# SECOND QUARTER 2017 RESULTS

**PRESS RELEASE**
Paris, 28 July 2017

## GOOD GROWTH IN THE REVENUES OF THE OPERATING DIVISIONS

**REVENUES OF THE OPERATING DIVISIONS: +2.5% vs. 2Q16**

## DECREASE IN OPERATING EXPENSES THANKS TO EFFICIENCY MEASURES

**OPERATING EXPENSES OF THE OPERATING DIVISIONS: -0.4% vs. 2Q16**

## SIGNIFICANT DECREASE IN THE COST OF RISK

**-16.3% vs. 2Q16 (36 BP*)**

## SHARP INCREASE IN NET INCOME EXCLUDING EXCEPTIONAL ITEMS

**NET INCOME GROUP SHARE: €2.4bn (+17.2% EXCLUDING EXCEPTIONAL ITEMS)**

## CONTINUED INCREASE IN THE CET1 RATIO**

**11.7% (11.6% AS AT 31.03.17)**

## GOOD BUSINESS AND INCOME DRIVE

* COST OF RISK/CUSTOMER LOANS AT THE BEGINNING OF THE PERIOD (IN ANNUALISED BP); ** AS AT 30 JUNE 2017, CRD4 ("FULLY LOADED" RATIO)

BNP PARIBAS

The bank for a changing world

The Board of Directors of BNP Paribas met on 27 July 2017. The meeting was chaired by Jean Lemierre and the Board examined the Group's results for the second quarter 2017 and endorsed the interim financial statements for the first half of the year.

## GOOD BUSINESS AND INCOME DRIVE

BNP Paribas delivered a very good operating performance this quarter in an improving economic environment in Europe.

Revenues totalled 10,938 million euros, down by 3.4% compared to the second quarter 2016. This decrease is due to the fact that revenues included in the second quarter 2016 an exceptional capital gain of +597 million euros from the sale of Visa Europe shares while it included this quarter a +85 million euro capital gain from the sale of Euronext shares. Separately, there were -200 million euros in Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA) this quarter compared to -204 million euros in the second quarter 2016.

The revenues of the operating divisions grew by 2.5%: they were down slightly by 0.3% at Domestic Markets[1] due to the low interest rate environment, despite good business development, and rose significantly by 3.2% at International Financial Services and by 4.6% at CIB.

At 7,071 million euros, operating expenses were down by 0.3% compared to the second quarter 2016. They included the exceptional 15 million euro impact (50 million euros in the second quarter 2016) of the acquisitions' restructuring costs[2] as well as 153 million euros in transformation costs of businesses (58 million euros in the second quarter 2016) which amount was still limited this quarter due to the gradual launch of the programmes.

The operating expenses of the operating divisions were down by 0.4% compared to the second quarter 2016 thanks to the effects of cost savings measures. They were down by 6.0% at CIB where the transformation plan was launched as early as 2016. They increased by 1.6% for Domestic Markets[1] as a result of the development of the specialised businesses (increase of only 0.5% on average for FRB, BNL bc and BRB) and 2.8% for International Financial Services due to increased business.

The gross operating income of the Group thus decreased by 8.6%, to 3,867 million euros due to exceptional elements but it was up by 7.4% for the operating divisions.

The cost of risk was at a low level this quarter, at 662 million euros (791 million euros in the second quarter 2016) or 36 basis points of outstanding customer loans. This 16.3% decrease reflects in particular the good control of risk at loan origination, the low interest rate environment and the continued improvement in Italy as a result of the repositioning on the better corporate clients.

The Group's operating income was down by 6.9%, at 3,205 million euros (3,441 million euros in the second quarter 2016). It was up by 16.4% for the operating divisions.

Non operating items totalled 256 million euros (84 million euros in the second quarter 2016 which included shares depreciations).

Pre-tax income thus came to 3,461 million euros compared to 3,525 million euros in the second quarter 2016 (-1.8%). It was up sharply by 18.1% for the operating divisions.

[1] Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)
[2] In particular LaSer, Bank BGZ, DAB Bank and GE LLD

Net income attributable to equity holders was 2,396 million euros, down by 6.4% compared to the second quarter 2016. Excluding one-off items[1], it came to 2,566 million euros (+17.2%).

As at 30 June 2017, the fully loaded Basel 3 common equity Tier 1 ratio[2] was 11.7% (11.6% as at 31 March 2017). The fully loaded Basel 3 leverage ratio[3] came to 4.2%. The Liquidity Coverage Ratio was 116% as at 30 June 2017. Lastly, the Group's immediately available liquidity reserve was 344 billion euros (345 billion euros as at 31 March 2017), equivalent to over one year of room to manoeuvre in terms of wholesale funding.

The net book value per share reached 73.3 euros, equivalent to a compounded annual growth rate of 5.7% since 31 December 2008, illustrating the continuous value creation throughout the cycle. A €2.70 dividend per share was paid entirely in cash on 1st June 2017.

The Group is actively implementing the 2020 transformation plan, an ambitious programme of new customer experience, digital transformation and operating efficiency. It also continues to reinforce its internal control and compliance systems. Lastly, it is carrying out an ambitious policy of engagement in the society aimed at financing the economy in an ethical manner, being a positive agent for change, developing our people and combating climate change: the Group just decided to create a Company Engagement Department, that will be represented in the Group Executive Committee, in order to strengthen its actions in this area.

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For the first half of the year, revenues totalled 22,235 million euros, up by 0.3% compared to the first half 2016. They included this semester the exceptional impact of -207 million euros in Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA) (compared to +161 million euros in the first half 2016) as well as a total of +233 million euros in capital gains from the sale of Shinhan and Euronext shares. They included in the first half 2016 a +597 million euro capital gain from the sale of Visa Europe shares.

The revenues of the operating divisions grew by 4.7%. They were down slightly by 0.3% at Domestic Markets[4] due to the low interest rate environment, partly offset by good business development, rose by 4.5% at International Financial Services which benefited from a good business drive and were up sharply by 11.8% at CIB whose market environment was challenging at the beginning of 2016.

At 15,190 million euros, operating expenses were up by 3.2% compared to the first half 2016. They included the exceptional 36 million euro impact of the acquisitions' restructuring costs[5] (74 million euros in the first half 2016) as well as 243 million euros in transformation costs of businesses (80 million euros in the first half 2016), which amount was still limited this semester due to the gradual launch of the 2020 transformation plan programs.

Operating expenses included 1,067 million euros in banking taxes and contributions (989 million euros in the first half 2016), mainly booked in the first quarter for the entire year pursuant to IFRIC 21 "Taxes".

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[1] Effect of exceptional items after tax: -170 million euros (+370 million euros in the second quarter 2016)
[2] Ratio taking into account all the CRD4 rules with no transitory provisions
[3] Ratio taking into account all the rules of the CRD4 at 2019 with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014
[4] Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)
[5] In particular LaSer, Bank BGZ, DAB Bank and GE LLD

The operating expenses of the operating divisions rose by 2.4% compared to the first half 2016: +1.9% for Domestic Markets[1], +2.7% for International Financial Services and +2.8% for CIB. They included the impact of the application of IFRIC 21 recalled above.

The gross operating income of the Group was thus down by 5.4%, to 7,045 million euros. It was up by 9.5% for the operating divisions.

The cost of risk was at a low level this semester, at 1,254 million euros (1,548 million euros in the first half 2016) or 34 basis points of outstanding customer loans. This 19.0% decline reflects in particular the good control of risk at loan origination, the low interest rate environment and the continued improvement in Italy as a result in particular to the repositioning on the better corporate clients.

The Group’s operating income was down by 1.9%, at 5,791 million euros (5,901 million euros in the first half 2016). It was up by 20.3% for the operating divisions.

Non operating items totalled 424 million euros (262 million euros in the first half 2016 which included share depreciations).

Pre-tax income thus came to 6,215 million euros compared to 6,163 million euros in the first half 2016 (+0.8%). It was up sharply by 20.9% for the operating divisions.

Net income attributable to equity holders was 4,290 million euros, down by 1.9% compared to the first half 2016. Excluding the effect of one-off items[2], it came to 4,384 million euros, up sharply by 15.5%, reflecting the Group’s very good operating performance in the first half of the year.

The annualised return on equity was 10.6%. The annualised return on tangible equity came to 12.5%.

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[1] Including 100% of Private Banking in the domestic networks
[2] Effect of exceptional items after tax: -94 million euros (+578 million euros in the first half of 2016)

## RETAIL BANKING & SERVICES

## DOMESTIC MARKETS

Domestic Markets reported a good business drive. Outstanding loans were up by 5.7% compared to the second quarter 2016 with good growth in loans in the retail banking networks and in the specialised businesses. Deposits were up by 9.2% with sharp rise in all countries. Private banking reported a rise in its assets under management of +7.9% compared to the level as at 30 June 2016 and good net asset inflows (+1.5 billion euros for the quarter). Hello bank! continued its growth and showed a good trend in its new customer acquisition, in particular in France where it increased by 18% compared to the second quarter 2016.

The operating division finalised this quarter the acquisition of Compte-Nickel in France[1] which will add up to the set-up dedicated to new banking usage. With Compte-Nickel, whose exclusive partnership with the French *Confédération des Buralistes* was extended, the division will have, alongside Hello bank!, the retail banking digital offering and the branch network, a full range of solutions adapted to the needs of various customer segments. With over 630,000 accounts opened in 3 years (including over 81,000 this quarter), Compte-Nickel has had real success in France. The objective is to speed up the acquisition of new customers with a target of 2 million accounts opened by 2020.

Domestic Markets also continued its digital transformation, launching this quarter in France with Crédit Mutuel[2] and in partnership with leading retail groups such as Carrefour, Auchan and Total, a new high-valued added app called Lyf pay, a universal mobile payment solution that combines payment cards, loyalty programmes and discount offers.

Revenues[3], at 3,951 million euros, were down slightly (-0.3%) compared to the second quarter 2016, the effect of business growth being offset by the impact of low interest rates. The division reported increased fees in all the networks.

Operating expenses[3] (2,488 million euros) were up by 1.6% compared to the same quarter last year, as a result of the development of the business of the specialised businesses and the costs to launch this quarter new digital services in Arval. They rose by only 0.5% on average for FRB, BNL bc and BRB.

Gross operating income[3] was thus down by 3.3%, at 1,463 million euros, compared to the same quarter last year.

The cost of risk was down significantly (-8.6% compared to the second quarter 2016), due in particular to a significant decrease at BNL bc.

Thus, after allocating one-third of Domestic Markets Private Banking's net income to the Wealth Management business (International Financial Services division), the division reported 1,052 million euros in pre-tax income[4], down 2.3% compared to the second quarter 2016.

For the first half of the year, revenues[3], at 7,903 million euros, were down slightly (-0.3%) compared to the first half 2016, the effect of business growth being offset by the impact of low interest rates. The division reported increased fees in all the networks. Operating expenses[3] (5,368 million euros) were up by 1.9% compared to the first half last year. Excluding the impact of

[1] Closing of the deal on 12 July 2017
[2] CM11-CIC
[3] Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg
[4] Excluding PEL/CEL effects of +1 million euros compared to -21 million euros in the second quarter 2016

IFRIC 21[1], they were up by only 1.1% in connection with the development of the specialised businesses (only +0.5% on average for FRB, BNL bc and BRB). Gross operating income[2] was thus down by 4.6%, at 2,535 million euros, compared to the same half last year. The cost of risk was down significantly (-14.4% compared to the first half 2016), due in particular to a significant decrease at BNL bc. Thus, after allocating one-third of Domestic Markets Private Banking's net income to the Wealth Management business (International Financial Services division), the division reported 1,759 million euros in pre-tax income[3], down 0.4% compared to the first half 2016.

**French Retail Banking (FRB)**

FRB showed a very good business drive. Outstanding loans were up by 8.3% compared to a low base in the second quarter 2016 with a sustained growth in loans to individual and corporate clients. Deposits were up by 13.1% compared to the second quarter 2016, driven by the strong growth in current accounts. Life insurance reported good growth (4.5% rise in outstandings compared to what they were as at 30 June 2016) and private banking's assets under management were up sharply (+10.3%) with good net asset inflows this quarter (623 million euros).

The business also announced this quarter the delayering to come of the network organisation with a gradual move from four to three management levels in the branch network in 2018 in order to streamline costs, shorten decision-making processes and improve customer satisfaction.

Revenues[4] totalled 1,606 million euros, down by 0.1% compared to the second quarter 2016. Net interest income[4] was down by 1.7%, the impact of persistently low interest rates being partly offset by business growth. For their part, fees[4] rose by 1.8% with in particular a rise in financial fees.

At 1,116 million euros, operating expenses[4] were up by 0.8% compared to the second quarter 2016, reflecting good cost containment.

Gross operating income[4] thus came to 490 million euros, down by 2.3% compared to the same quarter last year.

The cost of risk[4] was still low, at 80 million euros (72 million euros in the second quarter 2016). It was 21 basis points of outstanding customer loans.

Thus, after allocating one-third of French Private Banking's net income to the Wealth Management business (International Financial Services division), FRB posted 371 million euros in pre-tax income[5], down by 6.8% compared to second quarter 2016.

For the first half of the year, revenues[4] totalled 3,226 million euros, down by 0.8% compared to the first half 2016. Net interest income[4] was down by 3.1% given the impact of persistently low interest rates partly offset by business growth. For their part, fees[4] rose by 2.2% with a rise in particular of financial fees. At 2,299 million euros, operating expenses[4] were up by 0.9% compared to the first half 2016. Excluding the impact of IFRIC 21[6], they were up by only 0.6%. Gross operating income[4] thus came to 927 million euros, down by 4.7% compared to the same half last year. The cost of risk[4] was still low, at 158 million euros (146 million euros in the first half 2016). It was 21 basis points of outstanding customer loans. Thus, after allocating one-third of French Private Banking's

[1] In particular booking this quarter of the increases of banking contributions and taxes accounted in the second quarter 2016 in Corporate Centre and at BRB in the third quarter 2016
[2] Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg
[3] Excluding PEL/CEL effects of -1 million euros compared to -3 million euros in the first half 2016
[4] Including 100% of Private Banking in France (excluding PEL/CEL effects)
[5] Excluding PEL/CEL effects of +1 million euros compared to -21 million euros in the second quarter 2016
[6] In particular booking in the first quarter of the increase of the contribution to the Single Resolution Fund accounted in the second quarter 2016 in Corporate Centre

net income to the Wealth Management business (International Financial Services division), FRB posted 690 million euros in pre-tax income[1], down by 8.9% compared to first half 2016.

## BNL banca commerciale (BNL bc)

The outstanding loans of BNL bc were up by 0.6% compared to the second quarter 2016, driven by growth in individual clients. Deposits rose by 10.7% with a sharp rise in current accounts. BNL bc delivered a good performance in off balance sheet savings: life insurance outstandings rose by 6.4% and mutual fund outstandings were up by 13.3% compared to 30 June 2016. Private banking reported good growth in assets under management (+5.3% compared to 30 June 2016). BNL bc continued to develop digital banking with close to 20% of new clients acquired through digital channels.

Revenues[2] were down by 2.8% compared to the second quarter 2016, at 729 million euros. Net interest income[2] was down by 6.7% due to the persistently low interest rate environment. Fees[2] were up significantly by 4.3% in connection with the good development of off balance sheet savings and private banking.

Operating expenses[2], at 430 million euros, were down by 0.6% reflecting good cost containment.

Gross operating income[2] thus totalled 299 million euros, down by 5.7% compared to the same quarter last year.

The cost of risk[2], at 113 basis points of outstanding customer loans, was down by 20 million euros compared to the second quarter 2016 reflecting a gradual improvement of the quality of the loan portfolio.

Thus, after allocating one-third of Italian Private Banking's net income to the Wealth Management business (International Financial Services division), BNL bc generated 65 million euros in pre-tax income (-0.3% compared to the second quarter 2016).

For the first half of the year, revenues[2] were down by 2.1% compared to the first half 2016, at 1,456 million euros. Net interest income[2] was down by 6.1% due to the persistently low interest rate environment. Fees[2] were up by 5.5% in connection with the good development of off balance sheet savings and private banking. Operating expenses[2], at 899 million euros, rose by 0.5% (+0.3% excluding the impact of IFRIC 21[3]), which reflects good control. Gross operating income[2] thus totalled 557 million euros, down by 5.9% compared to the same half last year. The cost of risk[2], at 114 basis points of outstanding customer loans, was down by 66 million euros compared to the first half 2016, reflecting a gradual improvement of the quality of the loan portfolio. Thus, after allocating one-third of Italian Private Banking's net income to the Wealth Management business (International Financial Services division), BNL bc generated 83 million euros in pre-tax income, up sharply compared to the first half 2016 (+46.5%).

## Belgian Retail Banking

BRB reported sustained business activity. Loans were up by 5.6% compared to the second quarter 2016 with good growth in loans to corporate customers and growth in mortgages. For their part, deposits rose by 3.2% thanks in particular to growth in current accounts. There was good growth in mutual fund outstandings (+8.6% compared to 30 June 2016) and private banking reported significant growth in assets under management (+6.5% compared to 30 June 2016).

[1] Excluding PEL/CEL effects of -1 million euros compared to -3 million euros in the first half 2016
[2] Including 100% of Private Banking in Italy
[3] Booking in particular in the first quarter of the increase of the contribution to the Single Resolution Fund accounted in the second quarter 2016 in Corporate Centre

Revenues[1] were up by 0.8% compared to the second quarter 2016, at 930 million euros: net interest income[1] was down by 3.4%, the impact of the low interest rate environment being only partly offset by volume growth. Fees[1] were up sharply by 13.8% compared to a low level in the second quarter 2016.

Operating expenses[1] rose by 0.9% compared to the second quarter 2016, to 560 million euros, reflecting good control.

Gross operating income[1], at 370 million euros, was up by 0.7% compared to the same quarter last year.

The cost of risk[1] was 11 basis points of outstanding customer loans (28 million euros). It was 49 million euros in the second quarter 2016 when the impact of a specific loan was recorded.

After allocating one-third of Belgian Private Banking's net income to the Wealth Management business (International Financial Services division), BRB generated 325 million euros in pre-tax income, up by 7.7% compared to the second quarter 2016.

For the first half of the year, revenues[1] were up by 1.2%, compared to the first half 2016, at 1,861 million euros: net interest income[1] were down by 1.4%, the effect of the low interest rate environment being only partly offset by volume growth. Fees[1] were up by 9.1% compared to a low level in the first half last year. Operating expenses[1] rose by 2.7% compared to the first half 2016, to 1,383 million euros. Excluding the impact of IFRIC 21[2], they rose by only 0.5%, reflecting good control. At 479 million euros, gross operating income[1] was down by 3.0% compared to the same semester last year. The cost of risk[1] was down substantially at 27 million euros (70 million euros in the first half 2016) given in particular provision write-backs in the first half of this year. After allocating one-third of Belgian Private Banking's net income to the Wealth Management business (International Financial Services division), BRB generated 422 million euros in pre-tax income, up by 8.1% compared to the first half 2016.

**Other Domestic Markets business units (Arval, Leasing Solutions, Personal Investors and Luxembourg Retail Banking)**

Domestic Markets' specialised businesses reported good growth in their activity: business development at Arval was sustained and the financed fleet showed strong growth (+8.1% compared to the second quarter 2016), there was solid growth in the financing outstandings of Leasing Solutions and Personal Investors saw a good level of new client acquisition, reporting strong asset inflows this quarter (+€3.6bn).

Luxembourg Retail Banking's outstanding loans rose by 7.0% compared to the second quarter 2016, with growth in mortgages and corporate loans, and deposits were up by 13.7% with good inflows in particular on the corporate segment.

Revenues[3] on the whole were up by 0.7% compared to the second quarter 2016, at 686 million euros.

Operating expenses[3] rose by 7.8% compared to the second quarter 2016, to 382 million euros, as a result of the costs this quarter to launch new digital services in Arval (in particular the Total Fleet new reporting platform).

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[1] Including 100% of Private Banking in Belgium
[2] In particular booking in the first quarter 2017 of the new tax on lending institutions accounted in the 3rd quarter 2016
[3] Including 100% of Private Banking in Luxembourg

The cost of risk[1] was up by 1 million euros compared to the second quarter 2016, standing at 26 million euros.

Thus, the contribution of these four business units, after allocating one-third of Luxembourg Private Banking's net income to the Wealth Management business (International Financial Services division), was 291 million euros, down by 6.6% compared to the second quarter 2016.

For the first half of the year, revenues[1] were up on the whole by 1.0% compared to the first half 2016, at 1,360 million euros. Excluding a non-recurring item, they were up by 1.7%. Operating expenses[1] rose by 5.3% compared to the first half 2016, to 787 million euros. Excluding the impact of IFRIC 21[2], they rose by 4.9% as a result of the development of the businesses and the costs to launch this semester new digital services in Arval. The cost of risk[1] was down by 17 million euros compared to the first half 2016, at 39 million euros. Thus, the contribution of these four business units, after allocating one-third of Luxembourg Private Banking's net income to the Wealth Management business (International Financial Services division), was 565 million euros, up by 0.3% compared to the first half 2016.

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## INTERNATIONAL FINANCIAL SERVICES

The International Financial Services' businesses all reported strong business activity: Personal Finance maintained a strong business drive; Europe-Mediterranean and BancWest posted good growth in their business; and the Insurance and Wealth and Asset Management businesses generated good growth in their assets under management (+6.8% compared to the level as at 30 June 2016).

At 3,935 million euros, revenues were up by 3.2% compared to the second quarter 2016. This increase was 4.2% at constant scope and exchange rates with growth across all the businesses.

Operating expenses (2,367 million euros) were up by 2.8% compared to the same quarter last year (+4.1% at constant scope and exchange rates), generating a positive jaws effect.

Gross operating income thus came to 1,568 million euros, up by 3.8% compared to the same quarter last year (+4.4% at constant scope and exchange rates).

The cost of risk was at a low level, at 331 million euros, down by 24 million compared to the second quarter 2016.

International Financial Services' pre-tax income was thus up sharply, at 1,405 million euros (+11.3% compared to the second quarter 2016).

For the first half of the year, International Financial Services delivered a very good performance. At 7,844 million euros, revenues were up by 4.5% compared to the first half 2016. It was up by 5.1% at constant scope and exchange rates with a rise in all the businesses as a result of good business development. Operating expenses (4,873 million euros) were up by 2.7% compared to the same half last year (+3.5% at constant scope and exchange rates), producing a very positive jaws effect. Gross operating income thus came to 2,971 million euros, up by 7.5% compared to the same half last year (+7.8% at constant scope and exchange rates). The cost of risk was at a low

[1] Including 100% of Private Banking in Luxembourg

[2] In particular booking of the increase of the contribution to the Single Resolution Fund accounted in the second quarter 2016 in Corporate Centre

level, at 645 million euros, down by 50 million compared to the first half 2016. International Financial Services' pre-tax income was thus up significantly by 13.5% compared to the first half 2016, at 2,627 million euros (+14.1% at constant scope and exchange rates).

## Personal Finance

Personal Finance continued its very good drive. Outstanding loans were up by +11.9% compared to the second quarter 2016 in connection with the increase in demand in a favourable environment in Europe and the effect of new partnerships. The business continued its innovations with the launch of new credit card features in Italy and Spain and the development of digital with already 23% of digital signatures on mobile phones in Italy after the launch of the feature in the first quarter 2017.

The business' drive was also illustrated this quarter through the announcement of the acquisition of SevenDay Finans AB, a consumer credit specialist in Sweden. SevenDay Finans AB has 70,000 clients and its outstanding loans totalled 579 million euros as at 30 June 2017.

Personal Finance's revenues were up by 4.4% compared to the second quarter 2016, at 1,220 million euros, in connection with the rise in volumes and the positioning on products with a better risk profile. They were driven by a good drive in Italy, Spain and Germany.

Operating expenses were up by 5.9% compared to the second quarter 2016, at 579 million euros. Excluding the impact of non-recurring items, they were up by 4.3% as a result of business development.

Gross operating income thus came to 641 million euros, up by 3.1% compared to the same quarter last year.

The cost of risk was at a low level, at 225 million euros (248 million euros in the second quarter 2016), or 131 basis points of outstanding customer loans, due to the low interest rate environment and the growing positioning on products with a better risk profile. It also reflects this quarter the positive impact of a 15 million euros provision write-back in connection with the sale of doubtful loans.

After taking into account the income of the associated companies, up significantly[1], Personal Finance's pre-tax income thus rose strongly to 445 million euros (+22.3%) compared to the second quarter 2016, reflecting the business' very good business drive.

For the first half of the year, revenues were up by 4.5% compared to the first half 2016, to 2,421 million euros, in connection with the rise in volumes and the growing positioning on products with a better risk profile. Operating expenses were up by 5.0% compared to the first half 2016, at 1,213 million euros. Excluding the impact of IFRIC 21[2] and non-recurring items, they were up by 3.7% as a result of good business development. Gross operating income thus came to 1,208 million euros, up by 4.0% compared to the same half last year. The cost of risk was at a low level, at 465 million euros (470 million euros in the first half 2016), or 139 basis points of outstanding customer loans, due to the low interest rate environment and the growing positioning on products with a better risk profile. After taking into account the income of the associated companies, up significantly[1], Personal Finance's pre-tax income thus came to 798 million euros, up by 14.6% compared to the first half 2016.

[1] Reminder: depreciation of the shares of a subsidiary in the second quarter 2016
[2] In particular booking this quarter of the increase of the contribution to the Single Resolution Fund accounted in the second quarter 2016 in Corporate Centre

## Europe-Mediterranean

Europe-Mediterranean continued its growth. Outstanding loans rose by 5.4%[1] compared to the second quarter 2016 with growth in all regions and deposits were up by 7.9%[1]. There was a sustained development in digital with 420,000 clients already for CEPTETEB in Turkey and more than 205,000 clients for BGZ OPTIMA in Poland.

At 590 million euros, revenues[2] were up by 4.0%[1] compared to the second quarter 2016, as a result of volumes growth.

Operating expenses[2], at 420 million euros, rose by 4.5%[1] compared to the same quarter last year, due to good business development.

The cost of risk[2] totalled 70 million euros (87 million euros in the second quarter 2016), or 73 basis points of outstanding customer loans. It benefited this quarter from 21 million euros in provision write-backs.

After allocating one-third of Turkish Private Banking's net income to the Wealth Management business, Europe-Mediterranean generated 151 million euros in pre-tax income, up by 12.3%[3] compared to the same quarter last year.

For the first half of the year, at 1,183 million euros, revenues[2] were up by 5.1%[1] compared to the first half 2016, as a result of higher volumes. Operating expenses[2], at 845 million euros, rose by 4.7%[1] compared to the same half last year, due to good business development. The cost of risk[2] totalled 137 million euros (183 million euros in the first half 2016), or 71 basis points of outstanding customer loans. It benefited this semester from 61 million euros in provision write-backs. After allocating one-third of Turkish Private Banking's net income to the Wealth Management business, Europe-Mediterranean generated 300 million euros in pre-tax income, up sharply (19.6%[4]) compared to the same half last year.

## BancWest

BancWest continued its strong commercial drive. Loans were up by 7.2%[1] compared to the second quarter 2016 with sustained growth in loans to corporate and individuals. Deposits were up by 11.2%[1] with a good rise in current and savings accounts. Private banking's assets under management (12.6 billion U.S. dollars as at 30 June 2017) were up by 15.8%[1] compared to the level as at 30 June 2016. BancWest continued the development of its digital banking and already has 385,000 users of its online services. Lastly, the business is developing its cooperation with the whole Group ("One Bank for Corporates", Leasing Solutions and Personal Finance).

Revenues[5], at 762 million euros, were up by 7.9%[1] compared to the second quarter 2016 due to volume growth and higher rates as well as increase in fees.

At 513 million euros, operating expenses[5] rose by 3.9%[1] compared to the second quarter 2016, reflecting good business development, which generated a very positive jaws effect.

The cost of risk[5] (38 million euros) was still low, at 23 basis points of outstanding customer loans (23 million euros in the second quarter 2016).

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[1] At constant scope and exchange rates
[2] Including 100% of Private Banking in Turkey
[3] At constant scope and exchange rates (+1.6% at historical scope and exchange rates given an unfavourable foreign exchange effect)
[4] At constant scope and exchange rates (+7.2% at historical scope and exchange rates given an unfavourable foreign exchange effect)
[5] Including 100% of Private Banking in the United States

Thus, after allocating one-third of U.S. Private Banking's net income to Wealth Management business, BancWest posted 206 million euros in pre-tax income (+11.1%[1] compared to the second quarter 2016), reflecting its very good operating performance.

For the first half of the year, revenues[2], at 1,523 million euros, were up by +1.0%[3] compared to the first half 2016 which included significant capital gains from the sale of securities and loans. Excluding this effect, they were up by 6.7%[3], as a result of volume growth and higher rates. At 1,069 million euros, operating expenses[2] rose by 2.3%[3] compared to the first half 2016, reflecting good cost control. The cost of risk[2] (59 million euros) was still low, at 18 basis points of outstanding customer loans (48 million euros in the first half 2016). Thus, after allocating one-third of U.S. Private Banking's net income to Wealth Management business, BancWest posted 384 million euros in pre-tax income (-7.9%[4] compared to the first half 2016 and +13.8%[5] excluding capital gains from the sale of securities and loans in the first half 2016).

## Insurance and Wealth and Asset Management

Insurance and Wealth and Asset Management's assets under management[6] reached 1,033 billion euros as at 30 June 2017 (+6.8% compared to 30 June 2016). They rose by 23 billion euros compared to 31 December 2016 due in particular to good net asset inflows totalling 16.2 billion euros (good asset inflows at Wealth Management in particular in France and in Asia; positive net asset inflows at Asset Management, in particular into diversified funds; good asset inflows in Insurance particularly in unit-linked policies) and a strong performance effect (22.8 billion euros) partly offset by an unfavourable foreign exchange effect (-16.2 billion euros).

As at 30 June 2017, assets under management[6] broke down as follows: Asset Management (421 billion euros), Wealth Management (355 billion euros), Insurance (232 billion euros) and Real Estate Services (24 billion euros).

The Asset Management business continued to develop its activity and announced this quarter the adoption of a single brand BNP Paribas Asset Management as well as the creation of a specialised team to manage "private debt and real assets" (in particular infrastructure and real estate).

In Insurance, revenues, at 619 million euros, rose by 1.4% compared to the high base in the second quarter 2016 which included a significant amount of capital gains realised. They reflected the effect of the positive trend in the markets as well as the good performance of the protection insurance and savings in Asia. Operating expenses, at 297 million euros, rose by 7.0%, as a result of good business development. At 376 million euros, pre-tax income was down by 2.9% compared to the same quarter a year earlier.

Wealth and Asset Management's revenues (760 million euros) were up by 2.3% compared to the second quarter 2016 with a rise in particular in asset management. Operating expenses, at 567 million euros, were down by 1.7%, reflecting good cost containment and generating a positive jaws effect. At 226 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 up by 24.6% compared to the second quarter 2016, reflecting the good performance of all Wealth and Asset Management businesses.

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1 At constant scope and exchange rates (+14.2% at historical scope and exchange rates due to a favourable exchange rate effect)
2 Including 100% of Private Banking in the United States
3 At constant scope and exchange rates
4 At constant scope and exchange rates (-4.5% at historical scope and exchange rates)
5 At constant scope and exchange rates (17.9% at historical scope and exchange rates)
6 Including distributed assets

For the first half of the year, Insurance's revenues, at 1,216 million euros, rebounded by 14.0% compared to the first half 2016. The business reported a good performance of the activity, in particular the protection insurance and the savings business in Asia. Operating expenses, at 623 million euros, rose by 6.2%, as a result of good business development. At 702 million euros, pre-tax income was thus up sharply by 19.7% compared to the same half last year.

Wealth and Asset Management's revenues (1,533 million euros) were up across all the businesses and rose by 4.6% compared to the first half 2016. Operating expenses were well under control and were down by 0.1% at 1,143 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 up sharply at 443 million euros compared to the first half 2016 (+27.0%).

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## CORPORATE AND INSTITUTIONAL BANKING (CIB)

CIB had very good quarter.

Revenues, at 3,197 million euros, were up significantly (+4.6%) despite a high base in the second quarter 2016.

At 1,523 million euros, Global Markets' revenues were down slightly (-2.3%) compared to the second quarter 2016 in a lacklustre environment for FICC[1] but good client volumes in equity derivatives. The VaR, which measures market risks, was still very low (27 million euros).

The revenues of FICC[1], at 883 million euros, were down by 15.9% compared to the second quarter 2016 with low business in the markets for all the segments, contrasting with the favourable context in the second quarter 2016. The business confirmed its leading position in bond origination ranking number 1 for all bond issues in euros and number 9 for all international bond issues. At 640 million euros, the revenues of the Equity and Prime Services business were up very sharply (+25.7%) with a good performance of Prime Services and of the equity derivative business. The success of Exane BNP Paribas[2] is illustrated this quarter by its number 1 position in Europe in the Extel ranking for equity research, brokerage and sales.

Securities Services' revenues, at 498 million euros, rose by 7.9% compared to the second quarter 2016, due to a good business drive and the positive effect of new mandates. Assets under custody were up by 10.7% and the number of transactions by 6.5% compared to the second quarter 2016. The business also continued to win new significant mandates, like this quarter the global custody mandate for the Asian Infrastructure Investment Bank (18 billion euros in assets under custody).

Corporate Banking's revenues, at 1,176 million euros, were up by 13.5% compared to the second quarter 2016 with growth in the EMEA[3] and Asia-Pacific regions and stability in the Americas region. The business reported solid growth of the transaction banking businesses (trade finance, cash management) and realised strong capital gains in the day-to-day business. Loans, at 131.3 billion euros, were up by 2.6% compared to the second quarter 2016. Deposits continued to

[1] Fixed Income, Currencies and Commodities
[2] Equity-method entity
[3] Europe, Middle East, Africa

grow, at 134.0 billion euros (+18.3% compared to the second quarter 2016), as a result of the good development of cash management.

At 1,988 million euros, CIB's operating expenses were down by 6.0% compared to the second quarter 2016 thanks to the effect of cost saving measures implemented as part of CIB's transformation plan launched as early as the beginning of 2016. CIB thus produced a very positive jaws effect for the fourth consecutive quarter, reflecting the continuous improvement of its operating efficiency.

CIB's gross operating income was thus up very sharply by 28.4%, at 1,209 million euros.

CIB booked 118 million euros in net write-backs (compared to a net provision of 46 million euros in the second quarter 2016) as the provisions were more than offset by write-backs: Corporate Banking booked a net write-back of 78 million euros (net provision of 42 million euros in the second quarter 2016) and Global Markets of 39 million euros (net provision of 4 million euros in the second quarter 2016).

CIB thus generated 1,349 million euros in pre-tax income, up very sharply compared to the same quarter last year (+48.7%), reflecting the division's excellent performance.

For the first half of the year, revenues, at 6,420 million euros, were up by 11.8% compared to the first half 2016 which saw an unfavourable market environment at the beginning of the year. Revenues were up sharply in all the businesses. At 3,277 million euros, Global Markets' revenues were up strongly compared to the first half 2016 (+14.0%) with a significant pick-up in client business compared to a very challenging market context at the beginning of the year 2016. The revenues of FICC[1], at 2,057 million euros, were up by 6.1% and, at 1,220 million euros, the revenues of the Equity and Prime Services were up sharply by 30.2% driven by a rebound in client business in derivative and good growth of Prime Services. Securities Services' revenues, at 975 million euros, rose by 8.2% compared to the first half 2016, due to volume growth and the effect of new mandates. Corporate Banking's revenues, at 2,167 million euros, were up by 10.3% compared to the first half 2016 with good growth in all regions.

At 4,494 million euros, CIB's operating expenses were up by 2.8% compared to the first half 2016. They benefitted from cost saving measures implemented since the launch of the CIB's transformation plan as early as the beginning of 2016. CIB thus produced a very positive jaws effect, reflecting the strong improvement of its operating efficiency. CIB's gross operating income was thus up very sharply by 40.6% at 1,926 million euros. CIB booked 172 million euros in net write-backs (net provision of 74 million euros in the first half 2016): Corporate Banking booked a net write-back of 135 million euros (net provision of 98 million euros in the first half 2016) and Global Markets of 36 million euros (net write-back of 23 million euros in the first half 2016). CIB thus reported an excellent performance and generated 2,126 million euros in pre-tax income, recording a strong rebound (+62.3%) compared to a low base in the same half last year.

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[1] Fixed Income, Currencies and Commodities

## CORPORATE CENTRE

Corporate Centre revenues totalled 3 million euros compared to 650 million euros in the second quarter 2016. They included in the second quarter 2016 a +597 million euro capital gain from the sale of Visa Europe shares. They included this year a +85 million euro capital gain from the sale of 4.78% of Euronext. The exceptional impact of Own Credit Adjustment (OCA) and Debit Valuation Adjustment (DVA) was -200 million euros (-204 million euros in the second quarter 2016). Principal Investments made a good contribution to revenues.

Operating expenses totalled 300 million euros compared to 295 million euros in the second quarter 2016. They included the exceptional impact of 15 million euros in the acquisitions' restructuring costs[1] (50 million euros in the second quarter 2016) and 153 million euros in business transformation costs (58 million in the second quarter 2016).

The cost of risk totalled 94 million euros (5 million euros in the second quarter 2016).

Non-operating items totalled 46 million euros. They were -49 million euros in the second quarter 2016 due in particular to the goodwill depreciation of the shares of a subsidiary.

The Corporate Centre's pre-tax income was thus -346 million euros compared to +301 million euros in the second quarter 2016.

For the first half of the year, Corporate Centre revenues totalled 360 million euros compared to 1,268 million euros in the first half 2016. They included -207 million euros in Own Credit Adjustment (OCA) and Debit Valuation Adjustment (DVA) (+161 million euros in the first half 2016) and capital gains from the sale of Shinhan and Euronext shares for a total of +233 million euros. There was also a very good contribution of Principal Investments. They included in the first half 2016 a capital gain of +597 million euros from the sale of Visa Europe shares. Operating expenses totalled 608 million euros compared to 477 million euros in the first half 2016. They included the exceptional impact of 36 million euros in the acquisitions' restructuring costs[1] (74 million euros in the first half 2016) and 243 million euros in transformation costs of the businesses (80 million in the first half 2016). The cost of risk totalled 106 million euros (3 million euros in net write-backs in the first half 2016). Non-operating items totalled 57 million euros (-18 million euros in the first half 2016) due in particular to the goodwill depreciation of the shares of a subsidiary. The Corporate Centre's pre-tax income was thus -296 million euros compared to 776 million euros in the first half 2016.

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## FINANCIAL STRUCTURE

The Group's balance sheet is very solid.

The fully loaded Basel 3 common equity Tier 1 ratio[2] was 11.7% as at 30 June 2017, up by 10 basis points compared to 31 March 2017, due primarily to the net income of the quarter after taking into account a 50% dividend pay-out ratio (+20 bp) and an increase in risk-weighted assets excluding the foreign exchange effect (-10 bp). The foreign exchange effect is on the whole negligible on the ratio.

[1] In particular, LaSer, Bank BGZ, DAB Bank and GE LLD

[2] 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

The Basel 3 fully loaded leverage ratio[1], calculated on total Tier 1 capital, totalled 4.2% as at 30 June 2017.

The Liquidity Coverage Ratio stood at 116% as at 30 June 2017.

The Group's liquid and asset reserve immediately available totalled 344 billion euros (345 billion euros as at 31 March 2017), which is equivalent to more than one year of room to manoeuvre in terms of wholesale funding.

The evolution of these ratios illustrates the Group's ability to manage its balance sheet in a disciplined manner within the constraints of the regulatory framework.

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Commenting on these results, Chief Executive Officer Jean-Laurent Bonnafé stated:

*"With 2.4 billion euros in net income, BNP Paribas again delivered a very good performance this quarter.*

*The revenues of the operating divisions were up thanks to the good business drive and operating expenses were down as a result of the implementation of the transformation plan. The cost of risk is under control and was down significantly.*

*The Group's balance sheet is very solid and the increase in the fully loaded Basel 3 common equity Tier 1 ratio to 11.7% testifies to this.*

*I would like to thank all the employees of the Group for these good results which illustrate the favourable trend at the start of the 2020 plan*."

[1] Taking into account all the rules of the CRD4 directives in 2019 with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014

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## CONSOLIDATED PROFIT AND LOSS ACCOUNT

| €m | 2Q17 | 2Q16 | 2Q17 / 2Q16 | 1Q17 | 2Q17 / 1Q17 | 1H17 | 1H16 | 1H17 / 1H16 |
|---|---|---|---|---|---|---|---|---|
| **Revenues** | **10,938** | **11,322** | **-3.4%** | **11,297** | **-3.2%** | **22,235** | **22,166** | **+0.3%** |
| Operating Expenses and Dep. | -7,071 | -7,090 | -0.3% | -8,119 | -12.9% | -15,190 | -14,717 | +3.2% |
| **Gross Operating Income** | **3,867** | **4,232** | **-8.6%** | **3,178** | **+21.7%** | **7,045** | **7,449** | **-5.4%** |
| Cost of Risk | -662 | -791 | -16.3% | -592 | +11.8% | -1,254 | -1,548 | -19.0% |
| **Operating Income** | **3,205** | **3,441** | **-6.9%** | **2,586** | **+23.9%** | **5,791** | **5,901** | **-1.9%** |
| Share of Earnings of Equity-Method Entities | 223 | 165 | +35.2% | 165 | +35.2% | 388 | 319 | +21.6% |
| Other Non Operating Items | 33 | -81 | n.s. | 3 | n.s. | 36 | -57 | n.s. |
| **Non Operating Items** | **256** | **84** | **n.s.** | **168** | **+52.4%** | **424** | **262** | **+61.8%** |
| **Pre-Tax Income** | **3,461** | **3,525** | **-1.8%** | **2,754** | **+25.7%** | **6,215** | **6,163** | **+0.8%** |
| Corporate Income Tax | -943 | -864 | +9.2% | -752 | +25.4% | -1,695 | -1,584 | +7.0% |
| Net Income Attributable to Minority Interests | -122 | -101 | +20.8% | -108 | +13.0% | -230 | -205 | +12.2% |
| **Net Income Attributable to Equity Holders** | **2,396** | **2,560** | **-6.4%** | **1,894** | **+26.5%** | **4,290** | **4,374** | **-1.9%** |
| **Cost/Income** | **64.6%** | **62.6%** | **+2.0 pt** | **71.9%** | **-7.3 pt** | **68.3%** | **66.4%** | **+1.9 pt** |

*BNP Paribas' financial disclosures for the second quarter 2017 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.*

## 2Q17 – RESULTS BY CORE BUSINESSES

| €m | | Domestic Markets | International Financial Services | CIB | Operating Divisions | Other Activities | Group |
|---|---|---|---|---|---|---|---|
| **Revenues** | | **3,803** | **3,935** | **3,197** | **10,935** | **3** | **10,938** |
| | %Change/2Q16 | +0.0% | +3.2% | +4.6% | +2.5% | -99.6% | -3.4% |
| | %Change/1Q17 | -0.1% | +0.7% | -0.8% | -0.0% | -99.3% | -3.2% |
| Operating Expenses and Dep. | | -2,417 | -2,367 | -1,988 | -6,771 | -300 | -7,071 |
| | %Change/2Q16 | +1.6% | +2.8% | -6.0% | -0.4% | +1.7% | -0.3% |
| | %Change/1Q17 | -13.7% | -5.5% | -20.7% | -13.3% | -2.8% | -12.9% |
| **Gross Operating Income** | | **1,387** | **1,568** | **1,209** | **4,164** | **-297** | **3,867** |
| | %Change/2Q16 | -2.7% | +3.8% | +28.4% | +7.4% | n.s. | -8.6% |
| | %Change/1Q17 | +37.5% | +11.7% | +68.8% | +33.1% | n.s. | +21.7% |
| Cost of Risk | | -356 | -331 | 118 | -568 | -94 | -662 |
| | %Change/2Q16 | -7.6% | -6.9% | n.s. | -27.7% | n.s. | -16.3% |
| | %Change/1Q17 | +11.4% | +4.9% | n.s. | -2.2% | n.s. | +11.8% |
| **Operating Income** | | **1,031** | **1,237** | **1,328** | **3,596** | **-391** | **3,205** |
| | %Change/2Q16 | -0.8% | +7.2% | +48.1% | +16.4% | n.s. | -6.9% |
| | %Change/1Q17 | +49.6% | +13.7% | +72.4% | +41.1% | n.s. | +23.9% |
| Share of Earnings of Equity-Method Entities | | 21 | 153 | 5 | 179 | 44 | 223 |
| Other Non Operating Items | | 1 | 14 | 15 | 31 | 2 | 33 |
| **Pre-Tax Income** | | **1,053** | **1,405** | **1,349** | **3,807** | **-346** | **3,461** |
| | %Change/2Q16 | -0.2% | +11.3% | +48.7% | +18.1% | n.s. | -1.8% |
| | %Change/1Q17 | +49.4% | +14.9% | +73.4% | +40.7% | n.s. | +25.7% |

| €m | | Domestic Markets | International Financial Services | CIB | Operating Divisions | Other Activities | Group |
|---|---|---|---|---|---|---|---|
| **Revenues** | | **3,803** | **3,935** | **3,197** | **10,935** | **3** | **10,938** |
| | 2Q16 | 3,803 | 3,813 | 3,056 | 10,672 | 650 | 11,322 |
| | 1Q17 | 3,807 | 3,909 | 3,223 | 10,939 | 358 | 11,297 |
| Operating Expenses and Dep. | | -2,417 | -2,367 | -1,988 | -6,771 | -300 | -7,071 |
| | 2Q16 | -2,378 | -2,303 | -2,115 | -6,795 | -295 | -7,090 |
| | 1Q17 | -2,799 | -2,506 | -2,506 | -7,811 | -308 | -8,119 |
| **Gross Operating Income** | | **1,387** | **1,568** | **1,209** | **4,164** | **-297** | **3,867** |
| | 2Q16 | 1,425 | 1,510 | 942 | 3,876 | 356 | 4,232 |
| | 1Q17 | 1,008 | 1,404 | 717 | 3,129 | 49 | 3,178 |
| Cost of Risk | | -356 | -331 | 118 | -568 | -94 | -662 |
| | 2Q16 | -385 | -355 | -46 | -786 | -5 | -791 |
| | 1Q17 | -319 | -315 | 54 | -581 | -11 | -592 |
| **Operating Income** | | **1,031** | **1,237** | **1,328** | **3,596** | **-391** | **3,205** |
| | 2Q16 | 1,040 | 1,155 | 896 | 3,091 | 350 | 3,441 |
| | 1Q17 | 689 | 1,089 | 770 | 2,548 | 38 | 2,586 |
| Share of Earnings of Equity-Method Entities | | 21 | 153 | 5 | 179 | 44 | 223 |
| | 2Q16 | 13 | 111 | 13 | 137 | 28 | 165 |
| | 1Q17 | 11 | 128 | 8 | 146 | 19 | 165 |
| Other Non Operating Items | | 1 | 14 | 15 | 31 | 2 | 33 |
| | 2Q16 | 2 | -4 | -2 | -4 | -77 | -81 |
| | 1Q17 | 5 | 6 | 0 | 11 | -8 | 3 |
| **Pre-Tax Income** | | **1,053** | **1,405** | **1,349** | **3,807** | **-346** | **3,461** |
| | 2Q16 | 1,055 | 1,262 | 907 | 3,224 | 301 | 3,525 |
| | 1Q17 | 705 | 1,222 | 778 | 2,705 | 49 | 2,754 |
| Corporate Income Tax | | | | | | | -943 |
| Net Income Attributable to Minority Interests | | | | | | | -122 |
| **Net Income Attributable to Equity Holders** | | | | | | | **2,396** |

# 1H17 – RESULTS BY CORE BUSINESSES

| €m | | Domestic Markets | International Financial Services | CIB | Operating Divisions | Other Activities | Group |
|---|---|---|---|---|---|---|---|
| **Revenues** | | **7,611** | **7,844** | **6,420** | **21,875** | **360** | **22,235** |
| | %Change/1H2016 | -0.5% | +4.5% | +11.8% | +4.7% | -71.6% | +0.3% |
| Operating Expenses and Dep. | | -5,215 | -4,873 | -4,494 | -14,582 | -608 | -15,190 |
| | %Change/1H2016 | +1.8% | +2.7% | +2.8% | +2.4% | +27.4% | +3.2% |
| **Gross Operating Income** | | **2,395** | **2,971** | **1,926** | **7,293** | **-248** | **7,045** |
| | %Change/1H2016 | -5.1% | +7.5% | +40.6% | +9.5% | n.s. | -5.4% |
| Cost of Risk | | -675 | -645 | 172 | -1,148 | -106 | -1,254 |
| | %Change/1H2016 | -13.8% | -7.1% | n.s. | -26.0% | n.s. | -19.0% |
| **Operating Income** | | **1,720** | **2,326** | **2,098** | **6,144** | **-353** | **5,791** |
| | %Change/1H2016 | -1.2% | +12.4% | +61.9% | +20.3% | n.s. | -1.9% |
| Share of Earnings of Equity-Method Entities | | 31 | 281 | 13 | 325 | 63 | 388 |
| Other Non Operating Items | | 6 | 20 | 15 | 42 | -6 | 36 |
| **Pre-Tax Income** | | **1,758** | **2,627** | **2,126** | **6,512** | **-296** | **6,215** |
| | %Change/1H2016 | -0.3% | +13.5% | +62.3% | +20.9% | n.s. | +0.8% |
| Corporate Income Tax | | | | | | | -1,695 |
| Net Income Attributable to Minority Interests | | | | | | | -230 |
| **Net Income Attributable to Equity Holders** | | | | | | | **4,290** |

# QUARTERLY SERIES

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| **GROUP** | | | | | | |
| **Revenues** | **10,938** | **11,297** | **10,656** | **10,589** | **11,322** | **10,844** |
| Operating Expenses and Dep. | -7,071 | -8,119 | -7,444 | -7,217 | -7,090 | -7,627 |
| **Gross Operating Income** | **3,867** | **3,178** | **3,212** | **3,372** | **4,232** | **3,217** |
| Cost of Risk | -662 | -592 | -950 | -764 | -791 | -757 |
| **Operating Income** | **3,205** | **2,586** | **2,262** | **2,608** | **3,441** | **2,460** |
| Share of Earnings of Equity-Method Entities | 223 | 165 | 151 | 163 | 165 | 154 |
| Other Non Operating Items | 33 | 3 | -146 | 9 | -81 | 24 |
| **Pre-Tax Income** | **3,461** | **2,754** | **2,267** | **2,780** | **3,525** | **2,638** |
| Corporate Income Tax | -943 | -752 | -721 | -790 | -864 | -720 |
| Net Income Attributable to Minority Interests | -122 | -108 | -104 | -104 | -101 | -104 |
| **Net Income Attributable to Equity Holders** | **2,396** | **1,894** | **1,442** | **1,886** | **2,560** | **1,814** |
| **Cost/Income** | **64.6%** | **71.9%** | **69.9%** | **68.2%** | **62.6%** | **70.3%** |

| *€m* | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| **RETAIL BANKING & SERVICES Excluding PEL/CEL Effects** | | | | | | |
| **Revenues** | **7,737** | **7,719** | **7,758** | **7,735** | **7,636** | **7,522** |
| Operating Expenses and Dep. | -4,784 | -5,305 | -5,200 | -4,813 | -4,681 | -5,187 |
| **Gross Operating Income** | **2,953** | **2,414** | **2,558** | **2,922** | **2,956** | **2,335** |
| Cost of Risk | -686 | -634 | -824 | -704 | -740 | -738 |
| **Operating Income** | **2,267** | **1,780** | **1,733** | **2,218** | **2,216** | **1,598** |
| Share of Earnings of Equity-Method Entities | 174 | 139 | 130 | 140 | 124 | 136 |
| Other Non Operating Items | 16 | 11 | -5 | 9 | -2 | 8 |
| **Pre-Tax Income** | **2,457** | **1,930** | **1,858** | **2,367** | **2,339** | **1,742** |
| Allocated Equity (€bn, year to date) | 50.7 | 50.6 | 49.0 | 48.8 | 48.6 | 48.7 |

| *€m* | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| **RETAIL BANKING & SERVICES** | | | | | | |
| **Revenues** | **7,738** | **7,717** | **7,765** | **7,728** | **7,615** | **7,540** |
| Operating Expenses and Dep. | -4,784 | -5,305 | -5,200 | -4,813 | -4,681 | -5,187 |
| **Gross Operating Income** | **2,955** | **2,412** | **2,565** | **2,915** | **2,935** | **2,353** |
| Cost of Risk | -686 | -634 | -824 | -704 | -740 | -738 |
| **Operating Income** | **2,269** | **1,778** | **1,741** | **2,212** | **2,195** | **1,616** |
| Share of Earnings of Equity-Method Entities | 174 | 139 | 130 | 140 | 124 | 136 |
| Other Non Operating Items | 16 | 11 | -5 | 9 | -2 | 8 |
| **Pre-Tax Income** | **2,458** | **1,927** | **1,866** | **2,360** | **2,318** | **1,760** |
| Allocated Equity (€bn, year to date) | 50.7 | 50.6 | 49.0 | 48.8 | 48.6 | 48.7 |

| *€m* | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| **DOMESTIC MARKETS (including 100% of Private Banking in France, Italy, Belgium and Luxembourg)* Excluding PEL/CEL Effects** | | | | | | |
| **Revenues** | **3,951** | **3,952** | **3,866** | **3,923** | **3,962** | **3,963** |
| Operating Expenses and Dep. | -2,488 | -2,880 | -2,794 | -2,567 | -2,449 | -2,818 |
| **Gross Operating Income** | **1,463** | **1,072** | **1,072** | **1,356** | **1,513** | **1,145** |
| Cost of Risk | -355 | -319 | -399 | -329 | -388 | -399 |
| **Operating Income** | **1,108** | **753** | **674** | **1,028** | **1,124** | **746** |
| Share of Earnings of Equity-Method Entities | 21 | 11 | 14 | 18 | 13 | 9 |
| Other Non Operating Items | 1 | 5 | -6 | 8 | 2 | -2 |
| **Pre-Tax Income** | **1,130** | **769** | **681** | **1,054** | **1,140** | **753** |
| Income Attributable to Wealth and Asset Management | -78 | -61 | -59 | -61 | -63 | -63 |
| **Pre-Tax Income of Domestic Markets** | **1,052** | **707** | **622** | **993** | **1,076** | **690** |
| Allocated Equity (€bn, year to date) | 24.1 | 23.8 | 23.0 | 22.9 | 22.9 | 22.9 |

| *€m* | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| **DOMESTIC MARKETS (including 2/3 of Private Banking in France, Italy, Belgium and Luxembourg)** | | | | | | |
| **Revenues** | **3,803** | **3,807** | **3,740** | **3,782** | **3,803** | **3,844** |
| Operating Expenses and Dep. | -2,417 | -2,799 | -2,719 | -2,494 | -2,378 | -2,745 |
| **Gross Operating Income** | **1,387** | **1,008** | **1,022** | **1,288** | **1,425** | **1,099** |
| Cost of Risk | -356 | -319 | -399 | -327 | -385 | -398 |
| **Operating Income** | **1,031** | **689** | **623** | **961** | **1,040** | **701** |
| Share of Earnings of Equity-Method Entities | 21 | 11 | 13 | 18 | 13 | 9 |
| Other Non Operating Items | 1 | 5 | -6 | 8 | 2 | -2 |
| **Pre-Tax Income** | **1,053** | **705** | **630** | **987** | **1,055** | **708** |
| Allocated Equity (€bn, year to date) | 24.1 | 23.8 | 23.0 | 22.9 | 22.9 | 22.9 |

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

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| FRENCH RETAIL BANKING (including 100% of Private Banking in France)* | | | | | | |
| **Revenues** | **1,607** | **1,618** | **1,556** | **1,594** | **1,587** | **1,661** |
| *Incl. Net Interest Income* | *886* | *909* | *907* | *916* | *879* | *972* |
| *Incl. Commissions* | *721* | *708* | *649* | *678* | *709* | *689* |
| Operating Expenses and Dep. | -1,116 | -1,184 | -1,216 | -1,178 | -1,106 | -1,173 |
| **Gross Operating Income** | **492** | **434** | **340** | **416** | **481** | **488** |
| Cost of Risk | -80 | -79 | -124 | -72 | -72 | -73 |
| **Operating Income** | **412** | **355** | **215** | **345** | **408** | **415** |
| Non Operating Items | 0 | 0 | 1 | 0 | 1 | 1 |
| **Pre-Tax Income** | **412** | **356** | **217** | **345** | **409** | **416** |
| Income Attributable to Wealth and Asset Management | -40 | -39 | -32 | -34 | -32 | -39 |
| **Pre-Tax Income of French Retail Banking** | **372** | **316** | **184** | **310** | **377** | **377** |
| Allocated Equity (€bn, year to date) | 9.3 | 9.2 | 8.7 | 8.6 | 8.5 | 8.6 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| FRENCH RETAIL BANKING (including 100% of Private Banking in France)* Excluding PEL/CEL Effects | | | | | | |
| **Revenues** | **1,606** | **1,620** | **1,548** | **1,601** | **1,608** | **1,643** |
| *Incl. Net Interest Income* | *885* | *912* | *899* | *923* | *900* | *954* |
| *Incl. Commissions* | *721* | *708* | *649* | *678* | *709* | *689* |
| Operating Expenses and Dep. | -1,116 | -1,184 | -1,216 | -1,178 | -1,106 | -1,173 |
| **Gross Operating Income** | **490** | **436** | **332** | **423** | **502** | **470** |
| Cost of Risk | -80 | -79 | -124 | -72 | -72 | -73 |
| **Operating Income** | **411** | **358** | **208** | **351** | **430** | **397** |
| Non Operating Items | 0 | 0 | 1 | 0 | 1 | 1 |
| **Pre-Tax Income** | **411** | **358** | **209** | **351** | **430** | **398** |
| Income Attributable to Wealth and Asset Management | -40 | -39 | -32 | -34 | -32 | -39 |
| **Pre-Tax Income of French Retail Banking** | **371** | **319** | **177** | **317** | **398** | **359** |
| Allocated Equity (€bn, year to date) | 9.3 | 9.2 | 8.7 | 8.6 | 8.5 | 8.6 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| FRENCH RETAIL BANKING (including 2/3 of Private Banking in France) | | | | | | |
| **Revenues** | **1,531** | **1,541** | **1,485** | **1,523** | **1,516** | **1,588** |
| Operating Expenses and Dep. | -1,079 | -1,146 | -1,178 | -1,141 | -1,068 | -1,139 |
| **Gross Operating Income** | **452** | **395** | **307** | **382** | **448** | **450** |
| Cost of Risk | -80 | -79 | -124 | -71 | -72 | -73 |
| **Operating Income** | **372** | **316** | **183** | **311** | **376** | **377** |
| Non Operating Items | 0 | 0 | 1 | 0 | 1 | 1 |
| **Pre-Tax Income** | **372** | **316** | **184** | **310** | **377** | **377** |
| Allocated Equity (€bn, year to date) | 9.3 | 9.2 | 8.7 | 8.6 | 8.5 | 8.6 |

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

*** Reminder on PEL/CEL provision: this provision, accounted in the French Retail Banking's revenues, takes into account the risk generated by Plans Epargne Logement (PEL) and Comptes Epargne Logement (CEL) during their whole lifetime.*

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| **PEL/CEL effects** | 1 | -2 | 8 | -7 | -21 | 18 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| BNL banca commerciale (Including 100% of Private Banking in Italy)* | | | | | | |
| **Revenues** | **729** | **727** | **745** | **741** | **749** | **737** |
| Operating Expenses and Dep. | -430 | -469 | -543 | -448 | -433 | -462 |
| **Gross Operating Income** | **299** | **258** | **202** | **293** | **317** | **275** |
| Cost of Risk | -222 | -228 | -229 | -215 | -242 | -274 |
| **Operating Income** | **77** | **30** | **-27** | **78** | **74** | **1** |
| Non Operating Items | 0 | 0 | 0 | 0 | 0 | 0 |
| **Pre-Tax Income** | **77** | **30** | **-27** | **78** | **74** | **1** |
| Income Attributable to Wealth and Asset Management | -12 | -12 | -10 | -9 | -9 | -10 |
| **Pre-Tax Income of BNL bc** | **65** | **18** | **-36** | **70** | **65** | **-8** |
| Allocated Equity (€bn, year to date) | 5.7 | 5.7 | 5.7 | 5.8 | 5.9 | 6.0 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| BNL banca commerciale (Including 2/3 of Private Banking in Italy) | | | | | | |
| **Revenues** | **707** | **706** | **725** | **721** | **730** | **718** |
| Operating Expenses and Dep. | -420 | -460 | -533 | -438 | -423 | -453 |
| **Gross Operating Income** | **287** | **247** | **192** | **284** | **307** | **265** |
| Cost of Risk | -222 | -228 | -229 | -214 | -242 | -274 |
| **Operating Income** | **65** | **18** | **-36** | **70** | **65** | **-8** |
| Non Operating Items | 0 | 0 | 0 | 0 | 0 | 0 |
| **Pre-Tax Income** | **65** | **18** | **-36** | **70** | **65** | **-8** |
| Allocated Equity (€bn, year to date) | 5.7 | 5.7 | 5.7 | 5.8 | 5.9 | 6.0 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| BELGIAN RETAIL BANKING (Including 100% of Private Banking in Belgium)* | | | | | | |
| **Revenues** | **930** | **931** | **908** | **914** | **923** | **917** |
| Operating Expenses and Dep. | -560 | -823 | -661 | -575 | -555 | -791 |
| **Gross Operating Income** | **370** | **108** | **247** | **339** | **367** | **126** |
| Cost of Risk | -28 | 1 | -9 | -19 | -49 | -21 |
| **Operating Income** | **343** | **109** | **237** | **320** | **318** | **106** |
| Share of Earnings of Equity-Method Entities | 6 | -4 | 2 | 5 | 5 | -4 |
| Other Non Operating Items | 2 | 0 | -1 | -2 | 0 | 0 |
| **Pre-Tax Income** | **351** | **106** | **239** | **323** | **323** | **102** |
| Income Attributable to Wealth and Asset Management | -25 | -10 | -17 | -18 | -21 | -14 |
| **Pre-Tax Income of Belgian Retail Banking** | **325** | **96** | **222** | **305** | **302** | **88** |
| Allocated Equity (€bn, year to date) | 5.2 | 5.1 | 4.7 | 4.7 | 4.7 | 4.6 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| BELGIAN RETAIL BANKING (Including 2/3 of Private Banking in Belgium) | | | | | | |
| **Revenues** | **882** | **889** | **867** | **871** | **878** | **875** |
| Operating Expenses and Dep. | -537 | -790 | -636 | -550 | -534 | -763 |
| **Gross Operating Income** | **346** | **99** | **230** | **321** | **344** | **112** |
| Cost of Risk | -28 | 1 | -10 | -19 | -46 | -20 |
| **Operating Income** | **317** | **99** | **221** | **302** | **297** | **92** |
| Share of Earnings of Equity-Method Entities | 6 | -4 | 2 | 5 | 5 | -4 |
| Other Non Operating Items | 2 | 0 | -1 | -2 | 0 | 0 |
| **Pre-Tax Income** | **325** | **96** | **222** | **305** | **302** | **88** |
| Allocated Equity (€bn, year to date) | 5.2 | 5.1 | 4.7 | 4.7 | 4.7 | 4.6 |

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

| *€m* | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 100% of Private Banking in Luxembourg)* | | | | | | |
| **Revenues** | **686** | **674** | **666** | **669** | **681** | **666** |
| Operating Expenses and Dep. | -382 | -405 | -374 | -367 | -355 | -393 |
| **Gross Operating Income** | **304** | **269** | **292** | **302** | **327** | **273** |
| Cost of Risk | -26 | -14 | -37 | -23 | -25 | -31 |
| **Operating Income** | **278** | **256** | **255** | **279** | **302** | **242** |
| Share of Earnings of Equity-Method Entities | 14 | 14 | 10 | 13 | 8 | 12 |
| Other Non Operating Items | 0 | 5 | -6 | 10 | 3 | -2 |
| **Pre-Tax Income** | **292** | **274** | **260** | **301** | **312** | **252** |
| Income Attributable to Wealth and Asset Management | -1 | -1 | 0 | 0 | -1 | -1 |
| **Pre-Tax Income of Other Domestic Markets** | **291** | **274** | **259** | **301** | **311** | **251** |
| Allocated Equity (€bn, year to date) | 3.9 | 3.9 | 3.8 | 3.8 | 3.8 | 3.8 |

| *€m* | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 2/3 of Private Banking in Luxembourg) | | | | | | |
| **Revenues** | **683** | **671** | **663** | **666** | **679** | **663** |
| Operating Expenses and Dep. | -381 | -403 | -372 | -365 | -353 | -391 |
| **Gross Operating Income** | **303** | **269** | **291** | **301** | **326** | **272** |
| Cost of Risk | -26 | -14 | -36 | -23 | -25 | -31 |
| **Operating Income** | **277** | **255** | **255** | **278** | **301** | **241** |
| Share of Earnings of Equity-Method Entities | 14 | 14 | 10 | 13 | 8 | 12 |
| Other Non Operating Items | 0 | 5 | -6 | 10 | 3 | -2 |
| **Pre-Tax Income** | **291** | **274** | **259** | **301** | **311** | **251** |
| Allocated Equity (€bn, year to date) | 3.9 | 3.9 | 3.8 | 3.8 | 3.8 | 3.8 |

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

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| **INTERNATIONAL FINANCIAL SERVICES** | | | | | | |
| **Revenues** | **3,935** | **3,909** | **4,025** | **3,946** | **3,813** | **3,696** |
| Operating Expenses and Dep. | -2,367 | -2,506 | -2,481 | -2,319 | -2,303 | -2,442 |
| **Gross Operating Income** | **1,568** | **1,404** | **1,544** | **1,627** | **1,510** | **1,254** |
| Cost of Risk | -331 | -315 | -425 | -376 | -355 | -339 |
| **Operating Income** | **1,237** | **1,089** | **1,118** | **1,251** | **1,155** | **915** |
| Share of Earnings of Equity-Method Entities | 153 | 128 | 116 | 122 | 111 | 127 |
| Other Non Operating Items | 14 | 6 | 1 | 1 | -4 | 10 |
| **Pre-Tax Income** | **1,405** | **1,222** | **1,236** | **1,373** | **1,262** | **1,052** |
| Allocated Equity (€bn, year to date) | 26.6 | 26.7 | 26.1 | 25.9 | 25.7 | 25.8 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| PERSONAL FINANCE | | | | | | |
| **Revenues** | **1,220** | **1,201** | **1,185** | **1,177** | **1,168** | **1,149** |
| Operating Expenses and Dep. | -579 | -634 | -598 | -544 | -547 | -609 |
| **Gross Operating Income** | **641** | **568** | **587** | **632** | **621** | **540** |
| Cost of Risk | -225 | -240 | -269 | -240 | -248 | -221 |
| **Operating Income** | **415** | **328** | **317** | **392** | **373** | **319** |
| Share of Earnings of Equity-Method Entities | 30 | 20 | 18 | 18 | -8 | 13 |
| Other Non Operating Items | 0 | 5 | -2 | 0 | -1 | 1 |
| **Pre-Tax Income** | **445** | **353** | **334** | **411** | **364** | **333** |
| Allocated Equity (€bn, year to date) | 5.4 | 5.3 | 4.9 | 4.9 | 4.8 | 4.8 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| EUROPE-MEDITERRANEAN (Including 100% of Private Banking in Turkey)* | | | | | | |
| **Revenues** | **590** | **592** | **630** | **659** | **616** | **608** |
| Operating Expenses and Dep. | -420 | -424 | -431 | -413 | -429 | -432 |
| **Gross Operating Income** | **170** | **168** | **200** | **245** | **187** | **176** |
| Cost of Risk | -70 | -67 | -127 | -127 | -87 | -96 |
| **Operating Income** | **100** | **101** | **73** | **118** | **100** | **80** |
| Share of Earnings of Equity-Method Entities | 53 | 48 | 49 | 48 | 53 | 50 |
| Other Non Operating Items | -1 | 0 | -1 | 0 | -4 | 2 |
| **Pre-Tax Income** | **152** | **150** | **121** | **166** | **149** | **132** |
| Income Attributable to Wealth and Asset Management | -1 | -1 | -1 | 0 | -1 | -1 |
| **Pre-Tax Income of Europe-Mediterranean** | **151** | **149** | **120** | **165** | **149** | **132** |
| Allocated Equity (€bn, year to date) | 5.0 | 5.0 | 5.2 | 5.2 | 5.2 | 5.1 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| EUROPE-MEDITERRANEAN (Including 2/3 of Private Banking in Turkey) | | | | | | |
| **Revenues** | **588** | **590** | **628** | **656** | **614** | **606** |
| Operating Expenses and Dep. | -419 | -423 | -429 | -411 | -428 | -431 |
| **Gross Operating Income** | **169** | **167** | **199** | **245** | **187** | **176** |
| Cost of Risk | -70 | -67 | -127 | -127 | -87 | -96 |
| **Operating Income** | **99** | **100** | **72** | **118** | **100** | **80** |
| Share of Earnings of Equity-Method Entities | 53 | 48 | 49 | 48 | 53 | 50 |
| Other Non Operating Items | -1 | 0 | -1 | 0 | -4 | 2 |
| **Pre-Tax Income** | **151** | **149** | **120** | **165** | **149** | **132** |
| Allocated Equity (€bn, year to date) | 5.0 | 5.0 | 5.2 | 5.2 | 5.2 | 5.1 |

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

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| BANCWEST (Including 100% of Private Banking in United States)* | | | | | | |
| **Revenues** | **762** | **761** | **795** | **728** | **688** | **773** |
| Operating Expenses and Dep. | -513 | -556 | -521 | -501 | -482 | -534 |
| **Gross Operating Income** | **249** | **205** | **274** | **227** | **207** | **239** |
| Cost of Risk | -38 | -22 | -23 | -14 | -23 | -25 |
| **Operating Income** | **211** | **183** | **251** | **213** | **184** | **214** |
| Share of Earnings of Equity-Method Entities | 0 | 0 | 0 | 0 | 0 | 0 |
| Other Non Operating Items | 1 | -1 | 4 | 1 | 1 | 10 |
| **Pre-Tax Income** | **212** | **182** | **255** | **214** | **184** | **225** |
| Income Attributable to Wealth and Asset Management | -5 | -5 | -5 | -4 | -3 | -3 |
| **Pre-Tax Income of Bancwest** | **206** | **177** | **251** | **210** | **181** | **221** |
| Allocated Equity (€bn, year to date) | 6.6 | 6.7 | 6.3 | 6.2 | 6.3 | 6.4 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| BANCWEST (Including 2/3 of Private Banking in United States) | | | | | | |
| **Revenues** | **748** | **748** | **782** | **716** | **677** | **762** |
| Operating Expenses and Dep. | -505 | -548 | -513 | -493 | -474 | -526 |
| **Gross Operating Income** | **243** | **200** | **269** | **223** | **203** | **236** |
| Cost of Risk | -38 | -22 | -23 | -14 | -23 | -25 |
| **Operating Income** | **206** | **178** | **246** | **209** | **180** | **211** |
| Non Operating Items | 1 | -1 | 4 | 1 | 1 | 10 |
| **Pre-Tax Income** | **206** | **177** | **251** | **210** | **181** | **221** |
| Allocated Equity (€bn, year to date) | 6.6 | 6.7 | 6.3 | 6.2 | 6.3 | 6.4 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| INSURANCE | | | | | | |
| **Revenues** | **619** | **597** | **636** | **679** | **611** | **456** |
| Operating Expenses and Dep. | -297 | -326 | -315 | -299 | -278 | -309 |
| **Gross Operating Income** | **322** | **271** | **321** | **380** | **333** | **147** |
| Cost of Risk | -1 | -1 | -1 | 3 | 1 | -1 |
| **Operating Income** | **321** | **271** | **320** | **383** | **334** | **146** |
| Share of Earnings of Equity-Method Entities | 55 | 54 | 36 | 44 | 54 | 55 |
| Other Non Operating Items | 0 | 1 | 0 | 0 | 0 | -3 |
| **Pre-Tax Income** | **376** | **326** | **356** | **427** | **387** | **199** |
| Allocated Equity (€bn, year to date) | 7.7 | 7.8 | 7.5 | 7.4 | 7.4 | 7.4 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| WEALTH AND ASSET MANAGEMENT | | | | | | |
| **Revenues** | **760** | **773** | **794** | **718** | **743** | **723** |
| Operating Expenses and Dep. | -567 | -576 | -626 | -572 | -577 | -567 |
| **Gross Operating Income** | **193** | **198** | **168** | **146** | **166** | **156** |
| Cost of Risk | 4 | 14 | -5 | 3 | 3 | 3 |
| **Operating Income** | **197** | **212** | **163** | **149** | **169** | **159** |
| Share of Earnings of Equity-Method Entities | 15 | 5 | 13 | 12 | 13 | 8 |
| Other Non Operating Items | 14 | 0 | 0 | 0 | 0 | 0 |
| **Pre-Tax Income** | **226** | **217** | **176** | **161** | **181** | **167** |
| Allocated Equity (€bn, year to date) | 1.9 | 1.9 | 2.1 | 2.1 | 2.1 | 2.1 |

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

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| **CORPORATE AND INSTITUTIONAL BANKING** | | | | | | |
| **Revenues** | **3,197** | **3,223** | **2,821** | **2,905** | **3,056** | **2,686** |
| Operating Expenses and Dep. | -1,988 | -2,506 | -1,914 | -2,022 | -2,115 | -2,258 |
| **Gross Operating Income** | **1,209** | **717** | **907** | **883** | **942** | **428** |
| Cost of Risk | 118 | 54 | -70 | -74 | -46 | -28 |
| **Operating Income** | **1,328** | **770** | **837** | **809** | **896** | **400** |
| Share of Earnings of Equity-Method Entities | 5 | 8 | 9 | 2 | 13 | -3 |
| Other Non Operating Items | 15 | 0 | -5 | 1 | -2 | 6 |
| **Pre-Tax Income** | **1,349** | **778** | **841** | **812** | **907** | **403** |
| Allocated Equity (€bn, year to date) | 21.8 | 22.1 | 22.2 | 22.2 | 22.0 | 21.9 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| CORPORATE BANKING | | | | | | |
| **Revenues** | **1,176** | **991** | **1,071** | **958** | **1,037** | **929** |
| Operating Expenses and Dep. | -590 | -691 | -567 | -591 | -601 | -693 |
| **Gross Operating Income** | **586** | **299** | **504** | **368** | **436** | **236** |
| Cost of Risk | 78 | 57 | -115 | -79 | -42 | -55 |
| **Operating Income** | **664** | **356** | **388** | **289** | **394** | **181** |
| Non Operating Items | 19 | 7 | 14 | -3 | 2 | 0 |
| **Pre-Tax Income** | **683** | **364** | **402** | **285** | **396** | **181** |
| Allocated Equity (€bn, year to date) | 12.6 | 12.6 | 12.4 | 12.3 | 12.3 | 12.2 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| GLOBAL MARKETS | | | | | | |
| **Revenues** | **1,523** | **1,754** | **1,284** | **1,490** | **1,558** | **1,318** |
| *incl. FICC* | *883* | *1,174* | *838* | *1,082* | *1,050* | *890* |
| *incl. Equity & Prime Services* | *640* | *580* | *446* | *408* | *509* | *428* |
| Operating Expenses and Dep. | -997 | -1,424 | -967 | -1,065 | -1,139 | -1,184 |
| **Gross Operating Income** | **526** | **330** | **317** | **425** | **419** | **134** |
| Cost of Risk | 39 | -3 | 44 | 5 | -4 | 27 |
| **Operating Income** | **565** | **327** | **361** | **430** | **415** | **160** |
| Share of Earnings of Equity-Method Entities | -1 | 0 | -3 | 5 | 11 | -4 |
| Other Non Operating Items | 3 | 0 | -8 | 0 | -2 | 6 |
| **Pre-Tax Income** | **567** | **326** | **350** | **435** | **424** | **163** |
| Allocated Equity (€bn, year to date) | 8.4 | 8.7 | 9.0 | 9.1 | 9.0 | 9.1 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| SECURITIES SERVICES | | | | | | |
| **Revenues** | **498** | **478** | **466** | **457** | **461** | **440** |
| Operating Expenses and Dep. | -400 | -390 | -380 | -367 | -374 | -382 |
| **Gross Operating Income** | **97** | **87** | **86** | **90** | **87** | **59** |
| Cost of Risk | 1 | 0 | 2 | 0 | 1 | 0 |
| **Operating Income** | **99** | **87** | **87** | **90** | **88** | **59** |
| Non Operating Items | 0 | 0 | 1 | 1 | 0 | 0 |
| **Pre-Tax Income** | **99** | **88** | **88** | **91** | **87** | **59** |
| Allocated Equity (€bn, year to date) | 0.9 | 0.8 | 0.8 | 0.8 | 0.7 | 0.7 |

| €m | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
|---|---|---|---|---|---|---|
| **CORPORATE CENTRE** | | | | | | |
| **Revenues** | **3** | **358** | **70** | **-45** | **650** | **618** |
| Operating Expenses and Dep. | -300 | -308 | -330 | -381 | -295 | -182 |
| *Incl. Restructuring and Transformation Costs* | *-168* | *-110* | *-154* | *-253* | *-108* | *-46* |
| **Gross Operating Income** | **-297** | **49** | **-260** | **-426** | **356** | **435** |
| Cost of Risk | -94 | -11 | -56 | 13 | -5 | 9 |
| **Operating Income** | **-391** | **38** | **-316** | **-413** | **350** | **444** |
| Share of Earnings of Equity-Method Entities | 44 | 19 | 13 | 22 | 28 | 21 |
| Other Non Operating Items | 2 | -8 | -136 | 0 | -77 | 10 |
| **Pre-Tax Income** | **-346** | **49** | **-440** | **-391** | **301** | **475** |

# ALTERNATIVE PERFORMANCE MEASURES (APM) ARTICLE 223-1 OF THE AMF'S GENERAL REGULATION

| Alternative Performance Measures | Definition | Reason for use |
|---|---|---|
| **Revenues of the operating divisions** | Sum of the revenues of Domestic Markets (with Revenues of Domestic Markets including 2/3 of Private Banking in France, Italy, Belgium and Luxembourg), IFS and CIB<br><br>Revenues for BNP Paribas Group = Revenues of the operating divisions + Revenues of Corporate Centre | Representative measure of the BNP Paribas Group's operating performance |
| **Revenues excluding PEL/CEL effects** | Revenues excluding PEL/CEL effects | Representative measure of the revenues of the period excluding changes in the provision that accounts for the risk generated by PEL and CEL accounts during their lifetime |
| **Profit & Loss account of retail banking activitywith 100% of Private Banking** | Profit & Loss account of a retail banking activity including the whole Profit & Loss account of private banking | Representative measure of the performance of retail banking activity including the total performance of private banking (before sharing the profit & loss account with the Wealth Management business, private banking being under a joint responsibility of retail banking (2/3) and Wealth Management business (1/3)) |
| **Cost of risk/Customer loans at the beginning of the period (in basis points)** | Cost of risk (in €m) divided by customer loans at the beginning of the period<br>Details of the calculation are disclosed in the Appendix "Cost of risk on Outstandings" of the results' presentation | Measure of the risk level by business in percentage of the volume of outstanding loans |
| **Net income Group share excluding exceptional items** | Net income attributable to equity holders excluding exceptional items<br>Details of exceptional items are disclosed in the slide "Main Exceptional Items" of the results' presentation | Measure of BNP Paribas Group's net income excluding non-recurring items of a significant amount or items that do not reflect the underlying operating performance, notably Own Credit valuation Adjustments for debts (OCA) and for derivatives (Debit Valuation Adjustment - DVA) as well as transformation and restructuring costs |
| **Return on Equity (ROE)** | Details of the calculation of ROE are disclosed in the Appendix "Return on Equity and Permanent Shareholders' Equity" of the results' presentation | Measure of the BNP Paribas Group's return on equity |
| **Return on Tangible Equity (ROTE)** | Details of the calculation of ROTE are disclosed in the Appendix "Return on Equity and Permanent Shareholders' Equity" of the results' presentation | Measure of the BNP Paribas Group's return on tangible equity |

**Methodology – Comparative analysis at constant scope and exchange rates**

The method used to determine the effect of changes in scope of consolidation depends on the type of transaction (acquisition, sale, etc.). The underlying purpose of the calculation is to facilitate period-on-period comparisons.

In case of acquired or created entity, the results of the new entity are eliminated from the constant scope results of current-year periods corresponding to the periods when the entity was not owned in the prior-year.
In case of divested entities, the entity's results are excluded symmetrically for the prior year for quarters when the entity was not owned.
In case of change of consolidation method, the policy is to use the lowest consolidation percentage over the two years (current and prior) for results of quarters adjusted on a like-for-like basis.

Comparative analysis at constant exchange rates are prepared by restating results for the prior-year quarter (reference quarter) at the current quarter exchange rate (analysed quarter). All of these calculations are performed by reference to the entity's reporting currency.

**Reminder**

**Operating expenses:** sum of salary and employee benefit expenses, other operating expenses and depreciation, amortisation and impairment of property, plant and equipment. In the whole document, the terms operating expenses or costs can be used indifferently.

**Operating divisions:** they consist of 3 divisions:

- Domestic Markets including: French Retail Banking (FRB), BNL banca commerciale (BNL bc), Belgium Retail Banking (BRB), Other Domestic Markets activities including Arval, Leasing Solutions, Personal Investors and Luxembourg Retail Banking (LRB);
- International Financial Services (IFS) including: Europe-Mediterranean, BancWest, Personal Finance, Insurance, Wealth & Asset Management (WAM) that includes Asset Management, Wealth Management and Real Estate Services;
- Corporate and Institutional Banking (CIB) including: Corporate Banking, Global Markets, Securities Services.

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