income: +52.8% vs. 1H14; significant rise
 - +28.8% at constant scope and exchange rates
 - Decline in the cost of risk
 - Other non operating items, 1Q15 reminder: one-off capital gain from the sale of a non-strategic equity investment (€74m) and high capital gains on day-to-day business operations

* +19.6% excluding the impact of the introduction of Funding Valuation Adjustment in 2Q14; ** Intermediate Holding Company



Corporate and Institutional Banking Global Markets - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	1,613	1,296	+24.5%	1,986	-18.8%	3,599	2,842	+26.6%
incl. FICC	992	788	+25.9%	1,266	-21.6%	2,258	1,751	+29.0%
incl. Equity & Prime Services	621	508	+22.2%	720	-13.8%	1,341	1,091	+22.9%
Operating Expenses and Dep.	-1,131	-1,024	+10.4%	-1,333	-15.2%	-2,464	-2,197	+12.2%
Gross Operating Income	482	272	+77.2%	653	-26.2%	1,135	645	+76.0%
Cost of Risk	-73	11	n.s.	-22	n.s.	-95	37	n.s.
Operating Income	409	283	+44.5%	631	-35.2%	1,040	682	+52.5%
Share of Earnings of Equity-Method Entities	-7	7	n.s.	13	n.s.	6	14	-57.1%
Other Non Operating Items	0	-6	n.s.	-1	n.s.	-1	-11	-90.9%
Pre-Tax Income	402	284	+41.5%	643	-37.5%	1,045	685	+52.6%
Cost/Income	70.1%	79.0%	-8.9 pt	67.1%	+3.0 pt	68.5%	77.3%	-8.8 pt
Allocated Equity (€bn)						8.5	7.7	+9.9%

- Revenues: +19.6%* vs. 1H14; significant revenue growth
 - FICC: +17.8%*, good forex and commodities business, context less favourable in credit and rates
 - Equity & Prime Services: +22.9%, good growth in all segments
- Operating expenses: +12.2% vs. 1H14; good cost containment
 - Strong positive jaws effect
 - Rise in regulatory costs and business development costs offset by the effects of Simple & Efficient
 - +2.3% at constant scope and exchange rates and excluding the positive effect starting in 2Q15 of the reallocation of certain costs related to the new CiB organisation (-€25m in 2Q15)
- Pre-tax income: +52.6% vs. 1H14; very sharp rise
 - Cost of risk: provision for one specific case in 2Q15

* Excluding the impact of the introduction of Funding Valuation Adjustment in 2Q14

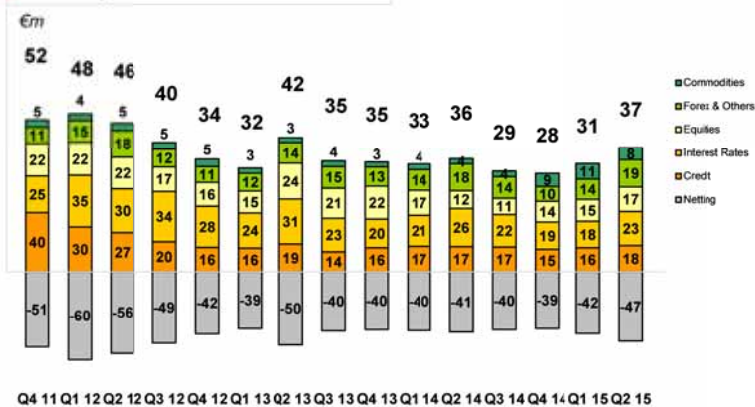


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Corporate and Institutional Banking Market Risks - 1H15

Average 99% 1-day interval VaR



- Group's VaR still at a low level*
 - Slight rise linked to the increase in volatility in the interest rate and forex markets
 - Two days of losses greater than VaR in 2Q15: marginal impact on income as symmetrical gains on counterparty risks (CVA) hedging by these positions
 - Only three days of losses greater than VaR since the beginning of 2013







* VaR calculated for market limits



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Corporate and Institutional Banking Global Markets - 2Q15

	China: Beijing Construction Engineering Group Co., Ltd USD500m 3.850% Senior Unsecured Notes due 2018 Sole Global Coordinator June 2015		France: AXA Global Life EUR285m bond issue to protect the Group against extreme events in Life Joint Bookrunner April 2015
	USA: Bristol-Myers Squibb EUR1.15bn 10-year and 20-year bond issue Active Bookrunner May 2015		Switzerland: Swiss Life EUR750m 4.375% Perp NC10 Subordinated Insurance Hybrid issue Joint Bookrunner June 2015
	USA: AbbVie USD16.7bn multiple tranche bond offering to fund AbbVie's USD21bn acquisition of Pharmacyclics Bookrunner April 2015		National Debt Agency: KFW EUR2bn 0.625% 7-year global bond due Jul-2022 Second EUR benchmark this year Joint Bookrunner June 2015
	Brazil: BR Foods EUR500m 2.75% Notes due 2022 Joint Bookrunner May 2015		Supranational: IADB USD2.25bn 1.875% 5-year Global bond due Jun-2020 Joint Bookrunner June 2015
	UK: United Kingdom Debt Management Office GBP3.25bn 0.125% Index-Linked Treasury Gilt due 2046 Joint Bookrunner June 2015		UK: Prudential plc GBP900m 5.00% Dated Subordinated (Tier 2) Notes due June 2055 Joint Bookrunner June 2015



Corporate and Institutional Banking Securities Services - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	476	416	+14.4%	440	+8.2%	916	787	+16.4%
Operating Expenses and Dep.	-365	-308	+18.5%	-349	+4.6%	-714	-615	+16.1%
Gross Operating Income	111	108	+2.8%	91	+22.0%	202	172	+17.4%
Cost of Risk	4	1	n.s.	0	n.s.	4	1	n.s.
Operating Income	115	109	+5.5%	91	+26.4%	206	173	+19.1%
Non Operating Items	-1	0	n.s.	0	n.s.	-1	0	n.s.
Pre-Tax Income	114	109	+4.6%	91	+25.3%	205	173	+18.5%
Cost/Income	76.7%	74.0%	+2.7 pt	79.3%	-2.6 pt	77.9%	78.1%	-0.2 pt
Allocated Equity (€bn)						0.6	0.5	+13.0%

	30.06.15	30.06.14	%Var/ 30.06.14	31.03.15	%Var/ 31.03.15
Securities Services					
Assets under custody (€bn)	8,118	6,890	+17.8%	8,347	-2.7%
Assets under administration (€bn)	1,671	1,278	+30.8%	1,588	+5.2%
	2Q15	2Q14	2Q15/2Q14	1Q15	2Q15/1Q15
Number of transactions (in millions)	18.1	15.1	+19.3%	18.2	-0.7%

- Revenues: +16.4% vs. 1H14; due to the increase in assets under custody and the number of transactions
- Operating expenses: +16.1% vs. 1H14; on the back of good business development
- Pre-tax income: +18.5% vs. 1H14



Corporate and Institutional Banking Corporate Banking - 1H15

€m	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15 / 1Q15	1H15	1H14	1H15 / 1H14
Revenues	959	924	+3.8%	920	+4.2%	1,879	1,712	+9.8%
Operating Expenses and Dep.	-568	-489	+16.2%	-584	-2.7%	-1,152	-1,008	+14.3%
Gross Operating Income	391	435	-10.1%	336	+16.4%	727	704	+3.3%
Cost of Risk	55	-51	n.s.	-74	n.s.	-19	-173	-89.0%
Operating Income	446	384	+16.1%	262	+70.2%	708	531	+33.3%
Non Operating Items	41	18	n.s.	132	-68.9%	173	6	n.s.
Pre-Tax Income	487	402	+21.1%	394	+23.6%	881	537	+64.1%
Cost/Income	59.2%	52.9%	+6.3 pt	63.5%	-4.3 pt	61.3%	58.9%	+2.4 pt
Allocated Equity (€bn)						8.6	7.6	+14.5%

- Revenues: +9.8% vs. 1H14; good revenue growth
 - Sustained growth in the Americas
 - Increase in Asia Pacific and in Europe*, despite a slowdown in the Energy and Commodities sector
- Operating expenses: +14.3% vs. 1H14
 - +4.0% at constant scope and exchange rates and excluding the negative effect starting in 2Q15 of the reallocation of certain costs related to the new CIB organisation (impact ~€25m in 2Q15)
 - Impact of regulatory costs (IHC**, compliance, etc.) and business development investments in the United States and Asia Pacific
- Pre-tax income: +64.1% vs. 1H14; sharp rise
 - Decrease in the cost of risk with in particular a net write-back in 2Q15



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* Europe, Middle East, Africa; ** Intermediate Holding Company

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Corporate and Institutional Banking Corporate Banking - 2Q15

	France/USA: Advising Saint Gobain for the planned sale of its glass packaging unit Verallia to Apollo EUR2.9bn Ongoing		Brazil Vale USD3bn 5 yr Senior Unsecured RCF Joint Lead Arranger and Joint Bookrunner May 2015
	France: Europcar - EUR898m IPO Joint Bookrunner - EUR475m High Yield Bond Offering Joint Global Coordinator & Joint Bookrunner - EUR350m Multicurrency Revolver Facility Mandated Lead Arranger May-June 2015		Switzerland: Dufry CHF2.2bn Rights Issue, to partly finance the acquisition of World Duty Free Joint Bookrunner June 2015
	France: Airbus Group EUR500m inaugural convertible bond Joint Bookrunner June 2015		Switzerland: Bombardier Transportation CHF230m non-recourse construction finance facility Lead-Arranger H1 2015
	France/USA: Aitice Financial Advisor and Bookrunner of a USD6.8bn debt package for the acquisition of Suddenlink by Aitice , comprising USD1.7bn new High Yield Issuance and USD5.1bn backstop of existing bonds and loans. May 2015		Korea/Brazil: Companhia Siderurgica Do Pecem Greenfield steel mill project USD1.2bn Korean ECA covered facilities Mandated Lead Arranger April 2015
	China/Hong-Kong: HUATAI SECURITIES CO., LTD USD5.0bn (post-shoe) Hong Kong IPO The largest IPO globally in 2015 YTD; Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager June 2015		
			Japan: Orix Corporation USD4.1bn 2-year multi-borrower syndicated RCF Joint Bookrunner, Mandated Lead Manager and Facility Agent April 2015



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Corporate and Institutional Banking Rankings and Awards - 1H15

- Global Markets: global franchises
 - #2 All bonds in EUR, #9 All International Bonds All Currencies, #2 Covered bonds All Currencies, #3 Dim Sum bonds (*IFR Thomson Reuters*)
 - Exane BNP Paribas #3, Pan-european equity sector research (*Exel 2015*)
 - Overall Most Impressive Bank for Corporate Debt Capital Markets, Most Impressive Bank for Corporate Debt Capital Markets in Eurcs (*2015 Global Capital Bond awards*)
- Securities Services: recognised expertise
 - Best Custody Specialist Award–Fund Manager (*The Asset Triple A – Asset Servicing 2015 awards*)
- Corporate Banking: confirmed leadership in all the businesses
 - #1 EMEA Equity-Linked Bookrunner, #8 All ECM Bookrunner EMEA (*Dealogic 1H15*),
 - #1 Bookrunner for all EMEA Syndicated Loans, for acquisition finance, for media telecom sector and for leverage finance, by number of deals (*Dealogic and Thomson Reuters 1H15*)
 - #1 Global Infrastructure Project Finance by volume, #1 European Project Finance loans by volume and number of deals (*Dealogic 1H15*)
 - Best Trade Bank in Western Europe (*Trade & Forfaiting Review - TFR Excellence in Trade Finance Awards 2015*)



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Corporate Centre - 2Q15

€m	2Q15	2Q14	1Q15	1H15	1H14
Revenues	273	-61	137	410	242
Operating Expenses and Dep.	-367	-340	-566	-923	-580
Incl. Restructuring and Transformation Costs	-217	-207	-130	-347	-349
Gross Operating Income	-94	-401	-419	-513	-333
Cost of Risk	-24	9	2	-22	-11
Costs related to the comprehensive settlement with US authorities	0	-5,950	0	0	-5,950
Operating Income	-118	-6,342	-417	-535	-6,299
Share of Earnings of Equity-Method Entities	15	21	18	33	36
Other non operating items	410	12	76	486	10
Pre-Tax Income	307	-6,309	-323	-16	-6,253

- Revenues
 - Own Credit Adjustment (OCA)* and own credit risk included in derivatives (DVA)*: +€80m (-€187m in 2Q14)
 - Very good contribution of BNP Paribas Principal Investments
- Operating expenses
 - Simple & Efficient transformation costs: -€154m (-€198m in 2Q14)
 - Restructuring costs following the acquisitions made in 2014 (LaSer, Bank BGZ, DAB Bank): -€63m (n.s. in 2Q14)
- Other non operating items
 - Sale of a 7% stake in Klépierre-Corio: +€364m
 - Dilution capital gain due to the merger between Klépierre and Corio: +€56m

* Fair value takes into account any change in value attributable to issuer not relating to the BNP Paribas Group. It is the replacement value of instruments, calculated by discounting the expected liabilities' profile, stemming from derivatives or securities issued by the Bank, using a discount rate corresponding to that of a similar instrument that could be issued by the BNP Paribas Group at the closing date.



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Group Results

Division Results

1H15 Detailed Results

Appendix



Number of Shares, Earnings and Book Value per Share

Number of Shares and Book Value per Share

<i>in millions</i>	30-Jun-15	31-Dec-14*
Number of Shares (end of period)	1,146	1,246
Number of Shares excluding Treasury Shares (end of period)	1,143	1,243
Average number of Shares outstanding excluding Treasury Shares	1,142	1,242
Book value per share (a)	61.8	66.6
of which net assets non revaluated per share (a)	61.5	61.7

(a) Excluding undated super subordinated notes

Earnings per Share

<i>in euros</i>	1H15	1H14*
Net Earnings Per Share (EPS)	3.22	-2.36 (a)

(a) €2.37 calculated with a result where the costs relative to the comprehensive settlement with U.S. authorities have been restated

Equity

<i>€bn</i>	30-Jun-15	31-Dec-14*
Shareholders' equity Group share, not revaluated (a)	77.1	74.8
Valuation Reserve	6.6	6.1
Return on Equity	10.1% (b)	9.0% (c)
Return on Tangible Equity	12.3% (b)	10.8% (c)
Total Capital Ratio	13.0% (d)	12.6% (d)
Common equity Tier 1 ratio	10.8% (d)	10.5% (d)

(a) Excluding undated super subordinated notes and after estimated distribution

(b) Annualised ROE, excluding one-off items

(c) One-off items (including costs relative to the comprehensive settlement with U.S. authorities) restated

(d) Basel 3 (CRD4), taking into consideration CRR transitional provisions (but with full deduction of goodwill), on risk-weighted assets of €64 bn as at 31.12.14 and of €630 bn as at 30.06.15. Subject to the provisions of article 26.2 of (EU) regulation n° 575/2013. As at 30 June 2015, the capital surplus of the financial conglomerate was estimated at €30.8 bn.

(e) CRD4, calculated according to the delegated act of the European Commission dated 10.10.14 and calculated on total Tier 1 capital including the forthcoming replacement of Tier 1 instruments that have become ineligible with equivalent eligible instruments and using value date for securities transactions

* Figure restated following the application of IFRIC 21 interpretation



A Solid Financial Structure

Doubtful loans/gross outstandings

	30-Jun-15	31-Dec-14*
Doubtful loans (a) / Loans (b)	4.0%	4.2%
(a) Doubtful loans to customers and credit institutions excluding repos, netted of guarantees		
(b) Gross outstanding loans to customers and credit institutions excluding repos		

Coverage ratio

€bn	30-Jun-15	31-Dec-14*
Doubtful loans (a)	31.8	31.5
Allowance for loan losses (b)	27.8	27.2
Coverage ratio	87%	87%
(a) Gross doubtful loans, balance sheet and off-balance sheet, netted of guarantees and collaterals		
(b) Specific and on a portfolio basis		

Immediately available liquidity reserve

€bn	30-Jun-15	31-Dec-14
Immediately available liquidity reserve (a)	290	291
(a) Deposits with central banks and unencumbered assets eligible to central banks, after haircuts		

* Figure restated following the application of IFRIC 21 interpretation



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Common Equity Tier 1 Ratio

Basel 3 fully loaded common equity Tier 1 ratio* (Accounting capital to prudential capital reconciliation)

€bn	30-Jun-15	31-Mar-15
Consolidated Equity	96.1	98.1
Undated super subordinated notes	-6.5	-6.6
2014 dividend not paid yet **	-	-1.9
Proposed 2015 dividend ***	-1.8	-0.7
Regulatory adjustments on equity ****	-2.0	-3.3
Regulatory adjustments on minority interests	-2.7	-3.0
Goodwill and intangible assets	-14.2	-14.4
Deferred tax assets related to tax loss carry forwards	-1.1	-1.1
Other regulatory adjustments	-1.0	-0.8
Common Equity Tier One capital	66.8	66.3
Risk-weighted assets	633	645
Common Equity Tier 1 Ratio	10.6%	10.3%

* CRD4, taking into account all the rules of the CRD4 with no transitory provisions. Subject to the provisions of article 26.2 of (EU) regulation n°575/2013.
 ** Dividend paid on 22 May 2015; *** Assumption of a 4% dividend pay-out ratio; **** Including Prudent Valuation Adjustment

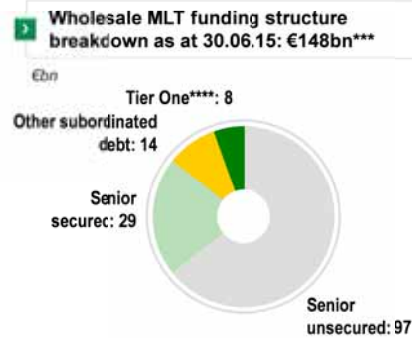


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Medium/Long-Term Funding

- 2015 wholesale MLT funding programme: €18bn
- Senior debt: €14.0bn realised*
 - Average maturity of 4.5 years
 - Mid-swap +23 bp on average
- Main senior issuances in 2Q15
 - USD1.5bn with a 5 year maturity, US Treasury +93 bp
 - €750m 10 year covered bonds, mid-swap -11 bp
 - AUD650m with a 5 year maturity, equivalent to euro mid-swap +43 bp
- Additional Tier 1: inaugural transaction in June
 - €750m, perpetual NC7 transaction, 6.125% coupon
 - Reminder: target of €1 to €2bn per year until 01.01.2019**
- Tier 2: €2.0bn issued*
 - Mid-swap +163 bp on average
 - Reminder: target of €2 to 3bn per year until 01.01.2019**



Diversified MLT funding programme realised at competitive conditions

* As at 15 July 2015; ** Depending on market conditions; *** Excluding TLTRO; **** Debt qualified prudentially as Tier 1 recorded as subordinated debt or as equity



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Cost of Risk on Outstandings (1/2)

Cost of risk Net provisions/Customer loans (in annualised bp)

	2011	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15	2Q15
Domestic Markets*										
Loan outstandings as of the beg. of the quarter (€bn)	337.1	348.9	340.5	336.1	334.8	336.2	333.7	335.2	338.4	338.3
Cost of risk (€m)	1,405	1,573	1,848	569	506	413	506	2,074	490	432
Cost of risk (in annualised bp)	42	45	54	68	60	49	61	62	58	51
FRB*										
Loan outstandings as of the beg. of the quarter (€bn)	144.9	151.1	147.1	143.5	143.0	144.3	142.7	143.4	145.3	144.9
Cost of risk (€m)	315	315	343	108	103	15	106	402	89	87
Cost of risk (in annualised bp)	22	21	23	30	29	4	30	28	25	24
BNL bc*										
Loan outstandings as of the beg. of the quarter (€bn)	81.1	82.7	80.1	78.6	78.5	78.2	77.2	78.1	77.5	76.8
Cost of risk (€m)	795	961	1,205	364	364	348	322	1,398	321	318
Cost of risk (in annualised bp)	98	116	150	185	185	18	167	179	166	166
BRB*										
Loan outstandings as of the beg. of the quarter (€bn)	79.2	85.4	87.7	88.7	87.9	88.4	88.6	88.4	90.1	90.8
Cost of risk (€m)	137	157	142	52	15	16	28	131	33	2
Cost of risk (in annualised bp)	17	18	16	23	7	16	13	15	15	1

*With Private Banking at 100%



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Cost of Risk on Outstandings (2/2)

3 Cost of risk *Net provisions/Customer loans (in annualised bp)*

	2011	2012	2013	1Q14	2Q14	3Q14	4Q14	2014	1Q15	2Q15
BancWest*										
Loan outstandings as of the beg. of the quarter (€bn)	37.1	41.0	41.8	41.5	42.0	428	47.1	43.3	50.5	57.1
Cost of risk (€m)	256	145	54	11	16	6	17	50	19	16
Cost of risk (in annualised bp)	69	35	13	11	15	6	14	12	15	11
Europe-Mediterranean*										
Loan outstandings as of the beg. of the quarter (€bn)	23.2	24.7	28.5	27.3	27.7	286	36.5	30.0	37.6	40.0
Cost of risk (€m)	268	290	272	106	49	46	136	357	151	108
Cost of risk (in annualised bp)	115	117	95	156	71	12	149	119	161	108
Personal Finance										
Loan outstandings as of the beg. of the quarter (€bn)	45.5	45.8	45.2	46.8	47.4	473	57.4	51.3	56.9	56.5
Cost of risk (€m)	1,191	1,147	1,098	278	249	29	292	1,095	291	289
Cost of risk (in annualised bp)	261	250	243	238	210	202**	203	214	204	205
CIB - Corporate Banking										
Loan outstandings as of the beg. of the quarter (€bn)	153.2	121.2	106.0	103.0	100.2	1075	110.3	105.3	113.6	118.8
Cost of risk (€m)	96	432	437	122	51	-48	26	131	74	-55
Cost of risk (in annualised bp)	6	36	41	47	20	-5	9	12	26	-19
Group**										
Loan outstandings as of the beg. of the quarter (€bn)	690.9	679.9	644.5	636.1	640.4	6432	669.2	647.2	682.0	709.9
Cost of risk (€m)	6,797	3,941	3,801	1,084	855	714	1,012	3,705	1,044	903
Cost of risk (in annualised bp)	98	58	59	68	53	-7	60	57	61	51

* With Private Banking at 100%; ** including cost of risk of market activities, Investment Solutions (until end 2014), International Financial Services and Corporate Centre; *** Excluding LaSera



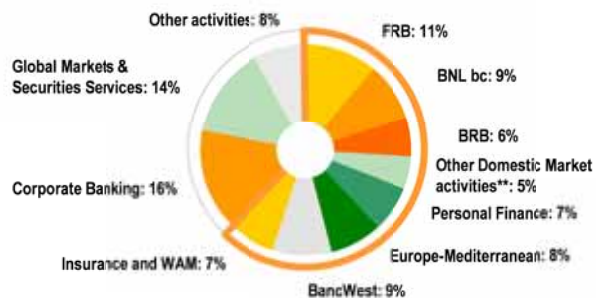
Basel 3* Risk-Weighted Assets

- Basel 3* risk-weighted assets: €633bn (€645bn as at 31.03.15)
 - Reduction in risk-weighted assets due to foreign exchange and rate effects and the decrease in particular in the exposure to counterparty risks

3 Basel 3* risk-weighted assets by type of risk as at 30.06.2015



3 Basel 3* risk-weighted assets by business as at 30.06.2015

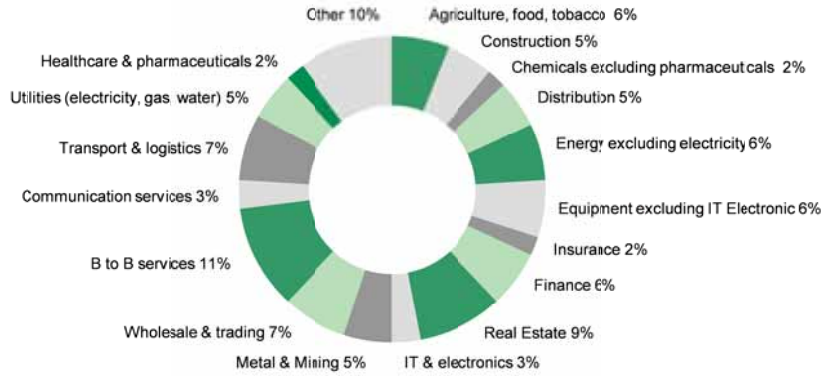


4 Retail Banking and Services: 52%

* CRD4; ** Including Luxembourg



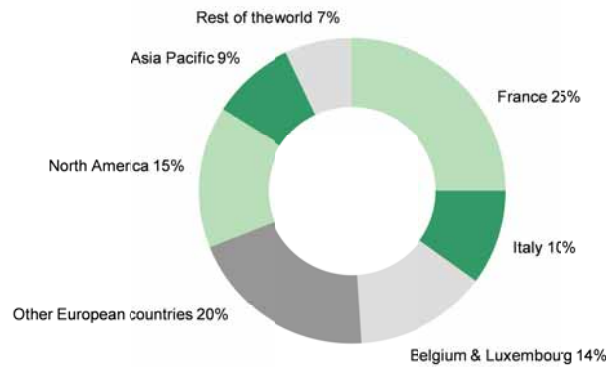
Breakdown of Commitments by Industry (Corporate Asset Class)



Total gross commitments on and off balance sheet, unweighted (corporate asset class) = €585bn as at 30.06.2015



Breakdown of Commitments by Region



Total gross commitments on and off balance sheet, unweighted = €1,336bn as at 30.06.2015



CONSOLIDATED PROFIT AND LOSS ACCOUNT

<i>€m</i>	2Q15	2Q14	2Q15 / 2Q14	1Q15	2Q15/ 1Q15	1H15	1H14	1H15 / 1H14
Revenues	11,079	9,569	+15.8%	11,065	+0.1%	22,144	19,480	+13.7%
Operating Expenses and Dep.	-7,083	-6,368	+11.2%	-7,808	-9.3%	-14,891	-13,161	+13.1%
Gross Operating Income	3,996	3,201	+24.8%	3,257	+22.7%	7,253	6,319	+14.8%
Cost of Risk	-903	-855	+5.6%	-1,044	-13.5%	-1,947	-1,939	+0.4%
Costs related to the comprehensive settlement with US authorities	0	-5,950	n.s.	0	n.s.	0	-5,950	n.s.
Operating Income	3,093	-3,604	n.s.	2,213	+39.8%	5,306	-1,570	n.s.
Share of Earnings of Equity-Method Entities	164	138	+18.8%	137	+19.7%	301	241	+24.9%
Other Non Operating Items	428	16	n.s.	202	n.s.	630	9	n.s.
Non Operating Items	592	154	n.s.	339	+74.6%	931	250	n.s.
Pre-Tax Income	3,685	-3,450	n.s.	2,552	+44.4%	6,237	-1,320	n.s.
Corporate Income Tax	-1,035	-671	+54.2%	-811	+27.6%	-1,846	-1,324	+39.4%
Net Income Attributable to Minority Interests	-95	-97	-2.1%	-93	+2.2%	-188	-171	+9.9%
Net Income Attributable to Equity Holders	2,555	-4,218	n.s.	1,648	+55.0%	4,203	-2,815	n.s.
Cost/Income	63.9%	66.5%	-2.6 pt	70.6%	-6.7 pt	67.2%	67.6%	-0.4 pt

BNP Paribas' financial disclosures for the second quarter 2015 are contained in this press release and in the presentation attached herewith.

All legally required disclosures, including the Registration document, are available online at <http://invest.bnpparibas.com> in the "Results" section and are made public by BNP Paribas pursuant to the requirements under Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the Autorité des Marchés Financiers' general rules.

2Q15 – RESULTS BY CORE BUSINESSES

		Domestic Markets	International Financial Services	CIB	Operating Divisions	Other Activities	Group
<i>€m</i>							
Revenues		3,878	3,880	3,048	10,806	273	11,079
	%Change/2Q14	+2.6%	+20.7%	+15.6%	+12.2%	n.s.	+15.8%
	%Change/1Q15	+0.6%	+4.0%	-8.9%	-1.1%	+99.3%	+0.1%
Operating Expenses and Dep.		-2,362	-2,290	-2,064	-6,716	-367	-7,083
	%Change/2Q14	+2.3%	+20.7%	+13.3%	+11.4%	+7.9%	+112%
	%Change/1Q15	-9.4%	-3.8%	-8.9%	-7.4%	-34.0%	-9.3%
Gross Operating Income		1,516	1,590	984	4,090	-94	3,996
	%Change/2Q14	+3.1%	+20.7%	+20.7%	+13.5%	-76.6%	+24.8%
	%Change/1Q15	+216%	+17.9%	-8.9%	+11.3%	-77.6%	+22.7%
Cost of Risk		-432	-433	-14	-879	-24	-903
	%Change/2Q14	-14.6%	+35.7%	-64.1%	+17%	n.s.	+5.6%
	%Change/1Q15	-115%	-6.3%	-85.4%	-16.0%	n.s.	-13.5%
Costs related to the comprehensive settlement with US authorities		0	0	0	0	0	0
	%Change/2Q14	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
	%Change/1Q15	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Operating Income		1,084	1,157	970	3,211	-118	3,093
	%Change/2Q14	+12.4%	+15.9%	+25.0%	+17.3%	-98.1%	n.s.
	%Change/1Q15	+42.8%	+30.4%	-14%	+22.1%	-71.7%	+39.8%
Share of Earnings of Equity-Method Entities		8	128	13	149	15	164
Other Non Operating Items		-4	2	20	18	410	428
Pre-Tax Income		1,088	1,287	1,003	3,378	307	3,685
	%Change/2Q14	+13.9%	+16.1%	+26.2%	+18.2%	n.s.	n.s.
	%Change/1Q15	+45.3%	+29.0%	-11.1%	+17.5%	n.s.	+44.4%
<i>€m</i>							
		Domestic Markets	International Financial Services	CIB	Operating Divisions	Other Activities	Group
Revenues		3,878	3,880	3,048	10,806	273	11,079
	2Q14	3,780	3,214	2,636	9,630	-61	9,569
	1Q15	3,853	3,729	3,346	10,928	137	11,065
Operating Expenses and Dep.		-2,362	-2,290	-2,064	-6,716	-367	-7,083
	2Q14	-2,310	-1,897	-1,821	-6,028	-340	-6,368
	1Q15	-2,606	-2,380	-2,266	-7,252	-556	-7,808
Gross Operating Income		1,516	1,590	984	4,090	-94	3,996
	2Q14	1,470	1,317	815	3,602	-401	3,201
	1Q15	1,247	1,349	1,080	3,676	-419	3,257
Cost of Risk		-432	-433	-14	-879	-24	-903
	2Q14	-506	-319	-39	-864	9	-855
	1Q15	-488	-462	-96	-1,046	2	-1,044
Costs related to the comprehensive settlement with US authorities		0	0	0	0	0	0
	2Q14	0	0	0	0	-5,950	-5,950
	1Q15	0	0	0	0	0	0
Operating Income		1,084	1,157	970	3,211	-118	3,093
	2Q14	964	998	776	2,738	-6,342	-3,604
	1Q15	759	887	984	2,630	-417	2,213
Share of Earnings of Equity-Method Entities		8	128	13	149	15	164
	2Q14	-10	102	25	117	21	138
	1Q15	5	106	8	119	18	137
Other Non Operating Items		-4	2	20	18	410	428
	2Q14	1	9	-6	4	12	16
	1Q15	-15	5	136	126	76	202
Pre-Tax Income		1,088	1,287	1,003	3,378	307	3,685
	2Q14	955	1,109	795	2,859	-6,309	-3,450
	1Q15	749	998	1,128	2,875	-323	2,552
Corporate Income Tax							-1,035
Net Income Attributable to Minority Interests							-95
Net Income Attributable to Equity Holders							2,555

1H15 – RESULTS BY CORE BUSINESSES

		Domestic Markets	International Financial Services	CIB	Operating Divisions	Other Activities	Group
<i>€m</i>							
Revenues		7,731	7,609	6,394	21,734	410	22,144
	%Change/1S14	+19%	+20.5%	+19.7%	+13.0%	+69.4%	+13.7%
Operating Expenses and Dep.		-4,968	-4,670	-4,330	-13,968	-923	-14,891
	%Change/1S14	+16%	+20.6%	+13.4%	+11.0%	+69.1%	+13.1%
Gross Operating Income		2,763	2,939	2,064	7,766	-513	7,253
	%Change/1S14	+2.6%	+20.4%	+35.7%	+16.7%	+61.8%	+14.8%
Cost of Risk		-920	-895	-110	-1,925	-22	-1,947
	%Change/1S14	-14.3%	+24.5%	-18.5%	-0.2%	+100.0%	+0.4%
Costs related to the comprehensive settlement with US authorities		0	0	0	0	0	0
	%Change/1S14	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Operating Income		1,843	2,044	1,954	5,841	-535	5,306
	%Change/1S14	+13.8%	+18.6%	+41.0%	+23.5%	-91.5%	n.s.
Share of Earnings of Equity-Method Entities		13	234	21	268	33	301
Other Non Operating Items		-19	7	156	144	486	630
Pre-Tax Income		1,837	2,285	2,131	6,253	-16	6,237
	%Change/1S14	+13.7%	+18.8%	+52.8%	+26.8%	-99.7%	n.s.
Corporate Income Tax							-1,846
Net Income Attributable to Minority Interests							-188
Net Income Attributable to Equity Holders							4,203

QUATERLY SERIES

<i>€m</i>	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
GROUP						
Revenues	11,079	11,065	10,150	9,538	9,569	9,911
Operating Expenses and Dep.	-7,083	-7,808	-6,880	-6,483	-6,368	-6,793
Gross Operating Income	3,996	3,257	3,270	3,055	3,201	3,118
Cost of Risk	-903	-1,044	-1,012	-754	-855	-1,084
Costs related to the comprehensive settlement with US authorities	0	0	-50	0	-5,950	0
Operating Income	3,093	2,213	2,208	2,301	-3,604	2,034
Share of Earnings of Equity-Method Entities	164	137	80	86	138	103
Other Non Operating Items	428	202	-268	63	16	-7
Pre-Tax Income	3,685	2,552	2,020	2,450	-3,450	2,130
Corporate Income Tax	-1,035	-811	-566	-753	-671	-653
Net Income Attributable to Minority Interests	-95	-93	-77	-102	-97	-74
Net Income Attributable to Equity Holders	2,555	1,648	1,377	1,595	-4,218	1,403
Cost/Income	63.9%	70.6%	67.8%	68.0%	66.5%	68.5%

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€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
RETAIL BANKING & SERVICES Excluding PEL/CEL Effects						
Revenues	7,763	7,610	7,476	7,218	6,999	6,903
Operating Expenses and Dep.	-4,652	-4,986	-4,699	-4,377	-4,207	-4,554
Gross Operating Income	3,111	2,624	2,777	2,841	2,792	2,349
Cost of Risk	-865	-950	-945	-843	-825	-968
Operating Income	2,246	1,674	1,832	1,998	1,967	1,381
Share of Earnings of Equity-Method Entities	136	111	91	81	92	92
Other Non Operating Items	-2	-10	-9	21	10	1
Pre-Tax Income	2,380	1,775	1,914	2,100	2,069	1,474
Allocated Equity (€bn, year to date)	40.3	39.7	37.9	37.6	37.5	37.6

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
RETAIL BANKING & SERVICES						
Revenues	7,758	7,582	7,469	7,173	6,994	6,903
Operating Expenses and Dep.	-4,652	-4,986	-4,699	-4,377	-4,207	-4,554
Gross Operating Income	3,106	2,596	2,770	2,796	2,787	2,349
Cost of Risk	-865	-950	-945	-843	-825	-968
Operating Income	2,241	1,646	1,825	1,953	1,962	1,381
Share of Earnings of Equity-Method Entities	136	111	91	81	92	92
Other Non Operating Items	-2	-10	-9	21	10	1
Pre-Tax Income	2,375	1,747	1,907	2,055	2,064	1,474
Allocated Equity (€bn, year to date)	40.3	39.7	37.9	37.6	37.5	37.6

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
DOMESTIC MARKETS (including 100% of Private Banking in France, Italy, Belgium and Luxembourg)* Excluding PEL/CEL Effects						
Revenues	4,017	4,022	3,930	3,927	3,910	3,932
Operating Expenses and Dep.	-2,426	-2,673	-2,531	-2,437	-2,371	-2,643
Gross Operating Income	1,591	1,349	1,399	1,490	1,539	1,289
Cost of Risk	-432	-490	-506	-493	-507	-568
Operating Income	1,159	859	893	997	1,032	721
Share of Earnings of Equity-Method Entities	9	5	1	-2	-10	4
Other Non Operating Items	-4	-15	-22	3	1	0
Pre-Tax Income	1,164	849	872	998	1,023	725
Income Attributable to Wealth and Asset Management	-71	-72	-59	-61	-63	-65
Pre-Tax Income of Domestic Markets	1,093	777	813	937	960	660
Allocated Equity (€bn, year to date)	18.6	18.6	18.5	18.6	18.7	18.8

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
DOMESTIC MARKETS (including 2/3 of Private Banking in France, Italy, Belgium and Luxembourg)						
Revenues	3,878	3,853	3,801	3,759	3,780	3,804
Operating Expenses and Dep.	-2,362	-2,606	-2,469	-2,376	-2,310	-2,580
Gross Operating Income	1,516	1,247	1,332	1,383	1,470	1,224
Cost of Risk	-432	-488	-505	-491	-506	-568
Operating Income	1,084	759	827	892	964	656
Share of Earnings of Equity-Method Entities	8	5	1	-3	-10	4
Other Non Operating Items	-4	-15	-22	3	1	0
Pre-Tax Income	1,088	749	806	892	955	660
Allocated Equity (€bn, year to date)	18.6	18.6	18.5	18.6	18.7	18.8

*Including 100% of Private Banking for Revenues down to Pre-tax income line items

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€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
FRENCH RETAIL BANKING (including 100% of Private Banking in France)*						
Revenues	1,672	1,655	1,651	1,671	1,707	1,720
<i>Incl. Net Interest Income</i>	<i>969</i>	<i>943</i>	<i>984</i>	<i>981</i>	<i>1,030</i>	<i>1,006</i>
<i>Incl. Commissions</i>	<i>703</i>	<i>712</i>	<i>667</i>	<i>690</i>	<i>677</i>	<i>714</i>
Operating Expenses and Dep.	-1,071	-1,130	-1,169	-1,135	-1,072	-1,135
Gross Operating Income	601	525	482	536	635	585
Cost of Risk	-87	-89	-106	-85	-103	-108
Operating Income	514	436	376	451	532	477
Non Operating Items	1	1	0	2	0	1
Pre-Tax Income	515	437	376	453	532	478
Income Attributable to Wealth and Asset Management	-44	-41	-32	-37	-35	-39
Pre-Tax Income of French Retail Banking	471	396	344	416	497	439
Allocated Equity (€bn, year to date)	6.8	6.8	6.7	6.7	6.7	6.8

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
FRENCH RETAIL BANKING (including 100% of Private Banking in France)* Excluding PEL/CEL Effects						
Revenues	1,677	1,683	1,658	1,716	1,712	1,720
<i>Incl. Net Interest Income</i>	<i>974</i>	<i>971</i>	<i>991</i>	<i>1,026</i>	<i>1,035</i>	<i>1,006</i>
<i>Incl. Commissions</i>	<i>703</i>	<i>712</i>	<i>667</i>	<i>690</i>	<i>677</i>	<i>714</i>
Operating Expenses and Dep.	-1,071	-1,130	-1,169	-1,135	-1,072	-1,135
Gross Operating Income	606	553	489	581	640	585
Cost of Risk	-87	-89	-106	-85	-103	-108
Operating Income	519	464	383	496	537	477
Non Operating Items	1	1	0	2	0	1
Pre-Tax Income	520	465	383	498	537	478
Income Attributable to Wealth and Asset Management	-44	-41	-32	-37	-35	-39
Pre-Tax Income of French Retail Banking	476	424	351	461	502	439
Allocated Equity (€bn, year to date)	6.8	6.8	6.7	6.7	6.7	6.8

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
FRENCH RETAIL BANKING (including 2/3 of Private Banking in France)						
Revenues	1,597	1,580	1,587	1,604	1,641	1,648
Operating Expenses and Dep.	-1,039	-1,097	-1,137	-1,104	-1,042	-1,102
Gross Operating Income	558	483	450	500	599	546
Cost of Risk	-87	-88	-106	-85	-102	-108
Operating Income	471	395	344	415	497	438
Non Operating Items	0	1	0	1	0	1
Pre-Tax Income	471	396	344	416	497	439
Allocated Equity (€bn, year to date)	6.8	6.8	6.7	6.7	6.7	6.8

*Including 100% of Private Banking for Revenues down to Pre-tax income line items

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€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
BNL banca commerciale (Including 100% of Private Banking in Italy)*						
Revenues	791	802	798	790	813	818
Operating Expenses and Dep.	-439	-453	-458	-424	-431	-456
Gross Operating Income	352	349	340	366	382	362
Cost of Risk	-318	-321	-322	-348	-364	-364
Operating Income	34	28	18	18	18	-2
Non Operating Items	0	-1	0	0	0	0
Pre-Tax Income	34	27	18	18	18	-2
Income Attributable to Wealth and Asset Management	-11	-10	-7	-7	-8	-7
Pre-Tax Income of BNL bc	23	17	11	11	10	-9
Allocated Equity (€bn, year to date)	5.3	5.4	5.6	5.7	5.8	5.9

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
BNL banca commerciale (Including 2/3 of Private Banking in Italy)						
Revenues	772	783	783	774	797	804
Operating Expenses and Dep.	-431	-444	-450	-416	-423	-449
Gross Operating Income	341	339	333	358	374	355
Cost of Risk	-318	-321	-322	-347	-364	-364
Operating Income	23	18	11	11	10	-9
Non Operating Items	0	-1	0	0	0	0
Pre-Tax Income	23	17	11	11	10	-9
Allocated Equity (€bn, year to date)	5.3	5.4	5.6	5.7	5.8	5.9

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
BELGIAN RETAIL BANKING (Including 100% of Private Banking in Belgium)*						
Revenues	891	894	875	846	822	842
Operating Expenses and Dep.	-564	-728	-573	-572	-564	-725
Gross Operating Income	327	166	302	274	258	117
Cost of Risk	-2	-33	-28	-36	-15	-52
Operating Income	325	133	274	238	243	65
Share of Earnings of Equity-Method Entities	5	0	3	4	1	1
Other Non Operating Items	-4	-13	-23	3	1	0
Pre-Tax Income	326	120	254	245	245	66
Income Attributable to Wealth and Asset Management	-14	-20	-19	-17	-19	-17
Pre-Tax Income of Belgian Retail Banking	312	100	235	228	226	49
Allocated Equity (€bn, year to date)	3.7	3.6	3.5	3.5	3.4	3.4

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
BELGIAN RETAIL BANKING (Including 2/3 of Private Banking in Belgium)						
Revenues	854	850	834	808	782	803
Operating Expenses and Dep.	-541	-705	-552	-552	-543	-703
Gross Operating Income	313	145	282	256	239	100
Cost of Risk	-2	-32	-27	-35	-15	-52
Operating Income	311	113	255	221	224	48
Share of Earnings of Equity-Method Entities	5	0	3	4	1	1
Other Non Operating Items	-4	-13	-23	3	1	0
Pre-Tax Income	312	100	235	228	226	49
Allocated Equity (€bn, year to date)	3.7	3.6	3.5	3.5	3.4	3.4

* Including 100% of Private Banking for Revenues down to Pre-tax income line items

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€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 100% of Private Banking in Luxembourg)*						
Revenues	658	643	599	575	563	552
Operating Expenses and Dep.	-352	-362	-331	-306	-304	-327
Gross Operating Income	306	281	268	269	259	225
Cost of Risk	-25	-47	-50	-24	-25	-44
Operating Income	281	234	218	245	234	181
Share of Earnings of Equity-Method Entities	3	4	-2	-8	-11	2
Other Non Operating Items	0	-1	1	0	0	0
Pre-Tax Income	284	237	217	237	223	183
Income Attributable to Wealth and Asset Management	-2	-1	-1	0	-1	-2
Pre-Tax Income of Other Domestic Markets	282	236	216	237	222	181
Allocated Equity (€bn, year to date)	2.8	2.8	2.7	2.7	2.7	2.7

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 2/3 of Private Banking in Luxembourg)						
Revenues	655	640	597	573	560	549
Operating Expenses and Dep.	-351	-360	-330	-304	-302	-326
Gross Operating Income	304	280	267	269	258	223
Cost of Risk	-25	-47	-50	-24	-25	-44
Operating Income	279	233	217	245	233	179
Share of Earnings of Equity-Method Entities	3	4	-2	-8	-11	2
Other Non Operating Items	0	-1	1	0	0	0
Pre-Tax Income	282	236	216	237	222	181
Allocated Equity (€bn, year to date)	2.8	2.8	2.7	2.7	2.7	2.7

* Including 100% of Private Banking for Revenues down to Pre-tax income line items

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€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
INTERNATIONAL FINANCIAL SERVICES						
Revenues	3,880	3,729	3,668	3,414	3,214	3,099
Operating Expenses and Dep.	-2,290	-2,380	-2,230	-2,001	-1,897	-1,974
Gross Operating Income	1,590	1,349	1,438	1,413	1,317	1,125
Cost of Risk	-433	-462	-440	-352	-319	-400
Operating Income	1,157	887	998	1,061	998	725
Share of Earnings of Equity-Method Entities	128	106	90	84	102	88
Other Non Operating Items	2	5	13	18	9	1
Pre-Tax Income	1,287	998	1,101	1,163	1,109	814
Allocated Equity (€bn, year to date)	21.7	21.1	19.4	19.0	18.9	18.7

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
PERSONAL FINANCE						
Revenues	1,182	1,183	1,154	1,089	933	927
Operating Expenses and Dep.	-571	-591	-575	-501	-440	-446
Gross Operating Income	611	592	579	588	493	481
Cost of Risk	-289	-291	-292	-276	-249	-278
Operating Income	322	301	287	312	244	203
Share of Earnings of Equity-Method Entities	15	17	35	12	23	13
Other Non Operating Items	2	-2	-5	15	6	0
Pre-Tax Income	339	316	317	339	273	216
Allocated Equity (€bn, year to date)	3.6	3.5	3.4	3.3	3.3	3.3

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
EUROPE-MEDITERRANEAN (Including 100% of Private Banking in Turkey)*						
Revenues	658	600	622	543	491	448
Operating Expenses and Dep.	-410	-454	-424	-350	-344	-349
Gross Operating Income	248	146	198	193	147	99
Cost of Risk	-108	-151	-136	-66	-49	-106
Operating Income	140	-5	62	127	98	-7
Share of Earnings of Equity-Method Entities	42	42	24	24	28	26
Other Non Operating Items	-2	1	2	1	1	0
Pre-Tax Income	180	38	88	152	127	19
Income Attributable to Wealth and Asset Management	0	-1	0	0	-1	0
Pre-Tax Income of EUROPE-MEDITERRANEAN	180	37	88	152	126	19
Allocated Equity (€bn, year to date)	4.4	4.3	3.7	3.5	3.5	3.5

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
EUROPE-MEDITERRANEAN (Including 2/3 of Private Banking in Turkey)						
Revenues	656	598	620	541	489	447
Operating Expenses and Dep.	-408	-453	-422	-348	-343	-348
Gross Operating Income	248	145	198	193	146	99
Cost of Risk	-108	-151	-136	-66	-49	-106
Operating Income	140	-6	62	127	97	-7
Share of Earnings of Equity-Method Entities	42	42	24	24	28	26
Other Non Operating Items	-2	1	2	1	1	0
Pre-Tax Income	180	37	88	152	126	19
Allocated Equity (€bn, year to date)	4.4	4.3	3.7	3.5	3.5	3.5

* Including 100% of Private Banking for Revenues down to Pre-tax income line items

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€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
BANCWEST (Including 100% of Private Banking in United States)*						
Revenues	728	664	612	566	537	514
Operating Expenses and Dep.	-465	-475	-388	-353	-336	-366
Gross Operating Income	263	189	224	213	201	148
Cost of Risk	-16	-19	-17	-6	-16	-11
Operating Income	247	170	207	207	185	137
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0
Other Non Operating Items	1	3	-1	1	1	3
Pre-Tax Income	248	173	206	208	186	140
Income Attributable to Wealth and Asset Management	-2	-2	-3	-2	-2	-1
Pre-Tax Income of BANCWEST	246	171	203	206	184	139
Allocated Equity (€bn, year to date)	5.2	4.9	4.3	4.2	4.2	4.2

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
BANCWEST (Including 2/3 of Private Banking in United States)						
Revenues	719	655	604	559	531	508
Operating Expenses and Dep.	-458	-468	-383	-348	-332	-361
Gross Operating Income	261	187	221	211	199	147
Cost of Risk	-16	-19	-17	-6	-16	-11
Operating Income	245	168	204	205	183	136
Non Operating Items	1	3	-1	1	1	3
Pre-Tax Income	246	171	203	206	184	139
Allocated Equity (€bn, year to date)	5.2	4.9	4.3	4.2	4.2	4.2

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
INSURANCE						
Revenues	557	570	577	538	535	530
Operating Expenses and Dep.	-274	-305	-279	-262	-253	-287
Gross Operating Income	283	265	298	276	282	243
Cost of Risk	-4	0	1	-4	-1	-2
Operating Income	279	265	299	272	281	241
Share of Earnings of Equity-Method Entities	56	39	17	37	33	37
Other Non Operating Items	1	0	0	-1	0	-2
Pre-Tax Income	336	304	316	308	314	276
Allocated Equity (€bn, year to date)	6.6	6.6	6.3	6.2	6.2	6.1

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
WEALTH AND ASSET MANAGEMENT						
Revenues	766	723	713	687	726	687
Operating Expenses and Dep.	-579	-563	-571	-542	-529	-532
Gross Operating Income	187	160	142	145	197	155
Cost of Risk	-16	-1	4	0	-4	-3
Operating Income	171	159	146	145	193	152
Share of Earnings of Equity-Method Entities	15	8	14	11	18	12
Other Non Operating Items	0	3	17	2	1	0
Pre-Tax Income	186	170	177	158	212	164
Allocated Equity (€bn, year to date)	1.8	1.8	1.7	1.7	1.7	1.7

* Including 100% of Private Banking for Revenues down to Pre-tax income line items

BNP PARIBAS – SECOND UPDATE TO THE REGISTRATION DOCUMENT

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
CORPORATE AND INSTITUTIONAL BANKING						
Revenues	3,048	3,346	2,437	2,519	2,636	2,705
Operating Expenses and Dep.	-2,064	-2,266	-1,796	-1,809	-1,821	-1,999
Gross Operating Income	984	1,080	641	710	815	706
Cost of Risk	-14	-96	-29	88	-39	-96
Operating Income	970	984	612	798	776	610
Share of Earnings of Equity-Method Entities	13	8	16	0	25	-4
Other Non Operating Items	20	136	4	-1	-6	-6
Pre-Tax Income	1,003	1,128	632	797	795	600
Allocated Equity (€bn, year to date)	17.7	17.0	16.0	15.8	15.8	16.0
CORPORATE BANKING						
Revenues	959	920	965	856	924	788
Operating Expenses and Dep.	-568	-584	-537	-484	-489	-519
Gross Operating Income	391	336	428	372	435	269
Cost of Risk	55	-74	-26	68	-51	-122
Operating Income	446	262	402	440	384	147
Non Operating Items	41	132	8	0	18	-12
Pre-Tax Income	487	394	410	440	402	135
Allocated Equity (€bn, year to date)	8.6	8.5	7.7	7.6	7.6	7.6
GLOBAL MARKETS						
Revenues	1,613	1,986	1,084	1,261	1,296	1,546
<i>incl. FICC</i>	992	1,266	790	878	788	963
<i>incl. Equity & Prime Services</i>	621	720	294	383	508	583
Operating Expenses and Dep.	-1,131	-1,333	-913	-998	-1,024	-1,173
Gross Operating Income	482	653	171	263	272	373
Cost of Risk	-73	-22	-6	19	11	26
Operating Income	409	631	165	282	283	399
Share of Earnings of Equity-Method Entities	-7	13	9	-1	7	7
Other Non Operating Items	0	-1	-5	0	-6	-5
Pre-Tax Income	402	643	169	281	284	401
Allocated Equity (€bn, year to date)	8.5	8.0	7.7	7.7	7.7	7.9
SECURITIES SERVICES						
Revenues	476	440	388	402	416	371
Operating Expenses and Dep.	-365	-349	-346	-327	-308	-307
Gross Operating Income	111	91	42	75	108	64
Cost of Risk	4	0	3	1	1	0
Operating Income	115	91	45	76	109	64
Non Operating Items	-1	0	8	0	0	0
Pre-Tax Income	114	91	53	76	109	64
Allocated Equity (€bn, year to date)	0.6	0.5	0.5	0.5	0.5	0.5

BNP PARIBAS – SECOND UPDATE TO THE REGISTRATION DOCUMENT

€m	2Q15	1Q15	4Q14	3Q14	2Q14	1Q14
CORPORATE CENTRE						
Revenues	273	137	244	-154	-61	303
Operating Expenses and Dep.	-367	-556	-385	-297	-340	-240
<i>Incl. Restructuring and Transformation Costs</i>	-217	-130	-254	-154	-207	-142
Gross Operating Income	-94	-419	-141	-451	-401	63
Cost of Risk	-24	2	-38	1	9	-20
Costs related to the comprehensive settlement with US authorities	0	0	-50	0	-5,950	0
Operating Income	-118	-417	-229	-450	-6,342	43
Share of Earnings of Equity-Method Entities	15	18	-27	5	21	15
Other Non Operating Items	410	76	-263	43	12	-2
Pre-Tax Income	307	-323	-519	-402	-6,309	56

1.3 Long term and short term ratings

LT/ST rating	S&P	Fitch	Moody's
As at 6 March 2015	A+/A-1 (negative outlook)	A+/F1 (stable outlook)	A1/Prime-1 (negative outlook)
As at 31 July 2015	A+/A-1 (negative outlook)	A+/F1 (stable outlook)	A1/Prime-1 (stable outlook)
Date of the last review	6 July 2015	19 May 2015	28 May 2015

1.4 Related parties

There has been no significant change in BNP Paribas' main related party transactions relative to those described in note 8.h of its consolidated financial statements for the financial year ending on 31 December 2014.

1.5 Risk factors

Save as disclosed in this document, there has been no significant change in BNP Paribas' risk factors relative to those described in pages 249 to 255 of the 2014 Registration document and annual financial report.

1.6 Recent events

Save as disclosed in this document, no significant event that may appear in this section has occurred since the first update to the 2014 Registration document and annual financial report issued on 30 April 2015.

2. Governance

2.1 The Board of Directors

- Jean LEMIERRE
- Jean-Laurent BONNAFE
- *Pierre André DE CHALENDAR*
- *Monique COHEN*
- *Marion GUILLOU*
- *Denis KESSLER*
- *Jean-François LEPETIT*
- Nicole MISSON
- *Laurence PARISOT*
- *Daniela SCHWARZER*
- *Michel TILMANT*
- *Emiel VAN BROEKHOVEN*
- Sandrine VERRIER
- *Fields WICKER-MIURIN*

The names of Directors that validate the independence criteria contained in the Afep-Medef Corporate Governance Code are written in italics.

2.2 The Executive Committee

As at 3 August 2015, the BNP Paribas Executive Committee had the following members:

- **Jean-Laurent Bonnafé**, Director and Chief Executive Officer ;
- **Philippe Bordenave**, Chief Operating Officer ;
- **Jacques d'Estais**, Deputy Chief Operating Officer, International Financial Services ;
- **Michel Konczaty**, Deputy Chief Operating Officer ;
- **Thierry Laborde**, , Deputy Chief Operating Officer; Domestic Markets ;
- **Alain Papiasse**,; Deputy Chief Operating Officer, North America, Corporate and Institutional Banking ;
- **Marie-Claire Capobianco**, Head of French Retail Banking ;
- **Laurent David**, Head of BNP Paribas Personal Finance ;
- **Stefaan Decraene**, Head of International Retail Banking ;
- **Yann Gérardin**, Head of Corporate and Institutional Banking ;
- **Maxime Jadot**, Head of BNP Paribas Fortis ;
- **Frédéric Janbon**, special advisor to Executive Management ;
- **Éric Martin**, Head of Group Compliance ;
- **Yves Martrenchar**, Head of Group Human Resources ;
- **Éric Raynaud**, Head of the Asia Pacific region ;
- **Frank Roncey**, Head of Group Risk Management ;
- **Thierry Varène**, Head of Key Accounts, Chairman of Corporate Clients Financing and Advisory EMEA.

The Executive Committee of BNP Paribas has been assisted by a permanent secretariat since November 2007.

3. Financial information as at 30 june 2015

3.1 Consolidated financial report as at 30 june 2015

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CONSOLIDATED FINANCIAL STATEMENTS

Prepared in accordance with International Financial Reporting Standards as adopted by the European Union

The consolidated financial statements of the BNP Paribas Group are presented for the first halves of 2015 and 2014. In accordance with Article 20.1 of Annex I of European Commission Regulation (EC) 809/2004, the consolidated financial statements for the first half of 2013 are provided in the update, registered on 1 August 2014 under number D. 14-0123-A03, to the registration document filed with the Autorité des Marchés Financiers on 7 March 2014 under number D.14-0123.

PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2015

In millions of euros	Notes	First half 2015	First half 2014 ⁽¹⁾
Interest income	3.a	21,946	19,033
Interest expense	3.a	(10,818)	(9,300)
Commission income	3.b	6,772	6,185
Commission expense	3.b	(2,922)	(2,643)
Net gain on financial instruments at fair value through profit or loss	3.c	3,557	2,529
Net gain on available-for-sale financial assets and other financial assets not measured at fair value	3.d	976	1,278
Income from other activities	3.e	22,283	18,968
Expense on other activities	3.e	(19,650)	(16,570)
REVENUES		22,144	19,480
Salary and employee benefit expense		(8,236)	(7,490)
Other operating expenses		(5,849)	(4,951)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		(806)	(720)
GROSS OPERATING INCOME		7,253	6,319
Cost of risk	3.f	(1,947)	(1,939)
Costs related to the comprehensive settlement with US authorities	3.g		(5,950)
OPERATING INCOME		5,306	(1,570)
Share of earnings of equity-method entities		301	241
Net gain on non-current assets		630	12
Goodwill			(3)
PRE-TAX INCOME		6,237	(1,320)
Corporate income tax	3.h	(1,846)	(1,324)
NET INCOME		4,391	(2,644)
Net income attributable to minority interests		188	171
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS		4,203	(2,815)
Basic earnings/(losses) per share	6.a	3.22	(2.36)
Diluted earnings/(losses) per share	6.a	3.22	(2.35)

⁽¹⁾ Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

STATEMENT OF NET INCOME AND CHANGES IN ASSETS AND LIABILITIES RECOGNISED DIRECTLY IN EQUITY

In millions of euros	First half 2015	First half 2014 ⁽¹⁾
Net income for the period	4,391	(2,644)
Changes in assets and liabilities recognised directly in equity	794	1,950
Items that are or may be reclassified to profit or loss	525	2,166
- Changes in exchange rate items	1,023	249
- Changes in fair value of available-for-sale financial assets, including those reclassified as loans and receivables	(57)	1,682
- Changes in fair value of available-for-sale financial assets reported in net income, including those reclassified as loans and receivables	(443)	(510)
- Changes in fair value of hedging instruments	(240)	445
- Changes in fair value of hedging instruments reported in net income	(3)	7
- Changes in equity-method investments	245	293
Items that will not be reclassified to profit or loss	269	(216)
- Remeasurement gains (losses) related to post-employment benefit plans	263	(205)
- Changes in equity-method investments	6	(11)
Total	5,185	(694)
- Attributable to equity shareholders	4,962	(908)
- Attributable to minority interests	223	214

⁽¹⁾ Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

BALANCE SHEET AT 30 JUNE 2015

In millions of euros	Notes	30 June 2015	31 December 2014 ⁽¹⁾
ASSETS			
Cash and amounts due from central banks		99,423	117,473
Financial instruments at fair value through profit or loss			
Trading securities	5.a	206,138	156,546
Loans and repurchase agreements	5.a	179,941	165,776
Instruments designated as at fair value through profit or loss	5.a	83,688	78,827
Derivative financial instruments	5.a	359,092	412,498
Derivatives used for hedging purposes		17,068	19,766
Available-for-sale financial assets	5.b	267,055	252,292
Loans and receivables due from credit institutions	5.d	43,803	43,348
Loans and receivables due from customers	5.e	697,405	657,403
Remeasurement adjustment on interest-rate risk hedged portfolios		4,590	5,603
Held-to-maturity financial assets		8,436	8,965
Current and deferred tax assets	5.g	8,258	8,628
Accrued income and other assets	5.h	121,920	110,088
Equity-method investments		7,350	7,371
Investment property		1,593	1,614
Property, plant and equipment		18,726	18,032
Intangible assets		2,999	2,951
Goodwill	5.i	11,024	10,577
TOTAL ASSETS		2,138,509	2,077,758
LIABILITIES			
Due to central banks		5,841	1,680
Financial instruments at fair value through profit or loss			
Trading securities	5.a	91,671	78,912
Borrowings and repurchase agreements	5.a	227,203	196,733
Instruments designated as at fair value through profit or loss	5.a	62,847	57,632
Derivative financial instruments	5.a	356,104	410,250
Derivatives used for hedging purposes		21,232	22,993
Due to credit institutions	5.d	93,424	90,352
Due to customers	5.e	687,365	641,549
Debt securities	5.f	185,036	187,074
Remeasurement adjustment on interest-rate risk hedged portfolios		3,182	4,765
Current and deferred tax liabilities	5.g	2,903	2,920
Accrued expenses and other liabilities	5.h	96,429	87,722
Technical reserves of insurance companies		182,904	175,214
Provisions for contingencies and charges	5.j	11,670	12,337
Subordinated debt	5.f	14,575	13,936
TOTAL LIABILITIES		2,042,386	1,984,069
CONSOLIDATED EQUITY			
<i>Share capital, additional paid-in capital and retained earnings</i>		<i>81,290</i>	<i>83,210</i>
<i>Net income for the period attributable to shareholders</i>		<i>4,203</i>	<i>157</i>
Total capital, retained earnings and net income for the period attributable to shareholders		85,493	83,367
Changes in assets and liabilities recognised directly in equity		6,585	6,091
Shareholders' equity		92,078	89,458
Retained earnings and net income for the period attributable to minority interests		3,881	4,098
Changes in assets and liabilities recognised directly in equity		164	133
Total minority interests		4,045	4,231
TOTAL CONSOLIDATED EQUITY		96,123	93,689
TOTAL LIABILITIES AND EQUITY		2,138,509	2,077,758

⁽¹⁾ Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

CASH FLOW STATEMENT FOR THE FIRST HALF OF 2015

In millions of euros	Notes	First half 2015	First half 2014 ⁽¹⁾
Pre-tax income		6,237	(1,320)
Non-monetary items included in pre-tax net income and other adjustments		12,051	14,346
Net depreciation/amortisation expense on property, plant and equipment and intangible assets		1,813	1,663
Impairment of goodwill and other non-current assets		(12)	(14)
Net addition to provisions		7,423	6,136
Share of earnings of equity-method entities		(301)	(241)
Net expense (income) from investing activities		(584)	482
Net expense from financing activities		1,085	768
Other movements		2,627	5,552
Net decrease in cash related to assets and liabilities generated by operating activities		(38,960)	(34,767)
Net increase in cash related to transactions with credit institutions		6,245	3,966
Net increase in cash related to transactions with customers		4,729	11,660
Net decrease in cash related to transactions involving other financial assets and liabilities		(46,550)	(47,856)
Net decrease in cash related to transactions involving non-financial assets and liabilities		(1,802)	(1,292)
Taxes paid		(1,582)	(1,245)
NET DECREASE IN CASH AND EQUIVALENTS GENERATED BY OPERATING ACTIVITIES		(20,672)	(21,741)
Net increase (decrease) in cash related to acquisitions and disposals of consolidated entities		569	(285)
Net decrease related to property, plant and equipment and intangible assets		(790)	(759)
NET DECREASE IN CASH AND EQUIVALENTS RELATED TO INVESTING ACTIVITIES		(221)	(1,044)
Decrease in cash and equivalents related to transactions with shareholders		(1,967)	(1,885)
Decrease in cash and equivalents generated by other financing activities		(1,419)	(1,646)
NET DECREASE IN CASH AND EQUIVALENTS RELATED TO FINANCING ACTIVITIES		(3,386)	(3,531)
EFFECT OF MOVEMENT IN EXCHANGE RATES ON CASH AND EQUIVALENTS		6,840	964
NET DECREASE IN CASH AND EQUIVALENTS		(17,439)	(25,352)
Balance of cash and equivalent accounts at the start of the period		111,991	97,755
Cash and amounts due from central banks		117,473	100,787
Due to central banks		(1,680)	(662)
On demand deposits with credit institutions	5.d	7,924	7,239
On demand loans from credit institutions	5.d	(11,618)	(9,485)
Deduction of receivables and accrued interest on cash and equivalents		(108)	(124)
Balance of cash and equivalent accounts at the end of the period		94,552	72,403
Cash and amounts due from central banks		99,423	79,255
Due to central banks		(5,841)	(4,780)
On demand deposits with credit institutions	5.d	10,356	10,215
On demand loans from credit institutions	5.d	(9,365)	(12,273)
Deduction of receivables and accrued interest on cash and equivalents		(21)	(14)
NET DECREASE IN CASH AND EQUIVALENTS		(17,439)	(25,352)

⁽¹⁾Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

STATEMENT OF CHANGES IN SHAREHOLDERS'

In millions of euros	Capital and retained earnings						
	Attributable to shareholders				Minority interests		
	Share capital and additional paid-in capital	Undated Super Subordinated Notes	Non-distributed reserves	Total	Capital and retained earnings	Preferred shares eligible as Tier 1 capital	Total
Capital and retained earnings at 31 December 2013 (before IFRIC 21)	26,812	6,614	52,064	85,490	3,528		3,528
Retrospective impact of IFRIC 21			49	49	1		1
Capital and retained earnings at 1 January 2014 ⁽¹⁾	26,812	6,614	52,113	85,539	3,529		3,529
Appropriation of net income for 2013			(1,866)	(1,866)	(86)		(86)
Increases in capital and issues	48			48			
Movements in own equity instruments	(128)	(15)	(75)	(218)			
Share-based payment plans			5	5			
Remuneration on preferred shares and undated super subordinated notes			(96)	(96)			
Acquisitions of additional interests or partial sales of interests (note 6.d)			(4)	(4)	56		56
Change in commitments to repurchase minority shareholders' interests			33	33	(34)		(34)
Other movements ⁽¹⁾			6	6	(3)		(3)
Changes in assets and liabilities recognised directly in equity ⁽¹⁾			(212)	(212)	(4)		(4)
Net income for first half of 2014 ⁽¹⁾			(2,815)	(2,815)	171		171
Capital and retained earnings at 30 June 2014 ⁽¹⁾	26,732	6,599	47,089	80,420	3,629	-	3,629
Appropriation of net income for 2013					(21)		(21)
Increases in capital and issues	5			5			
Reduction or redemption of capital	(30)			(30)			
Movements in own equity instruments	264	(10)	(46)	208			
Share-based payment plans			14	14			
Remuneration on preferred shares and undated super subordinated notes			(142)	(142)	(1)		(1)
Movements in consolidation scope impacting minority shareholders					367	73	440
Acquisitions of additional interests or partial sales of interests			16	16	(35)		(35)
Change in commitments to repurchase minority shareholders' interests			44	44	(96)		(96)
Other movements ⁽¹⁾			21	21			
Changes in assets and liabilities recognised directly in equity ⁽¹⁾			(161)	(161)	3		3
Net income for second half of 2014 ⁽¹⁾			2,972	2,972	179		179
Capital and retained earnings at 31 December 2014 ⁽¹⁾	26,971	6,589	49,807	83,367	4,025	73	4,098
Appropriation of net income for 2014			(1,867)	(1,867)	(120)		(120)
Increases in capital and issues	10	746		756			
Reduction or redemption of capital		(862)	(72)	(934)			
Movements in own equity instruments	(192)	(5)	(21)	(218)			
Share-based payment plans			5	5			
Remuneration on preferred shares and undated super subordinated notes			(108)	(108)	(1)		(1)
Movements in consolidation scope impacting minority shareholders			(2)	(2)	(204)		(204)
Acquisitions of additional interests or partial sales of interests (note 6.d)			3	3	(7)		(7)
Change in commitments to repurchase minority shareholders' interests			28	28	(74)		(74)
Other movements			(5)	(5)	(3)		(3)
Changes in assets and liabilities recognised directly in equity			265	265	4		4
Net income for first half of 2015			4,203	4,203	188		188
Capital and retained earnings at 30 June 2015	26,789	6,468	52,236	85,493	3,808	73	3,881

(1) Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

EQUITY BETWEEN 1 JAN. 2014 AND 30 JUNE 2015

Changes in assets and liabilities recognised directly in equity					Minority interests	Total equity
Attributable to shareholders						
Exchange rates	Financial assets available for sale and reclassified as loans and receivables	Derivatives used for hedging purposes	Total			
(1,879)	3,010	812	1,943	(6)	90,955	
					50	
(1,879)	3,010	812	1,943	(6)	91,005	
					(1,952)	
					48	
					(218)	
					5	
					(96)	
					52	
					(1)	
					3	
258	1,416	445	2,119	47	1,950	
					(2,644)	
(1,621)	4,426	1,257	4,062	41	88,152	
					(21)	
					5	
					(30)	
					208	
					14	
					(143)	
					440	
					(19)	
					(52)	
					21	
1,330	439	260	2,029	92	1,963	
					3,151	
(291)	4,865	1,517	6,091	133	93,689	
					(1,987)	
					756	
					(934)	
					(218)	
					5	
					(109)	
					(206)	
					(4)	
					(46)	
					(8)	
1,138	(423)	(221)	494	31	794	
					4,391	
847	4,442	1,296	6,585	164	96,123	

NOTES TO THE FINANCIAL STATEMENTS

Prepared in accordance with International Financial Reporting Standards as adopted by the European Union

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLIED BY THE BNP PARIBAS GROUP

1.a APPLICABLE ACCOUNTING STANDARDS

The consolidated financial statements of the BNP Paribas Group have been prepared in accordance with international accounting standards (International Financial Reporting Standards – IFRS), as adopted for use in the European Union²⁹. Accordingly, certain provisions of IAS 39 on hedge accounting have been excluded, and certain recent texts have not yet undergone the approval process.

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting".

As of 1 January 2015, the Group has applied the IFRIC 21 "Levies" interpretation. As this interpretation has a retrospective effect, the comparative financial statements as at 1 January, 30 June and 31 December 2014 have been restated as presented in note 2.

The introduction of other standards, which are mandatory as of 1 January 2015, has no effect on the condensed consolidated interim financial statements at 30 June 2015.

The Group did not choose to early-adopt the new standards, amendments, and interpretations adopted by the European Union, whose application in 2015 was optional.

⁽¹⁾ The full set of standards adopted for use in the European Union can be found on the website of the European Commission at: http://ec.europa.eu/internal_market/accounting/ias_en.htm#adopted-commission.

1.b CONSOLIDATION

1.b.1 SCOPE OF CONSOLIDATION

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The consolidated financial statements of BNP Paribas include entities that are controlled by the Group, jointly controlled, and under significant influence, with the exception of those entities whose consolidation is regarded as immaterial to the Group. The consolidation of an entity is regarded as immaterial if its contribution to the consolidated financial statements is below the following three thresholds: EUR 15 million of consolidated revenues, EUR 1 million of consolidated net income before tax, EUR 500 million of total consolidated assets. Companies that hold shares in consolidated companies are also consolidated.

Subsidiaries are consolidated from the date on which the Group obtains effective control. Entities under temporary control are included in the consolidated financial statements until the date of disposal.

1.b.2 CONSOLIDATION METHODS

Controlled enterprises are fully consolidated. The Group controls a subsidiary when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

For entities governed by voting rights, the Group generally controls the entity if it directly or indirectly holds the majority of voting rights and if there are no other agreements altering the power of these voting rights.

Structured entities are defined as entities that are not governed by voting rights, such as when those voting rights relate to administrative tasks only, whereas the relevant activities are directed by means of contractual arrangements. They often have the following features or attributes: restricted activities, a narrow and well-defined objective and insufficient equity to permit them to finance their activities without subordinated financial support.

For these entities, the analysis of control shall consider the purpose and design of the entity, the risks to which the entity is designed to be exposed and to what extent the Group absorbs the related variability. The assessment of control shall consider all facts and circumstances able to determine the Group's practical ability to make decisions that could significantly affect its returns, even if such decisions are contingent on uncertain future events or circumstances.

In assessing whether it has power, the Group considers only substantive rights which it holds or which are held by third parties. For a right to be substantive, the holder must have the practical ability to exercise that right when decisions about the relevant activities of the entity need to be made.

Control shall be reassessed if facts and circumstances indicate that there are changes to one or more of the elements of control.

Where the Group contractually holds the decision-making power, for instance where the Group acts as fund manager, it shall determine whether it is acting as agent or principal. Indeed, when associated with a certain level of exposure to the variability of returns, this decision-making power may indicate that the Group is acting on its own account and that it thus has control over those entities.

Where the Group carries out an activity with one or more partners, sharing control by virtue of a contractual agreement which requires unanimous consent on relevant activities (those that significantly affect the entity's returns), the Group exercises joint control over the activity. Where the jointly controlled activity is structured through a separate vehicle in which the partners have rights to the net assets, this joint venture is accounted for using the equity method. Where the jointly controlled activity is not structured through a separate vehicle or where the partners have rights to the assets and obligations for the liabilities of the jointly controlled activity, the Group accounts for its share of the assets, liabilities, revenues and expenses in accordance with the applicable IFRSs.

Enterprises over which the Group exercises significant influence (associates) are accounted for by the equity method. Significant influence is the power to participate in the financial and operating policy decisions of an enterprise without exercising control. Significant influence is presumed to exist when the Group holds, directly or indirectly, 20% or more of the voting power of an enterprise. Interests of less than 20% are excluded from consolidation unless they represent a strategic investment and the Group effectively exercises significant influence. This applies to companies developed in partnership with other groups, where the BNP Paribas Group participates in strategic decisions of the enterprise through representation on the Board of Directors or equivalent governing body, exercises influence over the enterprise's operational management by supplying management systems or senior managers, or provides technical assistance to support the enterprise's development.

Changes in the net assets of associates (companies accounted for under the equity method) are recognised on the assets side of the balance sheet under "Investments in equity-method entities" and in the relevant component of shareholders' equity. Goodwill on associates is also included under "Investments in equity-method entities".

Whenever there is an indication of impairment, the carrying amount of the investment consolidated under the equity method (including goodwill) is subjected to an impairment test, by comparing its recoverable value (the higher of value-in-use and market value less costs to sell) to its carrying amount. Where appropriate, impairment is recognised under "Share of earnings of equity-method entities" in the consolidated income statement and can be reversed at a later date.

If the Group's share of losses of an equity-method entity equals or exceeds the carrying amount of its investment in this entity, the Group discontinues including its share of further losses. The investment is reported at nil value. Additional losses of the equity-method entity are provided for only to the extent that the Group has a legal or constructive obligation to do so, or has made payments on behalf of this entity.

Minority interests are presented separately in the consolidated profit and loss account and balance sheet within consolidated equity. The calculation of minority interests takes into account the outstanding cumulative preferred shares classified as equity instruments issued by subsidiaries, when such shares are held outside the Group.

As regards fully consolidated funds, units held by third-party investors are recognised as debts at fair value through profit or loss, inasmuch as they are redeemable at market value at the subscriber's initiative.

For transactions resulting in a loss of control, any equity interest retained by the Group is remeasured at its fair value through profit or loss.

Realised gains and losses on investments in consolidated undertakings are recognised in the profit and loss account under "Net gain on non-current assets".

1.b.3 CONSOLIDATION PROCEDURES

The consolidated financial statements are prepared using uniform accounting policies for reporting like transactions and other events in similar circumstances.

- **Elimination of intragroup balances and transactions**

Intragroup balances arising from transactions between consolidated enterprises, and the transactions themselves (including income, expenses and dividends), are eliminated. Profits and losses arising from intragroup sales of assets are eliminated, except where there is an indication that the asset sold is impaired. Unrealised gains and losses included in the value of available-for-sale assets are maintained in the consolidated financial statements.

- **Translation of financial statements expressed in foreign currencies**

The consolidated financial statements of BNP Paribas are prepared in euros.

The financial statements of enterprises whose functional currency is not the euro are translated using the closing rate method. Under this method, all assets and liabilities, both monetary and non-monetary, are translated using the spot exchange rate at the balance sheet date. Income and expense items are translated at the average rate for the period.

The same method is applied to the financial statements of enterprises located in hyperinflationary economies, after adjusting for the effects of inflation by applying a general price index.

Differences arising from the translation of balance sheet items and profit and loss items are recorded in shareholders' equity under "Exchange rates" for the portion attributable to shareholders, and in "Minority interests" for the portion attributable to outside investors. Under the optional treatment permitted by IFRS 1, the Group has reset to zero all translation differences, by booking all cumulative translation differences attributable to shareholders and to minority interests in the opening balance sheet at 1 January 2004 to retained earnings.

On liquidation or disposal of some or all of an interest held in a foreign enterprise located outside the euro zone, leading to a change in the nature of the investment (loss of control, loss of significant influence or loss of joint control without keeping a significant influence), the cumulative translation adjustment at the date of liquidation or sale, determined according to the step method, is recognised in the profit and loss account.

Should the interest percentage held change without any modification in the nature of the investment, the translation adjustment is reallocated between the portion attributable to shareholders and that attributable to minority interests, if the enterprise is fully consolidated. For enterprises consolidated under the equity method, the portion related to the interest sold is recognised in the profit and loss account.

1.b.4 BUSINESS COMBINATIONS AND MEASUREMENT OF GOODWILL

- **Business combinations**

Business combinations are accounted for using the purchase method.

Under this method, the acquiree's identifiable assets and liabilities assumed are measured at fair value at the acquisition date except for non-current assets classified as assets held for sale, which are accounted for at fair value less costs to sell.

The acquiree's contingent liabilities are not recognised in the consolidated balance sheet unless they represent a present obligation on the acquisition date and their fair value can be measured reliably.

The cost of a business combination is the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued to obtain control of the acquiree. Costs directly attributable to the business combination are treated as a separate transaction and recognised through profit or loss.

Any contingent consideration is included in the cost, as soon as control is obtained, at fair value on the date when control was acquired. Subsequent changes in the value of any contingent consideration recognised as a financial liability are recognised through profit or loss.

The Group may recognise any adjustments to the provisional accounting within 12 months of the acquisition date.

Goodwill represents the difference between the cost of the combination and the acquirer's interest in the net fair value of the identifiable assets and liabilities of the acquiree at the acquisition date. Positive goodwill is recognised in the acquirer's balance sheet, while negative goodwill is recognised immediately in profit or loss, on the acquisition date. Minority interests are measured at their share of the fair value of the acquiree's identifiable assets and liabilities. However, for each business combination, the Group can elect to measure minority interests at fair value, in which case a proportion of goodwill is allocated to them. To date, the Group has never used this latter option.

Goodwill is recognised in the functional currency of the acquiree and translated at the closing exchange rate.

On the acquisition date, any previously held equity interest in the acquiree is remeasured at its fair value through profit or loss. In the case of a step acquisition, the goodwill is therefore determined by reference to the acquisition-date fair value.

Since the revised IFRS 3 is applied prospectively, business combinations completed prior to 1 January 2010 were not restated for the effects of changes to IFRS 3.

As permitted under IFRS 1, business combinations that took place before 1 January 2004 and were recorded in accordance with the previously applicable accounting standards (French GAAP), have not been restated in accordance with the principles of IFRS 3.

- **Measurement of goodwill**

The BNP Paribas Group tests goodwill for impairment on a regular basis.

- Cash-generating units

The BNP Paribas Group has split all its activities into cash-generating units³⁰ representing major business lines. This split is consistent with the Group's organisational structure and management methods, and reflects the independence of each unit in terms of results and management approach. It is reviewed on a regular basis in order to take account of events likely to affect the composition of cash-generating units, such as acquisitions, disposals and major reorganisations.

- Testing cash-generating units for impairment

Goodwill allocated to cash-generating units is tested for impairment annually and whenever there is an indication that a unit may be impaired, by comparing the carrying amount of the unit with its recoverable amount. If the recoverable amount is less than the carrying amount, an irreversible impairment loss is recognised, and the goodwill is written down by the excess of the carrying amount of the unit over its recoverable amount.

- Recoverable amount of a cash-generating unit

The recoverable amount of a cash-generating unit is the higher of the fair value of the unit less costs to sell, and its value in use.

Fair value is the price that would be obtained from selling the unit at the market conditions prevailing at the date of measurement, as determined mainly by reference to actual prices of recent transactions involving similar entities or on the basis of stock market multiples for comparable companies.

Value in use is based on an estimate of the future cash flows to be generated by the cash-generating unit, derived from the annual forecasts prepared by the unit's management and approved by Group Executive Management, and from analyses of changes in the relative positioning of the unit's activities on their market. These cash flows are discounted at a rate that reflects the return that investors would require from an investment in the business sector and region involved.

⁽²⁾ As defined by IAS 36.

1.c FINANCIAL ASSETS AND FINANCIAL LIABILITIES

1.c.1 LOANS AND RECEIVABLES

Loans and receivables include credit provided by the Group, the Group's share in syndicated loans, and purchased loans that are not quoted in an active market, unless they are held for trading purposes. Loans that are quoted in an active market are classified as "Available-for-sale financial assets" and measured using the methods applicable to this category.

Loans and receivables are initially measured at fair value or equivalent, which is usually the net amount disbursed at inception including directly attributable origination costs and certain types of fees or commission (syndication commission, commitment fees and handling charges) that are regarded as an adjustment to the effective interest rate on the loan.

Loans and receivables are subsequently measured at amortised cost. The income from the loan, representing interest plus transaction costs and fees/commission included in the initial value of the loan, is calculated using the effective interest method and taken to profit or loss over the life of the loan.

Commission earned on financing commitments prior to the inception of a loan is deferred and included in the value of the loan when the loan is made.

Commission earned on financing commitments when the probability of drawdown is low, or when there is uncertainty as to the timing and amount of drawdowns, is recognised on a straight-line basis over the life of the commitment.

1.c.2 REGULATED SAVINGS AND LOAN CONTRACTS

Home savings accounts (*Comptes Épargne-Logement* – "CEL") and home savings plans (*Plans d'Épargne Logement* – "PEL") are government-regulated retail products sold in France. They combine a savings phase and a loan phase which are inseparable, with the loan phase contingent upon the savings phase.

These products contain two types of obligations for BNP Paribas: an obligation to pay interest on the savings for an indefinite period, at a rate set by the government at the inception of the contract (in the case of PEL products) or at a rate reset every six months using an indexation formula set by law (in the case of CEL products); and an obligation to lend to the customer (at the customer's option) an amount contingent upon the rights acquired during the savings phase, at a rate set at the inception of the contract (in the case of PEL products) or at a rate contingent upon the savings phase (in the case of CEL products).

The Group's future obligations with respect to each generation (in the case of PEL products, a generation comprises all products with the same interest rate at inception; in the case of CEL products, all such products constitute a single generation) are measured by discounting potential future earnings from at-risk outstandings for that generation.

At-risk outstandings are estimated on the basis of a historical analysis of customer behaviour, and are equivalent to:

- for the loan phase: statistically probable loans outstanding and actual loans outstanding;
- for the savings phase: the difference between statistically probable outstandings and minimum expected outstandings, with minimum expected outstandings being deemed equivalent to unconditional term deposits.

Earnings for future periods from the savings phase are estimated as the difference between the reinvestment rate and the fixed savings interest rate on at-risk savings outstanding for the period in question. Earnings for future periods from the loan phase are estimated as the difference between the refinancing rate and the fixed loan interest rate on at-risk loans outstanding for the period in question.

The reinvestment rate for savings and the refinancing rate for loans are derived from the swap yield curve and from the spreads expected on financial instruments of similar type and maturity. Spreads are

determined on the basis of actual spreads on fixed rate home loans in the case of the loan phase and products offered to individual clients in the case of the savings phase. In order to reflect the uncertainty of future interest rate trends, and the impact of such trends on customer behaviour models and on at-risk outstandings, the obligations are estimated using the Monte-Carlo method.

Where the sum of the Group's estimated future obligations with respect to the savings and loan phases of any generation of contracts indicates a potentially unfavourable situation for the Group, a provision is recognised (with no offset between generations) in the balance sheet in "Provisions for contingencies and charges". Movements in this provision are recognised as interest income in the profit and loss account.

1.c.3 SECURITIES

- **Categories of securities**

Securities held by the Group are classified into one of four categories.

- Financial assets at fair value through profit or loss

Apart from derivative instruments, financial assets at fair value through profit or loss are composed of:

- financial assets held for trading purposes;
- financial assets that the Group has designated, on initial recognition, at fair value through profit or loss using the fair value option available under IAS 39. The conditions for applying the fair value option are set out in section 1.c.11.

Securities in this category are measured at fair value at the balance sheet date. Transaction costs are directly posted in the profit and loss account. Changes in fair value (excluding accrued interest on fixed-income securities) are presented in the profit and loss account under "Net gain/loss on financial instruments at fair value through profit or loss", along with dividends from variable-income securities and realised gains and losses on disposal.

Income earned on fixed-income securities classified into this category is shown under "Interest income" in the profit and loss account.

Fair value incorporates an assessment of the counterparty risk on these securities.

- Loans and receivables

Securities with fixed or determinable payments that are not traded on an active market, apart from securities for which the owner may not recover almost all of its initial investment due to reasons other than credit deterioration, are classified as "Loans and receivables" if they do not meet the criteria to be classified as "Financial assets at fair value through profit or loss". These securities are measured and recognised as described in section 1.c.1.

- Held-to-maturity financial assets

Held-to-maturity financial assets are investments with fixed or determinable payments and fixed maturity that the Group has the intention and ability to hold until maturity. Hedges contracted to cover assets in this category against interest rate risk do not qualify for hedge accounting as defined in IAS 39.

Assets in this category are accounted for at amortised cost using the effective interest method, which builds in amortisation of premium and discount (corresponding to the difference between the purchase price and redemption value of the asset) and acquisition costs (where material). Income earned from this category of assets is included in “Interest income” in the profit and loss account.

- Available-for-sale financial assets

Available-for-sale financial assets are fixed-income and variable-income securities other than those classified as “fair value through profit or loss” or “held-to-maturity” or “loans and receivables”.

Assets included in the available-for-sale category are initially recorded at fair value, plus transaction costs where material. At the balance sheet date, they are remeasured at fair value, with changes in fair value (excluding accrued interest) shown on a separate line in shareholders’ equity. Upon disposal, these unrealised gains and losses are transferred from shareholders’ equity to the profit and loss account, where they are shown on the line “Net gain/loss on available-for-sale financial assets”. The same applies in the event of impairment.

Income recognised using the effective interest method for fixed-income available-for-sale securities is recorded under “Interest income” in the profit and loss account. Dividend income from variable-income securities is recognised under “Net gain/loss on available-for-sale financial assets” when the Group’s right to receive payment is established.

- **Repurchase agreements and securities lending/borrowing**

Securities temporarily sold under repurchase agreements continue to be recorded in the Group’s balance sheet in the category of securities to which they belong. The corresponding liability is recognised in the appropriate debt category on the balance sheet except in the case of repurchase agreements contracted for trading purposes where the corresponding liability is classified under “Financial liabilities at fair value through profit or loss”.

Securities temporarily acquired under reverse repurchase agreements are not recognised in the Group’s balance sheet. The corresponding receivable is recognised under “Loans and receivables” except in the case of reverse repurchase agreements contracted for trading purposes, where the corresponding receivable is recognised under “Financial assets at fair value through profit or loss”.

Securities lending transactions do not result in derecognition of the lent securities, and securities borrowing transactions do not result in recognition of the borrowed securities on the balance sheet. In cases where the borrowed securities are subsequently sold by the Group, the obligation to deliver the borrowed securities on maturity is recognised on the balance sheet under “Financial liabilities at fair value through profit or loss”.

- **Date of recognition for securities transactions**

Securities classified as at fair value through profit or loss, held-to-maturity or available-for-sale financial assets are recognised at the trade date.

Regardless of their classification (at fair value through profit or loss, loans and receivables or debt), temporary sales of securities as well as sales of borrowed securities are initially recognised at the settlement date. For reverse repurchase agreements and repurchase agreements, a financing commitment, respectively given and received, is recognized between the trade date and the settlement date when the transactions are recognised, respectively, as “Loans and receivables” and “Liabilities”. When reverse repurchase agreements and repurchase agreements are recognised, respectively, as “Financial assets at fair value through profit or loss” and “Financial liabilities at fair value through profit or loss”, the repurchase commitment is recognised as a derivative financial instrument.

Securities transactions are carried on the balance sheet until the Group's rights to receive the related cash flows expire, or until the Group has substantially transferred all the risks and rewards related to ownership of the securities.

1.c.4 FOREIGN CURRENCY TRANSACTIONS

The methods used to account for assets and liabilities relating to foreign currency transactions entered into by the Group, and to measure the foreign exchange risk arising on such transactions, depend on whether the asset or liability in question is classified as a monetary or a non-monetary item.

- Monetary assets and liabilities³¹ expressed in foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into the functional currency of the relevant Group entity at the closing rate. Translation differences are recognised in the profit and loss account, except for those arising from financial instruments designated as a cash flow hedge or a net foreign investment hedge, which are recognised in shareholders' equity.

- Non-monetary assets and liabilities expressed in foreign currencies

Non-monetary assets may be measured either at historical cost or at fair value. Non-monetary assets expressed in foreign currencies are translated using the exchange rate at the date of the transaction if they are measured at historical cost, and at the closing rate if they are measured at fair value.

Translation differences on non-monetary assets expressed in foreign currencies and measured at fair value (variable-income securities) are recognised in the profit and loss account if the asset is classified under "Financial assets at fair value through profit or loss", and in shareholders' equity if the asset is classified under "Available-for-sale financial assets", unless the financial asset in question is designated as an item hedged against foreign exchange risk in a fair value hedging relationship, in which case the translation difference is recognised in the profit and loss account.

1.c.5 IMPAIRMENT AND RESTRUCTURING OF FINANCIAL ASSETS

- **Doubtful assets**

Doubtful assets are defined as assets where the Bank considers that there is a risk that the debtors will be unable to honour all or part of their commitments.

- **Impairment of loans and receivables and held-to-maturity financial assets, provisions for financing and guarantee commitments**

An impairment loss is recognised against loans and held-to-maturity financial assets where (i) there is objective evidence of a decrease in value as a result of an event occurring after inception of the loan or acquisition of the asset; (ii) the event affects the amount or timing of future cash flows; and (iii) the consequences of the event can be reliably measured. Loans are initially assessed for evidence of impairment on an individual basis, and subsequently on a portfolio basis. Similar principles are applied to financing and guarantee commitments given by the Group, with the probability of drawdown taken into account in any assessment of financing commitments.

⁽³⁾ Monetary assets and liabilities are assets and liabilities to be received or paid in fixed or determinable amounts of cash.

At an individual level, objective evidence that a financial asset is impaired includes observable data regarding the following events:

- the existence of accounts that are more than three months past due (six months past due for real estate loans and loans to local authorities);
- knowledge or indications that the borrower meets significant financial difficulty, such that a risk can be considered to have arisen regardless of whether the borrower has missed any payments;
- concessions with respect to the credit terms granted to the borrower that the lender would not have considered had the borrower not been meeting financial difficulty (see section "Restructuring of assets classified as "Loans and receivables").

The amount of the impairment is the difference between the carrying amount before impairment and the present value, discounted at the original effective interest rate of the asset, of those components (principal, interest, collateral, etc.) regarded as recoverable. Changes in the amount of impairment losses are recognised in the profit and loss account under "Cost of risk". Any subsequent decrease in an impairment loss that can be related objectively to an event occurring after the impairment loss was recognised is credited to the profit and loss account, also under "Cost of risk". Once an asset has been impaired, the theoretical income earned on the carrying amount of the asset calculated at the original effective interest rate used to discount the estimated recoverable cash flows is recognised under "Interest income" in the profit and loss account.

Impairment losses on loans and receivables are usually recorded in a separate provision account which reduces the amount for which the loan or receivable was recorded in assets upon initial recognition. Provisions relating to off-balance sheet financial instruments, financing and guarantee commitments or disputes are recognised in liabilities. Impaired receivables are written off in whole or in part and the corresponding provision is reversed for the amount of the loss when all other means available to the Bank for recovering the receivables or guarantees have failed, or when all or part of the receivables have been waived.

Counterparties that are not individually impaired are risk-assessed on a portfolio basis with similar characteristics. This assessment draws upon an internal rating system based on historical data, adjusted as necessary to reflect circumstances prevailing at the balance sheet date. It enables the Group to identify groups of counterparties which, as a result of events occurring since inception of the loans, have collectively acquired a probability of default at maturity that provides objective evidence of impairment of the entire portfolio, but without it being possible at that stage to allocate the impairment to individual counterparties. This assessment also estimates the amount of the loss on the portfolios in question, taking account of trends in the economic cycle during the assessment period. Changes in the amount of portfolio impairments are recognised in the profit and loss account under "Cost of risk".

Based on the experienced judgement of the Bank's divisions or Risk Management, the Group may recognise additional collective impairment provisions with respect to a given economic sector or geographic area affected by exceptional economic events. This may be the case when the consequences of these events cannot be measured with sufficient accuracy to adjust the parameters used to determine the collective provision recognised against affected portfolios of loans with similar characteristics.

- **Impairment of available-for-sale financial assets**

Impairment of available-for-sale financial assets (which mainly comprise securities) is recognised on an individual basis if there is objective evidence of impairment as a result of one or more events occurring since acquisition.

In the case of variable-income securities quoted in an active market, the control system identifies securities that may be impaired on a long term basis and is based on criteria such as a significant decline in quoted price below the acquisition cost or a prolonged decline, which prompts the Group to carry out an additional individual qualitative analysis. This may lead to the recognition of an impairment loss calculated on the basis of the quoted price.

Apart from the identification criteria, the Group has determined three indications of impairment, one being a significant decline in price, defined as a fall of more than 50% of the acquisition price, another being a prolonged decline over two consecutive years and the final one being a decline on average of at least 30% over an observation period of one year. The Group believes that a period of two years is what is necessary for a moderate decline in price below the purchase cost to be considered as something more than just the effect of random volatility inherent in the stock markets or a cyclical change lasting a few years, but which represents a lasting phenomenon justifying an impairment.

A similar method is applied for variable-income securities not quoted in an active market. Any impairment is then determined based on the model value.

In the case of fixed-income securities, impairment is assessed based on the same criteria applied to individually impaired loans and receivables. For securities quoted in an active market, impairment is determined based on the quoted price. For all the others, it is determined based on model value.

Impairment losses taken against variable-income securities are recognised as a component of Revenues on the line “Net gain/loss on available-for-sale financial assets”, and may not be reversed through the profit and loss account until these securities are sold. Any subsequent decline in fair value constitutes an additional impairment loss, recognised in the profit and loss account.

Impairment losses taken against fixed-income securities are recognised under “Cost of risk”, and may be reversed through the profit and loss account in the event of an increase in fair value that relates objectively to an event occurring after the last impairment was recognised.

- **Restructuring of assets classified as "Loans and receivables"**

The restructuring of an asset classified in loans and receivables is considered to be a troubled debt restructuring when the Bank, for economic or legal reasons related to the borrower's financial difficulties, agrees to a modification of terms of the original transaction that it would not otherwise consider, resulting in the borrower's contractual obligation to the Bank, measured at present value, being reduced compared with the original terms.

At the time of restructuring, a discount is applied to the loan to reduce its carrying amount to the present value of the new expected future cash flows discounted at the original effective interest rate.

The decrease in the asset value is recognised in the profit and loss account under "Cost of risk".

When the restructuring consists of a partial or full settlement with other substantially different assets, the original debt (see note 1.c.14) and the assets received in settlement are recognised at their fair value on the settlement date. The difference in value is recognised in profit or loss under "Cost of risk".

1.c.6 RECLASSIFICATION OF FINANCIAL ASSETS

The only authorised reclassifications of financial assets are the following:

- For a non-derivative financial asset which is no longer held for the purposes of selling it in the near-term, out of “Financial assets at fair value through profit or loss” and into:
 - “Loans and receivables” if the asset meets the definition for this category and the Group has the intention and ability to hold the asset for the foreseeable future or until maturity; or
 - Other categories only under rare circumstances when justified and provided that the reclassified assets meet the conditions applicable to the host portfolio.
- Out of “Available-for-sale financial assets” and into:
 - “Loans and receivables” with the same conditions as set out above for “Financial assets at fair value through profit or loss”;
 - “Held-to-maturity financial assets,” for assets that have a maturity, or “Financial assets at cost,” for unlisted variable-income assets.

Financial assets are reclassified at fair value, or at the value calculated by a model, on the reclassification date. Any derivatives embedded in the reclassified financial assets are recognised separately and changes in fair value are recognised through profit or loss.

After reclassification, assets are recognised according to the provisions applied to the host portfolio. The transfer price on the reclassification date is deemed to be the initial cost of the asset for the purpose of determining any impairment.

In the event of reclassification from “Available-for-sale financial assets” to another category, gains or losses previously recognised through equity are amortised to profit or loss over the residual life of the instrument using the effective interest method.

Any upward revisions to the estimated recoverable amounts are recognised through an adjustment to the effective interest rate as of the date on which the estimate is revised. Downward revisions are recognised through an adjustment to the financial asset's carrying amount.

1.c.7 ISSUES OF DEBT SECURITIES

Financial instruments issued by the Group are qualified as debt instruments if the Group company issuing the instruments has a contractual obligation to deliver cash or another financial asset to the holder of the instrument. The same applies if the Group is required to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group, or to deliver a variable number of the Group's own equity instruments.

Issues of debt securities are initially recognised at the issue value including transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Bonds redeemable for or convertible into equity instruments of the Group are accounted for as hybrid instruments with a debt component and an equity component, determined on initial recognition.

1.c.8 OWN EQUITY INSTRUMENTS AND OWN EQUITY INSTRUMENT DERIVATIVES

The term “own equity instruments” refers to shares issued by the parent company (BNP Paribas SA) and by its fully consolidated subsidiaries. External costs that are directly attributable to an issue of new shares are deducted from equity net of all related taxes.

Own equity instruments held by the Group, also known as treasury shares, are deducted from consolidated shareholders' equity irrespective of the purpose for which they are held. Gains and losses arising on such instruments are eliminated from the consolidated profit and loss account.

When the Group acquires equity instruments issued by subsidiaries under the exclusive control of BNP Paribas, the difference between the acquisition price and the share of net assets acquired is recorded in retained earnings attributable to BNP Paribas shareholders. Similarly, the liability corresponding to put options granted to minority shareholders in such subsidiaries, and changes in the value of that liability, are offset initially against minority interests, with any surplus offset against retained earnings attributable to BNP Paribas shareholders. Until these options have been exercised, the portion of net income attributable to minority interests is allocated to minority interests in the profit and loss account. A decrease in the Group's interest in a fully consolidated subsidiary is recognised in the Group's accounts as a change in shareholders' equity.

Own equity instrument derivatives are treated as follows, depending on the method of settlement:

- as equity instruments if they are settled by physical delivery of a fixed number of own equity instruments for a fixed amount of cash or other financial asset. Such instruments are not revalued;
- as derivatives if they are settled in cash, or by choice, depending on whether they are settled by physical delivery of the shares or in cash. Changes in value of such instruments are taken to the profit and loss account.

If the contract includes an obligation, whether contingent or not, for the bank to repurchase its own shares, the bank must recognise the debt at its present value with an offsetting entry in equity.

1.c.9 DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING

All derivative instruments are recognised in the balance sheet on the trade date at the transaction price, and are remeasured to fair value on the balance sheet date.

- **Derivatives held for trading purposes**

Derivatives held for trading purposes are recognised in the balance sheet in “Financial assets at fair value through profit or loss” when their fair value is positive, and in “Financial liabilities at fair value through profit or loss” when their fair value is negative. Realised and unrealised gains and losses are recognised in the profit and loss account on the line “Net gain/loss on financial instruments at fair value through profit or loss”.

- **Derivatives and hedge accounting**

Derivatives contracted as part of a hedging relationship are designated according to the purpose of the hedge.

Fair value hedges are particularly used to hedge interest rate risk on fixed rate assets and liabilities, both for identified financial instruments (securities, debt issues, loans, borrowings) and for portfolios of financial instruments (in particular, demand deposits and fixed rate loans).

Cash flow hedges are particularly used to hedge interest rate risk on floating-rate assets and liabilities, including rollovers, and foreign exchange risks on highly probable forecast foreign currency revenues.

At the inception of the hedge, the Group prepares formal documentation which details the hedging relationship, identifying the instrument, or portion of the instrument, or portion of risk that is being hedged, the hedging strategy and the type of risk hedged, the hedging instrument, and the methods used to assess the effectiveness of the hedging relationship.

On inception and at least quarterly, the Group assesses, in consistency with the original documentation, the actual (retrospective) and expected (prospective) effectiveness of the hedging relationship. Retrospective effectiveness tests are designed to assess whether the ratio of actual changes in the fair value or cash flows of the hedging instrument to those in the hedged item is within a range of 80% to 125%. Prospective effectiveness tests are designed to ensure that expected changes in the fair value or cash flows of the derivative over the residual life of the hedge adequately offset those of the

hedged item. For highly probable forecast transactions, effectiveness is assessed largely on the basis of historical data for similar transactions.

Under IAS 39 as adopted by the European Union, which excludes certain provisions on portfolio hedging, interest rate risk hedging relationships based on portfolios of assets or liabilities qualify for fair value hedge accounting as follows:

- the risk designated as being hedged is the interest rate risk associated with the interbank rate component of interest rates on commercial banking transactions (loans to customers, savings accounts and demand deposits);
- the instruments designated as being hedged correspond, for each maturity band, to a portion of the interest rate gap associated with the hedged underlyings;
- the hedging instruments used consist exclusively of “plain vanilla” swaps;
- prospective hedge effectiveness is established by the fact that all derivatives must, on inception, have the effect of reducing interest rate risk in the portfolio of hedged underlyings. Retrospectively, a hedge will be disqualified from hedge accounting once a shortfall arises in the underlyings specifically associated with that hedge for each maturity band (due to prepayment of loans or withdrawals of deposits).

The accounting treatment of derivatives and hedged items depends on the hedging strategy.

In a fair value hedging relationship, the derivative instrument is remeasured at fair value in the balance sheet, with changes in fair value recognised in profit or loss in “Net gain/loss on financial instruments at fair value through profit or loss”, symmetrically with the remeasurement of the hedged item to reflect the hedged risk. In the balance sheet, the fair value remeasurement of the hedged component is recognised in accordance with the classification of the hedged item in the case of a hedge of identified assets and liabilities, or under “Remeasurement adjustment on interest rate risk hedged portfolios” in the case of a portfolio hedging relationship.

If a hedging relationship ceases or no longer fulfils the effectiveness criteria, the hedging instrument is transferred to the trading book and accounted for using the treatment applied to this category. In the case of identified fixed-income instruments, the remeasurement adjustment recognised in the balance sheet is amortised at the effective interest rate over the remaining life of the instrument. In the case of interest rate risk hedged fixed-income portfolios, the adjustment is amortised on a straight-line basis over the remainder of the original term of the hedge. If the hedged item no longer appears in the balance sheet, in particular due to prepayments, the adjustment is taken to the profit and loss account immediately.

In a cash flow hedging relationship, the derivative is measured at fair value in the balance sheet, with changes in fair value taken to shareholders’ equity on a separate line, “Unrealised or deferred gains or losses”. The amounts taken to shareholders’ equity over the life of the hedge are transferred to the profit and loss account under “Net interest income” as and when the cash flows from the hedged item impact profit or loss. The hedged items continue to be accounted for using the treatment specific to the category to which they belong.

If the hedging relationship ceases or no longer fulfils the effectiveness criteria, the cumulative amounts recognised in shareholders’ equity as a result of the remeasurement of the hedging instrument remain in equity until the hedged transaction itself impacts profit or loss, or until it becomes clear that the transaction will not occur, at which point they are transferred to the profit and loss account.

If the hedged item ceases to exist, the cumulative amounts recognised in shareholders’ equity are immediately taken to the profit and loss account.

Whatever the hedging strategy used, any ineffective portion of the hedge is recognised in the profit and loss account under “Net gain/loss on financial instruments at fair value through profit or loss”.

Hedges of net foreign currency investments in subsidiaries and branches are accounted for in the same way as cash flow hedges. Hedging instruments may be currency derivatives or any other non-derivative financial instrument.

- **Embedded derivatives**

Derivatives embedded in hybrid financial instruments are separated from the value of the host contract and accounted for separately as a derivative if the hybrid instrument is not recorded as a financial asset or liability at fair value through profit or loss, and if the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract.

1.c.10 DETERMINATION OF FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market or most advantageous market, at the measurement date.

The Group determines the fair value of financial instruments either by using prices obtained directly from external data or by using valuation techniques. These valuation techniques are primarily market and income approaches encompassing generally accepted models (e.g. discounted cash flows, Black-Scholes model, and interpolation techniques). They maximize the use of observable inputs and minimize the use of unobservable inputs. They are calibrated to reflect current market conditions and valuation adjustments are applied as appropriate, when some factors such as model, liquidity and credit risks are not captured by the models or their underlying inputs but are nevertheless considered by market participants when setting the exit price.

The unit of measurement is generally the individual financial asset or financial liability but a portfolio-based measurement can be elected subject to certain conditions. Accordingly, the Group retains this portfolio-based measurement exception to determine the fair value when some group of financial assets and financial liabilities with substantially similar and offsetting market risks or credit risks are managed on the basis of a net exposure, in accordance with the documented risk management strategy.

Assets and liabilities measured or disclosed at fair value are categorised into the three following levels of the fair value hierarchy:

- Level 1: fair values are determined using directly quoted prices in active markets for identical assets and liabilities. Characteristics of an active market include the existence of a sufficient frequency and volume of activity and of readily available prices.
- Level 2: fair values are determined based on valuation techniques for which significant inputs are observable market data, either directly or indirectly. These techniques are regularly calibrated and the inputs are corroborated with information from active markets.
- Level 3: fair values are determined using valuation techniques for which significant inputs are unobservable or cannot be corroborated by market-based observations, due for instance to illiquidity of the instrument and significant model risk. An unobservable input is a parameter for which there are no market data available and that is therefore derived from proprietary assumptions about what other market participants would consider when assessing fair value. The assessment of whether a product is illiquid or subject to significant model risks is a matter of judgment.

The level in the fair value hierarchy within which the asset or liability is categorised in its entirety is based upon the lowest level input that is significant to the entire fair value.

For financial instruments disclosed in Level 3 of the fair value hierarchy, a difference between the transaction price and the fair value may arise at initial recognition. This “Day One Profit” is deferred and released to the profit and loss account over the period during which the valuation parameters are expected to remain non-observable. When parameters that were originally non-observable become observable, or when the valuation can be substantiated in comparison with recent similar transactions in an active market, the unrecognised portion of the day one profit is released to the profit and loss account.

1.c.11 FINANCIAL ASSETS AND LIABILITIES DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS (FAIR VALUE OPTION)

Financial assets or financial liabilities may be designated on initial recognition as at fair value through profit or loss, in the following cases:

- hybrid financial instruments containing one or more embedded derivatives which otherwise would have been separated and accounted for separately;
- where using the option enables the entity to eliminate or significantly reduce a mismatch in the measurement and accounting treatment of assets and liabilities that would arise if they were to be classified in separate categories;
- when a group of financial assets and/or financial liabilities is managed and measured on the basis of fair value, in accordance with a documented risk management and investment strategy.

1.c.12 INCOME AND EXPENSES ARISING FROM FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Income and expenses arising from financial instruments measured at amortised cost and from fixed-income securities classified in “Available-for-sale financial assets” are recognised in the profit and loss account using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the asset or liability in the balance sheet. The effective interest rate calculation takes into account all fees received or paid that are an integral part of the effective interest rate of the contract, transaction costs, and premiums and discounts.

The method used by the Group to recognise service-related commission income and expenses depends on the nature of the service. Commission treated as an additional component of interest is included in the effective interest rate, and is recognised in the profit and loss account in “Net interest income”. Commission payable or receivable on execution of a significant transaction is recognised in the profit and loss account in full on execution of the transaction, under “Commission income and expense”. Commission payable or receivable for recurring services is recognised over the term of the service, also under “Commission income and expense”.

Commission received in respect of financial guarantee commitments is regarded as representing the fair value of the commitment. The resulting liability is subsequently amortised over the term of the commitment, under commission income in Revenues.

1.c.13 COST OF RISK

Cost of risk includes movements in provisions for impairment of fixed-income securities and loans and receivables due from customers and credit institutions, movements in provisions for financing and guarantee commitments given, losses on irrecoverable loans and amounts recovered on loans written off. This caption also includes impairment losses recorded with respect to default risk incurred on counterparties for over-the-counter financial instruments, as well as expenses relating to fraud and to disputes inherent to the financing business.

1.c.14 DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The Group derecognises all or part of a financial asset either when the contractual rights to the cash flows from the asset expire or when the Group transfers the contractual rights to the cash flows from the asset and substantially all the risks and rewards of ownership of the asset. Unless these conditions are fulfilled, the Group retains the asset in its balance sheet and recognises a liability for the obligation created as a result of the transfer of the asset.

The Group derecognises all or part of a financial liability when the liability is extinguished in full or in part.

1.c.15 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset and a financial liability are offset and the net amount presented in the balance sheet if, and only if, the Group has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Repurchase agreements and derivatives traded with clearing houses that meet the two criteria set out in the accounting standard are offset in the balance sheet.

1.d ACCOUNTING STANDARDS SPECIFIC TO INSURANCE BUSINESS

The specific accounting policies relating to assets and liabilities generated by insurance contracts and financial contracts with a discretionary participation feature written by fully consolidated insurance companies are retained for the purposes of the consolidated financial statements. These policies comply with IFRS 4.

All other insurance company assets and liabilities are accounted for using the policies applied to the Group's assets and liabilities generally, and are included in the relevant balance sheet and profit and loss account headings in the consolidated financial statements.

1.d.1 ASSETS

Financial assets and non-current assets are accounted for using the policies described elsewhere in this note. The only exceptions are shares in civil property companies (SCIs) held in unit-linked insurance contract portfolios, which are measured at fair value on the balance sheet date with changes in fair value taken to profit or loss.

Financial assets representing technical provisions related to unit-linked business are shown in "Financial assets at fair value through profit or loss", and are stated at the realisable value of the underlying assets at the balance sheet date.

1.d.2 LIABILITIES

The Group's obligations to policyholders and beneficiaries are shown in "Technical reserves of insurance companies" and are comprised of liabilities relating to insurance contracts carrying a significant insurance risk (e.g., mortality or disability) and to financial contracts with a discretionary participation feature, which are covered by IFRS 4. A discretionary participation feature is one which gives life policyholders the right to receive a share of actual profits as a supplement to guaranteed benefits.

Liabilities relating to other financial contracts, which are covered by IAS 39, are shown in "Due to customers".

Unit-linked contract liabilities are measured in reference to the fair value of the underlying assets at the balance sheet date.

The technical reserves of life insurance subsidiaries consist primarily of mathematical reserves, which generally correspond to the surrender value of the contract.

The benefits offered relate mainly to the risk of death (term life insurance, annuities, loan repayment, guaranteed minimum on unit-linked contracts) and, for borrowers' insurance, to disability, incapacity and unemployment risks. These types of risks are controlled by the use of appropriate mortality tables (certified tables in the case of annuity-holders), medical screening appropriate to the level of benefit offered, statistical monitoring of insured populations, and reinsurance programmes.

Non-life technical reserves include unearned premium reserves (corresponding to the portion of written premiums relating to future periods) and outstanding claims reserves, inclusive of claims handling costs.

The adequacy of technical reserves is tested at the balance sheet date by comparing them with the average value of future cash flows as derived from stochastic analyses. Any adjustments to technical reserves are taken to the profit and loss account for the period. A capitalisation reserve is set up in individual statutory accounts on the sale of amortisable securities in order to defer part of the net realised gain and hence maintain the yield to maturity on the portfolio of admissible assets. In the consolidated financial statements, the bulk of this reserve is reclassified to "Policyholders' surplus" on the liabilities side of the consolidated balance sheet; a deferred tax liability is recognised on the portion taken to shareholders' equity.

This item also includes the policyholders' surplus reserve resulting from the application of shadow accounting. This represents the interest of policyholders, mainly within French life insurance subsidiaries, in unrealised gains and losses on assets where the benefit paid under the policy is linked to the return on those assets. This interest is an average derived from stochastic analyses of unrealised gains and losses attributable to policyholders in various scenarios.

In the event of an unrealised loss on shadow accounted assets, a policyholders' loss reserve is recognised on the assets side of the consolidated balance sheet in an amount equal to the probable deduction from the policyholders' future profit share. The recoverability of the policyholders' loss reserve is assessed prospectively, taking into account policyholders' surplus reserves recognised elsewhere, capital gains on financial assets that are not shadow accounted due to accounting elections made (held-to-maturity financial assets and property investments measured at cost) and the company's ability and intention to hold the assets carrying the unrealised loss. The policyholders' loss reserve is recognised symmetrically with the corresponding assets and shown on the assets side of the balance sheet under the line item "Accrued income and other assets".

1.d.3 PROFIT AND LOSS ACCOUNT

Income and expenses arising on insurance contracts written by the Group are recognised in the profit and loss account under "Income from other activities" and "Expense on other activities".

Other insurance company income and expenses are included in the relevant profit and loss account item. Consequently, movements in the policyholders' surplus reserve are shown on the same line as gains and losses on the assets that generated the movements.

1.e PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

Property, plant and equipment and intangible assets shown in the consolidated balance sheet are composed of assets used in operations and investment property.

Assets used in operations are those used in the provision of services or for administrative purposes, and include non-property assets leased by the Group as lessor under operating leases.

Investment property comprises property assets held to generate rental income and capital gains.

Property, plant and equipment and intangible assets are initially recognised at purchase price plus directly attributable costs, together with borrowing costs where a long period of construction or adaptation is required before the asset can be brought into service.

Software developed internally by the BNP Paribas Group that fulfils the criteria for capitalisation is capitalised at direct development cost, which includes external costs and the labour costs of employees directly attributable to the project.

Subsequent to initial recognition, property, plant and equipment and intangible assets are measured at cost less accumulated depreciation or amortisation and any impairment losses. The only exceptions are shares in civil property companies (SCIs) held in unit-linked insurance contract portfolios, which are measured at fair value on the balance sheet date, with changes in fair value taken to profit or loss.

The depreciable amount of property, plant and equipment and intangible assets is calculated after deducting the residual value of the asset. Only assets leased by the Group as the lessor under operating leases are presumed to have a residual value, as the useful life of property, plant and equipment and intangible assets used in operations is generally the same as their economic life.

Property, plant and equipment and intangible assets are depreciated or amortised using the straight-line method over the useful life of the asset. Depreciation and amortisation expense is recognised in the profit and loss account under “Depreciation, amortisation and impairment of property, plant and equipment and intangible assets”.

Where an asset consists of a number of components which may require replacement at regular intervals, or which have different uses or generate economic benefits at different rates, each component is recognised separately and depreciated using a method appropriate to that component. The BNP Paribas Group has adopted the component-based approach for property used in operations and for investment property.

The depreciation periods used for office property are as follows: 80 years or 60 years for the shell (for prime and other property respectively); 30 years for facades; 20 years for general and technical installations; and 10 years for fixtures and fittings.

Software is amortised, depending on its type, over periods of no more than 8 years in the case of infrastructure developments and 3 years or 5 years in the case of software developed primarily for the purpose of providing services to customers.

Software maintenance costs are expensed as incurred. However, expenditure that is regarded as upgrading the software or extending its useful life is included in the initial acquisition or production cost.

Depreciable property, plant and equipment and intangible assets are tested for impairment if there is an indication of potential impairment at the balance sheet date. Non-depreciable assets are tested for impairment at least annually, using the same method as for goodwill allocated to cash-generating units.

If there is an indication of impairment, the new recoverable amount of the asset is compared with the carrying amount. If the asset is found to be impaired, an impairment loss is recognised in the profit and loss account. This loss is reversed in the event of a change in the estimated recoverable amount or if there is no longer an indication of impairment. Impairment losses are taken to the profit and loss account in “Depreciation, amortisation and impairment of property, plant and equipment and intangible assets”.

Gains and losses on disposals of property, plant and equipment and intangible assets used in operations are recognised in the profit and loss account in “Net gain on non-current assets”.

Gains and losses on disposals of investment property are recognised in the profit and loss account in “Income from other activities” or “Expense on other activities”.

1.f LEASES

Group companies may either be the lessee or the lessor in a lease agreement.

1.f.1 LESSOR ACCOUNTING

Leases contracted by the Group as lessor are categorised as either finance leases or operating leases.

- **Finance leases**

In a finance lease, the lessor transfers substantially all the risks and rewards of ownership of an asset to the lessee. It is treated as a loan made to the lessee to finance the purchase of the asset.

The present value of the lease payments, plus any residual value, is recognised as a receivable. The net income earned from the lease by the lessor is equal to the amount of interest on the loan, and is taken to the profit and loss account under “Interest income”. The lease payments are spread over the lease term, and are allocated to reduction of the principal and to interest such that the net income reflects a constant rate of return on the net investment outstanding in the lease. The rate of interest used is the rate implicit in the lease.

Individual and portfolio impairments of lease receivables are determined using the same principles as applied to other loans and receivables.

- **Operating leases**

An operating lease is a lease under which substantially all the risks and rewards of ownership of an asset are not transferred to the lessee.

The asset is recognised under property, plant and equipment in the lessor’s balance sheet and depreciated on a straight-line basis over the lease term. The depreciable amount excludes the residual value of the asset. The lease payments are taken to the profit and loss account in full on a straight-line basis over the lease term. Lease payments and depreciation expenses are taken to the profit and loss account under “Income from other activities” and “Expense on other activities”.

1.f.2 LESSEE ACCOUNTING

Leases contracted by the Group as lessee are categorised as either finance leases or operating leases.

- **Finance leases**

A finance lease is treated as an acquisition of an asset by the lessee, financed by a loan. The leased asset is recognised in the balance sheet of the lessee at the lower of its fair value or the present value of the minimum lease payments calculated at the interest rate implicit in the lease. A matching liability, equal to the fair value of the leased asset or the present value of the minimum lease payments, is also recognised in the balance sheet of the lessee. The asset is depreciated using the same method as that applied to owned assets, after deducting the residual value from the amount initially recognised, over the useful life of the asset. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life. The lease obligation is accounted for at amortised cost.

- **Operating leases**

The asset is not recognised in the balance sheet of the lessee. Lease payments made under operating leases are taken to the profit and loss account of the lessee on a straight-line basis over the lease term.

1.g NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Where the Group decides to sell non-current assets and it is highly probable that the sale will occur within 12 months, these assets are shown separately in the balance sheet, on the line “Non-current assets held for sale”. Any liabilities associated with these assets are also shown separately in the balance sheet, on the line “Liabilities associated with non-current assets held for sale”.

Once classified in this category, non-current assets and groups of assets and liabilities are measured at the lower of carrying amount or fair value less costs to sell.

Such assets are no longer depreciated. If an asset or group of assets and liabilities becomes impaired, an impairment loss is recognised in the profit and loss account. Impairment losses may be reversed.

Where a group of assets and liabilities held for sale represents a cash generating unit, it is categorised as a “discontinued operation”. Discontinued operations include operations that are held for sale, operations that have been shut down, and subsidiaries acquired exclusively with a view to resell.

All gains and losses related to discontinued operations are shown separately in the profit and loss account, on the line “Post-tax gain/loss on discontinued operations and assets held for sale”. This line includes the post-tax profits or losses of discontinued operations, the post-tax gain or loss arising from remeasurement at fair value less costs to sell, and the post-tax gain or loss on disposal of the operation.

1.h EMPLOYEE BENEFITS

Employee benefits are classified in one of four categories:

- short-term benefits, such as salary, annual leave, incentive plans, profit-sharing and additional payments;
- long-term benefits, including compensated absences, long-service awards, and other types of cash-based deferred compensation;
- termination benefits;
- post-employment benefits, including top-up banking industry pensions and retirement bonuses in France and pension plans in other countries, some of which are operated through pension funds.

- **Short-term benefits**

The Group recognises an expense when it has used services rendered by employees in exchange for employee benefits.

- **Long-term benefits**

These are benefits, other than short-term benefits, post-employment benefits and termination benefits. This relates, in particular, to compensation deferred for more than 12 months and not linked to the BNP Paribas share price, which is accrued in the financial statements for the period in which it is earned.

The actuarial techniques used are similar to those used for defined-benefit post-employment benefits, except that the revaluation items are recognised in the profit and loss account and not in equity.

- **Termination benefits**

Termination benefits are employee benefits payable in exchange for the termination of an employee's contract as a result of either a decision by the Group to terminate a contract of employment before the legal retirement age, or a decision by an employee to accept voluntary redundancy in exchange for these benefits. Termination benefits due more than 12 months after the balance sheet date are discounted.

- **Post-employment benefits**

In accordance with IFRS, the BNP Paribas Group draws a distinction between defined-contribution plans and defined-benefit plans.

Defined-contribution plans do not give rise to an obligation for the Group and do not require a provision. The amount of the employer's contributions payable during the period is recognised as an expense.

Only defined-benefit schemes give rise to an obligation for the Group. This obligation must be measured and recognised as a liability by means of a provision.

The classification of plans into these two categories is based on the economic substance of the plan, which is reviewed to determine whether the Group has a legal or constructive obligation to pay the agreed benefits to employees.

Post-employment benefit obligations under defined-benefit plans are measured using actuarial techniques that take demographic and financial assumptions into account.

The net liability recognised with respect to post-employment benefit plans is the difference between the present value of the defined-benefit obligation and the fair value of any plan assets.

The present value of the defined-benefit obligation is measured on the basis of the actuarial assumptions applied by the Group, using the projected unit credit method. This method takes into account various parameters, specific to each country or Group entity, such as demographic assumptions, the probability that employees will leave before retirement age, salary inflation, a discount rate, and the general inflation rate.

When the value of the plan assets exceeds the amount of the obligation, an asset is recognised if it represents a future economic benefit for the Group in the form of a reduction in future contributions or a future partial refund of amounts paid into the plan.

The annual expense recognised in the profit and loss account under “Salaries and employee benefits”, with respect to defined-benefit plans includes the current service cost (the rights vested by each employee during the period in return for service rendered), the net interests linked to the effect of discounting the net defined-benefit liability (asset), the past service cost arising from plan amendments or curtailments, and the effect of any plan settlements.

Remeasurements of the net defined-benefit liability (asset) are recognised in other comprehensive income and are never reclassified to profit or loss. They include actuarial gains and losses, the return on plan assets and any change in the effect of the asset ceiling (excluding amounts included in net interest on the defined-benefit liability or asset).

1.i SHARE-BASED PAYMENTS

Share-based payment transactions are payments based on shares issued by the Group, whether the transaction is settled in the form of equity or cash of which the amount is based on trends in the value of BNP Paribas shares.

IFRS 2 requires share-based payments granted after 7 November 2002 to be recognised as an expense. The amount recognised is the value of the share-based payment granted to the employee.

The Group grants employees stock subscription option plans and deferred share-based or share price-linked cash-settled compensation plans, and also offers them the possibility to purchase specially-issued BNP Paribas shares at a discount, on condition that they retain the shares for a specified period.

- **Stock option and share award plans**

The expense related to stock option and share award plans is recognised over the vesting period, if the benefit is conditional upon the grantee's continued employment.

Stock options and share award expenses are recorded under salary and employee benefits expenses, with a corresponding adjustment to shareholders' equity. They are calculated on the basis of the overall plan value, determined at the date of grant by the Board of Directors.

In the absence of any market for these instruments, financial valuation models are used that take into account any performance conditions related to the BNP Paribas share price. The total expense of a plan is determined by multiplying the unit value per option or share awarded by the estimated number of options or shares awarded vested at the end of the vesting period, taking into account the conditions regarding the grantee's continued employment.

The only assumptions revised during the vesting period, and hence resulting in a remeasurement of the expense, are those relating to the probability that employees will leave the Group and those relating to performance conditions that are not linked to the price value of BNP Paribas shares.

- **Share price-linked cash-settled deferred compensation plans**

The expense related to these plans is recognised in the year during which the employee rendered the corresponding services.

If the payment of share-based variable compensation is explicitly subject to the employee's continued presence at the vesting date, the services are presumed to have been rendered during the vesting period and the corresponding compensation expense is recognised on a pro rata basis over that period. The expense is recognised under salary and employee benefits expenses with a corresponding liability in the balance sheet. It is revised to take into account any non-fulfilment of the continued presence or performance conditions and the change in BNP Paribas share price.

If there is no continued presence condition, the expense is not deferred, but recognised immediately with a corresponding liability in the balance sheet. This is then revised on each reporting date until settlement to take into account any performance conditions and the change in the BNP Paribas share price.

- **Share subscriptions or purchases offered to employees under the company savings plan**

Share subscriptions or purchases offered to employees under the company savings plan (*Plan d'Épargne Entreprise*) at lower-than-market rates over a specified period do not include a vesting period. However, employees are prohibited by law from selling shares acquired under this plan for a period of five years. This restriction is taken into account when measuring the benefit to the employees, which is reduced accordingly. Therefore, the benefit equals the difference, at the date the plan is announced to employees, between the fair value of the share (after allowing for the restriction on sale) and the acquisition price paid by the employee, multiplied by the number of shares acquired.

The cost of the mandatory five-year holding period is equivalent to the cost of a strategy involving the forward sale of shares subscribed at the time of the capital increase reserved for employees and the cash purchase of an equivalent number of BNP Paribas shares on the market, financed by a loan repaid at the end of a five-year period out of the proceeds from the forward sale transaction. The interest rate on the loan is the rate that would be applied to a five-year general purpose loan taken out by an individual with an average risk profile. The forward sale price for the shares is determined on the basis of market parameters.

1.j PROVISIONS RECORDED UNDER LIABILITIES

Provisions recorded under liabilities (other than those relating to financial instruments, employee benefits and insurance contracts) mainly relate to restructuring, claims and litigation, fines and penalties, and tax risks.

A provision is recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event, and a reliable estimate can be made of the amount of the obligation. The amount of such obligations is discounted, where the impact of discounting is material, in order to determine the amount of the provision.

1.k CURRENT AND DEFERRED TAXES

The current income tax charge is determined on the basis of the tax laws and tax rates in force in each country in which the Group operates during the period in which the income is generated.

Deferred taxes are recognised when temporary differences arise between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax liabilities are recognised for all taxable temporary differences other than:

- taxable temporary differences on initial recognition of goodwill;
- taxable temporary differences on investments in enterprises under the exclusive or joint control of the Group, where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences and unused carryforwards of tax losses only to the extent that it is probable that the entity in question will generate future taxable profits against which these temporary differences and tax losses can be offset.

Deferred tax assets and liabilities are measured using the liability method, using the tax rate which is expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been or will have been enacted by the balance sheet date of that period. They are not discounted.

Deferred tax assets and liabilities are offset when they arise within the same tax group, they fall under the jurisdiction of a single tax authority, and there is a legal right to offset.

Current and deferred taxes are recognised as tax income or expenses in the profit and loss account, except for those relating to a transaction or an event directly recognised in shareholders' equity, which are also recognised in shareholders' equity.

When tax credits on revenues from receivables and securities are used to settle corporate income tax payable for the period, the tax credits are recognised on the same line as the income to which they relate. The corresponding tax expense continues to be carried in the profit and loss account under "Corporate income tax".

1.1 CASH FLOW STATEMENT

The cash and cash equivalents balance is composed of the net balance of cash accounts and accounts with central banks, and the net balance of interbank demand loans and deposits.

Changes in cash and cash equivalents related to operating activities reflect cash flows generated by the Group's operations, including cash flows related to investment property, held-to-maturity financial assets and negotiable certificates of deposit.

Changes in cash and cash equivalents related to investing activities reflect cash flows resulting from acquisitions and disposals of subsidiaries, associates or joint ventures included in the consolidated group, as well as acquisitions and disposals of property, plant and equipment excluding investment property and property held under operating leases.

Changes in cash and cash equivalents related to financing activities reflect the cash inflows and outflows resulting from transactions with shareholders, cash flows related to bonds and subordinated debt, and debt securities (excluding negotiable certificates of deposit).

1.m USE OF ESTIMATES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Preparation of the financial statements requires managers of core businesses and corporate functions to make assumptions and estimates that are reflected in the measurement of income and expense in the profit and loss account and of assets and liabilities in the balance sheet, and in the disclosure of information in the notes to the financial statements. This requires the managers in question to exercise their judgement and to make use of information available at the date of the preparation of the financial statements when making their estimates. The actual future results from operations where managers have made use of estimates may in reality differ significantly from those estimates, mainly according to market conditions. This may have a material effect on the financial statements.

This applies in particular to:

- impairment losses recognised to cover credit risks inherent in banking intermediation activities;
- the use of internally-developed models to measure positions in financial instruments that are not quoted in active markets;
- calculations of the fair value of unquoted financial instruments classified in “Available-for-sale financial assets”, “Financial assets at fair value through profit or loss” or “Financial liabilities at fair value through profit or loss”, and more generally calculations of the fair value of financial instruments subject to a fair value disclosure requirement;
- whether a market is active or inactive for the purposes of using a valuation technique;
- impairment losses on variable-income financial assets classified as "Available-for-sale";
- impairment tests performed on intangible assets;
- the appropriateness of the designation of certain derivative instruments such as cash flow hedges, and the measurement of hedge effectiveness;
- estimates of the residual value of assets leased under finance leases or operating leases, and more generally of assets on which depreciation is charged net of their estimated residual value;
- the measurement of provisions for contingencies and charges.

This is also the case for assumptions applied to assess the sensitivity of each type of market risk and the sensitivity of valuations to non-observable parameters.

2. RETROSPECTIVE IMPACT OF THE IFRIC 21 INTERPRETATION

As of 1 January 2015, the Group has applied the IFRIC 21 “Levies” interpretation in the consolidated financial statements. As this interpretation has a retrospective effect, the comparative financial statements as at 1 January, 30 June and 31 December 2014 have been restated.

The IFRIC 21 interpretation provides guidance on the timing for recognising levies that are accounted for in accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. These levies are mainly classified as other operating expenses in the profit and loss account. Income taxes and equivalent taxes that are within the scope of IAS 12 “Income Taxes” are excluded from the scope of this interpretation. The obligating event that gives rise to the recognition of a levy which is within the scope of IFRIC 21 is the activity that triggers the payment of the levy, as identified by the legislation. Thus, some levies which were previously recognised progressively over the fiscal year (such as the systemic risk contributions and the “Contribution Sociale de Solidarité” in France), have to be accounted for as at 1 January in their entirety.

As regards the profit and loss account for the first half of 2014, the application of IFRIC 21 led to a EUR 262 million rise in other operating expenses, as well as an increase of EUR 100 million in the associated deferred tax gains.

As regards the balance sheet as at 1 January 2014, applying IFRIC 21 triggers an increase of EUR 49 million in the shareholders’ equity attributable to shareholders, reflecting the derecognition of the French “Contribution Sociale de Solidarité”, which was previously recognised as an expense in 2013, while it was payable in 2014. This increase in shareholders’ equity is balanced by the EUR 76 million decrease in accrued expenses and the EUR 27 million decrease in deferred tax assets.

3. NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2015

3.a NET INTEREST INCOME

The BNP Paribas Group includes in “Interest income” and “Interest expense” all income and expense from financial instruments measured at amortised cost (interest, fees/commissions, transaction costs), and from financial instruments measured at fair value that do not meet the definition of a derivative instrument. These amounts are calculated using the effective interest method. The change in fair value on financial instruments at fair value through profit or loss (excluding accrued interest) is recognised under “Net gain/loss on financial instruments at fair value through profit or loss”.

Interest income and expense on derivatives accounted for as fair value hedges are included with the revenues generated by the hedged item. Similarly, interest income and expense arising from derivatives used to hedge transactions designated as at fair value through profit or loss is allocated to the same accounts as the interest income and expense relating to the underlying transactions.

In millions of euros	First half 2015			First half 2014		
	Income	Expense	Net	Income	Expense	Net
Customer items	12,671	(4,066)	8,605	11,945	(4,031)	7,914
Deposits, loans and borrowings	12,079	(4,038)	8,041	11,320	(3,978)	7,342
Repurchase agreements	4	(3)	1	15	(32)	(17)
Finance leases	588	(25)	563	610	(21)	589
Interbank items	722	(683)	39	816	(791)	25
Deposits, loans and borrowings	686	(611)	75	778	(722)	56
Repurchase agreements	36	(72)	(36)	38	(69)	(31)
Debt securities issued		(899)	(899)		(1,072)	(1,072)
Cash flow hedge instruments	2,737	(2,293)	444	1,502	(1,325)	177
Interest rate portfolio hedge instruments	1,984	(2,068)	(84)	1,165	(1,405)	(240)
Financial instruments at fair value through profit or loss	1,164	(809)	355	823	(676)	147
Fixed-income securities	758		758	421		421
Loans / borrowings	93	(190)	(97)	140	(171)	(31)
Repurchase agreements	313	(390)	(77)	262	(344)	(82)
Debt securities		(229)	(229)		(161)	(161)
Available-for-sale financial assets	2,473		2,473	2,561		2,561
Held-to-maturity financial assets	195		195	221		221
Total interest income/(expense)	21,946	(10,818)	11,128	19,033	(9,300)	9,733

Interest income on individually impaired loans amounted to EUR 265 million for the first half of 2015 compared with EUR 278 million for the first half of 2014.

3.b COMMISSION INCOME AND EXPENSE

Commission income and expense on financial instruments not measured at fair value through profit or loss amounted to EUR 1,516 million and EUR 189 million respectively for the first half of 2015, compared with income of EUR 1,571 million and expense of EUR 246 million for the first half of 2014.

Net commission income related to trust and similar activities through which the Group holds or invests assets on behalf of clients, trusts, pension and personal risk funds or other institutions amounted to EUR 1,328 million for the first half of 2015, compared with EUR 1,152 million for the first half of 2014.

3.c NET GAIN ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Net gain on financial instruments at fair value through profit or loss includes all profit and loss items (including dividends) relating to financial instruments managed in the trading book and financial instruments that the Group has designated as at fair value through profit or loss under the fair value option, other than interest income and expense which are recognised in “Net interest income” (note 3.a).

Gains and losses on financial instruments designated as at fair value through profit or loss are mainly related to instruments whose changes in value may be compensated by changes in the value of economic hedging trading book instruments.

In millions of euros	First half 2015	First half 2014
Trading book	3,203	3,266
Interest rate and credit instruments	(184)	25
Equity financial instruments	2,716	2,479
Foreign exchange financial instruments	341	915
Other derivatives	371	(137)
Repurchase agreements	(41)	(16)
Financial instruments designated as at fair value through profit or loss	331	(790)
<i>of which debt remeasurement effect arising from BNP Paribas Group issuer risk (note 5.c)</i>	<i>78</i>	<i>(104)</i>
Impact of hedge accounting	23	53
Fair value hedging derivatives	(304)	1,372
Hedged items in fair value hedge	327	(1,319)
Total	3,557	2,529

Net gains on the trading book for the first halves of 2015 and 2014 include a non-material amount related to the ineffective portion of cash flow hedges.

3.d NET GAIN ON AVAILABLE-FOR-SALE FINANCIAL ASSETS AND OTHER FINANCIAL ASSETS NOT MEASURED AT FAIR VALUE

In millions of euros	First half 2015	First half 2014
Loans and receivables, fixed-income securities ⁽¹⁾	353	340
Disposal gains and losses	353	340
Equities and other variable-income securities	623	938
Dividend income	352	353
Additions to impairment provisions	(131)	(105)
Net disposal gains	402	690
Total	976	1,278

⁽¹⁾ Interest income from fixed-income financial instruments is included in "Net interest income" (note 3.a), and impairment losses related to potential issuer defaults are included in "Cost of risk" (note 3.f).

After the impact of insurance policyholders' surplus reserve, unrealised gains and losses previously recorded under "Change in assets and liabilities recognised directly in shareholders' equity" and included in the pre-tax income, amount to a gain of EUR 556 million for the first half of 2015 compared with a net gain of EUR 620 million for the first half of 2014.

3.e NET INCOME FROM OTHER ACTIVITIES

In millions of euros	First half 2015			First half 2014		
	Income	Expense	Net	Income	Expense	Net
Net income from insurance activities	18,120	(16,201)	1,919	14,897	(13,208)	1,689
Net income from investment property	42	(28)	14	28	(22)	6
Net income from assets held under operating leases	2,977	(2,383)	594	2,858	(2,329)	529
Net income from property development activities	402	(313)	89	466	(352)	114
Other net income	742	(725)	17	719	(659)	60
Total net income from other activities	22,283	(19,650)	2,633	18,968	(16,570)	2,398

- Net income from insurance activities

In millions of euros	First half 2015	First half 2014
Gross premiums written	12,720	12,461
Policy benefit expenses	(7,774)	(7,379)
Changes in technical reserves	(6,687)	(4,904)
Change in value of admissible investments related to unit-linked policies	3,736	1,659
Reinsurance ceded	(116)	(178)
Other income and expense	40	30
Total net income from insurance activities	1,919	1,689

"Policy benefit expenses" include expenses arising from surrenders, maturities and claims relating to insurance contracts. "Changes in technical reserves" reflect changes in the value of financial contracts, in particular unit-linked policies. Interest paid on such contracts is recognised in "Interest expense".

3.f COST OF RISK

“Cost of risk” represents the net amount of impairment losses recognised in respect to credit risks inherent in the Group’s banking intermediation activities, plus any impairment losses in the cases of known counterparty risks on over-the-counter financial instruments.

- **Cost of risk for the period**

In millions of euros	First half 2015	First half 2014
Net allowances to impairment	(1,902)	(1,945)
Recoveries on loans and receivables previously written off	244	200
Irrecoverable loans and receivables not covered by impairment provisions	(289)	(194)
Total cost of risk for the period	(1,947)	(1,939)

Cost of risk for the period by asset type

In millions of euros	First half 2015	First half 2014
Loans and receivables due from credit institutions	(4)	2
Loans and receivables due from customers	(1,878)	(1,916)
Available-for-sale financial assets	(12)	(6)
Financial instruments of trading activities	(19)	(11)
Other assets	(6)	1
Commitments given and other items	(28)	(9)
Total cost of risk for the period	(1,947)	(1,939)

3.g COSTS RELATED TO THE COMPREHENSIVE SETTLEMENT WITH US AUTHORITIES

On 30 June 2014, the Group has come to a comprehensive settlement of the pending investigation relating to US dollar transactions involving parties subject to US sanctions, including agreements with the U.S. Department of Justice, the U.S. Attorney's Office for the Southern District of New York, the New York County District Attorney's Office, the Board of Governors of the U.S. Federal Reserve System (FED), the New York State Department of Financial Services (DFS), and the US Department of the Treasury's Office of Foreign Assets Control (OFAC).

The settlement includes guilty pleas entered into by BNP Paribas SA in relation to violations of certain US laws and regulations regarding economic sanctions against certain countries and related recordkeeping. BNP Paribas also agrees to pay a total of USD 8.97 billion (EUR 6.55 billion). Beyond what had already been provisioned as at 31 December 2013 (EUR 0.8 billion), this resulted in an exceptional charge of EUR 5.75 billion recorded in the second quarter of 2014. An uncertainty remains regarding the fiscal rule that will apply eventually to the different Group entities involved in the settlement. BNP Paribas has also accepted a temporary suspension of one year, starting 1 January 2015, of the USD direct clearing focused mainly on the Oil & Gas Energy & Commodity Finance business line in certain locations.

BNP Paribas has worked with the US authorities to resolve these issues and the resolution of these matters was coordinated by its home regulator (Autorité de Contrôle Prudentiel et de Résolution - ACPR) with its lead regulators. BNP Paribas maintains its licenses as part of the settlements.

In advance of the settlement, the bank designed new robust compliance and control procedures. They involve important changes to the Group's procedures. Specifically:

- a department called “Group Financial Security US”, part of the “Group Compliance” function, is headquartered in New York and ensures that BNP Paribas complies globally with US regulation related to international sanctions and embargoes;
- all USD flows for the entire BNP Paribas Group will be ultimately processed and controlled via the branch in New York.

At 30 June 2014, the Group recorded a EUR 200 million provision for additional implementation costs related to the remediation plan agreed upon with US authorities. An additional EUR 50 million provision was recorded at 31 December 2014, bringing the total costs related to the comprehensive settlement to EUR 6 billion for the year ended 31 December 2014.

3.h CORPORATE INCOME TAX

In millions of euros	First half 2015	First half 2014 ⁽¹⁾
Net current tax expense	(1,286)	(1,406)
Net deferred tax expense / income	(560)	82
Corporate income tax expense	(1,846)	(1,324)

⁽¹⁾ Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

4. SEGMENT INFORMATION

The Group is composed of two operating divisions:

- Retail Banking and Services, which covers Domestic Markets and International Financial Services. Domestic Markets include retail banking networks in France (FRB), Italy (BNL banca commerciale), Belgium (BRB), and Luxembourg (LRB), as well as certain specialised retail banking divisions (Personal Investors, Leasing Solutions and Arval). International Financial Services is composed of all BNP Paribas Group retail banking businesses out of the Eurozone, split between Europe Mediterranean and BancWest in the United States, as well as the Insurance activity and the Wealth and Asset Management activities (Wealth Management, Investment Partners and Real Estate);
- Corporate and Institutional Banking (CIB), which includes Corporate Banking (Europe, Middle East, Africa, Asia, Americas, and Corporate Finance activities), Global Markets (Fixed Income, Currency and Commodities, as well as Equity and Prime Services), and Securities Services to management companies, financial institutions and other corporations.

Other activities mainly include Principal Investments, activities related to the Group's central treasury function, some costs related to cross-business projects, the residential mortgage lending business of Personal Finance (a significant part of which is managed in run-off), and investments such as the Klépierre property investment company.

They also include non-recurring items resulting from applying the rules on business combinations. In order to provide consistent and relevant economic information for each core business, the impact of amortising fair value adjustments recognised in the net equity of entities acquired and restructuring costs incurred in respect to the integration of entities, have been allocated to the "Other Activities" segment. The same applies to transformation costs relating to the Group's cross-business savings programme (Simple and Efficient).

Inter-segment transactions are conducted at arm's length. The segment information presented comprises agreed inter-segment transfer prices.

The capital allocation is carried out on the basis of risk exposure, taking into account various conventions relating primarily to the capital requirement of the business as derived from the risk-weighted asset calculations required under capital adequacy rules. Normalised equity income by segment is determined by attributing to each segment the income of its allocated equity. The equity allocation to segments is based on 9% of weighted assets. The breakdown of balance sheet by core business follows the same rules as the breakdown of the profit or loss by core business.

So as to be comparable with 2015, the segment information for 2014 has been restated of the following main effects as if these had occurred from 1 January 2014:

1. In accordance with the new organisation announced by the Group on 5 February 2015, the restated quarterly series include the effect of the internal transfers of activities that have been made as of 1 January 2015, mainly:
 - the transfer of Securities Services to Corporate and Institutional Banking;
 - the transfer of Corporate Finance, previously part of Advisory and Capital Markets, to Corporate Banking;
 - the creation, within Global Markets, of two new reporting segments, Fixed Income, Currency and Commodities (FICC) and Equity and Prime Services, after adjustment of the scope of activities.

These changes do not affect the Group income but only its analytical breakdown.

2. As indicated in notes 1.a and 2 the Group has applied the IFRIC 21 "Levies" interpretation in the consolidated financial statements as of 1 January 2015.

• Income by business segment

In millions of euros	First half 2015						First half 2014 ⁽¹⁾						
	Revenues	Operating expenses	Cost of risk	Operating income	Non-operating items	Pre-tax income	Revenues	Operating expenses	Cost of risk	Exceptional costs ⁽³⁾	Operating income	Non-operating items	Pre-tax income
Retail Banking & Services													
Domestic Markets													
French Retail Banking ⁽²⁾	3,177	(2,136)	(175)	866	1	867	3,289	(2,144)	(210)		935	1	936
BNL banca commerciale ⁽²⁾	1,555	(875)	(639)	41	(1)	40	1,601	(872)	(728)		1		1
Belgian Retail Banking ⁽²⁾	1,704	(1,246)	(34)	424	(12)	412	1,585	(1,246)	(67)		272	3	275
Other Domestic Markets activities ⁽²⁾	1,295	(711)	(72)	512	6	518	1,109	(628)	(69)		412	(9)	403
International Financial Services													
Personal Finance	2,365	(1,162)	(580)	623	32	655	1,860	(886)	(527)		447	42	489
International Retail Banking													
<i>Europe-Mediterranean</i> ⁽²⁾	1,254	(861)	(259)	134	83	217	936	(691)	(155)		90	55	145
<i>BancWest</i> ⁽²⁾	1,374	(926)	(35)	413	4	417	1,039	(693)	(27)		319	4	323
Insurance	1,127	(579)	(4)	544	96	640	1,065	(540)	(3)		522	68	590
Wealth and Asset Management	1,489	(1,142)	(17)	330	26	356	1,413	(1,061)	(7)		345	31	376
Corporate & Institutional Banking													
Corporate Banking	1,879	(1,152)	(19)	708	173	881	1,712	(1,008)	(173)		531	6	537
Global Markets	3,599	(2,464)	(95)	1,040	5	1,045	2,842	(2,197)	37		682	3	685
Securities Services	916	(714)	4	206	(1)	205	787	(615)	1		173		173
Other Activities	410	(923)	(22)	(535)	519	(16)	242	(580)	(11)	(5,950)	(6,299)	46	(6,253)
Total Group	22,144	(14,891)	(1,947)	5,306	931	6,237	19,480	(13,161)	(1,939)	(5,950)	(1,570)	250	(1,320)

(1) Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

(2) French Retail Banking, BNL banca commerciale, Belgian Retail Banking, Luxembourg Retail Banking, Europe-Mediterranean and BancWest after the reallocation within Wealth and Asset Management of one-third of the Wealth Management activities in France, Italy, Belgium, Luxembourg, Turkey and the United States.

(3) Costs related to the comprehensive settlement with US authorities.

5. NOTES TO THE BALANCE SHEET AT 30 JUNE 2015

5.a FINANCIAL ASSETS, FINANCIAL LIABILITIES AND DERIVATIVES AT FAIR VALUE THROUGH PROFIT OR LOSS

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets and financial liabilities at fair value through profit or loss consist of held-for-trading transactions - including derivatives - and certain assets and liabilities designated by the Group as at fair value through profit or loss at the time of acquisition or issuance.

In millions of euros	30 June 2015		31 December 2014	
	Trading book	Instruments designated as at fair value through profit or loss	Trading book	Instruments designated as at fair value through profit or loss
Securities portfolio	206,138	83,370	156,546	78,563
Loans and repurchase agreements	179,941	318	165,776	264
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	386,079	83,688	322,322	78,827
Securities portfolio	91,671		78,912	
Borrowings and repurchase agreements	227,203	2,253	196,733	2,009
Debt securities (note 5.f)		57,050		48,171
Subordinated debt (note 5.f)		1,448		1,550
Debt representative of shares of consolidated funds held by third parties		2,096		5,902
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	318,874	62,847	275,645	57,632

Detail of these assets and liabilities is provided in note 5.c.

DERIVATIVE FINANCIAL INSTRUMENTS

The majority of derivative financial instruments held for trading are related to transactions initiated for trading purposes. They may result from market-making or arbitrage activities. BNP Paribas actively trades in derivatives. Transactions include trades in “ordinary” instruments such as credit default swaps, and structured transactions with complex risk profiles tailored to meet the needs of its customers. The net position is in all cases subject to limits.

Some derivative instruments are also contracted to hedge financial assets or financial liabilities for which the Group has not documented a hedging relationship, or which do not qualify for hedge accounting under IFRS. This applies in particular to credit derivative transactions which are primarily contracted to protect the Group’s loan book.

In millions of euros	30 June 2015		31 December 2014	
	Positive market value	Negative market value	Positive market value	Negative market value
Interest rate derivatives	251,460	233,183	295,651	280,311
Foreign exchange derivatives	48,661	51,626	57,211	62,823
Credit derivatives	16,459	15,011	18,425	18,054
Equity derivatives	36,775	50,794	33,112	41,838
Other derivatives	5,737	5,490	8,099	7,224
Derivative financial instruments	359,092	356,104	412,498	410,250

The table below shows the total notional amount of trading derivatives. The notional amounts of derivative instruments are merely an indication of the volume of the Group's activities in financial instruments markets, and do not reflect the market risks associated with such instruments.

In millions of euros	30 June 2015			31 December 2014		
	Organised markets ⁽¹⁾	Over-the-counter	Total	Organised markets ⁽¹⁾	Over-the-counter	Total
Interest rate derivatives	18,166,147	11,334,742	29,500,889	20,042,832	13,000,642	33,043,474
Foreign exchange derivatives	62,050	3,537,341	3,599,391	28,833	3,443,439	3,472,272
Credit derivatives	17	1,418,257	1,418,274	47,537	1,752,947	1,800,484
Equity derivatives	1,061,488	806,757	1,868,245	773,280	643,631	1,416,911
Other derivatives	91,650	78,519	170,169	89,464	79,431	168,895
Derivative financial instruments	19,381,352	17,175,616	36,556,968	20,981,946	18,920,090	39,902,036

⁽¹⁾ Financial instruments negotiated on organised markets are mainly traded with clearing houses.

5.b AVAILABLE-FOR-SALE FINANCIAL ASSETS

In millions of euros	30 June 2015			31 December 2014		
	Net	of which impairment	of which changes in value taken directly to equity	Net	of which impairment	of which changes in value taken directly to equity
Fixed-income securities	248,300	(88)	12,343	234,032	(85)	15,761
Treasury bills and government bonds	125,430	(4)	7,115	123,405	(4)	8,869
Other fixed-income securities	122,870	(84)	5,228	110,627	(81)	6,892
Equities and other variable-income securities	18,755	(3,015)	3,920	18,260	(2,953)	3,833
Listed securities	6,000	(903)	1,798	5,273	(945)	1,707
Unlisted securities	12,755	(2,112)	2,122	12,987	(2,008)	2,126
Total available-for-sale financial assets	267,055	(3,103)	16,263	252,292	(3,038)	19,594

The gross amount of impaired fixed-income securities is EUR 212 million at 30 June 2015 (EUR 201 million at 31 December 2014).

Changes in value taken directly to equity are detailed as follows:

In millions of euros	30 June 2015			31 December 2014		
	Fixed-income securities	Equities and other variable-income securities	Total	Fixed-income securities	Equities and other variable-income securities	Total
Non-hedged changes in value of securities, recognised in "Available-for-sale financial assets"	12,343	3,920	16,263	15,761	3,833	19,594
Deferred tax linked to these changes in value	(4,145)	(872)	(5,017)	(5,281)	(842)	(6,123)
Insurance policyholders' surplus reserve from insurance entities, after deferred tax	(6,428)	(1,159)	(7,587)	(8,257)	(1,072)	(9,329)
Group share of changes in value of available-for-sale securities owned by equity-method entities, after deferred tax and insurance policyholders' surplus reserve	901	121	1,022	884	84	968
Unamortised changes in value of available-for-sale securities reclassified as loans and receivables	(53)		(53)	(74)		(74)
Other variations	(68)	(8)	(76)	(52)	14	(38)
Changes in value of assets taken directly to equity under the heading "Financial assets available for sale and reclassified as loans and receivables"	2,550	2,002	4,552	2,981	2,017	4,998
Attributable to equity shareholders	2,453	1,989	4,442	2,859	2,006	4,865
Attributable to minority interests	97	13	110	122	11	133

5.c MEASUREMENT OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

VALUATION PROCESS

BNP Paribas has retained the fundamental principle that it should have a unique and integrated processing chain for producing and controlling the valuations of financial instruments that are used for the purpose of daily risk management and financial reporting. All these processes are based on a common economic valuation which is a core component of business decisions and risk management strategies.

Economic value is composed of mid-market value and additional valuation adjustments.

Mid-market value is derived from external data or valuation techniques that maximise the use of observable and market-based data. Mid-market value is a theoretical additive value which does not take account of i) the direction of the transaction or its impact on the existing risks in the portfolio, ii) the nature of the counterparties, and iii) the aversion of a market participant to particular risks inherent in the instrument, the market in which it is traded, or the risk management strategy.

Additional valuation adjustments take into account valuation uncertainty and include market and credit risk premiums to reflect costs that could be incurred in case of an exit transaction in the principal market. When valuation techniques are used for the purpose of deriving fair value, funding assumptions related to the future expected cash flows are an integral part of the mid-market valuation, notably through the use of appropriate discount rates. These assumptions reflect what the Bank anticipates as being the effective funding conditions of the instrument that a market participant would consider. This notably takes into account the existence and terms of any collateral agreement. In particular, for non- or imperfectly collateralized derivative instruments, they include an explicit adjustment to the interbank interest rate (Funding Valuation Adjustment – FVA).

Fair value generally equals the economic value, subject to limited additional adjustments, such as own credit adjustments, which are specifically required by IFRS standards.

The main additional valuation adjustments are presented in the section below.

ADDITIONAL VALUATION ADJUSTMENTS

Additional valuation adjustments retained by BNP Paribas for determining fair values are as follows:

Bid/offer adjustments: the bid/offer range reflects the additional exit cost for a price taker and symmetrically the compensation sought by dealers to bear the risk of holding the position or closing it out by accepting another dealer's price.

BNP Paribas assumes that the best estimate of an exit price is the bid or offer price, unless there is evidence that another point in the bid/offer range would provide a more representative exit price.

Input uncertainty adjustments: when the observation of prices or data inputs required by valuation techniques is difficult or irregular, an uncertainty exists on the exit price. There are several ways to gauge the degree of uncertainty on the exit price such as measuring the dispersion of the available price indications or estimating the possible ranges of the inputs to a valuation technique.

Model uncertainty adjustments: these relate to situations where valuation uncertainty is due to the valuation technique used, even though observable inputs might be available. This situation arises when the risks inherent in the instruments are different from those available in the observable data, and therefore the valuation technique involves assumptions that cannot be easily corroborated.

Credit valuation adjustment (CVA): the CVA adjustment applies to valuations and market quotations whereby the credit worthiness of the counterparty is not reflected. It aims to account for the possibility that the counterparty may default and that BNP Paribas may not receive the full fair value of the transactions.

In determining the cost of exiting or transferring counterparty risk exposures, the relevant market is deemed to be an inter-dealer market. However, the determination of CVA remains judgemental due to i) the possible absence or lack of price discovery in the inter-dealer market, ii) the influence of the

regulatory landscape relating to counterparty risk on the market participants' pricing behaviour and iii) the absence of a dominant business model for managing counterparty risk.

The CVA model is grounded on the same exposures as those used for regulatory purposes. The model attempts to estimate the cost of an optimal risk management strategy based on i) implicit incentives and constraints inherent in the regulations in force and their evolutions, ii) market perception of the probability of default and iii) default parameters used for regulatory purposes.

Own-credit valuation adjustment for debts (OCA) and for derivatives (debit valuation adjustment - DVA): OCA and DVA are adjustments reflecting the effect of credit worthiness of BNP Paribas, on respectively the value of debt securities designated as at fair value through profit or loss and derivatives. Both adjustments are based on the expected future liability profiles of such instruments. The own credit worthiness is inferred from the market-based observation of the relevant bond issuance levels. The DVA adjustment is determined after taking into account the Funding Valuation Adjustment (FVA).

Thus, the carrying value of debt securities designated as at fair value through profit or loss is increased by EUR 604 million as at 30 June 2015, compared with an increase in value of EUR 682 million as at 31 December 2014, i.e. a EUR 78 million variation recognised in net gain on financial instruments at fair value through profit or loss (note 3.c).

INSTRUMENT CLASSES AND CLASSIFICATION WITHIN THE FAIR VALUE HIERARCHY FOR ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

As explained in the summary of significant accounting policies (note 1.c.10), financial instruments measured at fair value are categorised into a fair value hierarchy consisting of three levels.

The disaggregation of assets and liabilities into risk classes is meant to provide further insight into the nature of the instruments:

- Securitised exposures are further broken down by collateral type.
- For derivatives, fair values are broken down by dominant risk factor, namely interest rate, foreign exchange, credit and equity. Derivatives used for hedging purposes are mainly interest rate derivatives.

In millions of euros	30 June 2015											
	Trading book				Instruments designated as at fair value through profit or loss				Available-for-sale financial assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities portfolio	163,415	39,882	2,841	206,138	67,784	12,263	3,323	83,370	203,205	55,520	8,330	267,055
Treasury bills and government bonds	57,428	6,251		63,679	1,647			1,647	119,474	5,956		125,430
Asset Backed Securities ⁽¹⁾	-	13,224	2,068	15,292	-	-	-	-	-	4,255	8	4,263
<i>CDOs / CLOs ⁽²⁾</i>		437	2,019	2,456						567		567
<i>Other Asset Backed Securities</i>		12,787	49	12,836						3,688	8	3,696
Other fixed-income securities	15,877	18,882	358	35,117	1,409	5,228	142	6,779	74,578	42,455	1,574	118,607
Equities and other variable-income securities	90,110	1,525	415	92,050	64,728	7,035	3,181	74,944	9,153	2,854	6,748	18,755
Loans and repurchase agreements	-	174,660	5,281	179,941	-	318	-	318				
Loans		275		275		318		318				
Repurchase agreements		174,385	5,281	179,666								
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND AVAILABLE-FOR-SALE FINANCIAL ASSETS	163,415	214,542	8,122	386,079	67,784	12,581	3,323	83,688	203,205	55,520	8,330	267,055
Securities portfolio	87,584	3,908	179	91,671	-	-	-	-				
Treasury bills and government bonds	64,002	187		64,189								
Other fixed-income securities	8,691	3,524	170	12,385								
Equities and other variable-income securities	14,891	197	9	15,097								
Borrowings and repurchase agreements	-	218,102	9,101	227,203	-	2,205	48	2,253				
Borrowings		2,679	3	2,682		2,205	48	2,253				
Repurchase agreements		215,423	9,098	224,521								
Debt securities (note 5.f)	-	-	-	-	-	46,006	11,044	57,050				
Subordinated debt (note 5.f)	-	-	-	-	-	1,438	10	1,448				
Debt representative of shares of consolidated funds held by third parties	-	-	-	-	1,457	639	-	2,096				
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	87,584	222,010	9,280	318,874	1,457	50,288	11,102	62,847				

In millions of euros	31 December 2014											
	Trading book				Instruments designated as at fair value through profit or loss				Available-for-sale financial assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities portfolio	119,509	33,221	3,816	156,546	63,888	11,872	2,803	78,563	190,828	52,231	9,233	252,292
Treasury bills and government bonds	57,043	5,369		62,412	1,499	29		1,528	117,689	5,716		123,405
Asset Backed Securities ⁽¹⁾	-	11,684	2,165	13,849	-	-	-	-	-	3,691	232	3,923
<i>CDOs / CLOs ⁽²⁾</i>		199	2,140	2,339						141	224	365
<i>Other Asset Backed Securities</i>		11,485	25	11,510						3,550	8	3,558
Other fixed-income securities	13,847	14,125	1,230	29,202	1,814	4,638	32	6,484	65,303	39,513	1,888	106,704
Equities and other variable-income securities	48,619	2,043	421	51,083	60,575	7,205	2,771	70,551	7,836	3,311	7,113	18,260
Loans and repurchase agreements	-	160,228	5,548	165,776	-	264	-	264				
Loans		684		684		264		264				
Repurchase agreements		159,544	5,548	165,092								
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND AVAILABLE-FOR-SALE FINANCIAL ASSETS	119,509	193,449	9,364	322,322	63,888	12,136	2,803	78,827	190,828	52,231	9,233	252,292
Securities portfolio	74,857	3,823	232	78,912	-	-	-	-				
Treasury bills and government bonds	57,064	655		57,719								
Other fixed-income securities	6,216	2,847	232	9,295								
Equities and other variable-income securities	11,577	321		11,898								
Borrowings and repurchase agreements	-	182,733	14,000	196,733	-	1,921	88	2,009				
Borrowings		4,131	5	4,136		1,921	88	2,009				
Repurchase agreements		178,602	13,995	192,597								
Debt securities (note 5.f)	-	-	-	-	-	36,537	11,634	48,171				
Subordinated debt (note 5.f)	-	-	-	-	-	1,540	10	1,550				
Debt representative of shares of consolidated funds held by third parties	-	-	-	-	5,261	641	-	5,902				
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	74,857	186,556	14,232	275,645	5,261	40,639	11,732	57,632				

⁽¹⁾ These amounts do not represent the total amount of securitisation assets held by BNP Paribas, particularly those classified at inception as "Loans and Receivables", and those reclassified.

⁽²⁾ Collateralised Debt Obligations / Collateralised Loan Obligations

30 June 2015								
In millions of euros	Positive market value				Negative market value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	395	244,819	6,246	251,460	543	229,818	2,822	233,183
Foreign exchange derivatives	38	48,623		48,661	38	51,555	33	51,626
Credit derivatives		15,352	1,107	16,459		13,633	1,378	15,011
Equity derivatives	5,862	29,328	1,585	36,775	7,778	37,694	5,322	50,794
Other derivatives	925	4,748	64	5,737	856	3,922	712	5,490
Derivative financial instruments not used for hedging purposes	7,220	342,870	9,002	359,092	9,215	336,622	10,267	356,104
Derivative financial instruments used for hedging purposes	-	17,068	-	17,068	-	21,232	-	21,232

31 December 2014								
In millions of euros	Positive market value				Negative market value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	280	288,004	7,367	295,651	349	275,690	4,272	280,311
Foreign exchange derivatives	4	56,931	276	57,211	5	62,792	26	62,823
Credit derivatives		17,183	1,242	18,425		16,579	1,475	18,054
Equity derivatives	5,415	25,997	1,700	33,112	5,671	31,116	5,051	41,838
Other derivatives	1,375	6,718	6	8,099	1,071	5,730	423	7,224
Derivative financial instruments not used for hedging purposes	7,074	394,833	10,591	412,498	7,096	391,907	11,247	410,250
Derivative financial instruments used for hedging purposes	-	19,766	-	19,766	-	22,993	-	22,993

Transfers between levels may occur when an instrument fulfils the criteria defined, which are generally market and product dependent. The main factors influencing transfers are changes in the observation capabilities, passage of time, and events during the transaction lifetime. The timing of recognising transfers is determined at the end of the reporting period.

During the first half of 2015, transfers between Level 1 and Level 2 were not significant.

DESCRIPTION OF MAIN INSTRUMENTS IN EACH LEVEL

The following section provides a description of the instruments in each level in the hierarchy. It describes notably instruments classified in Level 3 and the associated valuation methodologies. For main trading book instruments and derivatives classified in Level 3, further quantitative information is provided about the inputs used to derive fair value.

Level 1

This level encompasses all derivatives and securities that are listed on exchanges or quoted continuously in other active markets.

Level 1 includes notably equity securities and liquid bonds, shortselling of these instruments, derivative instruments traded on organised markets (futures, options, ...). It includes shares of funds and UCITS, for which the net asset value is calculated on a daily basis, as well as debt representative of shares of consolidated funds held by third parties.

Level 2

The Level 2 stock of securities is composed of securities which are less liquid than the Level 1 bonds. They are predominantly government bonds, corporate debt securities, mortgage backed securities, fund shares and short-term securities such as certificates of deposit. They are classified in Level 2 notably when external prices for the same security can be regularly observed from a reasonable number of market makers that are active in this security, but these prices do not represent directly tradable prices. This comprises amongst other, consensus pricing services with a reasonable number of contributors that are active market makers as well as indicative runs from active brokers and/or dealers. Other sources such as primary issuance market, collateral valuation and counterparty collateral valuation matching may also be used where relevant.

Repurchase agreements are classified predominantly in Level 2. The classification is primarily based on the observability and liquidity of the repo market, depending on the underlying collateral.

Debts issued designated as at fair value through profit and loss, are classified in the same level as the one that would apply to the embedded derivative taken individually. The issuance spread is considered observable.

Derivatives classified in Level 2 comprise mainly the following instruments:

- Vanilla instruments such as interest rate swaps, caps, floors and swaptions, credit default swaps, equity/foreign exchange (FX)/commodities forwards and options;
- Structured derivatives such as exotic FX options, mono- and multi-underlying equity/funds derivatives, single curve exotic interest rate derivatives and derivatives based on structured rates.

Derivatives are classified in Level 2 when there is a documented stream of evidence supporting one of the following:

- Fair value is predominantly derived from prices or quotations of other Level 1 and Level 2 instruments, through standard market interpolation or stripping techniques whose results are regularly corroborated by real transactions;
- Fair value is derived from other standard techniques such as replication or discounted cash flows that are calibrated to observable prices, that bear limited model risk and enable an effective offset of the risks of the instrument through trading Level 1 or Level 2 instruments;
- Fair value is derived from more complex or proprietary valuation techniques but is directly evidenced through regular back-testing using external market-based data.

Determining of whether an over-the-counter (OTC) derivative is eligible for Level 2 classification involves judgement. Consideration is given to the origin, transparency and reliability of external data used, and the amount of uncertainty associated with the use of models. It follows that the Level 2 classification criteria involve multiple analysis axis within an “observability zone” whose limits are determined by i) a predetermined list of product categories and ii) the underlying and maturity bands. These criteria are regularly reviewed and updated, together with the applicable additional valuation adjustments, so that the classification by level remains consistent with the valuation adjustment policy.

Level 3

Level 3 securities of the trading book mainly comprise CLOs and CDOs of ABSs linked to legacy activity. Other Level 3 securities designated as at fair value through profit or loss or classified as available for sale comprise units of funds and unquoted equity shares.

CLOs represent the large majority of the Level 3 trading book stock. Fair value is determined using a methodology that takes into consideration both the available external indicative prices as well as discounted expected cash flows. Constant prepayment rates are amongst the main unobservable inputs required to model the underlying pool of cash flow payments. Other unobservable inputs are related to the cash/synthetic funding basis and the discounting margin.

CDOs of ABSs collateral pools comprise Commercial Real Estate Loans, Commercial Mortgage Backed Securities – CMBSs and Residential Mortgage Backed Securities – RMBSs. The fair value of CDOs is based on a “liquidation approach” and a “discounted expected cash flow” approach, depending on the distressed nature of the collateral.

For RMBSs, prices are obtained to a large extent from external sources, while for Commercial Real Estate Loans prices are independently valued by an external provider.

The Discounted Expected Cash flow approach for CDOs takes in consideration both an internal and an external independent set of hypotheses to derive expectations about the underlying cash flow payments. Such cash flow expectations are then passed through the CDO waterfall modelled in external platforms, allowing deriving cash flow expectations of the considered CDO tranche. Similarly to the above, fair value requires assumptions about the cash/synthetic funding basis and a discount margin.

Fund units relate to real estate funds for which the valuation of the underlying investments is not frequent, as well as hedge funds for which the observation of the net asset value is not frequent.

Unlisted private equities are systematically classified as Level 3, with the exception of UCITS with a daily net asset value, presented as unlisted securities in note 5.b, but which are classified in the Level 1 of the fair value hierarchy.

Repurchase agreements: mainly long-term or structured repurchase agreements on corporate bonds and ABSs: The valuation of these transactions requires proprietary methodologies given the bespoke nature of the transactions and the lack of activity and price discovery in the long-term repo market. The curves used in the valuation are corroborated using available data such as the implied basis of the relevant benchmark bond pool, recent long-term repo trade data and price enquiry data. Additional valuation adjustments applicable to these exposures are commensurate with the degree of uncertainty inherent in the modelling choices and amount of data available.

Debts issued designated as at fair value through profit or loss, are classified in the same level as the one that would apply to the embedded derivative taken individually. The issuance spread is considered observable.

Derivatives

Vanilla derivatives are classified in Level 3 when the exposure is beyond the observation zone for rate curves or volatility surfaces, or relates to less liquid markets such as tranches on old credit index series or emerging markets interest rates markets. The main instruments are:

- **Interest rate derivatives:** exposures mainly comprise swap products in less liquid currencies. Classification is driven by the lower liquidity of some maturities, while observation capabilities through consensus may be available. The valuation technique is standard, and uses external market information and extrapolation techniques.
- **Credit derivatives (CDS):** exposures mainly comprise CDSs beyond the maximum observable maturity and, to a much lesser extent, CDSs on illiquid or distressed names and CDSs on loan indices. Classification is driven by the lack of liquidity while observation capabilities may be available notably through consensus. Level 3 exposures also comprise CDS and Total Return Swaps (TRS) positions on securitised assets. These are priced along the same modelling techniques as the underlying bonds, taking into consideration the funding basis and specific risk premium.
- **Equity derivatives:** exposures essentially comprise long dated forward or volatility products or exposures where there is a limited market for optional products. The marking of the forward curves and volatility surfaces beyond the maximum observable maturity relies on extrapolation techniques. However, when there is no market for model input, volatility or forward is generally determined on the basis of proxy or historical analysis.

These vanilla derivatives are subject to additional valuation adjustments linked to uncertainty on liquidity, specialised by nature of underlying and liquidity bands.

Complex derivatives classified in Level 3 predominantly comprise hybrid products (FX/Interest Rates hybrids, Equity hybrids), credit correlation products, prepayment-sensitive products, some stock basket optional products and some interest rate optional instruments. The main exposures, related valuation techniques and associated source of uncertainty are as follows:

- **Hybrid FX/Interest rate products** essentially comprise a specific product family known as Power Reverse Dual Currency (PRDC). The valuation of PRDCs requires complex modelling of joint behaviour of FX and interest rate, and is notably sensitive to the unobservable FX/ interest rate correlations. PRDCs valuations are corroborated with recent trade data and consensus data.
- **Securitisation swaps** mainly comprise fixed rate swaps, cross currency or basis swaps whose notional is indexed to the prepayment behaviour of some underlying portfolio. The estimation of the maturity profile of securitisation swaps is corroborated by statistical estimates using external historical data.
- **Forward volatility options** are generally products whose pay-off is indexed to the future variability of a rate index such as volatility swaps. These products involve material model risk as it is difficult to infer forward volatility information from the market-traded instruments. The valuation adjustment framework is calibrated to the uncertainty inherent in the product, and to the range of uncertainty from the existing external consensus data.
- **Inflation derivatives** classified in Level 3 mainly comprise swap products on inflation indices that are not associated with a liquid indexed bond market, optional products on inflation indices (such as caps and floors) and other forms of inflation indices involving optionality on the inflation indices or on the inflation annual rate. Valuation techniques used for inflation derivatives are predominantly standard market models. Proxy techniques are used for a few limited exposures. Although the valuations are corroborated through monthly consensus data, these products are classified as Level 3 due to their lack of liquidity and some uncertainties inherent in the calibration.
- The valuation of **bespoke CDOs** requires correlation of default events. This information is inferred from the active index tranche market through a proprietary projection technique and involves proprietary extrapolation and interpolation techniques. Multi-geography CDOs further

require an additional correlation assumption. Finally, the bespoke CDO model also involves proprietary assumptions and parameters related to the dynamic of the recovery factor. CDO modelling, is calibrated on the observable index tranche markets, and is regularly back-tested against consensus data on standardised pools. The uncertainty arises from the model risk associated with the projection and geography mixing technique, and the uncertainty of associated parameters, together with the recovery modelling.

- ***N to Default baskets*** are other forms of credit correlation products, modelled through standard copula techniques. The main inputs required are the pair-wise correlations between the basket components which can be observed in the consensus and the transactions. Linear baskets are considered observable.

- ***Equity and equity-hybrid correlation products*** are instruments whose pay-off is dependent on the joint behaviour of a basket of equities/indices leading to a sensitivity of the fair value measurement to the correlation amongst the basket components. Hybrid versions of these instruments involve baskets that mix equity and non-equity underlyings such as commodity indices. Only a subset of the Equity/index correlation matrix is regularly observable and traded, while most cross-asset correlations are not active. Therefore, classification in Level 3 depends on the composition of the basket, the maturity, and the hybrid nature of the product. The correlation input is derived from a proprietary model combining historical estimators, and other adjustment factors, that are corroborated by reference to recent trades or external data. The correlation matrix is essentially available from consensus services, and when a correlation between two underlying instruments is not available, it might be obtained from extrapolation or proxy techniques.

These complex derivatives are subject to specific additional valuation adjustments to cover uncertainties linked to liquidity, parameters and model risk.

Valuation adjustments (CVA, DVA and FVA)

The additional valuation adjustment for counterparty credit risk (CVA), own-credit risk for derivatives (DVA) and the explicit funding valuation adjustment (FVA) are deemed to be unobservable components of the valuation framework and therefore classified in Level 3. This does not impact, in general cases, the classification of individual transactions into the fair value hierarchy. However, a specific process allows to identify individual deals for which the marginal contribution of these adjustments and related uncertainty is significant. Are particularly concerned some poorly collateralized instruments with very long residual maturity.

For these products classified in Level 3, the following table provides the range of values of main unobservable inputs. The ranges displayed correspond to a variety of different underlying instruments and are meaningful only in the context of the valuation technique implemented by BNP Paribas. The weighted averages, where relevant and available, are based on fair values, nominal amounts or sensitivities.

Risk classes	Balance Sheet valuation (in millions of euros)		Main product types composing the Level 3 stock within the risk class	Valuation technique used for the product types considered	Main unobservable inputs for the product types considered	Range of unobservable input across Level 3 population considered	Weighted average		
	Asset	Liability							
Cash instruments	2,019		Collateralised Loan Obligations (CLO) CDOs of ABSs (RMBSs, Commercial Real Estate Loans, CMBSs)	Combination of liquidation approach and discounted future cash flow approach	Discount margin	20 bp to 1,315 bp (1)	268 bp (a)		
					Constant payment rate (CLOs)	0 to 10%	10% (b)		
					Cash / synthetic funding basis (€)	-4 bp to 26 bp	not meaningful		
Repurchase agreements	5,281	9,098	Long-term repo and reverse-repo agreements	Proxy techniques, based amongst other on the funding basis of a benchmark bond pool, that is actively traded and representative of the repo underlying	Long-term repo spread on private bonds (High Yield, High Grade) and on ABSs	0 bp to 85 bp	47 bp (c)		
Interest rate derivatives	6,246	2,822	Hybrid Forex / Interest rates derivatives	Hybrid Forex interest rate option pricing model	Correlation between FX rate and interest rates. Main currency pairs are EUR/JPY, USD/JPY, AUD/JPY	13% to 56%	40% (c)		
					Volatility of cumulative inflation	0.9% to 11%	(d)		
					Volatility of the year on year inflation rate	0.4% to 1.8%			
					Forward Volatility products such as volatility swaps, mainly in euro	Interest rates option pricing model	Forward volatility of interest rates	0.4% to 0.7%	(d)
			Balance-guaranteed fixed rate, basis or cross currency swaps, predominantly on European collateral pools	Prepayment modeling Discounted cash flows	Constant prepayment rates	0.1 % to 40%	9% (c)		
Credit Derivatives	1,107	1,378	Collateralised Debt Obligations and index tranches for inactive index series	Base correlation projection technique and recovery modelling	Base correlation curve for bespoke portfolios	10% to 97%	NA (d)		
					Inter-regions default cross correlation	70 % to 90%	80%(a)		
					Recovery rate variance for single name underlyings	0 to 25%	(d)		
					N-to-default baskets	Credit default model	Default correlation	50% to 98%	60% (c)
					Single name Credit Default Swaps (other than CDS on ABSs and loans indices)	Stripping, extrapolation and interpolation	Credit default spreads beyond observation limit (10 years)	38 bp to 132 bp (2)	104 bp (a)
			Illiquid credit default spread curves (across main tenors)	11 bp to 24,527 bp (3)	7,502 bp (a)				
Equity Derivatives	1,585	5,322	Simple and complex derivatives on multi-underlying baskets on stocks	Various volatility option models	Unobservable equity volatility	0% to 132% (4)	26% (e)		
					Unobservable equity correlation	23% to 98%	66% (a)		

- (1) The lower part of the range is relative to short dated securities, while the upper relates to US CDOs of ABSs, which are not significant to the balance sheet since their prices are close to zero. Removing these outliers, the discount margin would range from 20bp to 743bp.
- (2) The upper part of the range relates to non material balance sheet and net risk position on a European corporate. The other part relates mainly to sovereign issuers.
- (3) The upper bound of the range relates to distressed names that represent an insignificant portion of the balance sheet on CDSs with illiquid underlying. Removing the two names having the highest spread, the upper bound of the range would be around 1,050 bp and the middle bound of the range would be around 160 bp.
- (4) The upper part of the range relates to an equity instrument representing a non-material portion of the balance sheet on options with equity underlying instruments. Removing this outlier, the upper bound of the range would be around 75 %.
-
- (a) Weighting is not based on risks, but on an alternative methodology in relation with the Level 3 instruments (PV or notional)
- (b) The upper bound of the range relates to CLOs which represent the large majority of the exposures
- (c) Weights based on relevant risk axis at portfolio level
- (d) No weighting since no explicit sensitivity is attributed to these inputs
- (e) Simple averaging

TABLE OF MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS

For Level 3 financial instruments, the following movements occurred between 1 January 2014 and 30 June 2015:

In millions of euros	Financial Assets				Financial Liabilities		
	Financial instruments at fair value through profit or loss held for trading	Financial instruments designated as at fair value through profit or loss	Available-for-sale financial assets	TOTAL	Financial instruments at fair value through profit or loss held for trading	Financial instruments designated as at fair value through profit or loss	TOTAL
At 31 December 2013	14,237	2,859	7,680	24,776	(16,896)	(10,123)	(27,019)
Purchases	8,725	2,743	3,532	15,000	-	-	-
Issues	-	-	-	-	(12,622)	(4,506)	(17,128)
Sales	(1,459)	(2,562)	(1,266)	(5,287)	-	-	-
Settlements ⁽¹⁾	(7,727)	(233)	(1,262)	(9,222)	3,838	2,507	6,345
Transfers to level 3	3,204	-	90	3,294	(2,188)	(4,178)	(6,366)
Transfers from level 3	(3,106)	(122)	(409)	(3,637)	332	4,197	4,529
Gains (or losses) recognised in profit or loss with respect to transactions expired or terminated during the period	132	48	(87)	93	880	239	1,119
Gains (or losses) recognised in profit or loss with respect to unexpired instruments at the end of the period	5,302	70	(8)	5,364	2,127	313	2,440
Changes in fair value of assets and liabilities recognised directly in equity	-	-	-	-	-	-	-
- Items related to exchange rate movements	647	-	151	798	(950)	(181)	(1,131)
- Changes in fair value of assets and liabilities recognised in equity	-	-	812	812	-	-	-
At 31 December 2014	19,955	2,803	9,233	31,991	(25,479)	(11,732)	(37,211)
Purchases	7,115	1,796	998	9,909	-	-	-
Issues	-	-	-	-	(6,562)	(4,004)	(10,566)
Sales	(1,551)	(1,447)	(801)	(3,799)	-	-	-
Settlements ⁽¹⁾	(8,162)	(44)	(895)	(9,101)	12,050	3,784	15,834
Transfers to level 3	870	144	98	1,112	80	(1,067)	(987)
Transfers from level 3	(1,540)	(75)	(388)	(2,003)	823	2,043	2,866
Gains (or losses) recognised in profit or loss with respect to transactions expired or terminated during the period	(1,590)	116	(73)	(1,547)	(638)	142	(496)
Gains (or losses) recognised in profit or loss with respect to unexpired instruments at the end of the period	1,502	30	(47)	1,485	762	(35)	727
Changes in fair value of assets and liabilities recognised directly in equity	-	-	-	-	-	-	-
- Items related to exchange rate movements	525	-	127	652	(583)	(233)	(816)
- Changes in fair value of assets and liabilities recognised in equity	-	-	78	78	-	-	-
At 30 June 2015	17,124	3,323	8,330	28,777	(19,547)	(11,102)	(30,649)

⁽¹⁾ For the assets, includes redemptions of principal, interest payments as well as cash inflows and outflows relating to derivatives. For the liabilities, includes principal redemptions, interest payments as well as cash inflows and outflows relating to derivatives the fair value of which is negative.

Transfers out of Level 3 of derivatives at fair value include mainly the lengthening of the observability tenor of certain yield curves, but also the effect of derivatives becoming only or mainly sensitive to observable inputs due to the shortening of their lifetime.

Transfers into Level 3 of instruments at fair value reflect the effect of the regular update of the observability zones.

Transfers have been reflected as if they had taken place at the end of the reporting period.

The Level 3 financial instruments may be hedged by other Level 1 and Level 2 instruments, the gains and losses of which are not shown in this table. Consequently, the gains and losses shown in this table are not representative of the gains and losses arising from management of the net risk on all these instruments.

SENSITIVITY OF FAIR VALUE TO REASONABLY POSSIBLE CHANGES IN LEVEL 3 ASSUMPTIONS

The following table summarises those financial assets and financial liabilities classified as Level 3 for which alternative assumptions in one or more of the unobservable inputs would change fair value significantly.

The amounts disclosed are intended to illustrate the range of possible uncertainty inherent to the judgement applied when estimating Level 3 parameters, or when selecting valuation techniques. These amounts reflect valuation uncertainties that prevail at the measurement date, and even though such uncertainties predominantly derive from the portfolio sensitivities that prevailed at that measurement date, they are not predictive or indicative of future movements in fair value, nor do they represent the effect of market stress on the portfolio value.

In estimating sensitivities, BNP Paribas either remeasured the financial instruments using reasonably possible inputs, or applied assumptions based on the additional valuation adjustment policy.

For the sake of simplicity, the sensitivity on cash instruments that are not relating to securitised instruments was based on a uniform 1% shift in the price. More specific shifts were however calibrated for each class of the Level 3 securitised exposures, based on the possible ranges of the unobservable inputs.

For derivative exposures, the sensitivity measurement is based on the additional credit valuation (CVA), the explicit funding valuation adjustment (FVA) and the parameter and model uncertainty additional adjustments related to Level 3.

Regarding the additional credit valuation (CVA) and the explicit funding valuation adjustment (FVA), the uncertainty was calibrated based on prudent valuation adjustments described in the technical standard “Prudent Valuation” published by the European Banking Authority. For other additional adjustments, two scenarios were considered: a favourable scenario where all or portion of the additional valuation adjustment is not considered by market participants, and an unfavourable scenario where market participants would require as much as twice the additional valuation adjustments considered by BNP Paribas for entering into a transaction.

In millions of euros	30 June 2015		31 December 2014	
	Potential impact on income	Potential impact on equity	Potential impact on income	Potential impact on equity
Treasury bills and government bonds				
Asset Backed Securities (ABS)	+/-41		+/-43	+/-2
<i>CDOs / CLOs</i>	+/-40		+/-43	+/-2
<i>Other Asset Backed Securities</i>	+/-1			
Other fixed-income securities	+/-3	+/-16	+/-10	+/-19
Equities and other variable-income securities	+/-36	+/-67	+/-32	+/-71
Repurchase agreements	+/-38		+/-84	
Derivative financial instruments	+/-1,038		+/-1,076	
<i>Interest rate derivatives</i>	+/-786		+/-831	
<i>Credit derivatives</i>	+/-62		+/-73	
<i>Equity derivatives</i>	+/-150		+/-135	
<i>Other derivatives</i>	+/-40		+/-37	
Sensitivity of Level 3 financial instruments	+/-1,156	+/-83	+/-1,245	+/-92

DEFERRED MARGIN ON FINANCIAL INSTRUMENTS MEASURED USING TECHNIQUES DEVELOPED INTERNALLY AND BASED ON INPUTS PARTLY UNOBSERVABLE IN ACTIVE MARKETS

Deferred margin on financial instruments (“Day One Profit”) only concerns the scope of market activities eligible for Level 3.

The day one profit is calculated after setting aside additional valuation adjustments for uncertainties as described previously and released to profit or loss over the expected period for which the inputs will be unobservable. The unamortised amount is included under “Financial instruments at fair value through profit or loss” as a reduction in the fair value of the relevant complex transactions.

In millions of euros	Deferred margin at 31 December 2014	Deferred margin on transactions during the year	Margin taken to the profit and loss account during the year	Deferred margin at 30 June 2015
Interest rate derivatives	248	119	(43)	324
Credit derivatives	169	29	(55)	143
Equity derivatives	316	111	(130)	297
Other derivatives	18	3	(8)	13
Derivative financial instruments	751	262	(236)	777

5.d INTERBANK AND MONEY-MARKET ITEMS

• Loans and receivables due from credit institutions

In millions of euros	30 June 2015	31 December 2014
On demand accounts	10,356	7,924
Loans ⁽¹⁾	30,553	33,010
Repurchase agreements	3,144	2,671
Total loans and receivables due from credit institutions, before impairment	44,053	43,605
<i>of which doubtful loans</i>	<i>400</i>	<i>439</i>
Impairment of loans and receivables due from credit institutions	(250)	(257)
specific impairment	(221)	(230)
collective provisions	(29)	(27)
Total loans and receivables due from credit institutions, net of impairment	43,803	43,348

⁽¹⁾ Loans and receivables due from credit institutions include term deposits made with central banks, which amounted to EUR 2,822 million as at 30 June 2015 (EUR 1,973 million as at 31 December 2014).

• Due to credit institutions

In millions of euros	30 June 2015	31 December 2014
On demand accounts	9,365	11,618
Borrowings	75,123	72,956
Repurchase agreements	8,936	5,778
Total due to credit institutions	93,424	90,352

5.e CUSTOMER ITEMS

• Loans and receivables due from customers

In millions of euros	30 June 2015	31 December 2014
On demand accounts	62,782	58,444
Loans to customers	621,796	596,293
Repurchase agreements	13,558	1,832
Finance leases	26,293	27,252
Total loans and receivables due from customers, before impairment	724,429	683,821
<i>of which doubtful loans</i>	<i>42,778</i>	<i>42,896</i>
Impairment of loans and receivables due from customers	(27,024)	(26,418)
specific impairment	(23,493)	(22,762)
collective provisions	(3,531)	(3,656)
Total loans and receivables due from customers, net of impairment	697,405	657,403

• Due to customers

In millions of euros	30 June 2015	31 December 2014
On demand deposits	390,120	350,502
Savings accounts	138,593	127,065
Term accounts and short-term notes	152,329	159,312
Repurchase agreements	6,323	4,670
Total due to customers	687,365	641,549

5.f DEBT SECURITIES AND SUBORDINATED DEBT

This note covers all debt securities in issue and subordinated debt measured at amortised cost and designated as at fair value through profit or loss.

DEBT SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (note 5.a)

Issuer / Issue date	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest step-up	Conditions precedent for coupon payment ⁽¹⁾	Amount ⁽²⁾ eligible to Tier 1	Amount ⁽²⁾ eligible to Tier 2	30 June 2015	31 Dec. 2014
In millions of euros										
Debt securities									57,050	48,171
Subordinated debt							241	329	1,448	1,550
- Redeemable subordinated debt			⁽³⁾				-	292	522	733
- Perpetual subordinated debt							241	37	926	817
BNP Paribas Fortis Dec. 2007	EUR	3,000	Dec.-14	3-month Euribor +200 bp		A	241		889	780
Others								37	37	37

1. ⁽¹⁾ Conditions precedent for coupon payment:

2. A Coupon payments are halted should the issuer have insufficient capital or the underwriters become insolvent or when the dividend declared for Ageas shares falls below a certain threshold.

3. ⁽²⁾ Given the eligibility criteria and prudential adjustments, including the own credit risk and instruments amortisation.

4. ⁽³⁾ After agreement from the banking supervisory authority and at the issuer's initiative, these debt issues may contain a call provision authorising the Group to redeem the securities prior to maturity by repurchasing them in the stock market, via public tender offers, or in the case of private placements over the counter. Debt issued by BNP Paribas SA or foreign subsidiaries of the Group via placements in the international markets may be subject to early redemption of the capital and early payment of interest due at maturity at the issuer's discretion on or after a date stipulated in the issue particulars (call option), or in the event that changes in the applicable tax rules oblige the BNP Paribas group issuer to compensate debt-holders for the consequences of such changes. Redemption may be subject to a notice period of between 15 and 60 days, and is in all cases subject to approval by the banking supervisory authorities.

The perpetual subordinated debt recognised at fair value through profit or loss mainly consists of Convertible And Subordinated Hybrid Equity-linked Securities (CASHES) issued by BNP Paribas Fortis (previously Fortis Banque) in December 2007.

The CASHES are perpetual securities but may be exchanged for Ageas (previously Fortis SA/NV) shares at the holder's sole discretion at a price of EUR 239.40. However, as of 19 December 2014, the CASHES will be automatically exchanged into Ageas shares if their price is equal to or higher than EUR 359.10 for twenty consecutive trading days. The principal amount will never be redeemed in cash. The rights of the CASHES holders are limited to the Ageas shares held by BNP Paribas Fortis and pledged to them.

Ageas and BNP Paribas Fortis have entered into a Relative Performance Note (RPN) contract, the value of which varies contractually so as to offset the impact on BNP Paribas Fortis of the relative difference between changes in the value of the CASHES and changes in the value of the Ageas shares.

On 7 May 2015, BNP Paribas and Ageas reached a new agreement which allows BNP Paribas to purchase outstanding CASHES under the condition that these are converted into Ageas shares, leading to a proportionate settlement of the RPN. The agreement between Ageas and BNP Paribas will expire by year-end 2016.

As at 30 June 2015, the net balance represents a subordinated liability of EUR 241 million that is eligible to Tier 1 capital (during the transitional period).

DEBT SECURITIES MEASURED AT AMORTISED COST

Issuer / Issue date	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest step-up	Conditions precedent for coupon payment ⁽¹⁾	Amount ⁽²⁾ eligible to Tier 1	Amount ⁽²⁾ eligible to Tier 2	30 June 2015	31 Dec. 2014	
In millions of euros											
Debt securities									185,036	187,074	
- Debt securities in issue with an initial maturity of less than one year									95,573	95,673	
Negotiable debt securities									95,573	95,673	
- Debt securities in issue with an initial maturity of more than one year									89,463	91,401	
Negotiable debt securities									78,167	80,079	
Bonds									11,296	11,322	
Subordinated debt								9,151	14,575	13,936	
- Redeemable subordinated debt ⁽³⁾								-	8,318	12,696	12,095
- Undated subordinated notes ⁽³⁾									611	1,627	1,607
BNP Paribas SA Oct. 85	EUR	305	-	TMO - 0.25%	-	B		254	254	254	
BNP Paribas SA Sept. 86	USD	500	-	6 month Libor + 0.075%	-	C		246	246	226	
BNP Paribas Cardif Nov. 14	EUR	1,000	Nov. - 25	4.032%	3 months Euribor + 393 bp	D			1,000	1,000	
Others								111	127	127	
- Participating notes									222	222	222
BNP Paribas SA July 84 ⁽⁴⁾	EUR	337	-	⁽⁵⁾	-	NA		215	215	215	
Others								7	7	7	
- Expenses and commission, related debt									-	30	12

⁽¹⁾ Conditions precedent for coupon payment

B Payment of the interest is mandatory, unless the Board of Directors decides to postpone these payments after the Shareholders' General Meeting has officially noted that there is no income available for distribution, where this occurs within the 12-month period preceding the due date for payment of the interest. Interest payments are cumulative and are payable in full once dividend payments resume.

C Payment of the interest is mandatory, unless the Board of Directors decides to postpone these payments after the Shareholders' General Meeting in ordinary session has validated the decision not to pay out a dividend, where this occurs within the 12-month period preceding the due date for payment of the interest. Interest payments are cumulative and are payable in full once dividend payments resume. The bank has the option of resuming payment of interest arrears, even where no dividend is paid out.

D Payment of the interest is mandatory, except for cases of regulatory deficiency, in agreement with the regulator, or of suspension of payments. Interest payments are cumulative and are payable in full, once coupon payments resume, or, if these events occur before, when the issuance is redeemed or when the issuer is liquidated.

⁽²⁾ Given the eligibility criteria and prudential adjustments, including the instruments amortisation.

⁽³⁾ See reference relating to "Debt securities at fair value through profit or loss".

⁽⁴⁾ The participating notes issued by BNP Paribas SA may be repurchased as provided for in the law of 3 January 1983. The number of notes in the market is 1,434,092.

⁽⁵⁾ Depending on net income subject to a minimum of 85% of the TMO rate and a maximum of 130% of the TMO rate.

On 27 October 2014, BNP Paribas Fortis redeemed the perpetual subordinated notes issued in October 2004 for EUR 1 billion.

On 25 November 2014, BNP Paribas Cardif issued EUR 1 billion of undated subordinated notes.

On 20 January 2015, BancWest Corporation redeemed the USD 100 million redeemable subordinated notes issued in July 1997. Their euro-equivalent value as at 31 December 2014 was EUR 83 million and they were eligible to Tier 1.

5.g CURRENT AND DEFERRED TAXES

In millions of euros	30 June 2015	31 December 2014 ⁽¹⁾
Current taxes	1,559	1,470
Deferred taxes	6,699	7,158
Current and deferred tax assets	8,258	8,628
Current taxes	969	794
Deferred taxes	1,934	2,126
Current and deferred tax liabilities	2,903	2,920

⁽¹⁾ Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

5.h ACCRUED INCOME/EXPENSE AND OTHER ASSETS/LIABILITIES

In millions of euros	30 June 2015	31 December 2014 ⁽¹⁾
Guarantee deposits and bank guarantees paid	65,879	65,765
Settlement accounts related to securities transactions	23,087	12,703
Collection accounts	461	427
Reinsurers' share of technical reserves	2,892	2,782
Accrued income and prepaid expenses	5,550	5,520
Other debtors and miscellaneous assets	24,051	22,891
Total accrued income and other assets	121,920	110,088
Guarantee deposits received	40,815	41,936
Settlement accounts related to securities transactions	17,705	13,908
Collection accounts	1,277	1,004
Accrued expense and deferred income	7,865	8,030
Other creditors and miscellaneous liabilities	28,767	22,844
Total accrued expense and other liabilities	96,429	87,722

⁽¹⁾ Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

5.i GOODWILL

In millions of euros	First half 2015
Carrying amount at start of period	10,577
Acquisitions	22
Divestments	-
Impairment recognised during the period	-
Exchange rate adjustments	420
Other movements	5
Carrying amount at end of period	11,024
Gross value	12,746
Accumulated impairment recognised at the end of period	(1,722)

Goodwill by cash-generating unit is as follows:

In millions of euros	Carrying amount	
	30 June 2015	31 December 2014
Retail Banking & Services	9,843	9,477
Domestic Markets	1,958	1,931
<i>Arval</i>	347	317
<i>Italian Retail Banking</i>	917	917
<i>Leasing Solutions</i>	139	138
<i>Personal Investors</i>	549	553
<i>Other</i>	6	6
International Financial Services	7,885	7,546
<i>Insurance</i>	299	292
<i>BancWest</i>	4,479	4,125
<i>Personal Finance</i>	1,345	1,376
<i>Personal Finance - partnership tested individually</i>	438	438
<i>Investment Partners</i>	176	169
<i>Real Estate</i>	379	375
<i>Wealth Management</i>	397	389
<i>Turk Ekonomi Bankasi A.S</i>	237	251
<i>Bank BGZ BNP Paribas</i>	104	102
<i>Others</i>	31	29
Corporate & Institutional Banking	1,178	1,097
<i>Corporate Banking</i>	277	274
<i>Global Markets</i>	429	408
<i>Securities Services</i>	472	415
Other Activities	3	3
Total goodwill	11,024	10,577

5.j PROVISIONS FOR CONTINGENCIES AND CHARGES

• Provisions for contingencies and charges by type

In millions of euros	31 December 2014	Net additions to provisions	Provisions used	Changes in value recognised directly in equity	Effect of movements in exchange rates and other movements	30 June 2015
Provisions for employee benefits	6,904	191	(235)	(260)	99	6,699
Provisions for home savings accounts and plans	137	34				171
Provisions for credit commitments	1,014	18	(56)		(9)	967
Provisions for litigations	2,193	(50)	(138)		(14)	1,991
Other provisions for contingencies and charges	2,089	(100)	(152)		5	1,842
Total provisions for contingencies and charges	12,337	93	(581)	(260)	81	11,670

5.k OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

The following table presents the amounts of financial assets and liabilities before and after offsetting. This information, required by IFRS 7, aims to enable the comparability with the accounting treatment applicable in accordance with generally accepted accounting principles in the United States (US GAAP), which are less restrictive than IAS 32 as regards offsetting.

“Amounts set off on the balance sheet” have been determined according to IAS 32. Thus, a financial asset and a financial liability are offset and the net amount presented on the balance sheet when, and only when, the Group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Amounts set off derive mainly from repurchase agreements and derivative instruments traded with clearing houses.

The “impacts of master netting agreements and similar agreements” are relative to outstanding amounts of transactions within an enforceable agreement, which do not meet the offsetting criteria defined by IAS 32. This is the case of transactions for which offsetting can only be performed in case of default, insolvency or bankruptcy of one of the contracting parties.

“Financial instruments given or received as collateral” include guarantee deposits and securities collateral recognised at fair value. These guarantees can only be exercised in case of default, insolvency or bankruptcy of one of the contracting parties.

Regarding master netting agreements, the guarantee deposits received or given in compensation for the positive or negative fair values of financial instruments are recognised in the balance sheet in accrued income or expenses and other assets or liabilities.

In millions of euros, at 30 June 2015	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts
Assets						
Financial instruments at fair value through profit or loss						
Trading securities	206,138		206,138			206,138
Loans	275		275			275
Repurchase agreements	289,701	(110,035)	179,666	(36,180)	(141,698)	1,788
Instruments designated as at fair value through profit or loss	83,688		83,688			83,688
Derivative financial instruments (including derivatives used for hedging purposes)	559,566	(183,406)	376,160	(294,580)	(27,488)	54,092
Loans and receivables due from customers and credit institutions	743,439	(2,231)	741,208	(3,363)	(13,172)	724,673
<i>of which repurchase agreements</i>	<i>18,360</i>	<i>(1,658)</i>	<i>16,702</i>	<i>(3,363)</i>	<i>(13,172)</i>	<i>167</i>
Accrued income and other assets	126,771	(4,851)	121,920		(36,001)	85,919
<i>of which guarantee deposits paid</i>	<i>65,879</i>		<i>65,879</i>		<i>(36,001)</i>	<i>29,878</i>
Other assets not subject to offsetting	429,454		429,454			429,454
TOTAL ASSETS	2,439,032	(300,523)	2,138,509	(334,123)	(218,359)	1,586,027

In millions of euros, at 30 June 2015	Gross amounts of financial liabilities	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts
Liabilities						
Financial instruments at fair value through profit or loss						
Trading securities	91,671		91,671			91,671
Borrowings	2,682		2,682			2,682
Repurchase agreements	334,556	(110,035)	224,521	(37,027)	(184,856)	2,638
Instruments designated as at fair value through profit or loss	62,847		62,847			62,847
Derivative financial instruments (including derivatives used for hedging purposes)	560,742	(183,406)	377,336	(294,580)	(39,810)	42,946
Due to customers and to credit institutions	783,020	(2,231)	780,789	(2,516)	(12,563)	765,710
<i>of which repurchase agreements</i>	<i>16,917</i>	<i>(1,658)</i>	<i>15,259</i>	<i>(2,516)</i>	<i>(12,563)</i>	<i>180</i>
Accrued expense and other liabilities	101,280	(4,851)	96,429		(28,256)	68,173
<i>of which guarantee deposits received</i>	<i>40,815</i>		<i>40,815</i>		<i>(28,256)</i>	<i>12,559</i>
Other liabilities not subject to offsetting	406,111		406,111			406,111
TOTAL LIABILITIES	2,342,909	(300,523)	2,042,386	(334,123)	(265,485)	1,442,778

In millions of euros, at 31 December 2014 ⁽¹⁾	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts
Assets						
Financial instruments at fair value through profit or loss						
Trading securities	156,546		156,546			156,546
Loans	684		684			684
Repurchase agreements	270,731	(105,639)	165,092	(32,176)	(128,899)	4,017
Instruments designated as at fair value through profit or loss	78,827		78,827			78,827
Derivative financial instruments (including derivatives used for hedging purposes)	712,876	(280,612)	432,264	(350,206)	(33,258)	48,800
Loans and receivables due from customers and credit institutions	701,323	(572)	700,751	(878)	(3,516)	696,357
<i>of which repurchase agreements</i>	<i>4,503</i>		<i>4,503</i>	<i>(878)</i>	<i>(3,516)</i>	<i>109</i>
Accrued income and other assets	112,575	(2,487)	110,088		(39,669)	70,419
<i>of which guarantee deposits paid</i>	<i>65,765</i>		<i>65,765</i>		<i>(39,669)</i>	<i>26,096</i>
Other assets not subject to offsetting	433,506		433,506			433,506
TOTAL ASSETS	2,467,068	(389,310)	2,077,758	(383,260)	(205,342)	1,489,156

In millions of euros, at 31 December 2014 ⁽¹⁾	Gross amounts of financial liabilities	Gross amounts set off on the balance sheet	Net amounts presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts
Liabilities						
Financial instruments at fair value through profit or loss						
Trading securities	78,912		78,912			78,912
Borrowings	4,136		4,136			4,136
Repurchase agreements	298,236	(105,639)	192,597	(31,353)	(149,703)	11,541
Instruments designated as at fair value through profit or loss	57,632		57,632			57,632
Derivative financial instruments (including derivatives used for hedging purposes)	713,855	(280,612)	433,243	(350,206)	(46,936)	36,101
Due to customers and to credit institutions	732,473	(572)	731,901	(1,701)	(8,121)	722,079
<i>of which repurchase agreements</i>	<i>10,448</i>		<i>10,448</i>	<i>(1,701)</i>	<i>(8,121)</i>	<i>626</i>
Accrued expense and other liabilities	90,209	(2,487)	87,722		(33,665)	54,057
<i>of which guarantee deposits received</i>	<i>41,936</i>		<i>41,936</i>		<i>(33,665)</i>	<i>8,271</i>
Other liabilities not subject to offsetting	397,926		397,926			397,926
TOTAL LIABILITIES	2,373,379	(389,310)	1,984,069	(383,260)	(238,425)	1,362,384

⁽¹⁾ Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.)

6. ADDITIONAL INFORMATION

6.a CHANGES IN SHARE CAPITAL AND EARNINGS PER SHARE

At 30 June 2015, the share capital of BNP Paribas SA amounted to EUR 2,492,372,484, and was divided into 1,246,186,242 shares. The nominal value of each share is EUR 2. At 31 December 2014, the share capital amounted to EUR 2,491,915,350 and was divided into 1,245,957,675 shares.

• Ordinary shares issued by BNP Paribas and held by the Group

	Proprietary transactions		Trading transactions ⁽¹⁾		Total	
	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)
Shares held at 31 December 2013	2,798,942	138	(375,580)	(22)	2,423,362	116
Acquisitions	296,795	16			296,795	16
Disposals	(257,239)	(14)			(257,239)	(14)
Shares delivered to employees	(773,316)	(32)			(773,316)	(32)
Other movements			3,135,827	159	3,135,827	159
Shares held at 30 June 2014	2,065,182	108	2,760,247	137	4,825,429	245
Acquisitions	1,691,027	83			1,691,027	83
Disposals	(393,665)	(21)			(393,665)	(21)
Capital decrease	(390,691)	(30)			(390,691)	(30)
Other movements			(6,003,715)	(297)	(6,003,715)	(297)
Shares held at 31 December 2014	2,971,853	140	(3,243,468)	(160)	(271,615)	(20)
Acquisitions	478,402	24			478,402	24
Disposals	(444,829)	(22)			(444,829)	(22)
Shares delivered to employees	(1,340,114)	(59)			(1,340,114)	(59)
Other movements			4,880,552	249	4,880,552	249
Shares held at 30 June 2015	1,665,312	83	1,637,084	89	3,302,396	172

⁽¹⁾ Transactions realised in the framework of an activity of trading and arbitrage transactions on equity indices.

At 30 June 2015, the BNP Paribas Group was a net buyer of 3,302,396 BNP Paribas shares representing an amount of EUR 172 million, which was recognised as a reduction in equity.

In 2015, BNP Paribas SA has acquired on the market 65,000 shares (liquidity contract excluded), at an average price of EUR 44.83 per share, with the intention of cancelling these shares.

Under the Bank's market-making agreement relating to the BNP Paribas share on the Italian market made with Exane BNP Paribas, and in line with the Code of Ethics recognised by the AMF, BNP Paribas SA bought back 413,402 shares in 2015 at an average share price of EUR 51.96, and sold 444,829 shares at an average share price of EUR 52.46. At 30 June 2015, 141,439 shares worth EUR 7.9 million were held by BNP Paribas SA under this agreement.

From 1 January 2015 to 30 June 2015, 1,340,114 shares were delivered following the definitive award of performance shares to their beneficiaries.

- **Preferred shares and Undated Super Subordinated Notes eligible as Tier 1 regulatory capital**

- Preferred shares issued by the Group’s foreign subsidiaries

The LaSer group, which has been fully consolidated since 25 July 2014, made in 2004 two issues of undated non-voting preferred shares through a special purpose entity governed by UK law and exclusively controlled by this group. Since the first call date, these preferred shares are redeemable at par at the issuer’s discretion at each quarterly coupon date.

Issuer	Date of issue	Currency	Amount (in millions of euros)	Rate and term before 1st call date	Rate after 1st call date
Cofinoga Funding II LP	January and May 2004	EUR	80	TEC 10 ⁽¹⁾ +1.35% 10 years	TEC 10 ⁽¹⁾ + 1.35%
Total at 30 June 2015			73 ⁽²⁾		

⁽¹⁾ TEC 10 is the daily long-term government bond index, corresponding to the yield-to-maturity of a fictitious 10-year Treasury note.

⁽²⁾ Value at the date of acquisition of control over the LaSer group.

These issues and the related dividends are recorded under “Minority interests” in the balance sheet.

- Undated Super Subordinated Notes issued by BNP Paribas SA

BNP Paribas SA has issued Undated Super Subordinated Notes which pay a fixed or floating rate coupon and are redeemable at the end of a fixed period and thereafter at each coupon date. Some of these issues will pay a coupon indexed to Euribor, Libor or euro swap rate if the notes are not redeemed at the end of this period.

On 17 June 2015, BNP Paribas SA has issued Undated Super Subordinated Notes for an amount of EUR 750 million, which pay a 6.125% fixed rate coupon. The notes could be redeemed at the end of a 7-year period. If the notes are not redeemed in 2022, a 5-year euro swap rate coupon will be paid half-yearly. This issue is eligible to Additional Tier 1 capital.

On 29 June 2015, BNP Paribas redeemed the June 2005 issue for a total amount of USD 1,070 million at the first date of call. These notes paid a 5.186% fixed rate coupon.

The following table summarises the characteristics of these various issues:

Date of issue	Currency	Amount (in millions of currency units)	Coupon payment date	Rate and term before 1st call date		Rate after 1st call date
October 2005	EUR	1,000	annual	4.875%	6 years	4.875%
October 2005	USD	400	annual	6.25%	6 years	6.250%
April 2006	EUR	549	annual	4.73%	10 years	3-month Euribor + 1.690%
April 2006	GBP	450	annual	5.945%	10 years	GBP 3-month Libor + 1.130%
July 2006	EUR	150	annual	5.45%	20 years	3-month Euribor + 1.920%
July 2006	GBP	163	annual	5.954%	10 years	GBP 3-month Libor + 1.810%
April 2007	EUR	638	annual	5.019%	10 years	3-month Euribor + 1.720%
June 2007	USD	600	quarterly	6.5%	5 years	6.50%
June 2007	USD	1,100	semi-annual	7.195%	30 years	USD 3-month Libor + 1.290%
October 2007	GBP	200	annual	7.436%	10 years	GBP 3-month Libor + 1.850%
June 2008	EUR	500	annual	7.781%	10 years	3-month Euribor + 3.750%
September 2008	EUR	100	annual	7.57%	10 years	3-month Euribor + 3.925%
December 2009	EUR	2	quarterly	3-month Euribor + 3.750%	10 years	3-month Euribor + 4.750%
December 2009	EUR	17	annual	7.028%	10 years	3-month Euribor + 4.750%
December 2009	USD	70	quarterly	USD 3-month Libor + 3.750%	10 years	USD 3-month Libor + 4.750%
December 2009	USD	0.5	annual	7.384%	10 years	USD 3-month Libor + 4.750%
June 2015	EUR	750	semi-annual	6.125%	7 years	EUR 5-year swap rate + 5.230%
Total euro-equivalent value at 30 June 2015		6,468 ⁽¹⁾				

⁽¹⁾ Net of shares held in treasury by Group entities

BNP Paribas has the option of not paying interest due on these Undated Super Subordinated Notes if no dividends were paid on BNP Paribas SA ordinary shares or on Undated Super Subordinated Note equivalents in the previous year. Interest due has to be paid in case of dividend distribution on BNP Paribas SA ordinary shares. This clause is not stipulated in the June 2015 issue. Unpaid interest is not carried forward.

The contracts relating to these Undated Super Subordinated Notes contain a loss absorption clause. Under the terms of this clause, in the event of insufficient regulatory capital – which is not fully offset by a capital increase or any other equivalent measure – the nominal value of the notes may be reduced in order to serve as a new basis for the calculation of the related coupons until the capital deficiency is made up and the nominal value of the notes is increased to its original amount. However, in the event of the liquidation of BNP Paribas SA, the amount due to the holders of these notes will represent their original nominal value irrespective of whether or not their nominal value has been reduced.

The proceeds from these issues are recorded in equity under “Capital and retained earnings”. In accordance with IAS 21, issues denominated in foreign currencies are recognised at their historical value based on their translation into euros at the issue date. Interest on the instruments is treated in the same way as dividends.

At 30 June 2015, the BNP Paribas Group held EUR 44 million of Undated Super Subordinated Notes which were deducted from shareholders’ equity.

- **Earnings per share**

Basic earnings per share are calculated by dividing the net income for the period attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period. The net income attributable to ordinary shareholders is determined by deducting the net income attributable to holders of preferred shares.

Diluted earnings per share correspond to the net income for the period attributable to holders of ordinary shares, divided by the weighted average number of shares outstanding as adjusted for the maximum effect of the conversion of dilutive equity instruments into ordinary shares. In-the-money stock subscription options are taken into account in the diluted earnings per share calculation, as are performance shares granted under the Global Share-based Incentive Plan. Conversion of these instruments would have no effect on the net income figure used in this calculation.

	First half 2015	First half 2014 ⁽¹⁾
Net profit / (loss) used to calculate basic and diluted earnings per ordinary share (in millions of euros) ⁽²⁾	4,002	(2,931)
Weighted average number of ordinary shares outstanding during the year	1,241,909,627	1,242,909,972
Effect of potentially dilutive ordinary shares	1,141,403	2,525,027
- Stock subscription option plan	446,569	694,130
- Performance share attribution plan	694,834	1,830,897
Weighted average number of ordinary shares used to calculate diluted earnings per share	1,243,051,030	1,245,434,999
Basic earnings / (losses) per share (in euros)	3.22	(2.36)
Diluted earnings / (losses) per share (in euros)	3.22	(2.35)

⁽¹⁾ Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

⁽²⁾ The net profit/(loss) used to calculate basic and diluted earnings per share is the net profit/(loss) attributable to equity shareholders, adjusted for the remuneration on the Undated Super Subordinated Notes issued by BNP Paribas SA (treated as preferred share equivalents), which for accounting purposes is handled as dividends, as well as the related foreign exchange impact recognised directly in shareholders' equity.

The dividend per share paid in 2015 out of the 2014 net income amounted to EUR 1.50, unchanged as compared with the dividend paid in 2014 out of the 2013 net income.

6.b CONTINGENT LIABILITIES: LEGAL PROCEEDINGS AND ARBITRATION

The Bank and certain of its subsidiaries are defendants in several actions pending before the United States Bankruptcy Court Southern District of New York brought by the Trustee appointed for the liquidation of Bernard L. Madoff Investment Securities LLC (“BLMIS”). These actions, known generally as “clawback claims”, are similar to those brought by the BLMIS Trustee against numerous institutions, and seek recovery of amounts allegedly received by the BNP Paribas entities from BLMIS or indirectly through BLMIS-related “feeder funds” in which BNP Paribas entities held interests. The BLMIS Trustee claims in these actions that the amounts which BNP Paribas entities received are avoidable and recoverable under the U.S. Bankruptcy Code and New York state law. In the aggregate, the amount sought to be recovered in these actions approximates USD 1.3 billion. BNP Paribas has substantial and credible defenses to these actions and is defending against them vigorously.

Various litigations and investigations are ongoing relating to the restructuring of the Fortis group, now Ageas, of which BNP Paribas Fortis is no longer part, and to events having occurred before BNP Paribas Fortis became part of the BNP Paribas Group. Among these are litigations brought by shareholder groups in The Netherlands and Belgium against Ageas and, among others, against BNP Paribas Fortis, in relation to its role as global coordinator of Fortis (now Ageas)'s capital increase in October 2007 to partly finance its acquisition of ABN Amro Bank N.V. Those groups of shareholders mainly allege that there has been a breach in the financial communication, as, inter alia, the disclosure regarding the exposure to subprime mortgages.

The Bank is vigorously defending itself in these proceedings. The Court of Appeal of Amsterdam upheld on 29 July 2014 the ruling of the Dutch Court of first instance that Ageas was liable for mismanagement in relation to its financial communication during the period in question. BNP Paribas Fortis is not a party to this case.

If these litigations and investigations were to be successful, they could eventually result in monetary consequences for BNP Paribas Fortis. Such impact is unquantifiable at this stage.

Regulatory and law enforcement authorities in multiple jurisdictions are conducting investigations or making inquiries of a number of financial institutions regarding trading on the foreign exchange markets, including, among other things, possible collusion among financial institutions to manipulate certain benchmark currency exchange rates. The Bank has to date received requests for information in this respect from regulatory and law enforcement authorities in the United Kingdom, the United States and several countries in the Asia-Pacific region as well as from the European Competition Commission. The Bank is cooperating with the investigations and inquiries and responding to the information requests. In November 2014 the Financial Conduct Authority in the United Kingdom and in December 2014 the Hong Kong Monetary Authority informed the Bank that they had discontinued their investigation as to BNP Paribas. Moreover the Bank is conducting its own internal review of foreign exchange trading. While this review is ongoing, the Bank is not in a position to foresee the outcome of these investigations and proceedings nor their potential impact.

The Bank, along with a number of other financial institutions, was named as a defendant in a consolidated civil action filed in March 2014 in the U.S. District Court for the Southern District of New York on behalf of a purported class of plaintiffs alleging manipulation of foreign exchange markets. The plaintiffs allege in particular that the defendants colluded to manipulate the WM/Reuters rate (WMR), thereby causing the putative classes to suffer losses in connection with WMR-based financial instruments. The plaintiffs assert U.S. federal and state antitrust claims and claims for unjust enrichment, and seek compensatory damages, treble damages where authorized by statute, restitution, and declaratory and injunctive relief. It is worth noting that US antitrust proceedings provide that all defendants are jointly and severally liable. The Bank and its co-defendants have filed a motion to dismiss the consolidated complaint, which was denied on 28 January 2015 in respect of the class of U.S. plaintiffs but was granted in respect of the class of non-U.S. plaintiffs. The Bank is vigorously contesting the allegations against it in those proceedings.

In connection with the European Commission’s investigation, which is still ongoing, into purported anti-competitive conduct in the Credit Default Swaps (“CDS”) market between a number of investment banks including BNP Paribas, several class-actions have been commenced in the United States against these same players. Motions to dismiss the complaints were denied, and the lawsuits were consolidated into a single proceeding. It should also be noted that since it is an antitrust proceeding, defendants are jointly and severally liable.

6.c BUSINESS COMBINATIONS

- **Operations realised during the first half of 2015**

No significant business combination occurred during the first half of 2015.

- **Operations realised during the first half of 2014**

No significant business combination occurred during the first half of 2014.

6.d MINORITY INTERESTS

• Main minority interests

The assessment of the material nature of minority interests is based on the contribution of the relevant subsidiaries to the Group balance sheet (before elimination of intra-group balances and transactions) and to the Group profit and loss account.

	30 June 2015	First half 2015						
	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity - attributable to minority interests	Dividends paid to minority shareholders
In millions of euros								
Contribution of the entities belonging to the BGL BNP Paribas group	67,244	786	239	227	34%	84	74	75
Other minority interests						104	149	46
TOTAL						188	223	121

	31 December 2014	First half 2014						
	Total assets before elimination of intra-group transactions	Revenues	Net income	Net income and changes in assets and liabilities recognised directly in equity	Minority shareholders' interest (%)	Net income attributable to minority interests	Net income and changes in assets and liabilities recognised directly in equity - attributable to minority interests	Dividends paid to minority shareholders
In millions of euros ⁽¹⁾								
Contribution of the entities belonging to the BGL BNP Paribas group	63,917	781	211	336	34%	83	128	54
Other minority interests						88	86	32
TOTAL						171	214	86

⁽¹⁾ Restated according to the IFRIC 21 interpretation (see notes 1.a and 2.).

- **Internal restructuring that led to a change in minority shareholders' interest in the equity of subsidiaries**

No significant internal restructuring has occurred during the first half of 2015, nor during the first half of 2014.

- **Acquisitions of additional interests and partial sales of interests leading to changes in minority interests in the equity of subsidiaries**

In millions of euros	First half 2015		First half 2014	
	Attributable to shareholders	Minority interests	Attributable to shareholders	Minority interests
BNP Paribas Bank Polska SA BNP Paribas Bank Polska SA realised a capital increase, fully subscribed by external investors. The Group's interest in this entity decreases from 99.83% to 84.94%			(15)	67
Other	3	(7)	11	(11)
Total	3	(7)	(4)	56

- **Commitments to repurchase minority shareholders' interests**

In connection with the acquisition of certain entities, the Group granted minority shareholders put options on their holdings.

The total value of these commitments, which are recorded as a reduction in shareholders' equity, amounts to EUR 774 million at 30 June 2015, compared with EUR 853 million at 31 December 2014.

6.e FAIR VALUE OF FINANCIAL INSTRUMENTS CARRIED AT AMORTISED COST

The information supplied in this note must be used and interpreted with the greatest caution for the following reasons:

- These fair values are an estimate of the value of the relevant instruments as at 30 June 2015. They are liable to fluctuate from day to day as a result of changes in various parameters, such as interest rates and credit quality of the counterparty. In particular, they may differ significantly from the amounts actually received or paid on maturity of the instrument. In most cases, the fair value is not intended to be realised immediately, and in practice might not be realised immediately. Consequently, this fair value does not reflect the actual value of the instrument to BNP Paribas as a going concern;
- Most of these fair values are not meaningful, and hence are not taken into account in the management of the commercial banking activities which use these instruments;
- Estimating a fair value for financial instruments carried at historical cost often requires the use of modelling techniques, hypotheses and assumptions that may vary from bank to bank. This means that comparisons between the fair values of financial instruments carried at historical cost as disclosed by different banks may not be meaningful;
- The fair values shown below do not include the fair values of finance lease transactions, non-financial instruments such as property, plant and equipment, goodwill and other intangible assets such as the value attributed to demand deposit portfolios or customer relationships. Consequently, these fair values should not be regarded as the actual contribution of the instruments concerned to the overall valuation of the BNP Paribas Group.

In millions of euros 30 June 2015	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and receivables due from credit institutions (note 5.d)		43,694	23	43,717	43,803
Loans and receivables due from customers (note 5.e) ⁽¹⁾		76,910	608,741	685,651	672,160
Held-to-maturity financial assets	9,493	170	81	9,744	8,436
FINANCIAL LIABILITIES					
Due to credit institutions (note 5.d)		93,693		93,693	93,424
Due to customers (note 5.e)		688,792		688,792	687,365
Debt securities (note 5.f)	62,210	124,654		186,864	185,036
Subordinated debt (note 5.f)	6,585	7,819		14,404	14,575

⁽¹⁾ Finance leases excluded

In millions of euros, at 31 December 2014	Estimated fair value				Carrying value
	Level 1	Level 2	Level 3	Total	
FINANCIAL ASSETS					
Loans and receivables due from credit institutions (note 5.d)		43,299	25	43,324	43,348
Loans and receivables due from customers (note 5.e) ⁽¹⁾		62,751	580,189	642,940	631,189
Held-to-maturity financial assets	10,206	113	82	10,401	8,965
FINANCIAL LIABILITIES					
Due to credit institutions (note 5.d)		90,729		90,729	90,352
Due to customers (note 5.e)		643,156		643,156	641,549
Debt securities (note 5.f)	79,463	109,805		189,268	187,074
Subordinated debt (note 5.f)	5,116	8,579		13,695	13,936

⁽¹⁾ Finance leases excluded

The valuation techniques and assumptions used by BNP Paribas ensure that the fair value of financial assets and liabilities carried at amortised cost is measured on a consistent basis throughout the Group. Fair value is based on prices quoted in an active market when these are available. In other cases, fair value is determined using valuation techniques such as discounting of estimated future cash flows for loans, liabilities and held-to-maturity financial assets, or specific valuation models for other financial instruments as described in note 1, “Summary of significant accounting policies applied by the BNP Paribas Group”. The description of the fair value hierarchy levels is also presented in the accounting principles (note 1.c.10). In the case of loans, liabilities and held-to-maturity financial assets that have an initial maturity of less than one year (including demand deposits) or of most regulated savings products, fair value equates to carrying amount. These instruments have been classified in Level 2, except for loans to customers, which are classified in Level 3.

BNP PARIBAS – SECOND UPDATE TO THE REGISTRATION DOCUMENT

Name	Country	30 June 2015				31 December 2014				30 June 2015				31 December 2014			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
BNP Paribas Lease Group IFN SA	Romania	Equity *	100%	83.0%		Equity *	100%	83.0%									
BNP Paribas Lease Group KFT	Hungary	Equity *	100%	83.0%		Equity *	100%	83.0%									
BNP Paribas Lease Group Leasing Solutions SPA	Italy	Full	100%	95.5%		Full	100%	95.5%									
BNP Paribas Lease Group Liégeois RT	Hungary	Equity *	100%	83.0%		Equity *	100%	83.0%									
BNP Paribas Lease Group PLC	UK	Full	100%	83.0%		Full	100%	83.0%									
BNP Paribas Lease Group Polska SP ZOO	Poland	Equity *	100%	83.0%		Equity *	100%	83.0%									
BNP Paribas Lease Group SA Belgium	Belgium	Full	100%	83.0%		Full	100%	83.0%									
BNP Paribas Leasing Solutions	Luxembourg	Full	100%	83.0%		Full	100%	83.0%									
BNP Paribas Leasing Solutions Immobilier Suisse	Suisse	Equity *			S4	Equity *	100%	83.0%									
BNP Paribas Leasing Solutions Ltd	UK	Full	100%	83.0%		Full	100%	83.0%									
BNP Paribas Leasing Solutions NV	Netherlands	Full	100%	83.0%		Full	100%	83.0%									
BNP Paribas Leasing Solutions Suisse SA	Switzerland	Equity *	100%	83.0%		Equity *	100%	83.0%									
Clas Financial Services	France	Full (1)	60.1%	49.9%		Full (1)	60.1%	49.9%									
Clas Financial Services (Germany branch)	Germany	Full (1)	100%	49.9%		Full (1)	100%	49.9%									
Clas Financial Services (Italy branch)	Italy	Full (1)	100%	49.9%		Full (1)	100%	49.9%									
Clas Financial Services (Poland branch)	Poland	Full (1)	100%	49.9%		Full (1)	100%	49.9%									
Clas Financial Services (Spain branch)	Spain	Full (1)	100%	49.9%		Full (1)	100%	49.9%									
Clas Financial Services Inc.	U.S.A.	Full	100%	49.9%		Full	100%	49.9%									
Clas Financial Services Ltd	UK	Full	51.0%	42.3%		Full	51.0%	42.3%									
CNH Industrial Capital Europe	France	Full (1)	50.1%	41.6%		Full (1)	50.1%	41.6%									
CNH Industrial Capital Europe (Belgium branch)	Belgium	Full (1)	100%	41.6%		Full (1)	100%	41.6%									
CNH Industrial Capital Europe (Germany branch)	Germany	Full (1)	100%	41.6%		Full (1)	100%	41.6%									
CNH Industrial Capital Europe (Italy branch)	Italy	Full (1)	100%	41.6%		Full (1)	100%	41.6%									
CNH Industrial Capital Europe (Poland branch)	Poland	Full (1)	100%	41.6%		Full (1)	100%	41.6%	E2								
CNH Industrial Capital Europe (Spain branch)	Spain	Full (1)	100%	41.6%		Full (1)	100%	41.6%									
CNH Industrial Capital Europe BV	Netherlands	Full	100%	41.6%		Full	100%	41.6%									
CNH Industrial Capital Europe GmbH	Austria	Full	100%	41.6%		Full	100%	41.6%									
CNH Industrial Capital Europe Ltd	UK	Full	100%	41.6%		Full	100%	41.6%									
Commercial Vehicle Finance Ltd.	UK	Full	100%	83.0%		Full	100%	83.0%									
ES-Finance	Belgium	Full	100%	99.9%		Full	100%	99.9%									
Fortis Lease	France	Full (1)	100%	83.0%		Full (1)	100%	83.0%									
Fortis Lease Belgium	Belgium	Full	100%	83.0%		Full	100%	83.0%									
Fortis Lease Car & Truck	Belgium								S4								
Fortis Lease Deutschland GmbH	Germany	Equity *	100%	83.0%		Equity *	100%	83.0%									
Fortis Lease Iberia SA	Spain	Equity *	100%	86.6%		Equity *	100%	86.6%									
Fortis Lease Operativ Liégeois Zarkouen Mukodo Reszerveintársaság	Hungary	Equity *	100%	83.0%		Equity *	100%	83.0%									
Fortis Lease Polska Sp. z o.o.	Poland								S3								
Fortis Lease Portugal	Portugal	Equity *	100%	83.0%		Equity *	100%	83.0%									
Fortis Lease Romania IFN SA	Romania	Equity *	100%	83.0%		Equity *	100%	83.0%									
Fortis Lease UK Ltd	UK	Equity *	100%	83.0%		Equity *	100%	83.0%	D1								
Fortis Lease UK Retail Ltd	UK	Equity *	100%	83.0%		Equity *	100%	83.0%	D1								
Fortis Lease UK Retail Ltd	UK	Equity *	100%	83.0%		Equity *	100%	83.0%	D1								
Fortis Lease Operativ Liégeois Zarkouen Mukodo Reszerveintársaság	Hungary	Equity *	100%	83.0%		Equity *	100%	83.0%	D1								
Heffig Heffig Verhuur BV	Netherlands								S3								
HFGL Ltd	UK	Full	100%	83.0%		Full	100%	83.0%									
Humbly Capital Commercial Investments Ltd.	UK	Full	100%	83.0%		Full	100%	83.0%									
Humbly Capital Commercial Investments N°1 Ltd.	UK	Full	100%	83.0%		Full	100%	83.0%									
JCB Finance	France	Full (1)	100%	41.6%		Full (1)	100%	41.6%									
JCB Finance (Germany branch)	Germany	Full (1)	100%	41.6%		Full (1)	100%	41.6%									
JCB Finance (Italy branch)	Italy	Full (1)	100%	41.6%		Full (1)	100%	41.6%									
JCB Finance (Spain branch)	Spain	Full (1)	100%	41.6%		Full (1)	100%	41.6%	S1								
JCB Finance Holdings Ltd	UK	Full	50.1%	41.6%		Full	50.1%	41.6%									
Locatice Italiana SPA	Italy	Equity *	100%	83.0%	V3	Equity *	100%	95.5%									
Manibus Finance Ltd.	UK	Full	51.0%	42.3%		Full	51.0%	42.3%									
MF	France	Full (1)	51.0%	42.3%		Full (1)	51.0%	42.3%									
Nalcoedbank	France	Full (1)	100%	100%		Full (1)	100%	100%									
Nalcoedbank	France	Full (1)	100%	100%		Full (1)	100%	100%									
Nalcoedbank	France	Full (1)	100%	100%		Full (1)	100%	100%									
Nalcoedbank 2	France	Equity *	100%	100%		Equity *	100%	100%									
RD Portobello SRL	Romania	Equity *	100%	83.0%	E2												
Same Group Fair Finance	France	Full (1)	100%	83.0%		Full (1)	100%	83.0%									
Same Group Fair Finance Ltd.	UK	Full	100%	83.0%		Full	100%	83.0%									
SREL Equipment Finance Ltd.	India	Equity (3)	50.0%	41.5%		Equity (3)	50.0%	41.5%									
Special Purpose Entities																	
Vois Lease SRL	Italy				S3												
Personal Investors																	
Corial Consors	France								S4								
Corial Consors (Germany branch)	Germany								S4								
Corial Consors (Spain branch)	Spain								S4								
DAB Bank AG	Germany	Full	91.7%	91.7%		Full	91.7%	91.7%	E3								
Drakobank AT AG	Austria	Full	100%	91.7%		Full	100%	91.7%	E3								
Geoff BNP Paribas Financial Services Ltd. (Group)	India	Equity	34.4%	34.4%		Equity	34.4%	34.4%	V1								
Geoff Technologies Private Ltd.	India	Equity *	57.4%	57.4%	D1	Full	57.4%	57.4%	V1								
Portzamparc Gestion	France								S3								
Portzamparc Société de Bourse	France	Full (1)	51.0%	51.0%		Full (1)	51.0%	51.0%									
Special Purpose Entities																	
BNP Paribas Beteiligungsholding AG	Germany	Full				Full			E3								
International Financial Services																	
BNP Paribas Personal Finance																	
Alpha Credit SA	Belgium	Full	100%	99.9%		Full	100%	99.9%									
Axa Banque Financement	France	Equity	35.0%	35.0%		Equity	35.0%	35.0%									
Banco BNP Paribas Personal Finance SA	Portugal	Full	100%	100%		Full	100%	100%									
Banco Cetelem Argentina SA	Argentina	Full	100%	100%		Full	100%	100%									
Banco Cetelem SA	Spain	Full	100%	100%		Full	100%	100%									
Banco Cetelem SA (ex-Banco BGN SA)	Brazil	Full	100%	100%		Full	100%	100%									
Banco de Servicios Financieros SA	Argentina	Equity	40.0%	40.0%		Equity	40.0%	40.0%									
Banque Soitea	France	Equity (3)	44.9%	44.9%		Equity (3)	44.9%	44.9%	V1&D3								
BGN Mercantil E Services Ltda.	Brazil	Equity *	100%	100%		Equity *	100%	100%									

Changes in the scope of consolidation

New entries (E) in the scope of consolidation

- E1 Passing qualifying thresholds as defined by the Group (see note 1.b)
- E2 Incorporation
- E3 Purchase, gain of control or significant influence

Removals (S) from the scope of consolidation

- S1 Cessation of activity (including dissolution, liquidation)
- S2 Disposal, loss of control or loss of significant influence
- S3 Entities removed from the scope because qualifying thresholds (see note 1.b)
- S4 Merger, Universal transfer of assets and liabilities

Variance (V) in voting or ownership interest

- V1 Additional purchase
- V2 Partial disposal
- V3 Dilution
- V4 Increase in %

Equity * Controlled but non material entities consolidated under the equity method as associates

Miscellaneous

- D1 Consolidation method change not related to fluctuation in voting or ownership interest
- D2 83 Construction-Sale Companies (Real Estate programmes) of which 73 July and 10 equity method consolidated
- D3 The LaSer group was consolidated under the equity method until 25 July 2014. Following the additional purchase of interest by BNP Paribas Group, the LaSer group has been fully consolidated

Prudential scope of consolidation

- (1) French subsidiaries whose supervision of prudential requirements is complied with through the supervision on a consolidated basis of BNP Paribas SA, in accordance

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Name	Country	30 June 2015				31 December 2014			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
International Retail Banking									
Retail Banking in the United States of America									
1897 Services Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
BancWest Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
Bancwest Investment Services, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
Bank of the West	U.S.A	Full	100%	100%	Full	100%	100%		
Bank of the West (Cayman Islands branch)	Cayman Islands	Full	100%	100%	Full	100%	100%		
Bank of the West Business Park Association LLC	U.S.A							S3	
Bishop Street Capital Management Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
BW Insurance Agency, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
Center Club, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
CFB Community Development Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
Clas Financial Services LLC	U.S.A	Full	75.9%	63.4%	Full	75.9%	63.4%		
Commercial Federal Affordable Housing, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
Commercial Federal Community Development Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
Commercial Federal Insurance Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
Commercial Federal Investment Service Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
Community Service, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
Equity Lending Inc.	U.S.A							S1	
Essex Credit Corporation	U.S.A							S4	
FHB Guam Trust Co.	U.S.A	Full	100%	100%	Full	100%	100%		
FHL SFC One, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
First Bancorp	U.S.A	Full	100%	100%	Full	100%	100%		
First Hawaiian Bank	U.S.A	Full	100%	100%	Full	100%	100%		
First Hawaiian Bank (Cayman Islands branch)	Cayman Islands	Full	100%	100%	Full	100%	100%		
First Hawaiian Capital 1	U.S.A							S1	
First Hawaiian Leasing, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
First National Bancorporation	U.S.A	Full	100%	100%	Full	100%	100%		
First Santa Clara Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
Liberty Leasing Company	U.S.A	Full	100%	100%	Full	100%	100%		
Mountain Falls Acquisition Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
Real Estate Delivery 2 Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
The Bankers Club, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
Urus Real estate, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
Special Purpose Entities									
Bank of the West Auto Trust 2014-1 (ex-BOW Auto Trust LLC)	U.S.A	Full	-	-	Full	-	-	E2	
Bank of the West Auto Trust 2015-1	U.S.A	Full	-	-	Full	-	-	E2	
Bank of the West Auto Trust 2015-2	U.S.A	Full	-	-	Full	-	-	E2	
BOW Auto Receivables LLC	U.S.A	Full	-	-	Full	-	-	E2	
Commercial Federal Realty Investors Corporation	U.S.A	Full	-	-	Full	-	-		
Commercial Federal Services Corporation	U.S.A	Full	-	-	Full	-	-		
Equipment Lot FH	U.S.A	Full	-	-	Full	-	-		
Equipment Lot Siemens 1998A-FH	U.S.A	Full	-	-	Full	-	-		
Glendale Corporate Center Acquisition LLC	U.S.A	Full	-	-	Full	-	-		
LACMTA Rail Statutory Trust (FH1)	U.S.A	Full	-	-	Full	-	-		
Leavitt Blue LLC	U.S.A	Equity	-	-	Equity	-	-		
MNCR Equipment Lot	U.S.A							S2	
Riverwalk Village Three Holdings LLC	U.S.A	Full	-	-	Full	-	-		
Santa Rita Townhomes Acquisition LLC	U.S.A	Full	-	-	Full	-	-		
Southwest Airlines 1993 Trust N3635W	U.S.A	Full	-	-	Full	-	-		
ST 2001 FH-1 Statutory Trust	U.S.A	Full	-	-	Full	-	-		
SWR 99-1	U.S.A	Full	-	-	Full	-	-		
VTA 1998 FH	U.S.A	Full	-	-	Full	-	-		
Europe Mediterranean									
Bank BGZ BNP Paribas SA (ex-BGZ SA)	Poland	Full	88.3%	88.3%	V1A/V3	Full	89.0%	89.0%	E3
Bank of Nanjing	China	Equity	18.0%	18.0%	V1	Equity	16.2%	16.2%	
Banque Internationale du Commerce et de l'Industrie Burkina Faso	Burkina Faso	Full	51.0%	51.0%	Full	51.0%	51.0%		
Banque Internationale du Commerce et de l'Industrie Côte d'Ivoire	Ivory Coast	Full	59.8%	59.8%	Full	59.8%	59.8%		
Banque Internationale du Commerce et de l'Industrie Gabon	Gabon	Equity	47.0%	47.0%	Equity	47.0%	47.0%		
Banque Internationale du Commerce et de l'Industrie Guinée	Guinea	Equity *	55.6%	55.6%	Equity *	55.6%	55.6%	V1	
Banque Internationale du Commerce et de l'Industrie Mali	Mali	Full	85.0%	85.0%	Full	85.0%	85.0%		
Banque Internationale du Commerce et de l'Industrie Sénégal	Senegal	Full	54.1%	54.1%	Full	54.1%	54.1%		
Banque Marocaine du Commerce et de l'Industrie Assurance	Morocco	Full	67.0%	67.0%	Full	67.0%	67.0%		
Banque Marocaine du Commerce et de l'Industrie Assurance	Morocco	Equity *	100%	67.0%	Equity *	100%	67.0%		
Banque Marocaine du Commerce et de l'Industrie Credit Conso	Morocco							S4	
Banque Marocaine du Commerce et de l'Industrie Gestion Asset Management	Morocco	Equity *	100%	67.0%	Equity *	100%	67.0%		
Banque Marocaine du Commerce et de l'Industrie Leasing	Morocco	Full	86.9%	58.2%	Full	86.9%	58.2%		
Banque Marocaine du Commerce et de l'Industrie Océane	Morocco	Full	100%	67.0%	Full	100%	67.0%		
BICI Bourse	Ivory Coast	Equity *	90.0%	53.5%	E1				
BNP Intercontinental - BNPI	France				S4	(1)	100%	100%	
BNP Paribas Bank Polska SA	Poland				S4		85.0%	84.9%	V3
BNP Paribas El Djazair	Algeria	Full	100%	100%	Full	100%	100%		
BNP Paribas Fortis Valinmier Holding AS	Turkey	Full	100%	99.9%	Full	100%	100%		
BNP Paribas IRB Participations (ex-BNP Paribas BODI Participations)	France	Full	100%	100%	Full	100%	100%		

Changes in the scope of consolidation

New entries (E) in the scope of consolidation

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- E2 Incorporation
- E3 Purchase, gain of control or significant influence

Removals (S) from the scope of consolidation

- S1 Cessation of activity (including dissolution, liquidation)
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Variance (V) in voting or ownership interest

- V1 Additional purchase
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- V3 Dilution
- V4 Increase in %

Equity * Controlled but non material entities consolidated under the equity method as associates

Miscellaneous

- D1 Consolidation method change not related to fluctuation in voting or ownership interest
- D2 63 Construction-Sale Companies (Real Estate programmes) of which 73 fully and 10 equity method consolidated
- D3 The LaSer group was consolidated under the equity method until 25 July 2014. Following the additional purchase of interest by BNP Paribas Group, the LaSer group has been fully consolidated

Prudential scope of consolidation

- (1) French subsidiaries whose supervision of prudential requirements is complied with through the supervision on a consolidated basis of BNP Paribas SA, in accordance with article 7.1 of Regulation n°575/2013 of the European Parliament and of the Council.
- (2) Entities consolidated under the equity method for prudential purposes
- (3) Jointly controlled entities under proportional consolidation for prudential purposes.

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Name	Country	30 June 2015				31 December 2014				Name	Country	30 June 2015				31 December 2014					
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.			Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.		
Cardif Lux Vie	Luxembourg	Full	(2)	66.7%	55.3%	Full	(2)	66.7%	55.3%												
Cardif Mexico Seguros de Vida SA de CV	Mexico	Equity *	100%	100%		Equity *	100%	100%													
Cardif Mexico Seguros Generales SA de CV	Mexico	Equity *	100%	100%		Equity *	100%	100%													
Cardif Nordic AB	Sweden	Full	(2)	100%	100%	Full	(2)	100%	100%												
Cardif Ograznja Dioniho Društvo ZA Osiguranje	Croatia	Equity *	100%	100%	E1																
Cardif Pinnacle Insurance Holdings PLC	UK	Full	(2)	100%	100%	Full	(2)	100%	100%												
Cardif Pinnacle Insurance Management Services PLC	UK	Full	(2)	100%	100%	Full	(2)	100%	100%												
Cardif Polska Towarzystwo Ubezpieczeń na Życie SA	Poland	Full	(2)	100%	100%	Full	(2)	100%	100%												
Cardif Seguros SA	Argentina	Full	(2)	100%	100%	Full	(2)	100%	100%												
Cardif Services SAS	France	Equity *	100%	100%	E1																
Cargas Asesorații SPA (ex- UBI Asesurații SPA)	Italy	Equity		50.0%	50.0%	Equity		50.0%	50.0%	E3											
CS (UK) Ltd	UK	Full	(2)	100%	100%	Full	(2)	100%	100%												
Darnell Ltd	Ireland	Full	(2)	100%	100%	Full	(2)	100%	100%												
F&B Insurance Holdings SA (Group)	Belgium					Equity		50.0%	50.0%												
Financial Telemarketing Services Ltd	UK									S3											
GIE BNP Paribas Cardif	France	Full	(2)	100%	99.0%	Full	(2)	100%	99.0%												
Icare	France	Full	(2)	100%	100%	Full	(2)	100%	100%	E3											
Icare Assurance	France	Full	(2)	100%	100%	Full	(2)	100%	100%	E3											
Luzaseq	Brazil	Equity		50.0%	50.0%	Equity		50.0%	50.0%												
Natio Assurance	France	Equity		50.0%	50.0%	Equity		50.0%	50.0%												
NVP Participações Societárias SA	Brazil	Full	(2)	100%	100%	Full	(2)	100%	100%												
Pinnacle Insurance PLC	UK	Full	(2)	100%	100%	Full	(2)	100%	100%												
Procyon Alka Powszechno Towarzystwo Emerytalne SA	Poland	Equity		33.3%	33.3%	Equity		33.3%	33.3%												
Podstoma Cardif Slovaka AS	Slovakia	Equity *	100%	100%		Equity *	100%	100%													
Portes de Ciel SCI	France	Equity		45.0%	48.6%	V3	Equity		45.0%	56.9%											
Soco SCI	France	Equity		46.4%	49.9%	V3	Equity		46.4%	57.9%	V3										
State Bank of India Life Insurance Company Ltd.	India	Equity		26.0%	26.0%	Equity		26.0%	26.0%												
Special Purpose Entities																					
BNP Paribas Actions Euroland	France	Full	(2)	-	-	E1															
BNP Paribas Aqua	France	Full	(2)	-	-	E1	Full	(2)	-	-	E1										
BNP Paribas Convictions	France	Full	(2)	-	-	E1															
BNP Paribas Development Humain	France	Full	(2)	-	-	E1															
BNP Paribas Global Senior Corporate Loans	France	Full	(2)	-	-		Full	(2)	-	-											
BNP Paribas Money 3M	France					S3	Full	(2)	-	-											
Cardmmo	France	Full	(2)	-	-		Full	(2)	-	-											
Natio Fonds Ampère 1	France	Full	(2)	-	-		Full	(2)	-	-											
Odyssee SCI	France	Full	(2)	-	-		Full	(2)	-	-											
Profibia Monde Equilibre	France					S4	Full	(2)	-	-											
Wealth Management																					
B*Capital	France	Full	(1)	100%	100.0%		Full	(1)	100%	100%											
Bank Insinger de Beaufort NV	Netherlands	Full		63.0%	63.0%		Full		63.0%	63.0%											
Bank Insinger de Beaufort NV (UK branch)	UK	Full		100%	63.0%		Full		100%	63.0%											
BNP Paribas Espana SA	Spain	Full		99.7%	99.7%		Full		99.7%	99.7%	V1										
BNP Paribas Wealth Management	France	Full	(1)	100%	100%		Full	(1)	100%	100%											
BNP Paribas Wealth Management (Hong Kong branch)	Hong Kong	Full	(1)	100%	100%		Full	(1)	100%	100%											
BNP Paribas Wealth Management (Singapore branch)	Singapore	Full	(1)	100%	100%		Full	(1)	100%	100%											
BNP Paribas Wealth Management Monaco	Monaco	Full	(1)	100%	100%		Full	(1)	100%	100%											
Conseil Investissement SNC	France	Equity *	100%	100%		Equity *	100%	100%													
Investment Partners																					
Afford Berg Asset Management AB	Sweden	Full		100%	98.3%		Full		100%	98.3%											
Afford Berg Asset Management AB (Denmark branch)	Denmark	Full		100%	98.3%		Full		100%	98.3%											
Afford Berg Asset Management AB (Finland branch)	Finland	Full		100%	98.3%		Full		100%	98.3%											
Afford Berg Asset Management AB (Norway branch)	Norway	Full		100%	98.3%		Full		100%	98.3%											
Afford Berg Fonder AB	Sweden	Full		100%	98.3%		Full		100%	98.3%											
Afford Berg Kapitalforvaltning AB	Sweden	Full		100%	98.3%		Full		100%	98.3%											
Afford Berg Kapitalforvaltning AS	Norway	Full		100%	98.3%		Full		100%	98.3%											
Afford Berg Kapitalforvaltning Finland AB	Finland	Full		100%	98.3%		Full		100%	98.3%											
Afford Berg Raahastoyhdy Oy	Finland	Full		100%	98.3%		Full		100%	98.3%											
Bancoestado Administradora General de Fondos SA	Chile	Equity		50.0%	49.1%		Equity		50.0%	49.1%											
BNP Paribas Asset Management Brasil Ltda.	Brazil	Full		100%	99.6%		Full		100%	100%											
BNP Paribas Asset Management Inc.	U.S.A.	Full		100%	100%		Full		100%	100%											
BNP Paribas Asset Management India Private Ltd.	India	Equity *	100%	98.3%		Equity *	100%	98.3%													
BNP Paribas Asset Management SAS	France	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Asset Management SAS (Austria branch)	Austria	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Capital Partners	France	Equity *	100%	100%		Equity *	100%	100%													
BNP Paribas Investment Partners	France	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners (Australia)	Australia	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners (Australia) Ltd.	Australia	Equity *	100%	98.3%		Equity *	100%	98.3%													
BNP Paribas Investment Partners Argentina SA	Argentina	Equity *	100%	99.6%		Equity *	100%	100%		E1											
BNP Paribas Investment Partners Asia Ltd.	Hong Kong	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners BE Holding	Belgium	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners Belgium	Belgium	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners Belgium (Germany branch)	Germany	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners Funds (Netherlands) N.V.	Netherlands	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners Japan Ltd.	Japan	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners Latam SA	Mexico	Equity *	99.1%	97.4%		Equity *	99.1%	97.4%		V4											
BNP Paribas Investment Partners Luxembourg	Luxembourg	Full		99.7%	98.0%		Full		99.7%	98.0%											
BNP Paribas Investment Partners Netherlands NV	Netherlands	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners PT	Indonesia	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners Singapore Ltd.	Singapore	Equity *	100%	98.3%		Equity *	100%	98.3%													
BNP Paribas Investment Partners Societa di Gestione del Risparmio SPA	Italy	Full		100%	100%	V4	Full		100%	100%											
BNP Paribas Investment Partners UK Ltd.	UK	Full		100%	98.3%		Full		100%	98.3%											
BNP Paribas Investment Partners USA Holdings Inc.	U.S.A.	Full		100%	100%		Full		100%	100%											
CanGedcom	France	Full		100%</																	

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Name	Country	30 June 2015				31 December 2014			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
BNP Paribas Real Estate Property Development Italy SPA	Italy	Full	100%	100%	Full	100%	100%		
BNP Paribas Real Estate Property Management Belgium	Belgium	Full	100%	100%	Full	100%	100%		
BNP Paribas Real Estate Property Management France SAS	France	Full	100%	100%	Full	100%	100%		
BNP Paribas Real Estate Property Management GmbH	Germany	Full	100%	100%	Full	100%	100%		
BNP Paribas Real Estate Property Management Italy SRL	Italy	Full	100%	100%	Full	100%	100%		
BNP Paribas Real Estate Property Management Spain SA	Spain	Full	100%	100%	Full	100%	100%		
BNP Paribas Real Estate Transaction France	France	Full	96.0%	96.0%	V3	Full	96.1%	V2	
BNP PS Real Estate Valuation France	France	Full	100%	100%	Full	100%	100%		
BNP PS Real Estate Advisory & Property Management Czech Republic SRL	Czech Republic	Full	100%	100%	Full	100%	100%		
BNP PB Real Estate Advisory & Property Management Hungary Ltd.	Hungary	Full	100%	100%	Full	100%	100%		
European Direct Property Management SA	Luxembourg	Full	100%	100%	Full	100%	100%	S3	
FG Ingénierie et Promolom Immobilière	France	Full	100%	100%	Full	100%	100%		
Immobilier des Bergues	France	Full	100%	100%	Full	100%	100%		
Lozchi SRL	Italy	Full	100%	100%	E1	Full	100%		
Mouster Hispania	Spain	Full	100%	100%	Full	100%	100%		
Pariser Tower Ltd.	UK	Full	100%	100%	E3	Full	100%		
Partner's & Services	France	Full	100%	100%	Full	100%	100%		
Pyrotec GB 1 SA	Luxembourg	Full	100%	100%	Full	100%	100%		
Pyrotec SARL	Luxembourg	Full	100%	100%	Full	100%	100%		
San Basilio 45 SRL	Italy	Full	100%	100%	Full	100%	100%		
Siege Isay	France	Full	100%	100%	Full	100%	100%		
Construction-Sale Companies (Real Estate programmes)	France	Full / Equity	-	-	D2	Full / Equity	-	D2	
Sviluppo HQ Tiburina SRL	Italy	Full	100%	100%	Full	100%	100%		
Sviluppo Residenziale Italia SRL	Italy	Full	100%	100%	Full	100%	100%		
Tasaciones Hipotecarias SA	Spain	Full	-	-	S2	Full	100%	S2	
Via Cressig 26 SRL	Italy	Full	-	-	S2	Full	100%	100%	
Special Purpose Entities									
REPO Parker Ltd.	UK	Full	-	-	E2	Full	-	-	
Corporate & Institutional Banking									
Securities services									
BNP Paribas Dealing Services	France	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Dealing Services (UK branch)	UK	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Dealing Services Asia Ltd.	Hong Kong	Full	100%	100%	Full	100%	100%		
BNP Paribas Fund Administration Services Ireland Ltd.	Ireland	Full	100%	100%	E3	Full	100%		
BNP Paribas Fund Services Australasia Pty Ltd.	Australia	Equity *	100%	100%	D1	Full	100%	100%	
BNP Paribas Fund Services Australasia Pty Ltd. (New Zealand branch)	New Zealand	Equity *	100%	100%	D1	Full	100%	100%	
BNP Paribas Fund Services Dublin Ltd.	Ireland	Full	100%	100%	D1	Equity *	100%	100%	
BNP Paribas Fund Services France	France	Full	100%	100%	Full	100%	100%		
BNP Paribas Securities Services - BP2S	France	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Australia branch)	Australia	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Belgium branch)	Belgium	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Germany branch)	Germany	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Greece branch)	Greece	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Guernsey branch)	Guernsey	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Hong Kong branch)	Hong Kong	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Hungary branch)	Hungary	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Ireland branch)	Ireland	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Isle of Man branch)	Isle of Man	Full	100%	100%	S1	Full	100%	100%	
BNP Paribas Securities Services - BP2S (Italy branch)	Italy	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Jersey branch)	Jersey	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Luxembourg branch)	Luxembourg	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Netherlands branch)	Netherlands	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Poland branch)	Poland	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Portugal branch)	Portugal	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Singapore branch)	Singapore	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Spain branch)	Spain	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (Switzerland branch)	Switzerland	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Securities Services - BP2S (UK branch)	UK	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Sundaram Global Securities Operations Private Ltd.	India	Equity *	51.0%	51.0%	Equity *	51.0%	51.0%		

Changes in the scope of consolidation

New entries (E) in the scope of consolidation

E1 Passing qualifying thresholds as defined by the Group (see note 1.b)
 E2 Incorporation
 E3 Purchase, gain of control or significant influence

Removals (S) from the scope of consolidation

S1 Cession of activity (including dissolution, liquidation)
 S2 Disposal, loss of control or loss of significant influence
 S3 Entities removed from the scope because + qualifying thresholds (see note 1.b)
 S4 Merger, Universal transfer of assets and liabilities

Variance (V) in voting or ownership interest

V1 Additional purchase
 V2 Partial disposal
 V3 Dilution
 V4 Increase in %

Equity * Controlled but non material entities consolidated under the equity method as associates

Miscellaneous

D1 Consolidation method change not related to fluctuation in voting or ownership interest
 D2 83 Construction-Sale Companies (Real Estate programmes) of which 73 fully and 10 equity method consolidated
 D3 The LaSer group was consolidated under the equity method until 25 July 2014. Following the additional purchase of interest by BNP Paribas Group, the LaSer group has been fully consolidated

Prudential scope of consolidation

(1) French subsidiaries whose supervision of prudential requirements is complied with through the supervision on a consolidated basis of BNP Paribas SA, in accordance with article 7.1 of Regulation n°575/2013 of the European Parliament and of the Council.
 (2) Entities consolidated under the equity method for prudential purposes
 (3) Jointly controlled entities under proportional consolidation for prudential purposes.

Name	Country	30 June 2015				31 December 2014			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
CIB EMEA (Europ, Middle East, Africa)									
France									
BNP Paribas Arbitrage	France	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Arbitrage (U.S.A branch)	U.S.A	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Arbitrage (UK branch)	UK	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas Equities France	France	Full	100%	100%	Full	100%	100%	S4	
Esomet	France	Full	100%	100%	Full	100%	100%		
Laffite Participation 22	France	Full	100%	100%	Full	100%	100%		
Opera Trading Capital	France	Full	100%	100%	E2	Full	100%	100%	
Opera Trading Capital (Hong Kong branch)	Hong Kong	Full	100%	100%	E2	Full	100%	100%	
Opera Trading Capital (UK branch)	UK	Full	100%	100%	E2	Full	100%	100%	
Parifarge	France	Full	100%	100%	Full	100%	100%	S4	
Parifarge	France	Full (1)	100%	100%	Full (1)	100%	100%		
Talpaux Participaton 3 SNC	France	Full	100%	100%	Full	100%	100%		
Verner Investissements (Group)	France	Equity	40.0%	50.0%	Equity	40.0%	50.0%		
Other European countries									
Alpha Murcia Holding BV	Netherlands	Equity *	100%	99.9%	Equity *	100%	100%		
BNP Paribas Arbitrage Issuance BV	Netherlands	Full	100%	100%	Full	100%	100%		
BNP Paribas Bank ZSC (ex- BNP Paribas ZAO)	Russia	Full	100%	100%	Full	100%	100%		
BNP Paribas Bank NV	Netherlands	Full	100%	100%	Full	100%	100%	S3	
BNP Paribas Commodity Futures Ltd.	UK	Full	100%	100%	Full	100%	100%		
BNP Paribas Emission- und Handel MBH	Germany	Full	100%	100%	Full	100%	100%		
BNP Paribas Ireland	Ireland	Full	100%	100%	Full	100%	100%		
BNP Paribas Islamic Issuance BV	Netherlands	Full	100%	100%	Full	100%	100%		
BNP Paribas Net Ltd.	UK	Equity *	100%	100%	Equity *	100%	100%		
BNP Paribas Prime Brokerage International Ltd.	Ireland	Full	100%	100%	Full	100%	100%	E2	
BNP Paribas U.K. Holdings Ltd.	UK	Full	100%	100%	Full	100%	100%		
BNP Paribas UK Ltd.	UK	Full	100%	100%	Full	100%	100%		
BNP Paribas Vary Reinsurance Ltd.	Ireland	Equity *	100%	100%	D1	Full (2)	100%	100%	
BNP PLUK Holding Ltd.	UK	Full	100%	100%	Full	100%	100%		
F.Schoen	Belgium	Equity	50.0%	50.0%	Equity	50.0%	50.0%	E1	
Greenstars BNP Paribas	Luxembourg	Equity *	100%	100%	Equity *	100%	100%		
Harwood Holdings Ltd.	UK	Full	100%	100%	Full	100%	100%		
Hime Holding 1 SA	Luxembourg	Equity	26.4%	26.4%	Equity	26.4%	26.4%		
Hime Holding 2 SA	Luxembourg	Equity	21.0%	21.0%	Equity	21.0%	21.0%		
Hime Holding 3 SA	Luxembourg	Equity	20.6%	20.6%	Equity	20.6%	20.6%		
Landspre Ltd.	UK	Full	100%	100%	Full	100%	100%		
Playfin SA	Luxembourg	Full	100%	65.9%	Full	100%	65.9%		
SC Nueva Conda Murcia SL	Spain	Equity *	100%	99.9%	Equity *	100%	99.9%		
Utexam Logistics Ltd.	Ireland	Full	100%	100%	Full	100%	100%		
Utexam Solutions Ltd.	Ireland	Full	100%	100%	Full	100%	100%		
Middle East									
BNP Paribas Investment Company KSA	Saudi Arabia	Equity *	100%	100%	Equity *	100%	100%		
Africa									
BNP Paribas Securities South Africa Holdings PTY Ltd. (ex- BNP Paribas Cadiz Securities)	South Africa	Equity *	60.0%	60.0%	Equity *	60.0%	60.0%	E1	
BNP Paribas Securities South Africa PTY Ltd. (ex- BNP Paribas Cadiz Structuring)	South Africa	Equity *	100%	60.0%	V1	Equity *	60.0%	60.0%	
CIB Americas									
Banco BNP Paribas Brasil SA	Brazil	Full	100%	100%	Full	100%	100%		
Banex Holding Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas (Canada) Valuers Mobilieres	Canada	Equity *	100%	100%	Equity *	100%	100%	E1	
BNP Paribas Canada	Canada	Full	100%	100%	Full	100%	100%		
BNP Paribas Capital Services Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas CC Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas Colombia Corporacion Financiera SA	Colombia	Equity *	100%	100%	Equity *	100%	100%		
BNP Paribas Energy Trading Canada Corp	Canada	Equity *	100%	100%	Equity *	100%	100%		
BNP Paribas Energy Trading GP	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas Energy Trading Holdings, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas Energy Trading LLC	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas F.S.LLC	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas Leasing Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas Mortgage Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas North America Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas Prime Brokerage Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas Prime Brokerage International Ltd.	Cayman Islands	Full	100%	100%	Full	100%	100%	S1	
BNP Paribas RCC Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
BNP Paribas Securities Corporation	U.S.A	Full	100%	100%	Full	100%	100%		
Crossin Holding Company Ltd. (Group)	Bermuda	Full	100%	100%	S3	Equity	30.1%	30.0%	
FB Transportation Capital LLC	U.S.A	Full	100%	99.9%	Full	100%	99.9%		
Fortis Funding LLC	U.S.A	Full	100%	99.9%	Full	100%	99.9%		
French American Banking Corporation - FABC	U.S.A	Full	100%	100%	Full	100%	100%		
FSI Holdings Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
Paribas North America Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
Via North America, Inc.	U.S.A	Full	100%	100%	Full	100%	100%		
CIB Pacific Asia									
Bank BNP Paribas Indonesia PT	Indonesia	Full	100%	100%	Full	100%	100%		
BNP Pacific (Australia) Ltd.	Australia	Full	100%	100%	Full	100%	100%		
BNP Paribas (China) Ltd.	China	Full	100%	100%	Full	100%	100%		
BNP Paribas Arbitrage (Hong Kong) Ltd.	Hong Kong	Full	100%	100%	Full	100%	100%		
BNP Paribas Capital (Asia Pacific) Ltd.	Hong Kong								

BNP PARIBAS – SECOND UPDATE TO THE REGISTRATION DOCUMENT

Name	Country	30 June 2015				31 December 2014			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
BNP Paribas India Solutions Private Ltd.	India	Full	100%	100%	Full	100%	100%		
BNP Paribas Japan Ltd.	Japan							S1	
BNP Paribas Malaysia Berhad	Malaysia	Full	100%	100%	Full	100%	100%		
BNP Paribas Principal Investments Japan Ltd.	Japan							S1	
BNP Paribas Securities (Asia) Ltd.	Hong Kong	Full	100%	100%	Full	100%	100%		
BNP Paribas Securities (Singapore) Pte Ltd.	Singapore	Full	100%	100%	Full	100%	100%		
BNP Paribas Securities (Taiwan) Co Ltd.	Taiwan	Full	100%	100%	Full	100%	100%		
BNP Paribas Securities India Private Ltd.	India	Full	100%	100%	Full	100%	100%		
BNP Paribas Securities Indonesia PT	Indonesia	Full	99.0%	99.0%	Full	99.0%	99.0%		
BNP Paribas Securities Japan Ltd.	Japan	Full	100%	100%	Full	100%	100%		
BNP Paribas Securities Korea Company Ltd.	Rep. of Korea	Full	100%	100%	Full	100%	100%		
BNP Paribas S.J. Ltd.	Hong Kong	Equity *	100%	100%	Equity *	100%	100%		
BNP Paribas S.J. Ltd. (Japan branch)	Japan	Equity *	100%	100%	Equity *	100%	100%		
BPP Holdings Pte Ltd.	Singapore	Full	100%	100%	Full	100%	100%		
Special Purpose Entities									
S4 Lombard Street Investments Ltd.	UK	Full	-	-	Full	-	-		
ACQ Capital Partners Singapore Pte. Ltd.	Singapore	Equity (3)	-	-	Equity (3)	-	-		
Alamo Funding II Inc.	U.S.A	Full	-	-	Full	-	-		
Alegra Finance PLC	Ireland	Full	-	-	Full	-	-		
Aleray SARL	Luxembourg	Full	-	-	Full	-	-	E1	
Antin Participations 8	France	Full	-	-	Full	-	-		
Agartus + Investments PLC	Ireland	Full	-	-	Full	-	-	E1	
Agartus Capital Investments Ltd.	Ireland	Full	-	-	Full	-	-	S3	
Ade BV	Netherlands	Full	-	-	Full	-	-		
Atergatis	France	Full	-	-	Full	-	-	S3	
Austin Finance	France	Full	-	-	Full	-	-		
BNP Paribas EOD Brazil Fund Fundo Invest Multimercado	Brazil	Full	-	-	Full	-	-		
BNP Paribas Finance Inc.	U.S.A	Full	-	-	Full	-	-		
BNP Paribas Flexi III Deposit Euro	France							S2, E1	
BNP Paribas International Finance Dublin	Ireland	Full	-	-	Full	-	-		
BNP Paribas Investments N°1 Ltd.	UK	Full	-	-	Full	-	-		
BNP Paribas Investments N°2 Ltd.	UK	Full	-	-	Full	-	-		
BNP Paribas IP Euro Clo 2015-1 BV (ex-Leveraged Finance Europe Capital V BV)	Netherlands							S3	
BNP Paribas Proprietario Fundo de Investimento Multimercado	Brazil	Full	-	-	Full	-	-		
BNP Paribas VPG Adonis LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG BMC Seled LLC	U.S.A	Full	-	-	Full	-	-	S1	
BNP Paribas VPG Brookline LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG Brookline Cre LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG CB LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG CT Holdings LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG EDMC Holdings LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG Freedom Communications LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG Lake Butler LLC	U.S.A							S1	
BNP Paribas VPG Legacy Cabinets LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG Mark IV LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG Maslar LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG Medaneux Group LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG MGM LLC	U.S.A	Full	-	-	Full	-	-	S1	
BNP Paribas VPG Modern Luxury Media LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG Norstar LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG PCCM LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG Reader's Digest Association LLC	U.S.A							S1	
BNP Paribas VPG SBX Holdings LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG SDI Media Holdings LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas VPG Semgroup LLC	U.S.A							S1	
BNP Paribas VPG Titan Outdoor LLC	U.S.A							S1	
Boug BV	Netherlands	Full	-	-	Full	-	-		
Campagnie Investissement Italiens	France	Full	-	-	Full	-	-		
Campagnie Investissement Opera	France	Full	-	-	Full	-	-		
Crossan SARL	Luxembourg	Full	-	-	Full	-	-		
European Index Assets BV	Netherlands	Full	-	-	Full	-	-	E2	
Financiere des Italiens	France	Full	-	-	Full	-	-		
Financiere Paris Hausmann	France	Full	-	-	Full	-	-		
Financiere Talbont	France	Full	-	-	Full	-	-		
Grenache et Cie SNC	Luxembourg							S1	
Harwood Financing Ltd.	UK	Full	-	-	Full	-	-		
Madison Arbor LLC	U.S.A							S1	
Madison Arbor Ltd.	Ireland	Full	-	-	Full	-	-	E2	
Marc Finance Ltd.	Cayman Islands							S3	
Matchpoint Finance Public Company Ltd.	Ireland	Full	-	-	Full	-	-		
Matchpoint Maslar Trust	U.S.A	Full	-	-	Full	-	-	E1	
Mediterranea	France	Full	-	-	Full	-	-		
Omega Capital Funding Ltd.	Ireland	Full	-	-	Full	-	-		
Omega Capital Investments PLC	Ireland	Full	-	-	Full	-	-		
Optichamps	France	Full	-	-	Full	-	-		
Participations Opera	France	Full	-	-	Full	-	-		
Ribera del Lora Arbrage	Spain							S3	
Royale Neuve ISARL	Luxembourg	Full	-	-	Full	-	-		
Royale Neuve VI SARL	Luxembourg							S3	
Scalds Capital (Ireland) Ltd.	Ireland	Full	-	-	Full	-	-		
Scalds Capital LLC	U.S.A							S1	
Scalds Capital Ltd.	Jersey	Full	-	-	Full	-	-		
Starbird Funding Corporation	U.S.A	Full	-	-	Full	-	-		
T.C.G.F and L LP	Cayman Islands								
Tender Option Bond Municipal program	U.S.A	Equity *	-	-	Equity *	-	-		
VPG SDI Media LLC	U.S.A	Equity *	-	-	Equity *	-	-	V1	

Changes in the scope of consolidation

New entries (E) in the scope of consolidation

E1 Passing qualifying thresholds as defined by the Group (see note 1.b)

E2 Incorporation

E3 Purchase, gain of control or significant influence

Removals (S) from the scope of consolidation

S1 Cessation of activity (including dissolution, liquidation)

S2 Disposal, loss of control or loss of significant influence

S3 Entities removed from the scope because of qualifying thresholds (see note 1.b)

S4 Merger, Universal transfer of assets and liabilities

Variance (V) in voting or ownership interest

V1 Additional purchase

V2 Partial disposal

V3 Dilution

V4 Increase in %

Name	Country	30 June 2015				31 December 2014			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
Other Business Units									
BNP Paribas Suisse SA	Switzerland	Full	100%	100%	Full	100%	100%		
BNP Paribas Suisse SA (Guernsey branch)	Guernsey	Full	100%	100%	Full	100%	100%		
BNP Paribas Suisse SA (Jersey branch)	Jersey	Full	100%	100%	Full	100%	100%		
Private Equity (BNP Paribas Capital)									
BNP Paribas Foris Private Equity Belgium (ex-Foris Private Equity Belgium NV)	Belgium	Full	100%	99.9%	Full	100%	99.9%		
BNP Paribas Foris Private Equity Expansion (ex-Foris Private Equity Expansion Belgium NV)	Belgium	Full	100%	99.9%	Full	100%	99.9%		
BNP Paribas Foris Private Equity Management (ex-Foris Private Equity Management Belgium)	Belgium	Equity *	100%	99.9%	Equity *	100%	99.9%	E1	
Colerna	Belgium	Full	100%	100%	Full	100%	100%		
Compagnie Financiere Ottomane SA	Luxembourg	Full	97.1%	97.0%	V1	Full	97.0%	97.0%	S4
Foris Private Equity Venture Belgium SA	Belgium							S4	
Gepeco	Belgium							S4	
Property companies (property used in operations)									
Anin Participations 5	France	Full	100%	100%	Full	100%	100%		
Ejusur SA	Spain							S3	
Société Immobilière du Marché Saint-Honore	France	Full	99.9%	99.9%	Full	99.9%	99.9%		
Investment companies and other subsidiaries									
BNI International Investments SA	Luxembourg	Full	100%	100%	Full	100%	100%		
BNP Paribas Home Loan SFH	France	Full	100%	100%	Full	100%	100%		
BNP Paribas Meditteraneo Innovation et Technologies	Morocco	Full	100%	96.7%	Full	100%	96.7%		
BNP Paribas Partners for Innovation (Group)	France	Equity	50.0%	50.0%	Equity	50.0%	50.0%		
BNP Paribas Public Sector SCF	France	Full (1)	100%	100%	Full (1)	100%	100%		
BNP Paribas SB Re	Luxembourg	Full (2)	100%	100%	Full (2)	100%	100%		
Compagnie d'Investissements de Paris - CIP	France							S4	
Financiere BNP Paribas	France							S4	
Financiere du Marche Saint Honore	France	Full	100%	100%	Full	100%	100%		
GIE Groupement Auxiliaire de Moyens	France	Full	100%	100%	Full	100%	100%		
Le Sphinx Assurances Luxembourg SA	Luxembourg	Equity *	100%	100%	Equity *	100%	100%		
Omnium de Gestion et de Developpement Immobilier - OGDII	France							S4	
Playgen - Placement, Gestion, Finance Holding SA	Luxembourg							S4	
Supig	Belgium	Full	100%	100%	Full	100%	100%		
Société Auxiliaire de Construction Immobilière - SACI	France	Full	100%	100%	Full	100%	100%		
Société Orbanienne de Participations	France	Full	100%	100%	Full	100%	100%		
UCSB ball 2	France	Full	100%	100%	Full	100%	100%		
UCS Entreprises	France	Full	100%	100%	Full	100%	100%		
Special Purpose Entities									
BNP Paribas US Medium Term Notes Program LLC	U.S.A	Full	-	-	Full	-	-		
BNP Paribas-SME-1	France	Full	-	-	Full	-	-	E2	
FCT Opera	France	Full	-	-	Full	-	-	E2	
Klepierre									
Klepierre SA (Group)	France	Equity	6.6%	6.6%	V2&V3	Equity	21.7%	21.6%	

Equity * Controlled but non material entities consolidated under the equity method as associates

Miscellaneous

D1 Consolidation method change not related to fluctuation in voting or ownership interest

D2 83 Construction-Sale Companies (Real Estate programmes) of which 73 fully and 10 equity method consolidated

D3 The LaSer group was consolidated under the equity method until 25 July 2014. Following the additional purchase of interest by BNP Paribas Group, the LaSer group has been fully consolidated

Prudential scope of consolidation

(1) French subsidiaries whose supervision of prudential requirements is complied with through the supervision on a consolidated basis of BNP Paribas SA, in accordance with article 7.1 of Regulation n°575/2013 of the European Parliament and of the Council.

(2) Entities consolidated under the equity method for prudential purposes

(3) Jointly controlled entities under proportional consolidation for prudential purposes.

3.2 Statutory Auditors

Deloitte & Associés
185, avenue Charles de Gaulle
92524 Neuilly-sur-Seine Cedex

PricewaterhouseCoopers Audit
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92400 Courbevoie

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

BNP Paribas SA
16, boulevard des Italiens
75009 Paris

To the Shareholders,

In compliance with the assignment entrusted to us by your General Shareholders' Meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (Code monétaire et financier), we hereby report to you on:

- the review of the accompanying condensed interim consolidated financial statements of BNP Paribas SA for the six months ended 30 June 2015;
- the verification of the information contained in the interim management report.

These condensed interim consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I – Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements have not been prepared, in all material respects, in accordance with IAS 34 – “Interim Financial Reporting”, as adopted by the European Union.

Without qualifying our conclusion, we draw your attention to the matters set out in Notes 1.a and 2 to the consolidated financial statements, which describe change in accounting policies relating to IFRIC 21 – "Levies".

II – Specific verification

We have also verified the information given in the interim management report on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, 3 August 2015

The Statutory Auditors

Deloitte & Associés

PricewaterhouseCoopers Audit

Mazars

Damien Leurent

Etienne Boris

Hervé Hélias

4. Risks and Capital Adequacy (unaudited)

CAPITAL RATIOS^(*)

Please find an update of the 2014 Registration document table 1 page 246.

<i>In millions of euros</i>	Phased in ^(**)	
	30 June 2015	31 December 2014 ^(***)
COMMON EQUITY TIER 1 (CET1) CAPITAL	67,855	64,519
TIER 1 CAPITAL	73,908	70,427
TOTAL CAPITAL	81,622	77,217
RISK-WEIGHTED ASSETS	629,597	614,449
RATIOS		
Common Equity Tier 1 (CET1) capital	10,8 %	10,5 %
Tier 1 capital	11,7 %	11,5 %
Total capital	13,0 %	12,6 %

<i>In millions of euros</i>	Fully loaded	
	30 June 2015	31 December 2014 ^(***)
COMMON EQUITY TIER 1 (CET1) CAPITAL	66,829	63,711
RISK-WEIGHTED ASSETS	632,611	619,827
RATIO		
Common Equity Tier 1 (CET1) capital	10,6 %	10,3 %

^(*) Subject to the provisions of article 26.2 of (EU) Regulation n°575/2013.

^(**) In accordance with grandfathered Additional Tier 1 and Tier 2 eligibility rules applicable as of 2019.

^(***) Restated according to the IFRIC 21 interpretation.

► CONSOLIDATED BALANCE SHEET TO PRUDENTIAL BALANCE SHEET RECONCILIATION

Please find an update of the 2014 Registration document table 2 page 257.

In millions of euros	30 June 2015			
	Accounting scope	Insurance	IFRS 11 adjustments	Prudential scope
ASSETS				
Cash and amounts due from central banks	99,423	(19)	161	99,565
Financial assets at fair value through profit or loss				
Trading securities	206,138	3	15	206,156
Loans and repurchase agreements	179,941	5,485	-	185,426
Instruments designated at fair value through profit or loss	83,688	(80,736)	-	2,952
Derivative financial instruments	359,092	(11)	(13)	359,068
Derivatives used for hedging purposes	17,068	(84)	15	16,999
Available-for-sale financial assets	267,055	(106,197)	4,520	165,378
Loans and receivables due from credit institutions	43,803	(1,330)	(3,304)	39,169
Loans and receivables due from customers	697,405	921	5,263	703,589
Remeasurement adjustment on interest-rate risk hedged portfolios	4,590	-	-	4,590
Held-to-maturity financial assets	8,436	(7,859)	-	577
Current and deferred tax assets	8,258	(64)	135	8,329
Accrued income and other assets	121,920	(5,455)	344	116,809
Investments in associates	7,350	4,897	(596)	11,651
Investment property	1,593	(1,273)	-	320
Property, plant and equipment	18,726	(395)	212	18,543
Intangible assets	2,999	(138)	12	2,873
Goodwill	11,024	(226)	-	10,798
TOTAL ASSETS	2,138,509	(192,481)	6,764	1,952,792
LIABILITIES				
Due to central banks	5,841	-	-	5,841
Financial instruments at fair value through profit or loss				
Trading securities	91,671	-	(24)	91,647
Borrowings and repurchase agreements	227,203	-	-	227,203
Instruments designated as at fair value through profit or loss	62,847	(366)	-	62,481
Derivative financial instruments	356,104	(30)	(17)	356,057
Derivatives used for hedging purposes	21,232	(6)	25	21,251
Due to credit institutions	93,424	(2,752)	761	91,433
Due to customers	687,365	(4,532)	4,495	687,328
Debt securities	185,036	2,281	1,114	188,431
Remeasurement adjustment on interest-rate risk hedged portfolios	3,182	-	-	3,182
Current and deferred tax liabilities	2,903	(488)	152	2,567
Accrued expenses and other liabilities	96,429	(2,453)	214	94,190
Technical reserves of insurance companies	182,904	(182,904)	-	-
Provisions for contingencies and charges	11,670	(247)	39	11,462
Subordinated debt	14,575	(838)	5	13,742
TOTAL LIABILITIES	2,042,386	(192,335)	6,764	1,856,815
TOTAL CONSOLIDATED EQUITY	96,123	(146)	-	95,977
TOTAL LIABILITIES AND EQUITY	2,138,509	(192,481)	6,764	1,952,792

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In millions of euros	31 December 2014 ⁽¹⁾			
	Accounting scope	Insurance	IFRS 11 adjustments	Prudential scope
ASSETS				
Cash and amounts due from central banks	117,473	(7)	197	117,663
Financial assets at fair value through profit or loss				
Trading securities	156,546	-	5	156,551
Loans and repurchase agreements	165,776	5,682	-	171,458
Instruments designated at fair value through profit or loss	78,827	(75,858)	-	2,969
Derivative financial instruments	412,498	5	(18)	412,485
Derivatives used for hedging purposes	19,766	(85)	14	19,695
Available-for-sale financial assets	252,292	(106,282)	4,512	150,522
Loans and receivables due from credit institutions	43,348	(1,206)	(4,122)	38,020
Loans and receivables due from customers	657,403	1,395	5,971	664,769
Remeasurement adjustment on interest-rate risk hedged portfolios	5,603	-	-	5,603
Held-to-maturity financial assets	8,965	(8,436)	-	529
Current and deferred tax assets	8,628	(99)	124	8,653
Accrued income and other assets	110,088	(4,705)	325	105,708
Investments in associates	7,371	5,108	(660)	11,819
Investment property	1,614	(1,251)	-	363
Property, plant and equipment	18,032	(397)	252	17,887
Intangible assets	2,951	(141)	10	2,820
Goodwill	10,577	(219)	-	10,358
TOTAL ASSETS	2,077,758	(186,496)	6,610	1,897,872
LIABILITIES				
Due to central banks	1,680	-	-	1,680
Financial instruments at fair value through profit or loss				
Trading securities	78,912	-	(16)	78,896
Borrowings and repurchase agreements	196,733	-	-	196,733
Instruments designated as at fair value through profit or loss	57,632	(4,119)	-	53,513
Derivative financial instruments	410,250	(7)	(21)	410,222
Derivatives used for hedging purposes	22,993	-	32	23,025
Due to credit institutions	90,352	(1,393)	766	89,725
Due to customers	641,549	(3,617)	4,413	642,345
Debt securities	187,074	1,737	1,126	189,937
Remeasurement adjustment on interest-rate risk hedged portfolios	4,765	-	-	4,765
Current and deferred tax liabilities	2,920	(562)	173	2,531
Accrued expenses and other liabilities	87,722	(2,111)	93	85,704
Technical reserves of insurance companies	175,214	(175,214)	-	-
Provisions for contingencies and charges	12,337	(251)	40	12,126
Subordinated debt	13,936	(822)	4	13,118
TOTAL LIABILITIES	1,984,069	(186,359)	6,610	1,804,320
TOTAL CONSOLIDATED EQUITY	93,689	(137)	-	93,552
TOTAL LIABILITIES AND EQUITY	2,077,758	(186,496)	6,610	1,897,872

⁽¹⁾ Restated according to the IFRIC 21 interpretation.

► REGULATORY CAPITAL

Please find an update of the 2014 Registration document table 3 page 262.

In millions of euros	30 June 2015		31 December 2014 ⁽¹⁾	
	Phased in	Transitional measures ⁽²⁾	Phased in	Transitional measures ⁽²⁾
Common Equity Tier 1 (CET1) capital: instruments and reserves				
Capital instruments and the related share premium accounts	26,961	-	26,951	-
<i>of which ordinary shares</i>	26,961	-	26,951	-
Retained earnings	48,469	-	50,230	-
Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	6,585	-	6,092	-
Funds for general banking risk	-	-	-	-
Amounts of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	-	-	-	-
Public sector capital injections grandfathered until 1 January 2018	-	-	-	-
Minority interests (amount allowed in consolidated CET1)	2,537	1,192	2,900	1,645
Independently reviewed interim profits net of any foreseeable charge or dividend	2,270	-	(1,947)	-
COMMON EQUITY TIER 1 (CET1) CAPITAL BEFORE REGULATORY ADJUSTMENTS	86,822	1,192	84,226	1,645
Common Equity Tier 1 (CET1) capital: regulatory adjustments	(18,967)	(165)	(19,707)	(837)
COMMON EQUITY TIER 1 (CET1) CAPITAL	67,855	1,027	64,519	808
Additional Tier 1 (AT1) capital: instruments	6,859	2,890	7,023	3,800
Additional Tier 1 (AT1) capital: regulatory adjustments	(806)	(806)	(1,115)	(1,115)
ADDITIONAL TIER 1 (AT1) CAPITAL	6,053	2,084	5,908	2,685
TIER 1 CAPITAL (T1 = CET1 + AT1)	73,908	3,111	70,427	3,493
Tier 2 (T2) capital: instruments and provisions	9,477	259	8,295	240
Tier 2 (T2) capital: regulatory adjustments	(1,763)	763	(1,505)	1,012
Tier 2 (T2) CAPITAL	7,714	1,022	6,790	1,252
TOTAL CAPITAL (TC = T1 + T2)	81,622	4,133	77,217	4,745

⁽¹⁾ Restated according to the IFRIC 21 interpretation.

⁽²⁾ Amounts subject to pre-regulation treatment or prescribed residual amount of regulation (UE) n° 575/2013, in accordance with grandfathered Additional Tier 1 and Tier 2 eligibility rules applicable as of 2019.

► PILLAR 1 RISK-WEIGHTED ASSETS AND CAPITAL REQUIREMENT

Please find an update of the 2014 Registration document table 7 page 265.

Basel 3 fully loaded	30 June 2015		31 December 2014	
	RWAs	Capital requirements	RWAs	Capital requirements
<i>In millions of euros</i>				
Credit risk ⁽¹⁾	463,797	37,104	456,346	36,508
Counterparty credit risk	30,016	2,401	29,995	2,399
Equity risk	57,351	4,588	58,696	4,696
Market risk ⁽²⁾	24,050	1,924	20,357	1,628
Operational risk	57,397	4,592	54,433	4,355
TOTAL	632,611	50,609	619,827	49,586
⁽¹⁾ Of which banking book securitisation positions	14,825	1,186	13,988	1,119
⁽²⁾ Of which foreign exchange risk	1,257	101	1,246	100

At 30 June 2015, the Group's risk-weighted assets amounted to EUR 629.6 billion taking transitional arrangements into account.

► **LEVERAGE RATIO**

Please find an update of the 2014 Registration document table 12 page 270.

<i>In billions of euros</i>	30 June 2015	31 December 2014
Tier 1 Capital	74	71
Total prudential balance sheet	1,953	1,898
Adjustments related to derivatives	(59)	(24)
Adjustments related to repurchase agreements, securities lending/borrowing and similar	1	1
Adjustments related to commitments given (after application of regulatory conversion factors)	149	140
Regulatory deductions Tier 1 capital	(19)	(19)
Other adjustments	(7)	(6)
Total exposure leverage ratio	2,018	1,990
LEVERAGE RATIO^(*)	3.7%	3.6%

^(*) Fully loaded ratio calculated on the basis of the Group's consolidated exposure, assuming that the Tier 1 instruments that have become ineligible will be replaced by equivalent eligible instruments.

► **DISCLOSURE ON CAPITAL INSTRUMENTS ACCORDING TO THE COMMISSION IMPLEMENTING REGULATION (EU) N°1423/2013 OF 20 DECEMBER 2013**

The detailed table of the capital instruments main features is available on the investor relations web site www.invest.bnpparibas.com

5. Additional information

5.1 Ownership structure as at 30 June 2015

	% of voting rights
SFPI^(*)	10.3%
Gd Duchy of Luxembourg	1.0%
Employees	5.1%
- o/w corporate mutual funds	3.7%
- o/w direct ownership	1.4%
Retail shareholders	4.8%
Institutional investors	73.8%
- Europe	44.0%
- Outside Europe	29.8%
Other and unidentified	5.0%

^(*) *Société Fédérale de Participation et d'Investissement : public-interest société anonyme (public limited company) acting on behalf of the Belgian government*

5.2 Changes in BNP Paribas' capital

On July 10, 2015, BNP Paribas (SA) share capital was updated by subscription of 228,567 new shares with a nominal value of 2 euros each via Option Plans.

Consequently, the amount of BNP Paribas (SA) share capital thus now stands at **2,492, 372,484 euros** divided into **1,246,186,242** fully paid-up shares with a nominal value of 2 euros each.

These shares are held in registered or bearer form at the shareholder's discretion, subject to compliance with the relevant legal provisions. None of the Bank's shares carry double voting rights.

5.3 Statuts

SECTION I

FORM – NAME – REGISTERED OFFICE – CORPORATE PURPOSE

Article 1

BNP PARIBAS is a French Public Limited Company (*société anonyme*) licensed to conduct banking operations under the French Monetary and Financial Code, Book V, Section 1 (*Code Monétaire et Financier, Livre V, Titre 1er*) governing banking sector institutions.

The Company was founded pursuant to a decree dated 26 May 1966. Its legal life has been extended to 99 years with effect from 17 September 1993.

Apart from the specific rules relating to its status as an establishment in the banking sector (Book V, Section 1 of the French Monetary and Financial Code - *Code Monétaire et Financier, Livre V, Titre 1er*), BNP PARIBAS shall be governed by the provisions of the French Commercial Code (*Code de Commerce*) concerning commercial companies, as well as by these Articles of Association.

Article 2

The registered office of BNP PARIBAS shall be located in PARIS (9th *arrondissement*), at 16, Boulevard des Italiens (France).

Article 3

The purpose of BNP PARIBAS shall be to provide and carry out the following services with any individual or legal entity, in France and abroad, subject to compliance with the French laws and regulations applicable to credit institutions licensed by the Credit Institutions and Investment Firms Committee (Comité des Etablissements de Crédit et des Entreprises d'Investissement):

- any and all investment services,
- any and all services related to investment services,
- any and all banking transactions,
- any and all services related to banking transactions,
- any and all equity investments,

as defined in the French Monetary and Financial Code Book III – Section 1 (Code Monétaire et Financier, Livre III, Titre 1er) governing banking transactions and Section II (Titre II) governing investment services and related services.

On a regular basis, BNP PARIBAS may also conduct any and all other activities and any and all transactions in addition to those listed above, in particular any and all arbitrage, brokerage and commission transactions, subject to compliance with the regulations applicable to banks.

In general, BNP PARIBAS may, on its own behalf, and on behalf of third parties or jointly therewith, perform any and all financial, commercial, industrial or agricultural, personal property or real estate transactions directly or indirectly related to the activities set out above or which further the accomplishment thereof.

SECTION II

SHARE CAPITAL - SHARES

Article 4

The share capital of BNP PARIBAS shall stand at 2 492 372 484 euros divided into 1 246 186 242 fully paid-up shares with a nominal value of 2 euros each.

Article 5

The fully paid-up shares shall be held in registered or bearer form at the shareholder's discretion, subject to the French laws and regulations in force.

The shares shall be registered in an account in accordance with the terms and conditions set out in the applicable French laws and regulations in force. They shall be assigned by transfer from one account to another.

The Company may request disclosure of information concerning the ownership of its shares in accordance with the provisions of Article L. 228-2 of the French Commercial Code (Code de Commerce).

Without prejudice to the legal thresholds set in Article L. 233-7, paragraph 1 of the French Commercial Code (Code de Commerce), any shareholder, whether acting alone or in concert, who comes to directly or indirectly hold at least 0.5% of the share capital or voting rights of BNP PARIBAS, or any multiple of that percentage less than 5%, shall be required to notify BNP PARIBAS by registered letter with return receipt within the timeframe set out in Article L. 233-7 of the French Commercial Code (Code de Commerce).

Above 5%, the disclosure obligation provided for in the previous paragraph shall apply to 1% increments of the share capital or voting rights.

The disclosures described in the previous two paragraphs shall also apply when the shareholding falls below the above-mentioned thresholds.

Failure to report either legal or statutory thresholds shall result in the loss of voting rights as provided for by Article L. 233-14 of the French Commercial Code (Code de Commerce) at the request of one or more shareholders jointly holding at least 2% of the Company's share capital or voting rights.

Article 6

Each share shall grant a right to a part of ownership of the Company's assets and any liquidation surplus that is equal to the proportion of share capital that it represents.

In cases where it is necessary to hold several shares in order to exercise certain rights, and in particular where shares are exchanged, combined or allocated, or following an increase or reduction in share capital,

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regardless of the terms and conditions thereof, or subsequent to a merger or any other transaction, it shall be the responsibility of those shareholders owning less than the number of shares required to exercise those rights to combine their shares or, if necessary, to purchase or sell the number of shares or voting rights leading to ownership of the required percentage of shares.

SECTION III

GOVERNANCE

Article 7

The Company shall be governed by a Board of Directors composed of:

1/ Directors appointed by the Ordinary General Shareholders' Meeting

There shall be at least nine and no more than eighteen Directors. Directors elected by the employees shall not be included when calculating the minimum and maximum number of Directors.

They shall be appointed for a three-year term.

When a Director is appointed to replace another Director, in accordance with applicable French laws and regulations in force, the new Director's term of office shall be limited to the remainder of the predecessor's term.

A Director's term of office shall end at the close of the Ordinary General Shareholders' Meeting convened to deliberate on the financial statements for the previous financial year and held in the year during which the Director's term of office expires.

Directors may be re-appointed, subject to the provisions of French law, in particular with regard to their age.

Each Director, including Directors elected by employees, must own at least 10 Company shares.

2/ Directors elected by BNP PARIBAS SA employees

The status of these Directors and the related election procedures shall be governed by Articles L. 225-27 to L. 225-34 of the French Commercial Code (*Code de Commerce*) as well as by the provisions of these Articles of Association.

There shall be two such Directors – one representing executive staff and the other representing non-executive staff.

They shall be elected by BNP PARIBAS SA employees.

They shall be elected for a three-year term.

Elections shall be organised by the Executive Management. The timetable and terms and conditions for elections shall be drawn up by the Executive Management in consultation with the national trade union representatives within the Company such that the second round of elections shall be held no later than fifteen days before the end of the term of office of the outgoing Directors.

Each candidate shall be elected on a majority basis after two rounds held in each of the electoral colleges.

Each application submitted during the first round of elections shall include both the candidate's name and the name of a substitute, if any.

Applications may not be amended during the second round of elections.

The candidates shall belong to the electoral college where they stand for election.

Applications other than those presented by a trade union representative within the Company must be submitted together with a document including the names and signatures of one hundred electors belonging to the electoral college where the candidate is presenting for election.

Article 8

The Chairman of the Board of Directors shall be appointed from among the members of the Board of Directors.

Upon proposal from the Chairman, the Board of Directors may appoint one or more Vice-Chairmen.

Article 9

The Board of Directors shall meet as often as necessary in the best interests of the Company. Board meetings shall be convened by the Chairman. Where requested by at least one-third of the Directors, the Chairman may convene a Board meeting with respect to a specific agenda, even if the last Board meeting was held less than two months before. The Chief Executive Officer (CEO) may also request that the Chairman convene a Board meeting to discuss a specific agenda.

Board meetings shall be held either at the Company's registered office, or at any other location specified in the notice of meeting.

Notices of meetings may be communicated by any means, including verbally.

The Board of Directors may meet and make valid decisions at any time, even if no notice of meeting has been communicated, provided all its members are present or represented.

Article 10

Board meetings shall be chaired by the Chairman, by a Director recommended by the Chairman for such purpose or, failing this, by the oldest Director present.

Any Director may attend a Board meeting and take part in its deliberations by videoconference (visioconférence) or all telecommunications and remote transmission means, including Internet, subject to compliance with the conditions set out in applicable legislation at the time of its use.

Any Director who is unable to attend a Board meeting may ask to be represented by a fellow Director, by granting a written proxy, valid for only one specific meeting of the Board. Each Director may represent only one other Director.

At least half of the Board members must be present for decisions taken at Board meetings to be valid.

Should one or both of the offices of Director elected by employees remain vacant, for whatever reason, without the possibility of a replacement as provided for in Article L. 225-34 of the French Commercial Code (Code de Commerce), the Board of Directors shall be validly composed of the members elected by the General Shareholders' Meeting and may validly meet and vote.

Members of the Company's Executive Management may, at the request of the Chairman, attend Board meetings in an advisory capacity.

A permanent member of the Company's Central Works Committee, appointed by said Committee, shall attend Board meetings in an advisory capacity, subject to compliance with the provisions of French laws in force.

Decisions shall be made by a majority of Directors present or represented. In the event of a split decision, the Chairman of the meeting shall have the casting vote, except as regards the proposed appointment of the Chairman of the Board of Directors.

The Board of Directors' deliberations shall be recorded in minutes entered in a special register prepared in accordance with French laws in force and signed by the Chairman of the meeting and one of the Directors who attended the meeting.

The Chairman of the meeting shall appoint the Secretary to the Board, who may be chosen from outside the Board's members.

Copies or excerpts of Board minutes may be signed by the Chairman, the Chief Executive Officer, the Chief Operating Officers (COOs) or any representative specifically authorised for such purpose.

Article 11

The Ordinary General Shareholders' Meeting may grant Directors' attendance fees under the conditions provided for by French law.

The Board of Directors shall split these fees among its members as it deems appropriate.

The Board of Directors may grant exceptional compensation for specific assignments or duties performed by the Directors under the conditions applicable to agreements subject to approval, in accordance with the provisions of Articles L. 225-38 to L. 225-43 of the French Commercial Code (Code de Commerce). The Board may also authorise the reimbursement of travel and business expenses and any other expenses incurred by the Directors in the interests of the Company.

SECTION IV

DUTIES OF THE BOARD OF DIRECTORS, THE CHAIRMAN, THE EXECUTIVE MANAGEMENT AND THE NON-VOTING DIRECTORS (Censeurs)

Article 12

The Board of Directors shall determine the business strategy of BNP PARIBAS and supervise the implementation thereof. Subject to the powers expressly conferred on the Shareholders' Meetings and within the limit of the corporate purpose, the Board shall handle any issue concerning the smooth running of BNP PARIBAS and settle matters concerning the Company pursuant to its deliberations. The Board of Directors shall receive from the Chairman or the Chief Executive Officer all of the documents and information required to fulfil its duties.

The Board of Directors' decisions shall be carried out either by the Chairman, the Chief Executive Officer or the Chief Operating Officers, or by any special representative appointed by the Board.

Upon proposal from the Chairman, the Board of Directors may decide to set up committees responsible for performing specific tasks.

Article 13

The Chairman shall organise and manage the work of the Board of Directors and report thereon to the General Shareholders' Meeting. The Chairman shall also oversee the smooth running of BNP PARIBAS's management bodies and ensure, in particular, that the Directors are in a position to fulfil their duties. The remuneration of the Chairman of the Board shall be freely determined by the Board of Directors.

Article 14

The Board of Directors shall decide how to organise the Executive Management of the Company: the Executive Management of the Company shall be conducted, under his responsibility, either by the Chairman of the Board of Directors or by another individual appointed by the Board of Directors and who shall have the title of Chief Executive Officer.

Shareholders and third parties shall be informed of this choice in accordance with the regulatory provisions in force.

The Board of Directors shall have the right to decide that this choice be for a fixed term.

In the event that the Board of Directors decides that the Executive Management shall be conducted by the Chairman of the Board, the provisions of these Articles of Association concerning the Chief Executive Officer shall apply to the Chairman of the Board of Directors who will in such case have the title of Chairman and Chief Executive Officer. He shall be deemed to have automatically resigned at the close of the General Shareholders' Meeting held to approve the financial statements for the year in which he reaches sixty-five years of age.

In the event that the Board of Directors decides to dissociate the functions of Chairman and Chief Executive Officer, the Chairman shall be deemed to have automatically resigned at the close of the General Shareholders' Meeting held to approve the financial statements for the year in which he reaches sixty-eight years of age. However, the Board may decide to extend the term of office of the Chairman of the Board until the close of the General Shareholders' Meeting held to approve the financial statements for the year in which he reaches sixty-nine years of age. The Chief Executive Officer shall be deemed to have automatically resigned at the close of the General Shareholders' Meeting held to approve the financial statements for the year in which he reaches sixty-three years of age. However, the Board may decide to extend the term of office of the Chief Executive Officer until the close of the General Shareholders' Meeting held to approve the financial statements for the year in which he reaches sixty-four years of age.

Article 15

The Chief Executive Officer shall be vested with the broadest powers to act in all circumstances in the name of BNP PARIBAS. He shall exercise these powers within the limit of the corporate purpose and subject to those powers expressly granted by French law to Shareholders' Meetings and the Board of Directors.

He shall represent BNP PARIBAS in its dealings with third parties. BNP PARIBAS shall be bound by the actions of the Chief Executive Officer even if such actions are outside the scope of the corporate purpose, unless BNP PARIBAS can prove that the third party knew that the relevant action was outside the scope of the corporate purpose or had constructive knowledge thereof in view of the circumstances. The publication of the Company's Articles of Association alone shall not constitute such proof.

The Chief Executive Officer shall be responsible for the organisation and procedures of internal control and for all information required by French law regarding the internal control report.

The Board of Directors may limit the powers of the Chief Executive Officer, but such limits shall not be binding as against third parties.

The Chief Executive Officer may delegate partial powers, on a temporary or permanent basis, to as many persons as he sees fit, with or without the option of redelegation.

The remuneration of the Chief Executive Officer shall be freely determined by the Board of Directors.

The Chief Executive Officer may be removed from office by the Board of Directors at any time. Damages may be payable to the Chief Executive Officer if he is removed from office without a valid reason, except where the Chief Executive Officer is also the Chairman of the Board of Directors.

In the event that the Chief Executive Officer is a Director, the term of his office as Chief Executive Officer shall not exceed that of his term of office as a Director.

Article 16

Upon proposal from the Chief Executive Officer, the Board of Directors may, within the limits of French law, appoint one or more individuals, who shall have the title of Chief Operating Officer, responsible for assisting the Chief Executive Officer.

In agreement with the Chief Executive Officer, the Board of Directors shall determine the scope and term of the powers granted to the Chief Operating Officers. However, as far as third parties are concerned, the Chief Operating Officers shall have the same powers as the Chief Executive Officer.

When the Chief Executive Officer ceases to perform his duties or is prevented from doing so, the Chief Operating Officers shall, unless the Board of Directors decides otherwise, retain their functions and responsibilities until a new Chief Executive Officer is appointed.

The remuneration of the Chief Operating Officers shall be freely determined by the Board of Directors, at the proposal of the Chief Executive Officer.

The Chief Operating Officers may be removed from office by the Board of Directors at any time, at the proposal of the Chief Executive Officer. Damages may be payable to the Chief Operating Officers if they are removed from office without a valid reason.

Where a Chief Operating Officer is a Director, the term of his office as Chief Operating Officer may not exceed that of his term of office as a Director.

The term of office of the Chief Operating Officers shall expire at the latest at the close of the General Shareholders' Meeting convened to approve the financial statements for the year in which the Chief Operating Officers reach sixty-five years of age.

Article 17

Upon proposal from the Chairman, the Board of Directors may appoint one or two non-voting Directors (censeurs).

Non-voting Directors shall be convened to and take part in Board meetings in an advisory capacity.

They shall be appointed for six years and may be reappointed for further terms. They may also be removed at any time under similar conditions.

They shall be selected from among the Company's shareholders and may receive a remuneration determined by the Board of Directors.

SECTION V

SHAREHOLDERS' MEETINGS

Article 18

General Shareholders' Meetings shall be composed of all shareholders.

General Shareholders' Meetings shall be convened and deliberate subject to compliance with the provisions of the French Commercial Code (Code de Commerce).

As an exception to the last paragraph of article L.225-123 of the French Commercial Code (Code de Commerce), each share carries one voting right, and no double voting rights are conferred.

They shall be held either at the registered office or at any other location specified in the notice of meeting.

They shall be chaired by the Chairman of the Board of Directors, or, in his absence, by a Director appointed for this purpose by the Shareholders' Meeting.

Any shareholder may, subject to providing proof of identity, attend a General Shareholders' Meeting, either in person, or by returning a postal vote or by designating a proxy.

Taking part in the meeting is subject to the shares having been entered either in the BNP PARIBAS' registered share accounts in the name of the shareholder, or in the bearer share accounts held by the authorised intermediary, within the timeframes and under the conditions provided for by the French regulations in force. In the case of bearer shares, the authorised intermediary shall provide a certificate of participation for the shareholders concerned.

The deadline for returning postal votes shall be determined by the Board of Directors and stated in the notice of meeting published in the French Bulletin of Compulsory Legal Announcements (Bulletin des Annonces Légales Obligatoires – BALO).

At all General Shareholders' Meetings, the voting right attached to the shares bearing beneficial rights shall be exercised by the beneficial owner.

If the Board of Directors so decides at the time that the General Shareholders' Meeting is convened, the public broadcasting of the entire General Shareholders' Meeting by videoconference (visioconference) or all telecommunications and remote transmission means, including Internet, shall be authorised. Where applicable, this decision shall be communicated in the notice of meeting published in the French Bulletin of Compulsory Legal Announcements (Bulletin des Annonces Légales Obligatoires – BALO).

Any shareholder may also, if the Board of Directors so decides at the time of convening the General Shareholders' Meeting, take part in the vote by videoconference (visioconference) or all telecommunications and remote transmission means, including Internet, subject to compliance with the conditions set out in the applicable laws at the time of its use. If an electronic voting form is used, the shareholder's signature may be in the form of a secured digital signature or a reliable identification process safeguarding the link with the document to which it is attached and may consist, in particular, of a user identifier and a password. Where applicable, this decision shall be communicated in the notice of meeting published in the French Bulletin of Compulsory Legal Announcements (Bulletin des Annonces Légales Obligatoires – BALO).

SECTION VI

STATUTORY AUDITORS

Article 19

At least two principal statutory auditors and at least two substitute statutory auditors shall be appointed by the General Shareholders' Meeting for a term of six financial years. Their term of office shall expire after approval of the financial statements for the sixth financial year.

SECTION VII

ANNUAL FINANCIAL STATEMENTS

Article 20

The Company's financial year shall start on 1st January and end on 31st December.

At the end of each financial year, the Board of Directors shall draw up annual financial statements and write a management report on the Company's financial position and its business activities during the previous year.

Article 21

Net income for the year is composed of income for the year minus costs, depreciation, amortizations and impairment.

The distributable profit is made up of the year's profit, minus previous losses as well as the sums to be allocated to the reserves in accordance with French law, plus the profit carried forward.

The General Shareholders' Meeting is entitled to levy all sums from the distributable profit to allocate them to all optional, ordinary or extraordinary reserves or to carry them forward.

The General Shareholders' Meeting may also decide to distribute sums levied from the reserves at its disposal.

However, except in the event of a capital reduction, no amounts may be distributed to the shareholders if the shareholders' equity is, or would become following such distribution, lower than the amount of capital plus the reserves which is not open to distribution pursuant to French law or these Articles of Association.

In accordance with the provisions of Article L. 232-18 of the French Commercial Code (Code de Commerce), a General Shareholders' Meeting may offer to the shareholders an option for the payment, in whole or in part, of dividends or interim dividends through the issuance of new shares in the Company.

SECTION VIII

DISSOLUTION

Article 22

Should BNP PARIBAS be dissolved, the shareholders shall determine the form of liquidation, appoint the liquidators at the proposal of the Board of Directors and, in general, take on all of the duties of the General Shareholders' Meeting of a French Public Limited Company (*société anonyme*) during the liquidation and until such time as it has been completed.

SECTION IX

DISPUTES

Article 23

Any and all disputes that may arise during the life of BNP PARIBAS or during its liquidation, either between the shareholders themselves or between the shareholders and BNP PARIBAS, pursuant to these Articles of Association, shall be ruled on in accordance with French law and submitted to the courts having jurisdiction.

5.4 Documents on display

This document is freely available at BNP Paribas' head office:
16, boulevard des Italiens, 75009 Paris.

The French version of this document is also available on:

- The *Autorité des Marchés Financiers* (AMF) website at www.amf-france.org
- The BNP Paribas website at www.invest.bnpparibas.com.

5.5 Significant changes

Save as disclosed in this document, there has been no significant change in the financial position of the BNP Paribas Group since the end of the last financial period for which verified financial statements have been published.

5.6 Trends

Refer to the section 12 of the table of concordance in chapter 6 of this document.

6. Statutory Auditors

Deloitte & Associés
185, avenue Charles de Gaulle
92524 Neuilly-sur-Seine Cedex

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

Mazars
61, rue Henri Regnault
92400 Courbevoie

- Deloitte & Associés was re-appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2006.
Deloitte & Associés is represented by Damien Laurent.

Deputy:

Société BEAS, 195, avenue Charles de Gaulle, Neuilly-sur-Seine (92), France, SIREN No. 315 172 445, Nanterre trade and companies register.

- PricewaterhouseCoopers audit was re-appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 26 May 1994.
PricewaterhouseCoopers Audit is represented by Etienne Boris.

Deputy:

Anik Chaumartin, 63, rue de Villiers, Neuilly-sur-Seine (92), France.

- Mazars was re-appointed as Statutory Auditor at the Annual General Meeting of 23 May 2012 for a six-year period expiring at the close of the Annual General Meeting called in 2018 to approve the financial statements for the year ending 31 December 2017. The firm was first appointed at the Annual General Meeting of 23 May 2000.
Mazars is represented by Hervé Hélias.

Deputy:

Michel Barbet-Massin, 61, rue Henri Regnault, Courbevoie (92), France.

Deloitte & Associés, PricewaterhouseCoopers, and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board (*Haut Conseil du Commissariat aux comptes*).

7. Person responsible for the update to the Registration Document

PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND ITS UPDATES

Jean-Laurent Bonnafé, Chief Executive Officer of BNP Paribas

STATEMENT BY THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND ITS UPDATES

I hereby declare to the best of my knowledge, and after having taken all reasonable precautions, that the information contained in the present update of the Registration document is in accordance with the facts and contains no omission likely to affect its import.

I hereby certify that, to my knowledge, the condensed financial statements for the most recent half-year have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all entities included in the consolidated group, and the half-year report included herein provides a true and fair view of the important events of the first six months of the current financial year, of the effect of such events on the Company's accounts, of the principal related party transactions, as well as a description of the principal risks and principal uncertainties for the six months remaining in the current financial year.

I obtained a completion letter from the Statutory Auditors, Deloitte & Associés, PricewaterhouseCoopers Audit, and Mazars, in which they state that they have verified the information contained in the present update about the Group's financial position and accounts and that they have read the Registration document and its update in their entirety.

The Statutory Auditors' report on the condensed consolidated financial statements for the six months ended 30 June 2015 presented in this update is given on pages 150 and 151 and contains an emphasis of matter paragraph.

Paris, 3 August 2015,

Chief Executive Officer

Jean-Laurent BONNAFÉ

8. Table of concordance

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BNP PARIBAS – SECOND UPDATE TO THE REGISTRATION DOCUMENT

	Second update filed with the AMF on July 31, 2015	First update filed with the AMF on April 30, 2015	Registration document filed with the AMF on March 6, 2015
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In accordance with Article 212-13 of the Règlement général of the French Autorité des marchés financiers, this update includes information from the semi-annual financial report specified in Article L. 451-1-2 of the French Financial and Monetary Code.

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