

BNP PARIBAS SECOND QUARTER 2018 RESULTS

1ST AUGUST 2018



BNP PARIBAS



The bank for a changing world

Disclaimer

The figures included in this presentation are unaudited. For 2018 they are based on the new accounting standard IFRS 9 Financial Instruments whereas the Group has opted not to restate the previous years, as envisaged under the new standard.

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



2018 Key Messages

Business increase in the context of economic growth in Europe	Outstanding loans: +3.7% vs. 2Q17
Strong growth at IFS Stability at DM despite the persistent low interest rate context Unfavourable foreign exchange effect and lacklustre context vs. 2Q17 for CIB in Europe	Revenues of the operating divisions*: +1.0% vs. 2Q17
Continued development of the specialised businesses of DM and IFS Decrease of costs in the retail networks and CIB	Operating expenses of the operating divisions*: +2.8% vs. 2Q17
Significant decrease in the cost of risk	-14.4% vs. 2Q17 29 bp**
Stable Net Income Group share vs. 2Q17	Net Income Group share: €2,393m

**Good business growth
Solid results and 11.2% ROTE*****

* Domestic Markets (DM), International Financial Services (IFS), Corporate and Institutional Banking (CIB); ** Cost of risk/Customer loans at the beginning of the period (in annualised bps); *** Return on Tangible Equity



Group Results

Division Results

1H18 Detailed Results

Appendix



Main Exceptional Items

> Exceptional items

- Revenues

- Own credit adjustment and DVA (*Corporate Centre*)*
- Capital gain on the sale of 4.78% stake in Euronext (*Corporate Centre*)

Total exceptional revenues

- Operating expenses

- Restructuring costs** (*Corporate Centre*)
- Transformation costs of Businesses (*Corporate Centre*)

Total exceptional operating expenses

- Total exceptional items (pre-tax)

- Total exceptional items (after tax)***

>	2Q18	>	2Q17
			-€200m
			+€85m
			-€115m
	-€8m		-€15m
	-€267m		-€153m
	-€275m		-€168m

-€275m

-€283m

-€191m

-€170m



Negative impact of exceptional items

* Under IFRS 9, value adjustment for the own credit risk (OCA) no longer booked in revenues but directly in equity starting from 1st January 2018;
** Restructuring costs in particular LaSer, Bank BGZ, DAB Bank, and GE LLD; *** Group share



Consolidated Group - 2Q18

	> 2Q18	> 2Q17	> 2Q18 vs. 2Q17	> 2Q18 vs. 2Q17 <i>Operating divisions</i>
Revenues	€11,206m	€10,938m	+2.5%	+1.0%
Operating expenses	-€7,368m	-€7,071m	+4.2%	+2.8%
Gross Operating income	€3,838m	€3,867m	-0.7%	-1.7%
Cost of risk	-€567m	-€662m	-14.4%	-2.5%
Operating income	€3,271m	€3,205m	+2.1%	-1.6%
Non operating items	€182m	€256m	n.s.	n.s.
Pre-tax income	€3,453m	€3,461m	-0.2%	-4.0%
Net income Group share	€2,393m	€2,396m	-0.1%	
Net income Group share excluding exceptional items*	€2,584m	€2,566m	+0.7%	
Return on equity (ROE)**:	9.6%			
Return on tangible equity (ROTE)**:	11.2%			

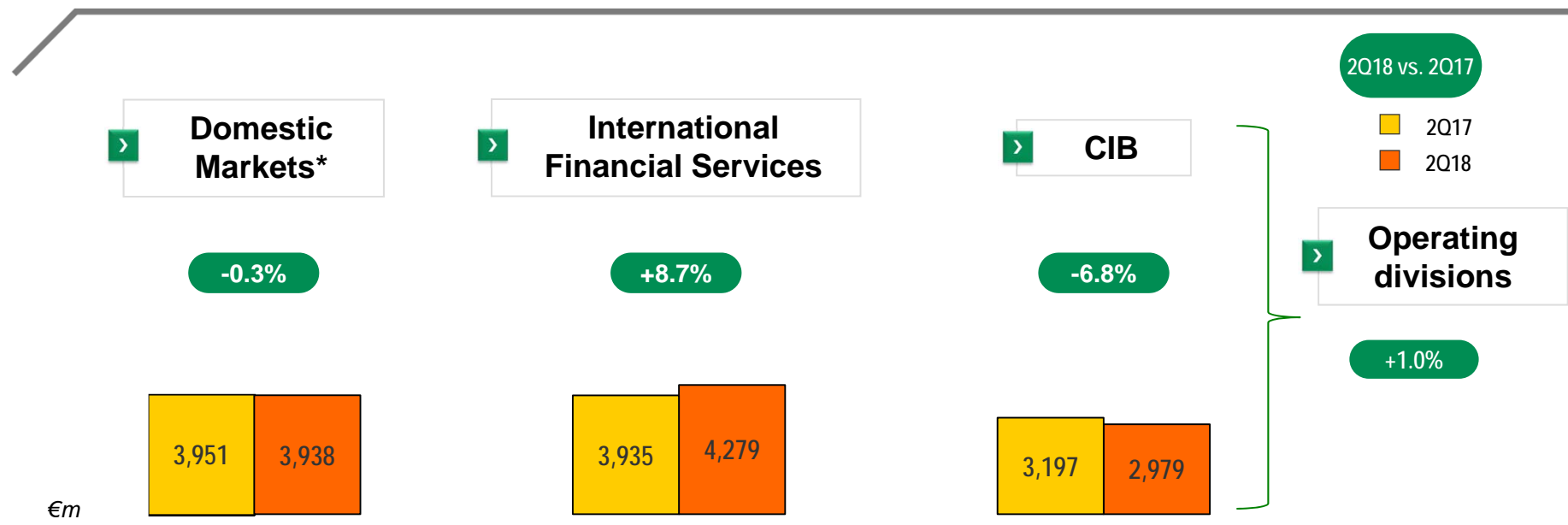


Stable net income vs. 2Q17

* See slide 5; ** Calculated on the basis of half year income (contribution to the Single Resolution Fund, systemic taxes and exceptional items non annualised)



Revenues of the Operating Divisions - 2Q18



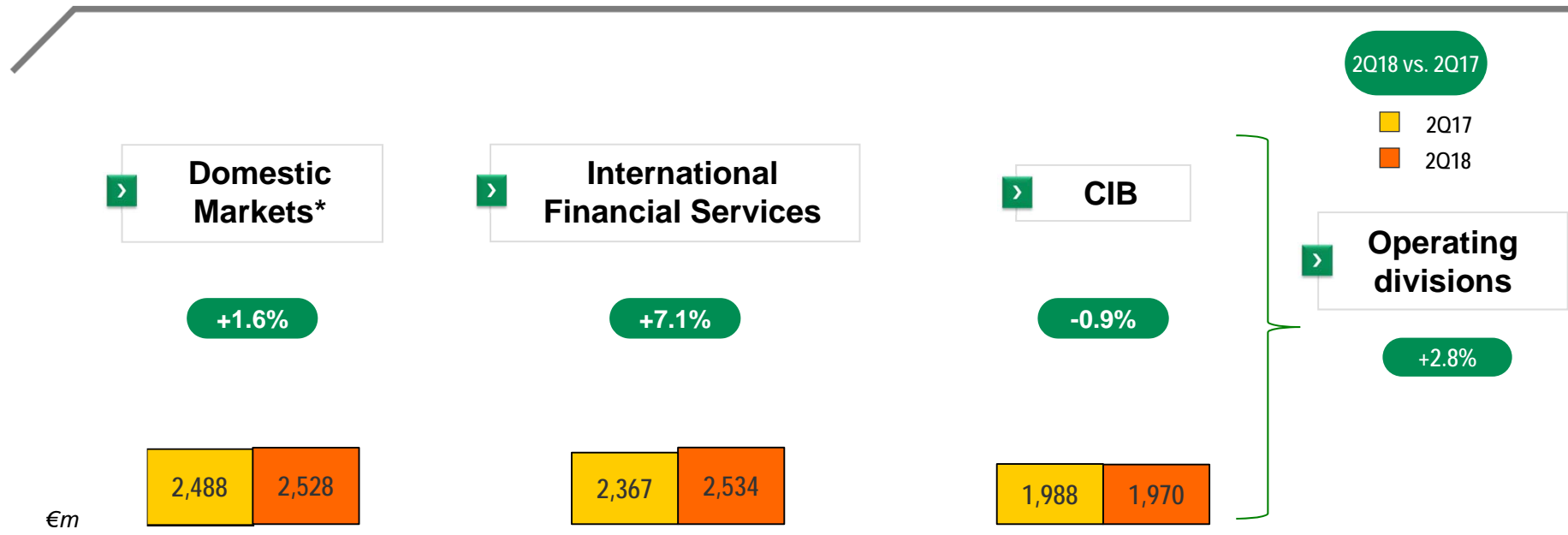
- Unfavourable foreign exchange effect this quarter
- Domestic Markets: good business development in the context of economic growth (specialised businesses in particular) but impact of the still low interest rate environment
- IFS: very good growth
- CIB: -1.6% excluding the foreign exchange effect and capital gains realised in 2Q17
 - Lacklustre context for FICC in Europe this quarter

Strong growth at IFS and stability at DM
Unfavourable foreign exchange effect & lacklustre context vs. 2Q17 for CIB

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



Operating Expenses of the Operating Divisions - 2Q18



- Domestic Markets: operating expenses down in the networks (-0.5% on average**) but increase in the specialised businesses as a result of the development of the activity
- IFS: effect of increased business
- CIB: effect of cost saving measures

Development of the specialised businesses of DM and IFS
Decrease in the costs of the networks and at CIB

* Including 100% of Private Banking in France (excluding PEL/CEL effects), in Italy, Belgium and Luxembourg; ** FRB, BRB, BNL bc and LRB

2020 Transformation Plan

5 levers for a new customer experience & a more effective and digital bank

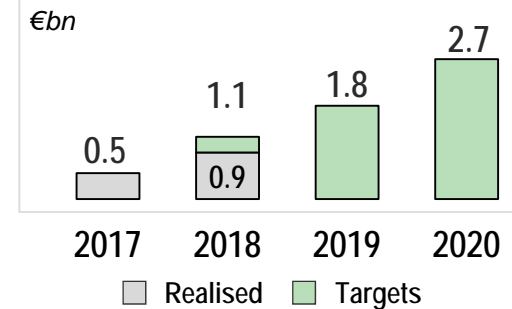
1. Implement new customer journeys
2. Upgrade the operational model
3. Adapt information systems
4. Make better use of data to serve clients
5. Work differently

- An ambitious programme of new customer experiences, digital transformation & savings
 - Build the bank of the future by accelerating the digital transformation

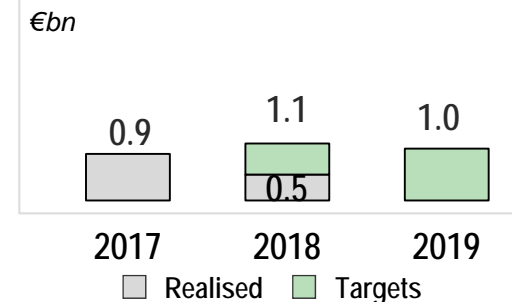
- Cost savings: €858m since the launch of the project
 - Of which €149m booked in 2Q18
 - Breakdown of cost savings by operating division: 42% at CIB; 33% at Domestic Markets; 25% at IFS
 - Target of €1.1bn in savings this year

- Transformation costs: €267m in 2Q18*
 - €473m in 1H18
 - €1.1bn in transformation costs expected in 2018
 - Reminder: €3bn in transformation costs in the 2020 plan

> Cumulated recurring cost savings



> One-off transformation costs



2020 transformation plan in line with the objectives

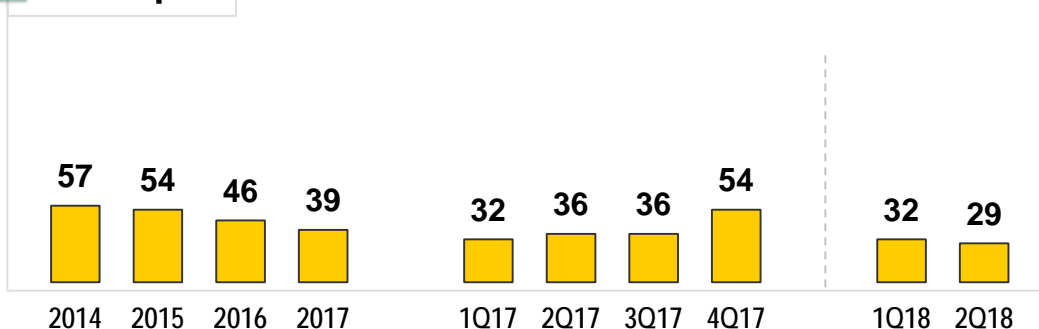
* Breakdown of the transformation costs of the businesses presented in the Corporate Centre: slide 75



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

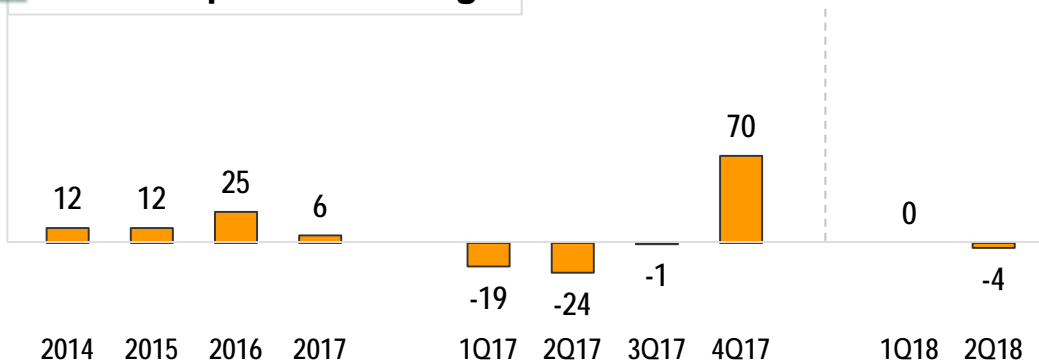
Cost of risk/Customer loans at the beginning of the period (in annualised bp)

> Group



- Cost of risk: €567m
- -€48m vs. 1Q18
- -€95m vs. 2Q17
- Significant decrease in the cost of risk this quarter

> CIB - Corporate Banking



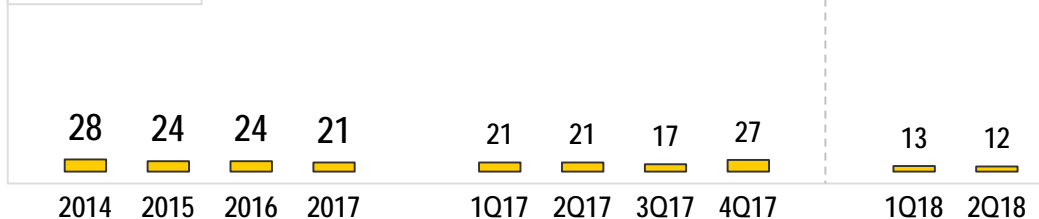
- Cost of risk: -€13m
- -€12m vs. 1Q18
- +€65m vs. 2Q17
- Provisions more than offset by write-backs this quarter
- Reminder: substantial write-backs in 2Q17



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

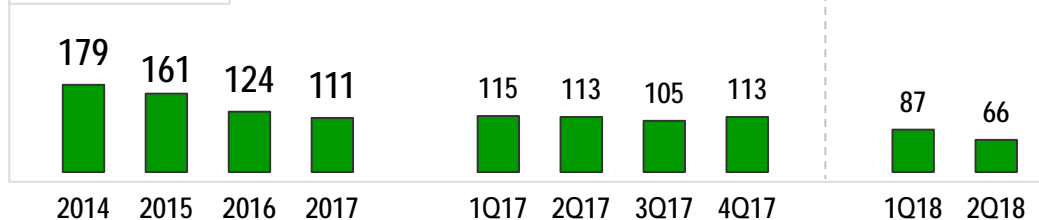
Cost of risk/Customer loans at the beginning of the period (in annualised bp)

> FRB



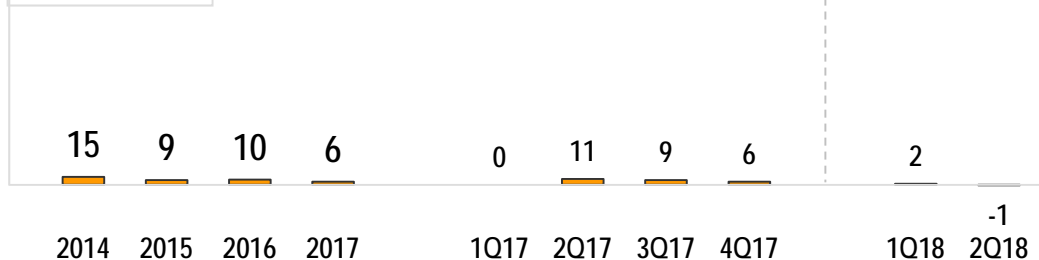
- Cost of risk: €54m
 - -€5m vs. 1Q18
 - -€26m vs. 2Q17
- Very low cost of risk

> BNL bc



- Cost of risk: €127m
 - -€42m vs. 1Q18
 - -€94m vs. 2Q17
- Continued decrease in the cost of risk

> BRB

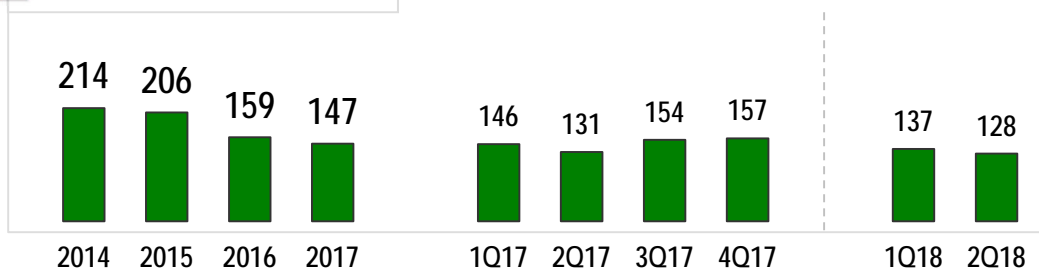


- Cost of risk: -€2m
 - -€8m vs. 1Q18
 - -€30m vs. 2Q17
- Provisions offset by write-backs this quarter

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

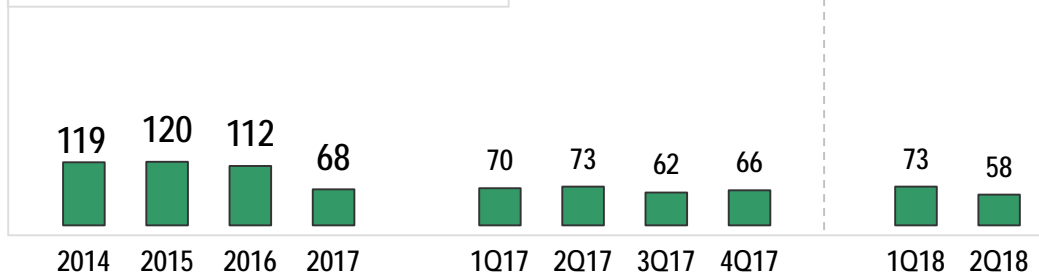
Cost of risk/Customer loans at the beginning of the period (in annualised bp)

> Personal Finance



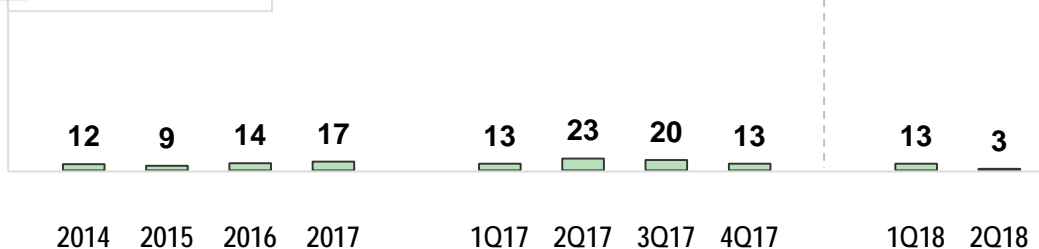
- Cost of risk: €265m
 - -€11m vs. 1Q18
 - +€40m vs. 2Q17
- Cost of risk at a low level this quarter

> Europe-Mediterranean



- Cost of risk: €55m
 - -€15m vs. 1Q18
 - -€15m vs. 2Q17
- Decrease in the cost of risk this quarter

> BancWest



- Cost of risk: €5m
 - -€15m vs. 1Q18
 - -€33m vs. 2Q17
- Very low cost of risk



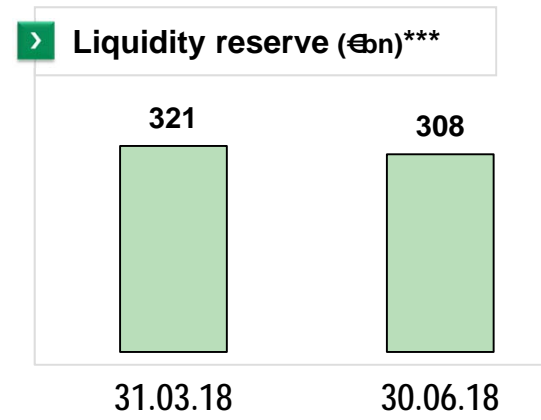
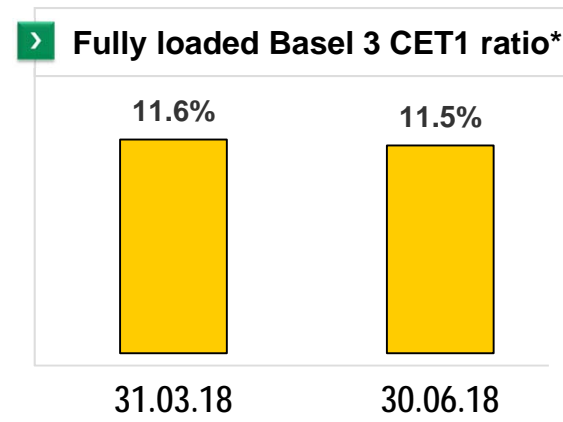
Financial Structure

- Fully loaded Basel 3 CET1 ratio*: 11.5% as at 30.06.18 (-10 bp vs. 31.03.18)
 - 2Q18 results after taking into account a 50% pay-out ratio (+15 bp)
 - Increase in risk-weighted assets excluding foreign exchange effect and operational risk (-15 bp)
 - Risk-weighted assets related to operational risk brought to the standard method level (-10 bp)
 - Overall limited impact of other effects

- Fully loaded Basel 3 leverage**: 4.0% as at 30.06.18

- Liquidity Coverage Ratio: 111% as at 30.06.18

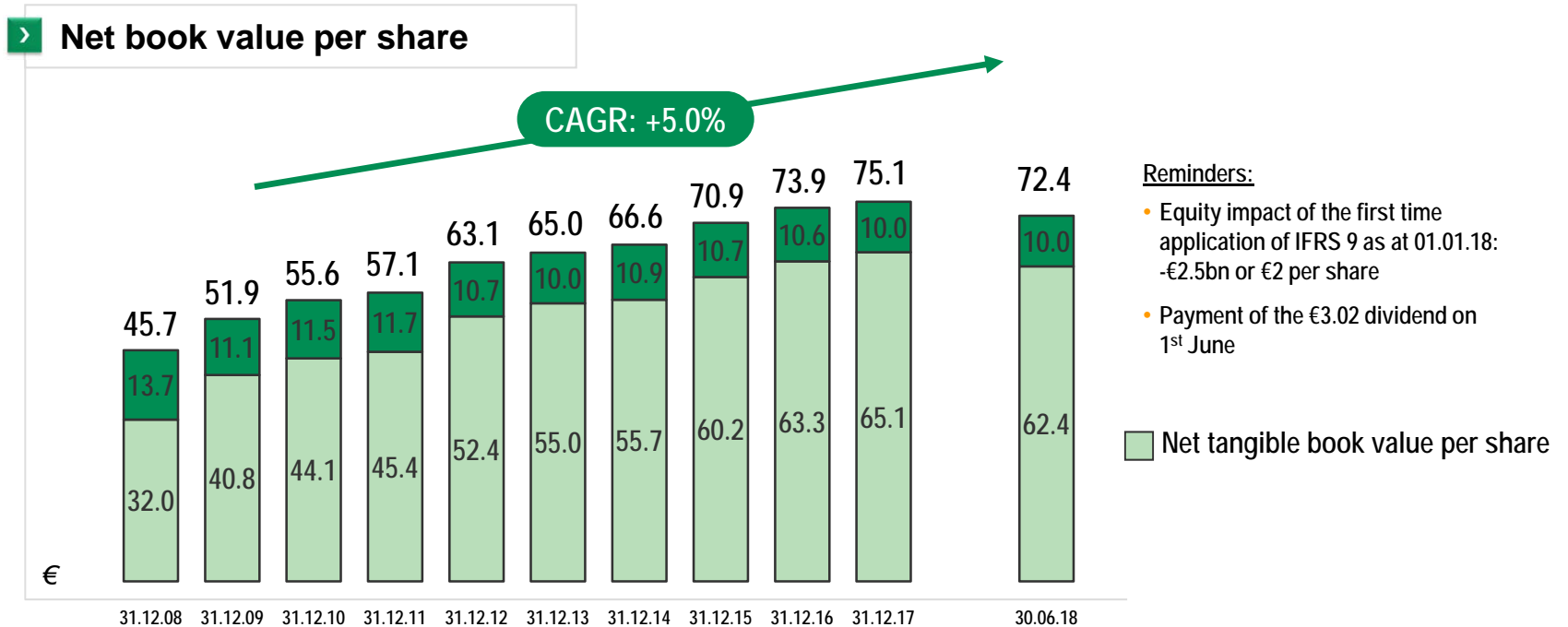
- Immediately available liquidity reserve: €308bn*** (€321bn as at 31.03.18)
 - Room to manoeuvre > 1 year in terms of wholesale funding



> **Very solid financial structure**

* CRD4 « fully loaded 2019 »; ** CRD4 "2019 fully loaded", calculated according to the delegated act of the EC dated 10.10.2014 on total Tier 1 Capital, not taking into account the decision on 13 July 2018 from the European Union Court on the exclusion of the outstandings of certain savings accounts centralised at the Caisse des Dépôts which will require an agreement from the ECB; *** Liquid market assets or eligible to central banks (counterbalancing capacity) taking into account prudential standards, notably US standards, minus intra-day payment system needs

Net book value per share



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



The Commitment of BNP Paribas: Sustainable Finance at the Heart of the Model (1/2)

Recognised contribution to new sustainable finance models

- **€155bn in financing** for energy transition and sectors considered to contribute directly to the United Nations Sustainable Development Goals
- **World's Best Bank** for sustainable finance (**Euromoney Awards for Excellence 2018**)
- **Global Performance Trophy** (*Institut du Capitalisme Responsable* and Vigeo Eiris) for the best Shareholder Meeting in terms of the quality of financial and non-financial information
- Participation in the European Commission's technical expert group on sustainable finance



A transformation lever for the company

- **Employees ever more positive about the CSR and the commitments of the Group:**
 - 75% of employees have a positive opinion on the way the Group handles its social and environmental responsibility (+5 pts vs. 2016)
- **A commitment by all the employees:**
 - Employees take part in multiple programmes to support social innovation and equal opportunities: *La France s'engage, Nos Quartiers ont du Talent, Article 1...*
- **A culture of joint projects and partnerships:**
 - Solar impulse, Breakthrough Energy Coalition, Ellen MacArthur to find new business models related to energy transition and the circular economy
 - UNEP, Bill & Melinda Gates Foundation for development in emerging countries



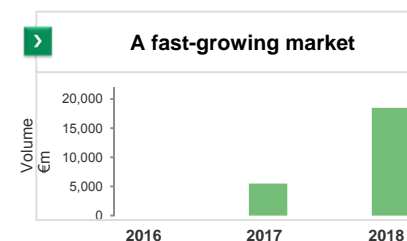
The Commitment of BNP Paribas: Sustainable Finance at the Heart of the Model (2/2)

Leadership in supporting energy transition

- **Structuring major transformative projects:**
 - Solar photovoltaic project in Brazil: sole financial advisor to Statoil and Scatec
 - Offshore wind power project in Taiwan: lead arranger of an innovative project finance
- **Asset Management:** launch of the Green Business fund
- **Green/sustainable bonds:** #2 worldwide* and lead manager on €14bn in issues since 2012

Increasing presence in the fast-growing market of Positive Incentive Loans

- **Positive Incentive Loans:** loans with an interest rate linked to CSR performance, which first came into existence in 2017
 - Increasing number of sectors and businesses eligible
 - Participation of the bank in 11 transactions
- **Significant mandates won:**
 - **L&Q**:** loan with a rate linked to residents' employment rate
 - **AccorHotels:** loan with a rate based on the ESG*** performance of AccorHotels



Agreement with UNEP (UN Environment) to finance sustainable development projects

- **Goal:** raise international funds for projects of sustainable development, thereby enabling to finance **\$10bn** of projects **by 2025**
- **Tropical Landscape Financing Facility (Indonesia):** create 16,000 jobs locally and improve agricultural practices to prevent damaging the environment
- **Sustainable India Financing Facility (India):** support the move in Andhra Pradesh towards an agriculture without chemical pesticides (6m farmers involved by 2024)

* 1H18; ** A charity that houses over 250,000 people in the United Kingdom; *** Environmental, Social and Governance



Reinforced Internal Control System

- Reinforced compliance and control procedures
 - An ethics alert mechanism updated to provide stronger whistleblower protections
 - Continued to implement measures to strengthen the compliance and control systems in foreign exchange activities
 - Highly centralised transaction filtering set-up, facilitating the roll-out of the control system
 - Continued the missions of the General Inspection dedicated to insuring Financial Security: 3rd round of audits of the entities whose USD flows are centralised at BNP Paribas New York under way (2nd round of audits completed in 2017)
- Continued operational implementation of a stronger culture of compliance
 - New round of compulsory e-learning training programmes launched in 2H18 for all employees (Sanctions & Embargoes, Combating Money Laundering & Terrorism Financing) which includes this year practical case studies for most exposed employees
 - New training programme on combating corruption, including in particular a compulsory e-learning module to raise the awareness of employees with exposure, launched in 3Q18
 - Online training programme on professional Ethics made compulsory for all new employees entering the Group
- Remediation plan agreed as part of the June 2014 comprehensive settlement with the U.S. authorities largely completed



Group Results

Division Results

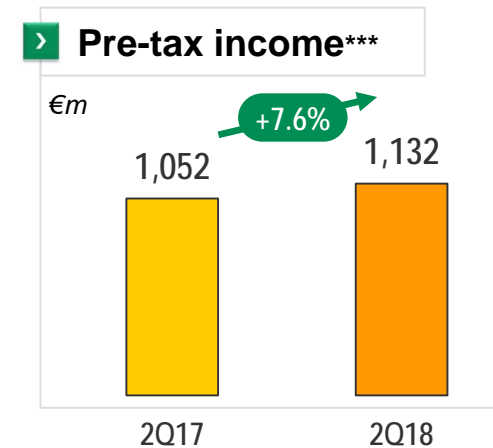
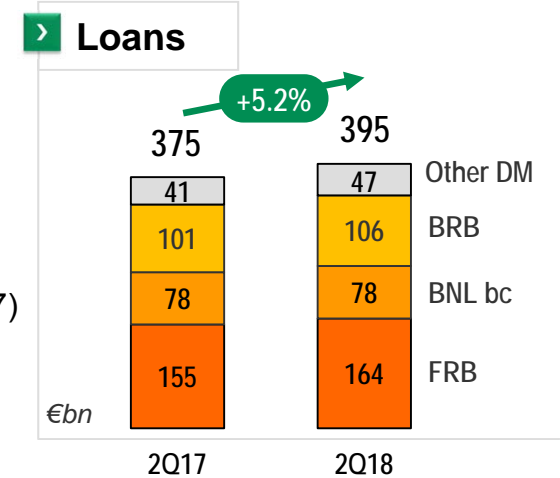
1H18 Detailed Results

Appendix



Domestic Markets - 2Q18

- Growth in business activity
 - Loans: +5.2% vs. 2Q17, good loan growth in retail banking and in the specialised businesses (Arval, Leasing Solutions)
 - Deposits: +5.7% vs. 2Q17, strong growth in all countries
 - Private banking: good net asset inflows (€1.8bn)
 - Hello bank!: rise in the number of new clients (75,000 in 2Q18; +9% vs. 2Q17)
- New customer experiences & continued digital transformation
 - Implementation of new digital services in all the businesses
 - 8m digital* customers (+8% vs. 2Q17)
- Revenues**: €3,938m (-0.3% vs. 2Q17)
 - Rise in business activity but still impact of the low interest rate environment
- Operating expenses**: €2,528m (+1.6% vs. 2Q17)
 - Rise in the specialised businesses due to business development
 - Decrease in the networks (-0.5% on average)
- Pre-tax income***: €1,132m (+7.6% vs. 2Q17)
 - Decrease in the cost of risk, in particular at BNL bc



>
**Good business drive
Income growth**

* Customers of the digital banks or customers who use digital banking services at least once a month; ** Including 100% of Private Banking, excluding PEL/CEL; *** Including 2/3 of Private Banking, excluding PEL/CEL



Domestic Markets - 2Q18

New Customer Experiences and Digital Transformation

Develop digital banking uses

- ▶ **The leading bank in France in terms of mobile functionalities** (D-rating ranking)
- ▶ **Roll-out of the online account aggregation feature**
 - Give customers a comprehensive overview of their various assets
- ▶ **Good development of the digital invoice payment app at Consorsbank!**
 - Already 11,000 invoices paid online/month
- ▶ **Launch of electronic cheque deposit at FRB**

Continue to adapt our offerings to different banking uses

- ▶ **Nickel: accelerated pace of development**
 - Already 950,000 accounts opened of which 165,000 in 1H18
 - Best day record in June with 1,895 openings
- ▶ **LyfPay: added-value mobile payment solution to serve client relationship**
 - > 820,000 downloads of the app
 - Roll-out extended to > 500 Casino retail outlets in France in 1H18 and gradually to Marionnaud shops by the end of 2018



Upgrade the operating model to enhance efficiency and customer service

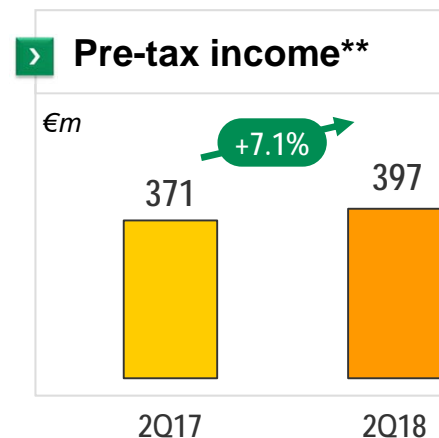
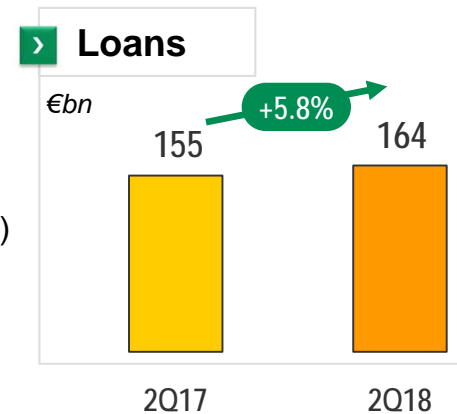
- ▶ **Expanding the use of robots**
 - 150 robots already operational (120 additional robots by the end of 2018)
 - Example: automated *Know Your Customer* process handling 80% of the collection of the necessary documents representing 20% of the total processing time
- ▶ **Removal of a regional management level of the network at FRB**
 - Already done in 3 out of 10 regions (completion by the end of 2018)



Domestic Markets

French Retail Banking - 2Q18

- Good business drive in the context of economic growth
 - Loans: +5.8%, sustained growth in loans to individual and corporate customers; mortgages: confirmation of the sharp decrease since June 2017 of renegotiations & early repayments
 - Deposits: +4.8% vs. 2Q17, strong growth in current accounts
 - Off balance sheet savings: good performance of life insurance (+3.4% vs. 30.06.17)
- Launch of the BNP Paribas Cardif-Matmut property and casualty offering
 - 2020 target: multiply by 3 sales of contracts and grow customer penetration rate from 8% to 12%
 - Already 30,000 contracts sold as at 30.06.18
- Revenues*: -0.8% vs. 2Q17
 - Net interest income: -1.1%, less renegotiation and early repayment penalties vs. high level in 2Q17; but business growth
 - Fees: -0.5%, slight decline in fees
- Operating expenses*: -1.0% vs. 2Q17
 - Effect of cost saving measures (optimisation of the network and streamlining of the management set-up)
- Pre-tax income**: €397m, +7.1% vs. 2Q17
 - Decrease in the cost of risk this quarter



> Good business drive and rise in income

* 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 - 2Q18

- Growth in business activity

- Loans: +0.2% vs. 2Q17 but +1.3% excluding the impact of the sale of a portfolio of non-performing loans in 1Q18*, market share gains on the corporate segment
- Deposits: +7.0% vs. 2Q17, sharp rise in current accounts
- Off balance sheet savings: good overall performance (life insurance outstandings: +8.3% vs. 30.06.17; mutual fund outstandings: +3.5% vs. 30.06.17)
- Digital: launch of *Power YOUnit BNL*, an innovative insurance product distributed to individual clients via a value-added digital platform developed with Cardif and the fintech FNZ

- Revenues**: -4.3% vs. 2Q17

- Net interest income: -4.3% vs. 2Q17, impact of the low interest rate environment
- Fees: -4.2% vs. 2Q17, decrease in financial fees this quarter

- Operating expenses**: +1.9% vs. 2Q17

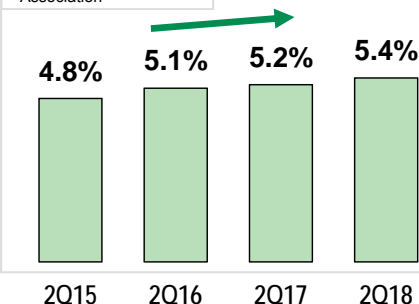
- -0.6% excluding the additional contribution to the Italian resolution fund***
- Cost containment

- Pre-tax income****: €120m (+€55m vs. 2Q17)

- Decrease in the cost of risk

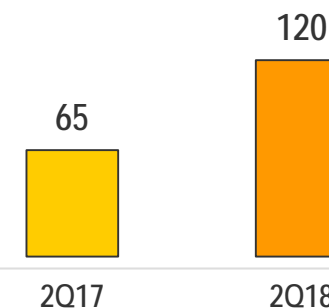
Market share on the corporate segment (loans)

Source: Italian Banking Association



Pre-tax income****

€m



➤ **Continued decrease in the cost of risk**
Sharp rise in income

* Sale of a portfolio of non-performing loans for a total of €0.8bn in 1Q18; ** Including 100% of Italian Private Banking; *** Contribution of €11m paid in 2Q18; **** Including 2/3 of Italian Private Banking





Domestic Markets

Belgian Retail Banking - 2Q18

- Sustained business activity

- Loans: +4.5% vs. 2Q17, good growth in loans to corporate customers, increase in mortgage loans
- Deposits: +4.6% vs. 2Q17, growth in particular in current accounts

- Digital development:

- 
 - New features for the *Easy Banking* mobile app using the *itsme** identification app
- 
 - Launch of *MyExperts*, a new app providing financial information for private banking clients (already > 22,000 users)

- Revenues**: -1.4% vs. 2Q17

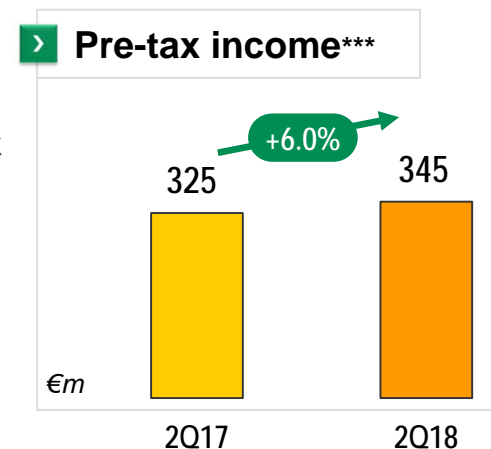
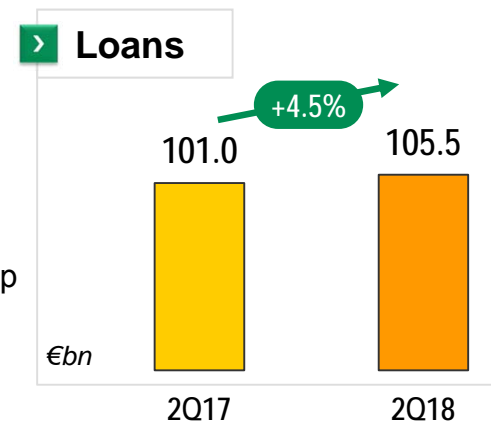
- Net interest income: +2.6% vs. 2Q17, volume growth but impact of the low interest rate environment
- Fees: -12.0% vs. high base in 2Q17, decrease in financial fees and rise in retrocession fees to independent agents due to the development of this network

- Operating expenses**: -1.4% vs. 2Q17

- Effect of the cost saving measures (optimization of the branch network and streamlining of the management set-up)

- Pre-tax income***: €345m (+6.0% vs. 2Q17)

- Cost of risk: provisions offset by write-backs this quarter



> **Rise in income despite the impact of low interest rates**

* Unique digital identity developed by the Belgian Mobile ID consortium; ** Including 100% of Belgian Private Banking; *** Including 2/3 of Belgian Private Banking



Domestic Markets Other Activities - 2Q18

- Good overall drive of the specialised businesses
 - Arval: +7.4% growth in the financed fleet vs. 2Q17
 - Leasing Solutions: rise in outstandings of +9.2% vs. 2Q17*
 - Personal Investors (PI): rise in assets under management of +9.0% vs. 30.06.17
 - Nickel: 85,000 accounts opened this quarter and success of the Nickel Chrome card launched in May (already >25,000 cards sold)



- Luxembourg Retail Banking (LRB)



- Good deposit inflows, growth in mortgage loans
- BGL BNP Paribas named *Best Bank in Luxembourg 2018* by *Euromoney*

- Development of digital banking services

- Leasing Solutions: roll-out of e-signature in Europe

- Revenues**: +6.6% vs. 2Q17

- Scope effects and good development of the businesses' activity

- Operating expenses**: +13.3% vs. 2Q17

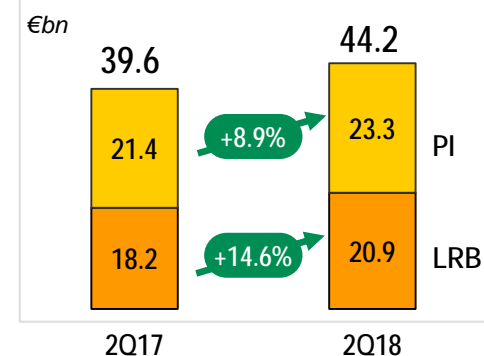
- Scope effects and impact of the development of the businesses
- Expenses related to the launch of new digital services (Leasing Solutions in particular)

- Pre-tax income***: €270m (-7.3% vs. 2Q17)

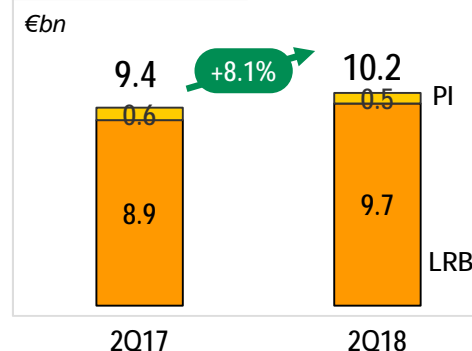


Good business drive

> Deposits



> Loans

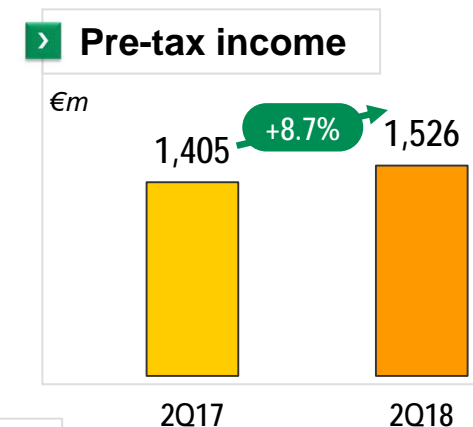
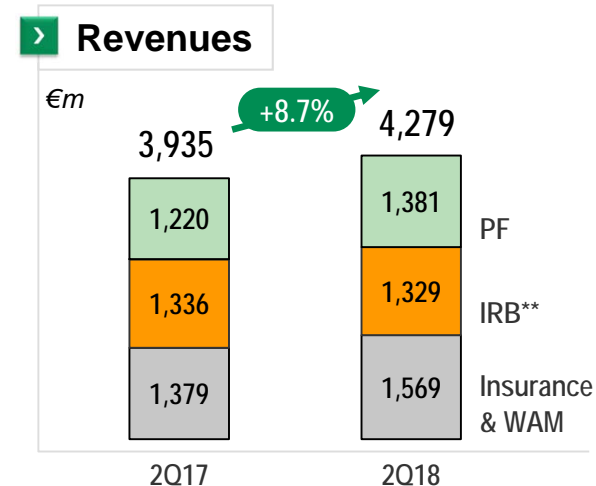


* At constant scope and exchange rates; ** Including 100% of Private Banking in Luxembourg; *** Including 2/3 of Private Banking in Luxembourg



International Financial Services - 2Q18

- Sustained business activity
 - Loans: significant growth in outstandings at Personal Finance and International Retail Banking*
 - +2.7% increase in assets under management vs. 30.06.17: €1,060bn as at 30.06.18
 - Digital: active implementation of digital transformation and new technologies throughout the retail banking networks and the specialised businesses
- Revenues: €4,279m (+8.7% vs. 2Q17)
 - Unfavourable foreign exchange effect this quarter
 - +9.4% at constant scope and exchange rates: rise in all businesses
- Operating expenses: €2,534m (+7.1% vs. 2Q17)
 - +6.9% at constant scope and exchange rates
 - As a result of good business development
- Pre-tax income: €1,526m (+8.7% vs. 2Q17)
 - +9.6% at constant scope and exchange rates



**> Very good growth
Sharp rise in income**

* Europe Med and BancWest; ** Including 2/3 of Private Banking in Turkey and in the United States

International Financial Services

New Customer Experiences and Digital Transformation

Optimise client experience

- ▶ **Personal Finance:** 72% of contracts signed electronically in France, Italy and Spain
- ▶ **Insurance:** online questionnaire enabling > 80% of clients to get immediate approval for credit protection insurance in France (100,000 contracts at the end of June)
- ▶ **Wealth Management:**
 - New features to better serve customers: biometric identification, online advisory and transactions, electronic safe
 - *Voice of Wealth* app at Bank of the West Wealth Management to help clients manage their investment portfolio
- ▶ First roll-out of holoportation* technology at **Real Estate Services**



New innovative technologies and business models

- ▶ **Partnerships with start-ups/fintechs**
 - Renewal of the partnership with *Plug & Play*, world's largest start-up accelerator
 - Launch in Germany of *Paytweak*, a mobile payment and collection app at Personal Finance
- ▶ **Developing artificial intelligence**
 - >75 robots already used at Personal Finance (controls, reporting, chatbots...)
 - Roll-out of *Birdee*, a digital investment advisory and management solution for individual clients (robo-advisory), following the acquisition of Gambit
- ▶ **Innovative product offerings**
 - Real Estate Services: launch of *Lifizz.fr*, a website offering corporate clients services related to the work environment thanks to a selection of service providers



* Interactive meeting without being there via a hologram in a virtual reality space



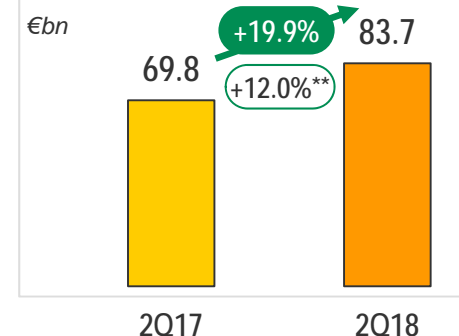
International Financial Services Personal Finance - 2Q18



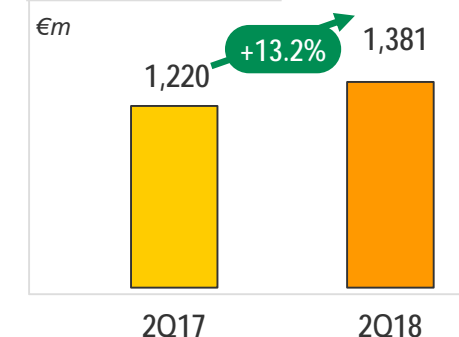
- Integration of General Motors Europe's financing businesses* going well
- Continued the very good sales and marketing drive
 - Outstanding loans: + 12.0%** , increase in demand in a favourable context in Europe and effect of new partnerships
- Implementation of digital transformation and new technologies
 - International roll-out of *Visir*, a new digitised customer relations management system (personalised offers, real-time interactions, etc.)
 - > 22 million monthly digital statements (72% of total statements)
 - *Digital Transformation* prize for Cetelem in Spain (merca2 con Bloomberg)
- Revenues: +13.2% vs. 2Q17
 - +9.3% at constant scope and exchange rates
 - In connection with the rise in volumes and the positioning on products with a better risk profile
 - Revenue growth in particular in Italy, Spain and Germany
- Operating expenses: +16.0% vs. 2Q17
 - +8.3% at constant scope and exchange rates (positive jaws effect of 1.0 pt)
 - As a result of business development
- Pre-tax income: €450m (+1.0% vs. 2Q17)



> Consolidated outstandings



> Revenues



Continued very good business drive

* Acquisition finalised on 31 October 2017; ** At constant scope and exchange rates



International Financial Services Europe-Mediterranean - 2Q18

- Good business growth

- Loans: +6.3%* vs. 2Q17, good growth
- Deposits: +9.5%* vs. 2Q17, up in all regions
- Development of the digital banks: 560,000 clients for *Cepteteb* in Turkey and 217,000 clients for *BGZ Optima* in Poland
- New digital services: success in Poland of BGZ BNP Paribas' *Gomobile* account management app via mobile (> 140,000 downloads in 6 months) & development of new features



- Revenues**: +16.6%* vs. 2Q17

- Up in all regions: effect of the rise in volumes and margins, good level of fees

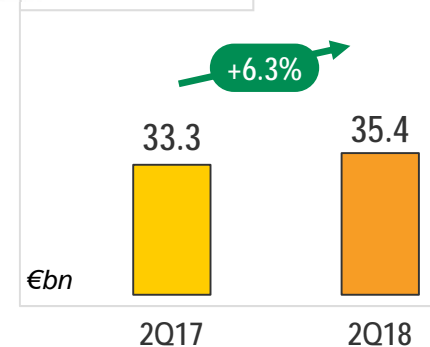
- Operating expenses**: +5.3%* vs. 2Q17

- As a result of good business development
- Largely positive jaws effect

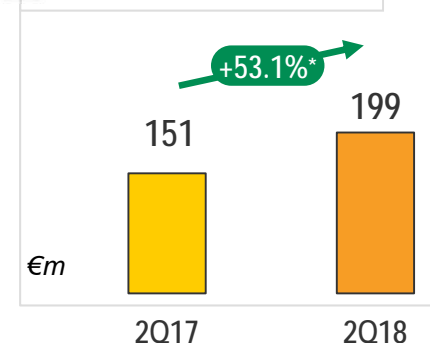
- Pre-tax income***: €199m (+53.1%*)

- + 31.5% at historical scope and exchange rates (unfavourable exchange effect)

> Loans*



> Pre-tax income***



**> Good business growth
Sharp rise in income**

* At constant scope and exchange rates (see data at historical scope and exchange rates in appendix); ** Including 100% of Turkish Private Banking; *** Including 2/3 of Turkish Private Banking



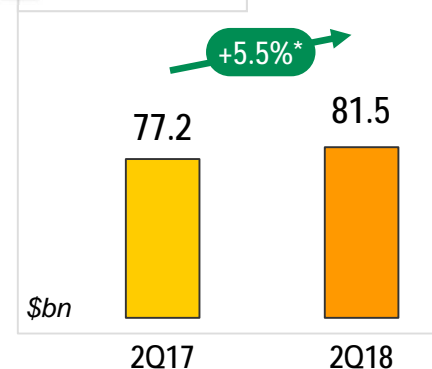
International Financial Services BancWest - 2Q18

- Continued good business drive
 - Deposits: +5.5%* vs. 2Q17, significant increase in deposits
 - Loans: +2.2%* vs. 2Q17 (+3.0%* excluding the impact of a securitisation in 4Q17), good growth in individual and corporate loans
 - Private Banking: \$13.4bn of assets under management as at 30.06.18 (+6.0%* vs. 30.06.17)
 - Digital: increase of >85% of average daily mobile transactions; integration of *Zelle*, app enabling quick and secure money transfers between individuals**
 - Good development of cross-selling: significant increase of deals with CIB (29 deals in 1H18) and upcoming launch of a new auto loans offer in partnership with Personal Finance

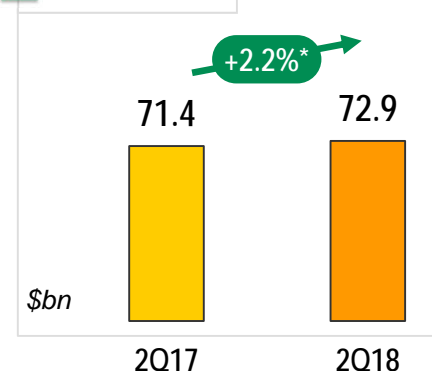
- Revenues***: +3.9%* vs. 2Q17
 - As a result of volume growth
- Operating expenses***: +2.6%* vs. 2Q17
 - Good cost containment (positive jaws effect: +1.3 pt)
- Pre-tax income****: €232m (+22.1%* vs. 2Q17)
 - +12.2% at historical scope & exchange rates (unfavourable exchange rate effect)
 - Very low cost of risk this quarter



> Deposits



> Loans



Strong income growth

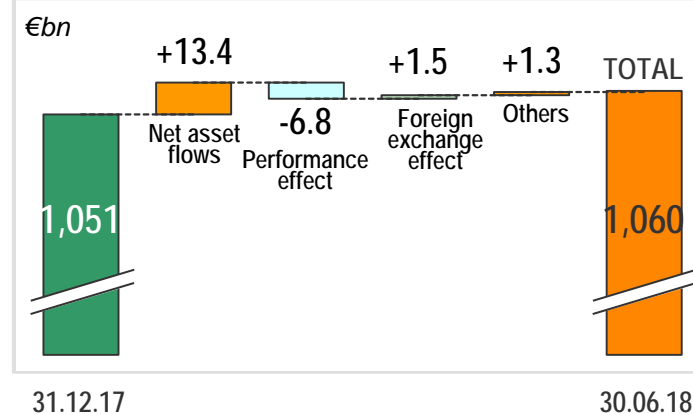
* At constant scope and exchange rates (USD vs. EUR average rates: -7.6% vs. 2Q17; figures at historical scope and exchange rates in the appendix);
 ** Developed by a consortium of banks in the United States; *** Including 100% of Private Banking in the United States; **** Including 2/3 of Private Banking in the United States



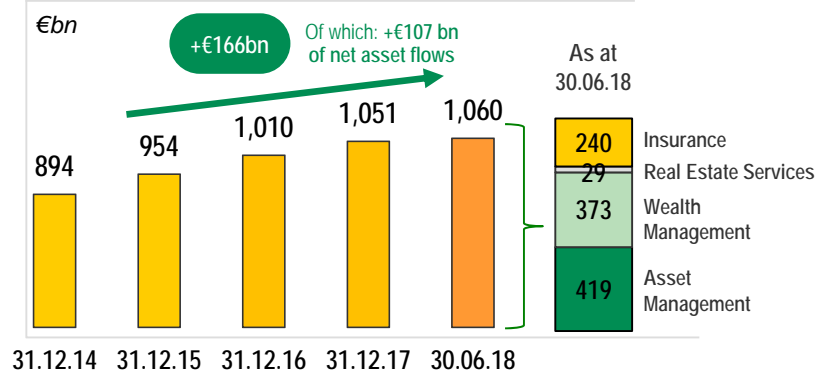
International Financial Services Insurance & WAM - Asset Flows and AuM - 1H18

- Assets under management*: €1,060bn as at 30.06.18
 - +0.9% vs. 31.12.17 (+2.7% vs. 30.06.17)
 - Good level of net asset inflows (+€13.4bn)
 - Negative performance effect (-€6.8bn) as a result of the unfavourable markets evolution
 - Slightly positive foreign exchange effect (+€1.5bn) in particular due to the depreciation of the Euro since 31.12.17
- Net asset inflows: +€13.4bn in 1H18
 - Wealth Management: very good net asset inflows, in particular in Asia, France and Italy
 - Asset Management: asset outflows concentrated on a bond mandate (in-sourcing by a client of its fund management), asset inflows into money market funds
 - Insurance: good asset inflows concentrated primarily in unit-linked policies

> Evolution of assets under management*



> Assets under management*



**Rise in assets under management
as a result of good asset inflows**

* Including distributed assets



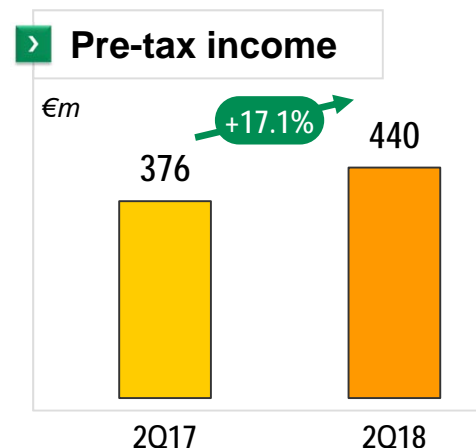
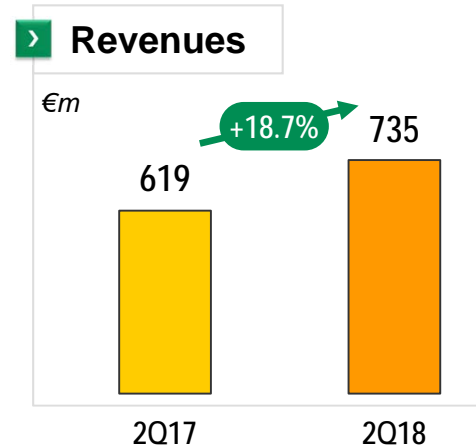
International Financial Services Insurance - 2Q18

- Sustained business development
 - Strong asset inflows concentrated in unit-linked policies (+€3.4bn in 1H18, or 2/3 of the total net asset inflows)
 - Launch of the property and casualty insurance offering in the FRB network via a joint venture* between Cardif and Matmut: good start with already 30,000 contracts at the end of June

 - New technologies training for employees
 - Entered into a partnership with *General Assembly* (a US specialist in training for new professions) to prepare >1,000 employees for tomorrow's professions: *UX design* (user experience design), data management...
-
- Revenues: €735m; +18.7% vs. 2Q17
 - Good business drive in particular internationally
 - Good level of capital gains this quarter

 - Operating expenses: €342m; +15.2% vs. 2Q17
 - As a result of the development of the business

 - Pre-tax income: €440m; +17.1% vs. 2Q17



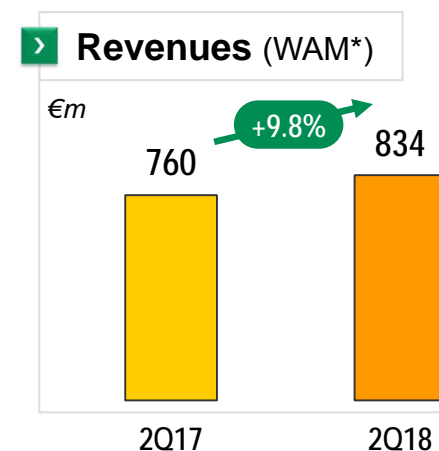
**> Good business growth
Sharp rise in income**

* Cardif IARD



International Financial Services Wealth and Asset Management* - 2Q18

- Wealth Management rewarded at the 2018 WealthBriefing Awards
 - Best European Private Bank for the 2nd year in a row
 - Best Ultra High Net Worth Team for the 4th year in a row
- Asset Management: launch of new offers
 - Launch of a new private debt platform (*SME Alternative Financing*) to finance SMEs
- Real Estate Services: very good business growth
 - Strong growth in particular of the advisory business in Germany and France
- Revenues: €834m ; +9.8% vs. 2Q17
 - Good overall performance
- Operating expenses: €639m ; +12.8% vs. 2Q17
 - +10.9% excluding specific transformation projects in Asset Management and costs related to the acquisition of Strutt & Parker in Real Estate Services
 - In relation with the development of the businesses
- Pre-tax income: €206m ; -8.9% vs. 2Q17
 - +1.2% excluding non-recurring items**



> **Good business development
Revenue growth**

* Asset Management, Wealth Management, Real Estate Services; ** Capital gain from the sale of a building in 2Q17, specific transformation projects (Asset Management) and costs related to the acquisition of Strutt & Parker (Real Estate Services)

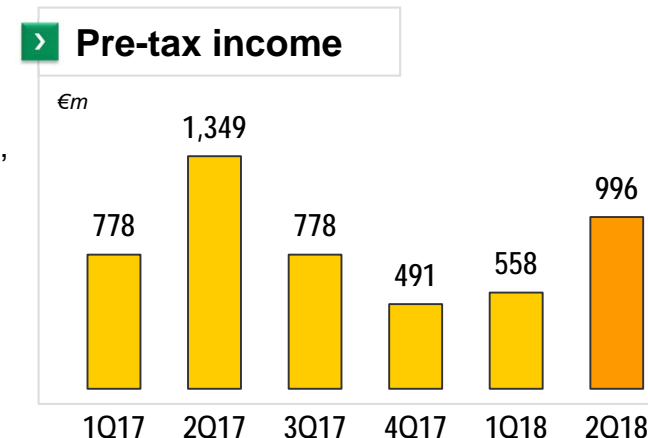
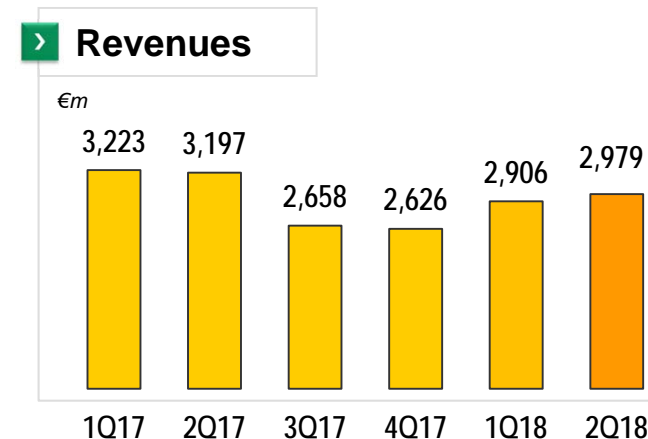


Corporate and Institutional Banking - 2Q18 Summary

- Revenues: €2,979m (-6.8% vs. 2Q17)
 - -1.6% excluding an unfavourable foreign exchange effect and capital gains realised in 2Q17 at Corporate Banking
 - Corporate Banking (-13.7%): -1.7% excluding the foreign exchange effect and capital gains realised in 2Q17
 - Global Markets (-5.0%): lacklustre context for FICC in Europe but strong growth at Equity & Prime Services
 - Securities Services (+3.9%): continued growth

- Operating expenses: €1,970m (-0.9% vs. 2Q17)
 - Effect of cost saving measures (€359m in savings since 2016)
 - Digital: >80 automated processes delivered (out of 200 identified) and implementation of 4 end-to-end projects (credit process, FX cash, client onboarding, fund administration)

- Pre-tax income: €996m (-26.2% vs. 2Q17)
 - Very high basis of comparison in 2Q17 due to capital gains realised and significant amount of provision write-backs
 - Return on notional equity (RONE)*: 17.7%



**> Rebound in income vs. previous quarters
Very high basis of comparison in 2Q17**

* Pre-tax return on allocated equity (annualised half-year income)

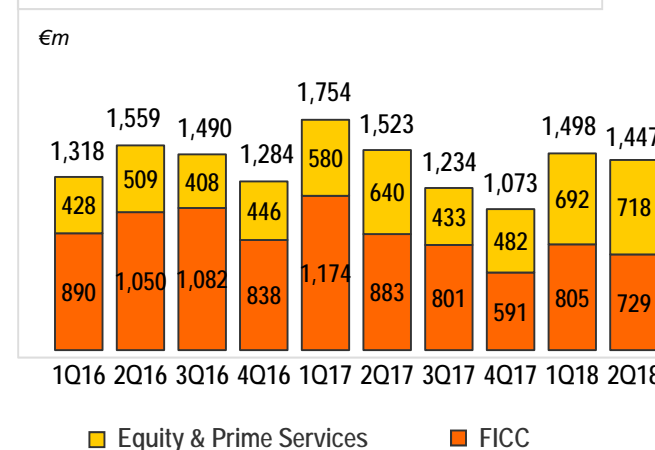
Corporate and Institutional Banking - 2Q18

Global Markets - Business Activity and Revenues

- Recognised expertise
 - Exane-BNP Paribas: #1 pan-European equity and research house for the second year in a row
 - Global Capital Bond Awards: 5 awards in 2018
- Less favourable market context in Europe than in 2Q17
 - In particular for Fixed Income in Europe (as in 1Q18) but good level of volumes for Equity
 - VaR still at a very low level (€24m on average)
 - #1 for all bonds in EUR and #8 for all International bonds*
- Revenues: €1,447m (-5.0% vs. 2Q17)
 - FICC: -17.4% vs. 2Q17, client business still weak on rates in Europe, lacklustre market context this quarter on foreign exchange and credit
 - Equity & Prime Services: +12.1% vs. 2Q17, good level of client flows on equity derivatives and development of prime services businesses



Global Markets revenues



Market context still lacklustre for FICC in Europe
Good growth at Equity & Prime Services

* Source: Dealogic 1H18, ranking by volume

Corporate and Institutional Banking - 2Q18

Corporate Banking - Business Activity and Revenues

- Implementation of digital transformation



- Investment in a minority stake in TradeIX which has developed a multi-bank trade finance platform based on blockchain technology

- Business activity

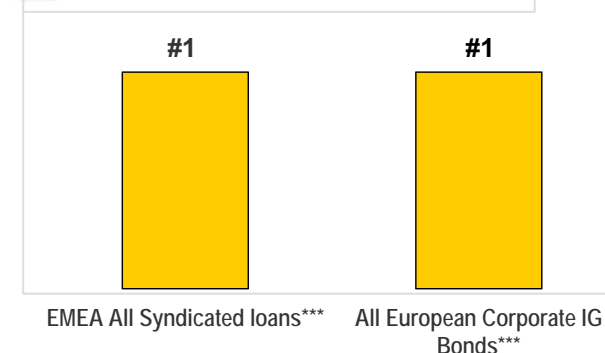


- Ranked #1 for syndicated loans in the EMEA* region
- Best Export Finance Bank (*Trade Finance Awards 2018*)
- Average outstandings: rise in outstandings at €132bn (+4.6%** vs. 2Q17) and decrease in deposits at €122bn (-6.7%** vs. 2Q17)

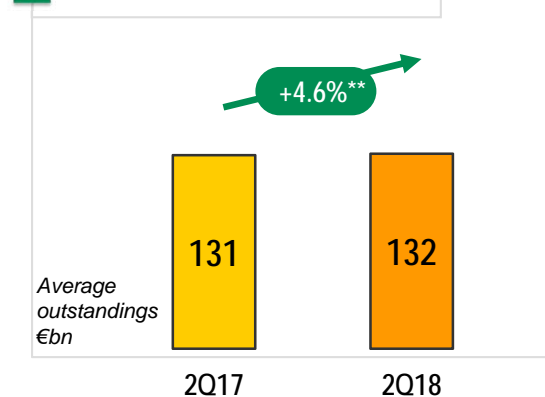
- Revenues: €1,015m (-13.7% vs. 2Q17)

- -1.7% excluding an unfavourable foreign exchange effect and capital gains recorded in 2Q17
- Lower number of significant transactions in Europe (delayed initial public offerings in particular) but good performances in the Americas and Asia Pacific region
- Continued development of transaction businesses (cash management and trade finance)

> European rankings 1H18



> Customer loans



**Continued business development
in a less favourable context this quarter**

* Source: Thomson Reuters 1H18, bookrunner in volume; ** At constant scope and exchange rates; *** Source: Dealogic 1H18, bookrunner in volume



Corporate and Institutional Banking - 2Q18

Securities Services - Business Activity and Revenues

- Continued good business drive

- Growth in assets under custody and under administration (+2.0% vs. 30.06.2017)
- Rise in the number of transactions (+5.9% vs. 2Q17)
- Announced a major agreement with DWS for €240bn in assets in Germany and Luxembourg*
- Global Investor Awards: Securities Services received 7 awards

- Implementation of digital transformation

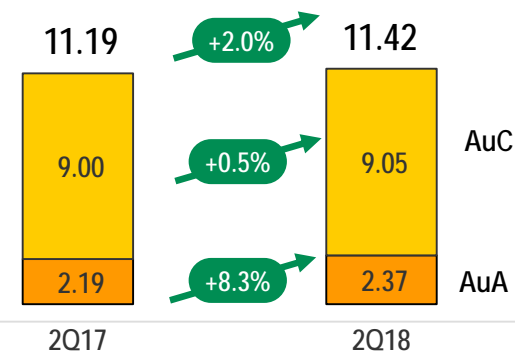
- 30 automated processes under production and 44 in development
- Launch of a new automated security transfer solution (*Securities Inventory Management*) enabling clients to optimise their custody, liquidity and management of collateral
- Several blockchain initiatives in partnership with other market players to facilitate in particular SME securities transactions (*LiquidShare*) and fund distribution (*PlanetFunds*)

- Revenues: €517m (+3.9% vs. 2Q17)

- In connection with the rise in assets under custody and under administration as well as transactions

Assets under custody (AuC) and under administration (AuA)

in 000 €bn



Providing fund administration services as well as custody and depositary services to DWS's retail funds in Germany and Luxembourg Agreement covering €240bn in assets



Continued good business development

* Closing on the transaction expected in 2H18 subject to necessary approvals



Conclusion



**Business and revenue increase
in the context of economic growth in Europe**



**Active roll-out of new customer experiences
and implementation of the digital transformation**



**Solid net income
11.2% return on tangible equity (ROTE)**



Group Results

Division Results

1H18 Detailed Results

Appendix



Main Exceptional Items - 1H18

Exceptional items

Revenues

- Own credit adjustment and DVA (*Corporate Centre*)*
- Capital gain on the sale of 1.8% stake in Shinhan (*Corporate Centre*)
- Capital gain on the sale of 4.78% stake in Euronext (*Corporate Centre*)

Total exceptional revenues

Operating expenses

- Restructuring costs of acquisitions** (*Corporate Centre*)
- Transformation costs of Businesses (*Corporate Centre*)

Total Operating expenses exceptionnels

Other non operating items

- Capital gain on the sale of a building (*Corporate Centre*)

Total exceptional other non operating items

Total exceptional items (pre-tax)

Total exceptional items (after tax)***

	1H18	1H17
		-€207m
		+€148m
		+€85m
<i>Total exceptional revenues</i>		<i>+€26m</i>
	-€13m	-€36m
	-€473m	-€243m
<i>Total Operating expenses exceptionnels</i>	<i>-€486m</i>	<i>-€279m</i>
	+€101m	
<i>Total exceptional other non operating items</i>	<i>+€101m</i>	
Total exceptional items (pre-tax)	-€385m	-€253m
Total exceptional items (after tax)***	-€247m	-€94m

Negative impact of exceptional items vs. 1H17

* Under IFRS 9, value adjustment for the own credit risk (OCA) no longer booked in revenues but directly in equity starting from 1st January 2018; ** In particular LaSer, Bank BGZ, DAB Bank, GE LLD; *** Group share



Consolidated Group - 1H18

	> 1H18	> 1H17	> 1H18 vs. 1H17	> 1H18 vs. 1H17 <i>Operating divisions</i>
Revenues	€22,004m	€22,235m	-1.0%	-0.2%
Operating expenses	-€15,628m	-15,190 M€	+2.9%	+1.8%
<i>Opex excluding exceptional items & IFRIC 21*</i>			+1.1%	+1.4%
Gross Operating income	€6,376m	€7,045m	-9.5%	-4.1%
Cost of risk	-€1,182m	-€1,254m	-5.7%	+0.8%
Résultat d'exploitation	€5,194m	€5,791m	-10.3%	-5.0%
Non operating items	€515m	€424m	+21.5%	-13.4%
Pre-tax income	€5,709m	€6,215m	-8.1%	-5.5%
Net income Group share	€3,960m	€4,290m	-7.7%	
Net income Group share excluding exceptional items*	€4,207m	€4,384m	-4.0%	→ -1.9% excluding exceptionals & IFRIC 21

* Exceptional items: see slide 39; Breakdown of taxes and contributions subject to IFRIC 21: see slide 74



BNP Paribas Group - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	11,206	10,938	+2.5%	10,798	+3.8%	22,004	22,235	-1.0%
Operating Expenses and Dep.	-7,368	-7,071	+4.2%	-8,260	-10.8%	-15,628	-15,190	+2.9%
Gross Operating Income	3,838	3,867	-0.7%	2,538	+51.2%	6,376	7,045	-9.5%
Cost of Risk	-567	-662	-14.4%	-615	-7.8%	-1,182	-1,254	-5.7%
Operating Income	3,271	3,205	+2.1%	1,923	+70.1%	5,194	5,791	-10.3%
Share of Earnings of Equity-Method Entities	132	223	-40.8%	162	-18.5%	294	388	-24.2%
Other Non Operating Items	50	33	+51.5%	171	-70.8%	221	36	n.s.
Non Operating Items	182	256	-28.9%	333	-45.3%	515	424	+21.5%
Pre-Tax Income	3,453	3,461	-0.2%	2,256	+53.1%	5,709	6,215	-8.1%
Corporate Income Tax	-918	-943	-2.7%	-558	+64.5%	-1,476	-1,695	-12.9%
Net Income Attributable to Minority Interests	-142	-122	+16.4%	-131	+8.4%	-273	-230	+18.7%
Net Income Attributable to Equity Holders	2,393	2,396	-0.1%	1,567	+52.7%	3,960	4,290	-7.7%
Cost/Income	65.8%	64.6%	+1.2 pt	76.5%	-10.7 pt	71.0%	68.3%	+2.7 pt

- Corporate income tax: average tax rate of 27.3% in 1H18 (positive 2 pt effect of the decrease in the tax rate in Belgium and in the United States)



Retail Banking and Services - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	8,071	7,737	+4.3%	7,879	+2.4%	15,950	15,456	+3.2%
Operating Expenses and Dep.	-4,988	-4,784	+4.3%	-5,497	-9.2%	-10,485	-10,088	+3.9%
Gross Operating Income	3,082	2,953	+4.4%	2,383	+29.4%	5,465	5,368	+1.8%
Cost of Risk	-531	-686	-22.6%	-634	-16.3%	-1,165	-1,320	-11.7%
Operating Income	2,551	2,267	+12.5%	1,748	+45.9%	4,299	4,047	+6.2%
Share of Earnings of Equity-Method Entities	107	174	-38.6%	132	-19.0%	238	312	-23.7%
Other Non Operating Items	0	16	-97.8%	59	-99.4%	60	27	n.s.
Pre-Tax Income	2,658	2,457	+8.2%	1,939	+37.1%	4,597	4,386	+4.8%
Cost/Income	61.8%	61.8%	+0.0 pt	69.8%	-8.0 pt	65.7%	65.3%	+0.4 pt
Allocated Equity (€bn)						53.0	50.7	+4.6%

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



Domestic Markets - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	3,938	3,951	-0.3%	3,969	-0.8%	7,907	7,903	+0.1%
Operating Expenses and Dep.	-2,528	-2,488	+1.6%	-2,971	-14.9%	-5,499	-5,368	+2.4%
Gross Operating Income	1,411	1,463	-3.6%	998	+41.4%	2,408	2,535	-5.0%
Cost of Risk	-204	-355	-42.5%	-270	-24.4%	-474	-674	-29.7%
Operating Income	1,206	1,108	+8.9%	727	+65.8%	1,934	1,860	+4.0%
Share of Earnings of Equity-Method Entities	-3	21	n.s.	-6	-55.5%	-8	32	n.s.
Other Non Operating Items	1	1	-11.3%	1	+62.8%	2	6	-67.3%
Pre-Tax Income	1,205	1,130	+6.7%	723	+66.8%	1,928	1,899	+1.5%
Income Attributable to Wealth and Asset Management	-73	-78	-6.1%	-65	+12.8%	-138	-139	-0.9%
Pre-Tax Income of Domestic Markets	1,132	1,052	+7.6%	658	+72.1%	1,790	1,759	+1.7%
Cost/Income	64.2%	63.0%	+1.2 pt	74.9%	-10.7 pt	69.5%	67.9%	+1.6 pt
Allocated Equity (€bn)						24.7	24.1	+2.6%

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

- Revenues: +0.1% vs. 1H17
 - Rise in business activity but still impact of the low interest rate environment
- Operating expenses: +2.4% vs. 1H17
 - +2.1% excluding the impact of IFRIC 21*
 - Rise in the specialised businesses (Arval, Personal Investors, Leasing Solutions, Nickel) due to business development but decrease in the networks (-0.3%** on average)
- Pre-tax income: +1.7% vs. 1H17
 - Decrease in the cost of risk, in particular in Italy

* Booking in 1Q18 of the increases of banking contributions and taxes for the whole of 2018; ** Excluding the impact of IFRIC 21



Domestic Markets

French Retail Banking - 1H18 (excluding PEL/CEL effects)

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	1,593	1,606	-0.8%	1,594	-0.0%	3,186	3,226	-1.2%
<i>Incl. Net Interest Income</i>	875	885	-1.1%	890	-1.6%	1,765	1,797	-1.8%
<i>Incl. Commissions</i>	718	721	-0.5%	704	+2.0%	1,422	1,429	-0.5%
Operating Expenses and Dep.	-1,104	-1,116	-1.0%	-1,189	-7.1%	-2,293	-2,299	-0.3%
Gross Operating Income	489	490	-0.3%	405	+20.7%	894	927	-3.6%
Cost of Risk	-54	-80	-32.5%	-59	-9.2%	-113	-158	-28.6%
Operating Income	435	411	+5.9%	346	+25.9%	781	769	+1.6%
Non Operating Items	1	0	n.s.	0	n.s.	1	0	+61.6%
Pre-Tax Income	436	411	+6.2%	345	+26.4%	781	769	+1.6%
Income Attributable to Wealth and Asset Management	-39	-40	-1.9%	-39	-0.9%	-78	-79	-0.8%
Pre-Tax Income of French Retail Banking	397	371	+7.1%	306	+29.9%	703	690	+1.9%
Cost/Income	69.3%	69.5%	-0.2 pt	74.6%	-5.3 pt	72.0%	71.3%	+0.7 pt
Allocated Equity (€bn)						9.3	9.3	+0.1%

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

- Revenues: -1.2% vs. 1H17
 - Net interest income: -1.8% vs. 1H17, less renegotiation and early repayment penalties vs. high level in 1H17, but business growth
 - Fees: -0.5% vs. 1H17, slight decrease in fees
- Operating expenses: -0.3% vs. 1H17
 - -0.9% excluding the impact of IFRIC 21
 - Effect of cost saving measures (optimization of the network and streamlining of the management set-up)

** PEL/CEL effect: +€1m in 1H18 (-€1m in 1H17) and €0m in 2Q18 (+€1m in 2Q17)*



Domestic Markets

French Retail Banking - Volumes

Average outstandings (€bn)	Outstandings 2Q18	%Var/2Q17	%Var/1Q18	Outstandings 1H18	%Var/1H17
LOANS	163.8	+5.8%	+0.9%	163.1	+6.5%
Individual Customers	90.3	+5.7%	+0.9%	90.0	+7.0%
Incl. Mortgages	79.6	+6.2%	+0.8%	79.2	+7.6%
Incl. Consumer Lending	10.8	+2.3%	+1.1%	10.7	+2.4%
Corporates	73.5	+5.9%	+1.0%	73.1	+5.9%
DEPOSITS AND SAVINGS	168.6	+4.8%	+2.5%	166.5	+5.9%
Current Accounts	102.8	+8.4%	+3.6%	101.0	+10.2%
Savings Accounts	59.9	+0.8%	+1.5%	59.4	+0.8%
Market Rate Deposits	5.9	-10.4%	-5.3%	6.1	-8.9%
	30.06.18	%Var/ 30.06.17	%Var/ 31.03.18		
€bn					
OFF BALANCE SHEET SAVINGS					
Life Insurance	90.5	+3.4%	+1.3%		
Mutual Funds	39.4	-5.5%	-4.7%		

- Loans: +5.8% vs. 2Q17, significant rise in loans to individual and corporate customers in the context of economic growth in France
- Deposits: +4.8% vs. 2Q17, strong growth in current accounts
- Off balance sheet savings: growth in life insurance outstandings



Domestic Markets

BNL banca commerciale - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	698	729	-4.3%	713	-2.2%	1,411	1,456	-3.1%
Operating Expenses and Dep.	-438	-430	+1.9%	-480	-8.8%	-918	-899	+2.2%
Gross Operating Income	259	299	-13.2%	233	+11.4%	492	557	-11.6%
Cost of Risk	-127	-222	-42.6%	-169	-24.7%	-297	-450	-34.0%
Operating Income	132	77	+71.8%	63	n.s.	195	107	+83.0%
Non Operating Items	-1	0	n.s.	0	n.s.	-1	0	n.s.
Pre-Tax Income	130	77	+69.3%	63	n.s.	194	107	+81.2%
Income Attributable to Wealth and Asset Management	-10	-12	-15.2%	-12	-13.9%	-22	-24	-5.7%
Pre-Tax Income of BNL bc	120	65	+85.3%	51	n.s.	171	83	n.s.
Cost/Income	62.8%	59.0%	+3.8 pt	67.4%	-4.6 pt	65.1%	61.8%	+3.3 pt
Allocated Equity (€bn)						5.5	5.7	-3.3%

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

- Revenues: -3.1% vs. 1H17
 - Net interest income: -5.5% vs. 1H17, impact of the low interest rate environment
 - Fees: +0.8% vs. 1H17, as a result of the growth in off balance sheet savings
- Operating expenses: +2.2% vs. 1H17
 - +0.6% excluding the impact of IFRIC 21 and of an additional contribution to the Italian resolution fund*
 - Containment of operating expenses
- Cost of risk: -34.0% vs. 1H17
 - Continued decrease in the cost of risk
- Pre-tax income: €171m (+€88m vs. 1H17), sharp rise in income

* €11m contribution paid in 2Q18



Domestic Markets

BNL banca commerciale - Volumes

Average outstandings (€bn)	Outstandings 2Q18	%Var/2Q17	%Var/1Q18	Outstandings 1H18	%Var/1H17
LOANS	78.4	+0.2%	+0.4%	78.2	-0.5%
Individual Customers	40.2	+0.0%	+0.4%	40.1	-0.1%
Incl. Mortgages	24.9	-0.5%	+0.1%	24.9	+0.0%
Incl. Consumer Lending	4.3	+3.7%	+1.9%	4.3	+2.6%
Corporates	38.1	+0.4%	+0.4%	38.1	-1.0%
DEPOSITS AND SAVINGS	43.9	+7.0%	+0.7%	43.8	+7.0%
Individual Deposits	29.0	+4.3%	+1.6%	28.8	+4.0%
Incl. Current Accounts	28.7	+4.5%	+1.6%	28.5	+4.2%
Corporate Deposits	15.0	+12.7%	-1.1%	15.0	+13.2%

€bn	30.06.18	%Var/ 30.06.17	%Var/ 31.03.18
OFF BALANCE SHEET SAVINGS			
Life Insurance	20.4	+8.3%	+2.7%
Mutual Funds	15.5	+3.5%	-1.2%

- Loans: +0.2% vs. 2Q17
 - +1.3% vs. 2Q17 excluding the impact of the sale of a portfolio of non-performing loans in 1Q18*
- Deposits: +7.0% vs. 2Q17
 - Individuals and corporates: strong rise in current accounts
- Off balance sheet savings: rise in outstandings

* Sale of a portfolio of non-performing loans for a total of €0.8bn in 1Q18



Domestic Markets

Belgian Retail Banking - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	917	930	-1.4%	934	-1.8%	1,851	1,861	-0.6%
Operating Expenses and Dep.	-552	-560	-1.4%	-835	-33.9%	-1,388	-1,383	+0.4%
Gross Operating Income	365	370	-1.5%	99	n.s.	463	479	-3.2%
Cost of Risk	2	-28	n.s.	-6	n.s.	-4	-27	-85.9%
Operating Income	367	343	+7.0%	93	n.s.	460	452	+1.7%
Non Operating Items	1	8	-81.9%	-1	n.s.	0	5	n.s.
Pre-Tax Income	368	351	+5.0%	92	n.s.	460	457	+0.6%
Income Attributable to Wealth and Asset Management	-23	-25	-8.5%	-13	+82.7%	-36	-35	+1.3%
Pre-Tax Income of Belgian Retail Banking	345	325	+6.0%	79	n.s.	424	422	+0.6%
Cost/Income	60.2%	60.2%	+0.0 pt	89.4%	-29.2 pt	75.0%	74.3%	+0.7 pt
Allocated Equity (€bn)						5.6	5.2	+8.1%

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

- Revenues: -0.6% vs. 1H17
 - Net interest income: +1.5% vs. 1H17, increase in volumes but impact of the low interest rate environment
 - Fees: -6.3% vs. 1H17, decrease in financial fees and rise in retrocession fees to independent agents due to the development of this network
- Operating expenses: +0.4% vs. 1H17
 - -0.7% excluding the impact of IFRIC 21
 - Effect of the cost saving measures (optimization of the branch network and streamlining of the management set-up)
- Pre-tax income: +0.6% vs. 1H17
 - +2.3% excluding the impact of IFRIC 21
 - Decrease in the cost of risk this semester



Domestic Markets

Belgian Retail Banking - Volumes

Average outstandings (€bn)	Outstandings 2Q18	%Var/2Q17	%Var/1Q18	Outstandings 1H18	%Var/1H17
LOANS	105.5	+4.5%	+1.4%	104.8	+4.7%
Individual Customers	67.5	+1.8%	+0.5%	67.4	+2.1%
Incl. Mortgages	48.8	+2.6%	+0.5%	48.7	+2.8%
Incl. Consumer Lending	0.3	+11.6%	n.s.	0.2	+12.5%
Incl. Small Businesses	18.4	-0.6%	-0.9%	18.5	+0.2%
Corporates and Local Governments	38.0	+9.8%	+3.1%	37.4	+10.0%
DEPOSITS AND SAVINGS	124.8	+4.6%	+2.2%	123.5	+4.7%
Current Accounts	51.7	+7.9%	+3.8%	50.7	+8.8%
Savings Accounts	70.3	+3.1%	+1.2%	69.9	+2.7%
Term Deposits	2.8	-10.9%	-3.1%	2.8	-11.3%
	30.06.18	%Var/ 30.06.17	%Var/ 31.03.18		
€bn					
OFF BALANCE SHEET SAVINGS					
Life Insurance	24.3	-0.9%	-0.4%		
Mutual Funds	32.2	+0.9%	+0.6%		

- Loans: +4.5% vs. 2Q17
 - Individuals: increase in particular in mortgage loans
 - Corporates: strong growth in corporate loans
- Deposits: +4.6% vs. 2Q17
 - Rise in individual and corporate current accounts



Domestic Markets: Other Activities - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	731	686	+6.6%	728	+0.4%	1,459	1,360	+7.3%
Operating Expenses and Dep.	-433	-382	+13.3%	-467	-7.2%	-900	-787	+14.4%
Gross Operating Income	298	304	-1.9%	261	+14.0%	559	573	-2.4%
Cost of Risk	-25	-26	-4.3%	-36	-30.7%	-60	-39	+53.6%
Operating Income	273	278	-1.7%	225	+21.1%	499	533	-6.5%
Share of Earnings of Equity-Method Entities	-3	14	n.s.	-2	+20.2%	-5	28	n.s.
Other Non Operating Items	0	0	n.s.	-1	n.s.	0	4	n.s.
Pre-Tax Income	271	292	-7.3%	223	+21.5%	493	566	-12.9%
Income Attributable to Wealth and Asset Management	-1	-1	-4.9%	-1	-6.6%	-2	-2	+23.0%
Pre-Tax Income of Other Domestic Markets	270	291	-7.3%	222	+21.7%	491	565	-13.0%
Cost/Income	59.3%	55.7%	+3.6 pt	64.1%	-4.8 pt	61.7%	57.9%	+3.8 pt
Allocated Equity (€bn)						4.3	3.9	+9.8%

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

- Revenues: +7.3% vs. 1H17
 - Scope effects and good development of the businesses' activity
- Operating expenses: +14.4% vs. 1H17
 - Scope effects and impact of the development of the businesses
 - Expenses related to the launch of new digital services at Arval and Leasing Solutions
- Pre-tax income: -13.0% vs. 1H17
 - -10.6% excluding the one-off provision linked to a change in method at Arval (€14m)*

* 1Q18



Domestic Markets

LRB - Personal Investors

> Luxembourg Retail Banking (LRB)

Average outstandings (€bn)	2Q18	%Var/2Q17	%Var/1Q18	1H18	%Var/1H17
LOANS	9.7	+9.0%	+1.9%	9.6	+9.5%
Individual Customers	6.8	+8.9%	+2.2%	6.7	+8.6%
Corporates and Local Governments	2.9	+9.3%	+1.2%	2.9	+11.7%
DEPOSITS AND SAVINGS	20.9	+14.6%	+3.6%	20.5	+13.3%
Current Accounts	10.3	+16.2%	+5.3%	10.1	+12.5%
Savings Accounts	9.2	+9.0%	+0.7%	9.2	+10.7%
Term Deposits	1.3	+51.9%	+12.1%	1.3	+47.4%
€bn	30.06.18	%Var/ 30.06.17	%Var/ 31.03.18		
OFF BALANCE SHEET SAVINGS					
Life Insurance	1.0	+0.2%	+2.0%		
Mutual Funds	1.7	-1.5%	+0.5%		

- Loans vs. 2Q17: strong growth in mortgage and in corporate loans
- Deposits vs. 2Q17: significant rise in sight deposits and savings accounts particularly in the corporate client segment

> Personal Investors

Average outstandings (€bn)	2Q18	%Var/2Q17	%Var/1Q18	1H18	%Var/1H17
LOANS	0.5	-5.5%	-4.6%	0.5	+6.5%
DEPOSITS	23.3	+8.9%	+2.6%	23.0	+8.7%
€bn	30.06.18	%Var/ 30.06.17	%Var/ 31.03.18		
ASSETS UNDER MANAGEMENT	97.2	+9.0%	+2.1%		
European Customer Orders (millions)	4.3	+5.9%	-23.0%		

- Deposits vs. 2Q17: good level of new client acquisition
- Assets under management vs. 30.06.17: good asset inflows, in particular in Germany and effect of the rise of financial markets



Domestic Markets

Arval - Leasing Solutions - Nickel

> Arval

Average outstandings (€bn)	2Q18	%Var*/2Q17	%Var*/1Q18	1H18	%Var*/1H17
Consolidated Outstandings	17.5	+9.3%	+2.6%	17.3	+9.2%
Financed vehicles ('000 of vehicles)	1,143	+7.4%	+2.1%	1,132	+7.3%

- Consolidated outstandings: 9.3%* vs. 2Q17, good growth in all regions
- Financed fleet: +7.4%* vs. 2Q17, very good sales and marketing drive

> Leasing Solutions

Average outstandings (€bn)	2Q18	%Var*/2Q17	%Var*/1Q18	1H18	%Var*/1H17
Consolidated Outstandings	19.3	+9.2%	+1.7%	19.2	+8.7%

- Consolidated outstandings: +9.2%* vs. 2Q17, good business and marketing drive

> Nickel

- 955,000 accounts opened as at 30 June 2018 (+53% vs. 30 June 2017; +10% vs. 31 March 2018)
- Reminder: acquisition finalised on 12 July 2017



* At constant scope and exchange rates



International Financial Services - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	4,279	3,935	+8.7%	4,060	+5.4%	8,339	7,844	+6.3%
Operating Expenses and Dep.	-2,534	-2,367	+7.1%	-2,609	-2.9%	-5,143	-4,873	+5.5%
Gross Operating Income	1,745	1,568	+11.3%	1,451	+20.2%	3,195	2,971	+7.5%
Cost of Risk	-326	-331	-1.2%	-365	-10.6%	-692	-645	+7.2%
Operating Income	1,418	1,237	+14.6%	1,086	+30.6%	2,504	2,326	+7.6%
Share of Earnings of Equity-Method Entities	109	153	-28.7%	137	-20.5%	246	281	-12.3%
Other Non Operating Items	-1	14	n.s.	58	n.s.	58	20	n.s.
Pre-Tax Income	1,526	1,405	+8.7%	1,281	+19.1%	2,808	2,627	+6.9%
Cost/Income	59.2%	60.2%	-1.0 pt	64.3%	-5.1 pt	61.7%	62.1%	-0.4 pt
Allocated Equity (€bn)						28.3	26.6	+6.4%

- Foreign exchange effect due in particular to the depreciation of the dollar and Turkish lira
 - USD vs. EUR*: -7.6% vs. 2Q17, +3.1% vs. 1Q18, -10.5% vs. 1H17
 - TRY vs. EUR*: -24.4% vs. 2Q17, -10.0% vs. 1Q18, -20.5% vs. 1H17
- At constant scope and exchange rates vs. 1H17
 - Revenues: +7.5%, up across all the businesses due to a good business drive
 - Operating expenses: +6.0%, as a result of business development (positive jaws effect of 1.5 pt)
 - Pre-tax income: +6.2%, significant income growth

* Average rates



International Financial Services Personal Finance - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	1,381	1,220	+13.2%	1,354	+1.9%	2,735	2,421	+13.0%
Operating Expenses and Dep.	-672	-579	+16.0%	-725	-7.4%	-1,397	-1,213	+15.2%
Gross Operating Income	709	641	+10.7%	629	+12.7%	1,338	1,208	+10.8%
Cost of Risk	-265	-225	+17.8%	-276	-3.7%	-541	-465	+16.4%
Operating Income	443	415	+6.8%	353	+25.5%	797	743	+7.2%
Share of Earnings of Equity-Method Entities	8	30	-73.7%	15	-47.8%	23	50	-54.1%
Other Non Operating Items	-2	0	n.s.	4	n.s.	3	5	-51.5%
Pre-Tax Income	450	445	+1.0%	373	+20.7%	822	798	+3.0%
Cost/Income	48.6%	47.5%	+1.1 pt	53.6%	-5.0 pt	51.1%	50.1%	+1.0 pt
Allocated Equity (€bn)						7.1	5.4	+32.0%

- Integration of General Motors Europe's financing businesses* progressing well
- Revenues: +13.0% vs. 1H17
 - +8.5% at constant scope and exchange rates
 - In connection with the rise in volumes and the positioning on products with a better risk profile
 - Revenue growth in particular in Italy, Spain and Germany
- Operating expenses: +15.2% vs. 1H17
 - +6.6% at constant scope and exchange rates and excluding the impact of IFRIC 21 (positive jaws effect of 1.9 pt)
 - As a result of good business development

* Acquisition finalised on 31 October 2017



International Financial Services

Personal Finance - Volumes and Risks

Average outstandings (€bn)	Outstandings	%Var/2Q17		%Var/1Q18		Outstandings	%Var/1H17	
	2Q18	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates	1H18	historical	at constant scope and exchange rates
TOTAL CONSOLIDATED OUTSTANDINGS	83.7	+19.9%	+12.0%	+3.2%	+3.2%	82.4	+20.1%	+12.1%
TOTAL OUTSTANDINGS UNDER MANAGEMENT (1)	95.7	+19.9%	+11.9%	+3.3%	+3.6%	94.2	+19.8%	+11.7%

(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	2Q17	3Q17	4Q17	1Q18	2Q18
France	1.65%	1.04%	0.98%	0.91%	0.81%
Italy	0.87%	1.70%	1.53%	1.13%	1.62%
Spain	1.17%	1.63%	1.77%	2.31%	1.31%
Other Western Europe	0.85%	1.29%	1.42%	1.15%	0.82%
Eastern Europe	0.31%	1.24%	1.91%	0.88%	0.57%
Brazil	4.82%	5.35%	5.11%	5.60%	6.21%
Others	1.95%	2.41%	2.58%	2.56%	2.69%
Personal Finance	1.31%	1.54%	1.57%	1.37%	1.28%



International Financial Services Europe-Mediterranean - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	614	590	+4.1%	581	+5.6%	1,196	1,183	+1.1%
Operating Expenses and Dep.	-402	-420	-4.3%	-416	-3.3%	-818	-845	-3.1%
Gross Operating Income	212	170	+24.7%	165	+28.1%	377	338	+11.6%
Cost of Risk	-55	-70	-21.8%	-70	-21.0%	-125	-137	-9.0%
Operating Income	157	100	+57.6%	96	+64.0%	252	201	+25.7%
Non Operating Items	43	52	-18.4%	96	-55.5%	139	101	+36.9%
Pre-Tax Income	199	152	+31.4%	191	+4.2%	391	302	+29.5%
Income Attributable to Wealth and Asset Management	-1	-1	+8.9%	-1	-24.1%	-2	-1	+8.8%
Pre-Tax Income of EUROPE-MEDITERRANEAN	199	151	+31.5%	191	+4.3%	389	300	+29.6%
Cost/Income	65.5%	71.2%	-5.7 pt	71.6%	-6.1 pt	68.4%	71.4%	-3.0 pt
Allocated Equity (€bn)						4.8	5.0	-4.0%

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

- Foreign exchange effect due to the depreciation of the Turkish lira in particular
 - TRY vs. EUR*: -24.4% vs. 2Q17, -10.0% vs. 1Q18, -20.5% vs. 1H17
- At constant scope and exchange rates vs. 1H18
 - Revenues**: +11.7%, up across all regions, effect of increased volumes and margins, good level of fees
 - Operating expenses**: +4.7%, as a result of good business development (largely positive jaws effect)
 - Cost of risk**: +5.3%
 - Pre-tax income***: +36.4%, sharp rise in income

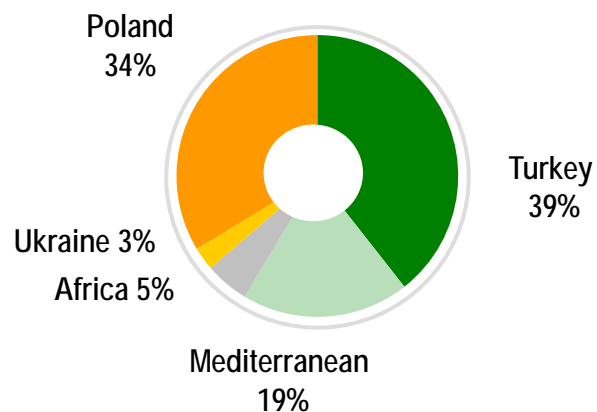
** Average rates; ** Including 100% of Turkish Private Banking; *** Including 2/3 of Turkish Private Banking*



International Financial Services Europe-Mediterranean - Volumes and Risks

Average outstandings (€bn)	Outstandings	%Var/2Q17 at constant historical scope and exchange rates		%Var/1Q18 at constant historical scope and exchange rates		Outstandings	%Var/1H17 at constant historical scope and exchange rates	
	2Q18					1H18		
LOANS	35.9	-4.8%	+6.3%	-1.3%	+3.1%	36.1	-3.4%	+5.5%
DEPOSITS	34.1	-2.3%	+9.5%	-0.3%	+3.8%	34.2	-2.4%	+7.2%

Geographic distribution of 2Q18 outstanding loans



Cost of risk / outstandings

Annualised cost of risk/outstandings as at beginning of period	2Q17	3Q17	4Q17	1Q18	2Q18
Turkey	1.67%	0.97%	0.53%	1.13%	1.00%
Ukraine	2.81%	-6.07%	-1.08%	-0.50%	-0.24%
Poland	0.31%	0.33%	0.73%	0.58%	0.23%
Others	-0.57%	1.19%	0.98%	0.43%	0.44%
Europe-Mediterranean	0.73%	0.62%	0.66%	0.73%	0.58%



International Financial Services BancWest -1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	731	762	-4.0%	683	+7.0%	1,414	1,523	-7.1%
Operating Expenses and Dep.	-488	-513	-4.9%	-495	-1.5%	-983	-1,069	-8.1%
Gross Operating Income	243	249	-2.0%	188	+29.5%	431	453	-4.9%
Cost of Risk	-5	-38	-86.8%	-20	-75.1%	-25	-59	-58.3%
Operating Income	239	211	+13.1%	168	+41.9%	407	394	+3.2%
Non Operating Items	0	1	-99.8%	0	n.s.	0	0	n.s.
Pre-Tax Income	239	212	+12.6%	168	+41.9%	407	394	+3.2%
Income Attributable to Wealth and Asset Management	-7	-5	+27.9%	-6	+21.0%	-13	-10	+23.4%
Pre-Tax Income of BANCWEST	232	206	+12.2%	162	+42.6%	394	384	+2.7%
Cost/Income	66.7%	67.4%	-0.7 pt	72.5%	-5.8 pt	69.5%	70.2%	-0.7 pt
Allocated Equity (€bn)						6.0	6.6	-8.8%

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

- Foreign exchange effect: USD vs. EUR*: -7.6% vs. 2Q17, +3.1% vs. 1Q18, -10.5% vs. 1H17
- At constant scope and exchange rates vs. 1H17
 - Revenues**: +3.7%, as a result of volume growth
 - Operating expenses**: +2.2%, good cost containment (positive jaws effect: +1.5 pt)
 - Cost of risk**: -53.9%, very low cost of risk this semester
 - Pre-tax income***: +16.3%

** Average rates; ** Including 100% of Private Banking in the United States; *** Including 2/3 of Private Banking in the United States*



International Financial Services BancWest - Volumes

Average outstandings (€bn)	Outstandings	%Var/2Q17		%Var/1Q18		Outstandings	%Var/1H17	
	2Q18	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates	1H18	historical	at constant scope and exchange rates
LOANS	61.2	-5.5%	+2.2%	+3.5%	+0.8%	60.2	-8.1%	+2.7%
Individual Customers	26.7	-6.6%	+1.0%	+3.8%	+0.7%	26.2	-9.2%	+1.4%
Incl. Mortgages	11.5	-1.7%	+6.4%	+4.5%	+1.3%	11.3	-4.5%	+6.7%
Incl. Consumer Lending	15.2	-10.1%	-2.7%	+3.4%	+0.2%	14.9	-12.5%	-2.3%
Commercial Real Estate	17.5	-3.1%	+4.9%	+3.9%	+0.7%	17.2	-5.3%	+5.8%
Corporate Loans	17.2	-4.8%	+3.0%	+4.3%	+1.1%	16.9	-8.3%	+2.5%
DEPOSITS AND SAVINGS	68.4	-2.5%	+5.5%	+1.2%	-1.8%	68.0	-4.0%	+7.3%
Deposits Excl. Jumbo CDs	57.9	-2.3%	+5.7%	+2.4%	-0.7%	57.2	-3.6%	+7.6%

- Loans: +2.2%* vs. 2Q17
 - +3.0%* excluding the impact of a securitisation in 4Q17
 - Increase in individual and corporate loans
- Deposits: +5.5%* vs. 2Q17
 - Good growth in current and savings accounts

* At constant scope and exchange rates



International Financial Services Insurance and WAM* - Business

	30.06.18	30.06.17	%Var/ 30.06.17	31.03.18	%Var/ 31.03.18
Assets under management (€bn)	1,060	1,033	+2.7%	1,051	+0.9%
Asset Management	419	421	-0.4%	424	-1.0%
Wealth Management	372	355	+4.8%	362	+2.7%
Real Estate Services	29	24	+19.2%	28	+3.0%
Insurance	240	232	+3.3%	237	+1.2%
	2Q18	2Q17	%Var/ 2Q17	1Q18	%Var/ 1Q18
Net asset flows (€bn)	0.5	1.0	-53.5%	12.9	-96.5%
Asset Management	-7.9	-6.5	+20.0%	5.6	n.s.
Wealth Management	5.0	5.9	-15.4%	4.6	+8.5%
Real Estate Services	0.4	0.1	n.s.	0.4	+24.8%
Insurance	2.8	1.5	+90.0%	2.4	+20.2%

- Assets under management: +€9.1bn vs. 31.03.18 (+€27.6bn vs. 30.06.17), including in particular
 - Net asset flows: +€0.5bn, good asset inflows in Wealth Management and Insurance offset by asset outflows in Asset Management concentrated on a bond mandate (in-sourcing by a client of its fund management; very low margin mandate)
 - Performance effect: +€2.5bn, as a result of the favourable evolution of financial markets
 - Foreign exchange effect: +€6.2bn, in particular due to the appreciation of the dollar

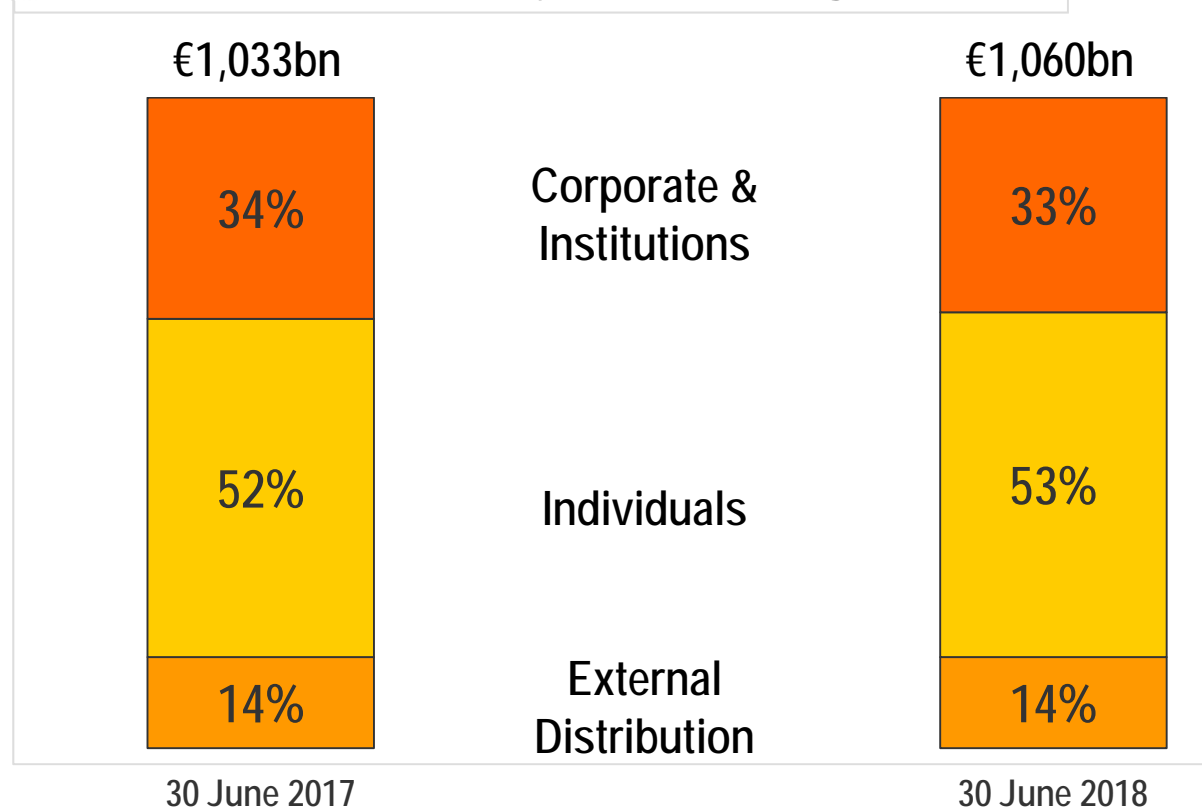
* Wealth and Asset Management



International Financial Services - Insurance & WAM

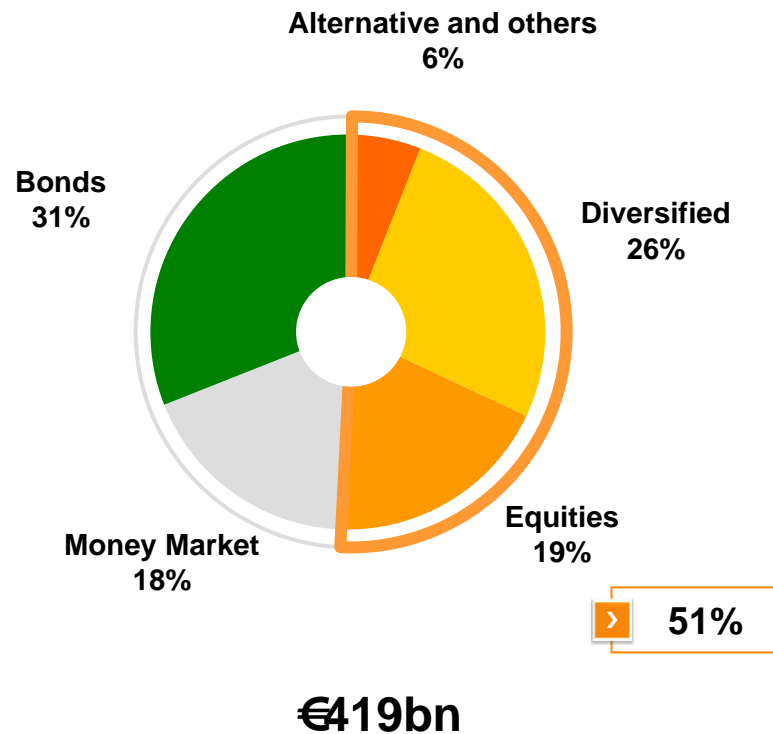
Breakdown of Assets by Customer Segment

> Breakdown of assets by customer segment



International Financial Services - Asset Management Breakdown of Managed Assets

> 30.06.18



International Financial Services Insurance - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	735	619	+18.7%	661	+11.2%	1,397	1,216	+14.8%
Operating Expenses and Dep.	-342	-297	+15.2%	-367	-6.8%	-710	-623	+13.9%
Gross Operating Income	393	322	+22.0%	294	+33.6%	687	593	+15.8%
Cost of Risk	1	-1	n.s.	0	n.s.	1	-2	n.s.
Operating Income	394	321	+22.8%	294	+34.2%	688	592	+16.3%
Share of Earnings of Equity-Method Entities	46	55	-15.9%	75	-38.6%	121	109	+11.2%
Other Non Operating Items	0	0	n.s.	0	n.s.	0	1	n.s.
Pre-Tax Income	440	376	+17.1%	369	+19.3%	810	702	+15.4%
Cost/Income	46.6%	48.0%	-1.4 pt	55.5%	-8.9 pt	50.8%	51.2%	-0.4 pt
Allocated Equity (€bn)						8.5	7.7	+9.7%

- Technical reserves: +4.3% vs. 1H17
- Revenues: +14.8% vs. 1H17
 - Good business drive in both the savings and protection insurance business
 - Good level of capital gains realised
- Operating expenses: +13.9% vs. 1H17
 - As a result of the good development of the business
- Pre-tax income: +15.4% vs. 1H17
 - Good performance of the associated companies



International Financial Services Wealth and Asset Management - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	834	760	+9.8%	795	+4.9%	1,630	1,533	+6.3%
Operating Expenses and Dep.	-639	-567	+12.8%	-614	+4.1%	-1,253	-1,143	+9.7%
Gross Operating Income	195	193	+1.1%	181	+7.7%	376	391	-3.7%
Cost of Risk	-2	4	n.s.	0	n.s.	-2	18	n.s.
Operating Income	193	197	-2.1%	181	+6.2%	374	408	-8.4%
Share of Earnings of Equity-Method Entities	12	15	-21.5%	5	n.s.	17	20	-14.2%
Other Non Operating Items	1	14	-91.0%	0	n.s.	1	14	-91.9%
Pre-Tax Income	206	226	-8.9%	187	+10.2%	392	443	-11.4%
Cost/Income	76.6%	74.6%	+2.0 pt	77.2%	-0.6 pt	76.9%	74.5%	+2.4 pt
Allocated Equity (€bn)						1.9	1.9	+0.0%

- Revenues: +6.3% vs. 1H17
 - Good overall performance
- Operating expenses: +9.7% vs. 1H17
 - +7.8% excluding specific transformation projects in Asset Management and costs related to the acquisition of Strutt & Parker in Real Estate Services
 - In relation with the development of the business
- Pre-tax income: -11.4% vs. 1H17
 - -3.9% excluding non-recurring items*

* Capital gain from the sale of a building in 2Q17, specific transformation projects (Asset Management) and costs related to the acquisition of Strutt & Parker (Real Estate Services)



Corporate and Institutional Banking - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	2,979	3,197	-6.8%	2,906	+2.5%	5,885	6,420	-8.3%
Operating Expenses and Dep.	-1,970	-1,988	-0.9%	-2,389	-17.5%	-4,360	-4,494	-3.0%
Gross Operating Income	1,009	1,209	-16.6%	517	+95.0%	1,526	1,926	-20.8%
Cost of Risk	-23	118	n.s.	31	n.s.	8	172	-95.4%
Operating Income	986	1,328	-25.7%	548	+79.9%	1,534	2,098	-26.9%
Share of Earnings of Equity-Method Entities	7	5	+21.3%	9	-22.8%	15	13	+15.8%
Other Non Operating Items	3	15	-78.9%	2	+71.0%	5	15	-65.8%
Pre-Tax Income	996	1,349	-26.2%	558	+78.3%	1,554	2,126	-26.9%
Cost/Income	66.1%	62.2%	+3.9 pt	82.2%	-16.1 pt	74.1%	70.0%	+4.1 pt
Allocated Equity (€bn)						20.3	21.9	-7.2%

- Revenues: -8.3% vs. high base in 1H17
 - -4.4% excluding an unfavourable foreign exchange effect and capital gains realised in 2Q17 at Corporate Banking
 - Lacklustre market context for FICC in Europe vs. 1H17
- Operating expenses: -3.0% vs. 1H17
 - -4.1% excluding IFRIC 21*: effect of cost saving measures
- Cost of risk:
 - Reminder: significant amount of provision write-backs in 1H17
- Allocated equity: -7.2% vs. 1H17
 - Optimisation of financial resources as part of the transformation plan
 - RONE**: 17.7%

* €483m in taxes and contributions booked in 1Q18 (€451m in 1Q17); ** Pre-tax return on allocated equity (annualised half-year income)



Corporate and Institutional Banking Global Markets - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	1,447	1,523	-5.0%	1,498	-3.4%	2,945	3,277	-10.1%
<i>incl. FICC</i>	729	883	-17.4%	805	-9.4%	1,535	2,057	-25.4%
<i>incl. Equity & Prime Services</i>	718	640	+12.1%	692	+3.7%	1,410	1,220	+15.6%
Operating Expenses and Dep.	-955	-997	-4.2%	-1,275	-25.1%	-2,230	-2,421	-7.9%
Gross Operating Income	492	526	-6.4%	223	n.s.	715	856	-16.5%
Cost of Risk	-37	39	n.s.	28	n.s.	-9	36	n.s.
Operating Income	455	565	-19.6%	251	+81.0%	706	892	-20.9%
Share of Earnings of Equity-Method Entities	1	-1	n.s.	1	+4.2%	2	-1	n.s.
Other Non Operating Items	1	3	-53.7%	0	n.s.	1	2	-40.2%
Pre-Tax Income	457	567	-19.3%	252	+81.1%	709	893	-20.6%
Cost/Income	66.0%	65.5%	+0.5 pt	85.1%	-19.1 pt	75.7%	73.9%	+1.8 pt
Allocated Equity (€bn)						7.4	8.4	-11.0%

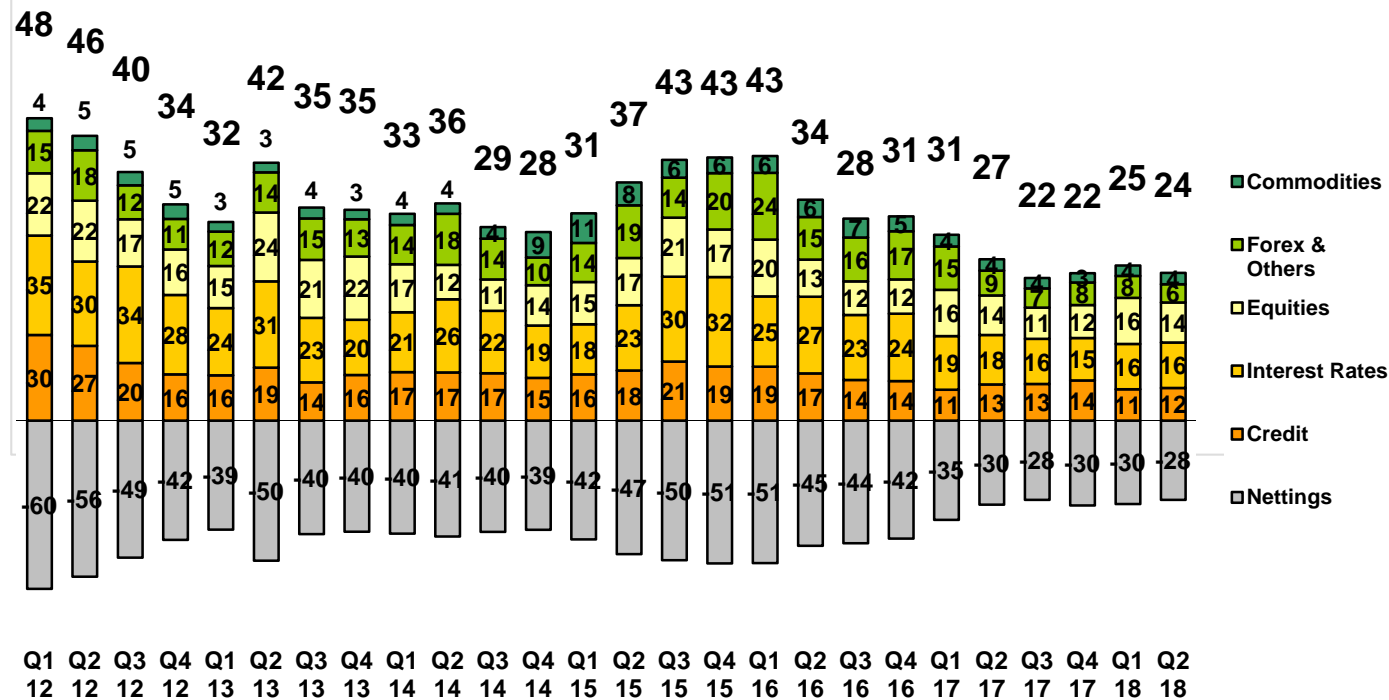
- Revenues: -10.1% vs. high base in 1H17
 - Lacklustre context for FICC in Europe this semester
 - Good growth at Equity & Prime Services driven by a rebound in volumes on equity derivatives and good development of prime brokerage
- Operating expenses: -7.9% vs. 1H17
 - -10.2% excluding IFRIC 21*
 - Effect of cost saving measures
- Allocated equity: -11.0% vs. 1H17
 - Decrease in the Value at Risk vs. 1H17 and effect of the optimisation of financial resources (right-sizing in particular of portfolios with low profitability)

* €331m in taxes and contributions booked in 1H18 (€307m in 1H17)



Corporate and Institutional Banking Market Risks - 1H18

> Average 99% 1-day interval Var



- VaR down, still at a very low level*
 - Slight decrease on forex and equities
 - No backtesting event reported this quarter
 - Only 18 days of losses greater than VaR since 01.01.2007, or less than 2 per year over a long period including the crisis, confirming the soundness of the internal VaR calculation model (1 day, 99%)

* VaR calculated for the monitoring of market limits; ** Theoretical loss excluding intraday result and commissions earned

Corporate and Institutional Banking

Corporate Banking - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	1,015	1,176	-13.7%	904	+12.2%	1,919	2,167	-11.5%
Operating Expenses and Dep.	-596	-590	+1.0%	-691	-13.8%	-1,288	-1,282	+0.5%
Gross Operating Income	418	586	-28.6%	213	+96.7%	631	886	-28.7%
Cost of Risk	13	78	-83.6%	1	n.s.	14	135	-89.7%
Operating Income	431	664	-35.1%	214	n.s.	645	1,021	-36.8%
Non Operating Items	7	19	-64.0%	9	-27.7%	16	26	-37.5%
Pre-Tax Income	438	683	-35.9%	223	+96.1%	661	1,047	-36.8%
Cost/Income	58.8%	50.2%	+8.6 pt	76.5%	-17.7 pt	67.1%	59.1%	+8.0 pt
Allocated Equity (€bn)						12.0	12.7	-5.1%

- Revenues: -11.5% vs. 1H17
 - -2.5% excluding an unfavourable foreign exchange effect and capital gains realised in 2Q17
 - Lower number of significant transactions in Europe vs. high base in 1H17 (delayed initial public offerings in particular) but good performance of the Americas and Asia Pacific regions
 - Good growth in transaction businesses (cash management and trade finance)
- Operating expenses: +0.5% vs. 1H17
 - Good cost control due to cost saving measures
- Cost of risk:
 - Reminder: significant amount of provision write-backs in 1H17
- Allocated equity: -5.1% vs. 1H17
 - Effect of the optimisation of financial resources as part of the transformation plan

* Negligible impact of IFRIC 21: €125m in taxes and contributions booked in 1H18 vs. €127m in 1H17



Corporate and Institutional Banking Securities Services - 1H18

€m	2Q18	2Q17	2Q18 / 2Q17	1Q18	2Q18 / 1Q18	1H18	1H17	1H18 / 1H17
Revenues	517	498	+3.9%	505	+2.4%	1,022	975	+4.8%
Operating Expenses and Dep.	-419	-400	+4.6%	-423	-1.0%	-842	-791	+6.5%
Gross Operating Income	98	97	+0.9%	82	+20.0%	180	185	-2.5%
Cost of Risk	2	1	+67.0%	1	+76.6%	3	1	n.s.
Operating Income	100	99	+1.7%	83	+20.8%	183	186	-1.5%
Non Operating Items	1	0	+85.1%	0	n.s.	0	1	-64.8%
Pre-Tax Income	101	99	+1.9%	83	+21.9%	183	186	-1.7%
Cost/Income	81.0%	80.5%	+0.5 pt	83.8%	-2.8 pt	82.4%	81.1%	+1.3 pt
Allocated Equity (€bn)						0.9	0.9	-2.6%

	30.06.18	30.06.17	%Var/ 30.06.17	31.03.18	%Var/ 31.03.18
Securities Services					
Assets under custody (€bn)	9,046	9,001	+0.5%	9,401	-3.8%
Assets under administration (€bn)	2,372	2,191	+8.3%	2,218	+6.9%
	2Q18	2Q17	2Q18/2Q17	1Q18	2Q18/1Q18
Number of transactions (in million)	24.2	22.9	+5.9%	23.7	+2.1%

- Revenues: +4.8% vs. 1H17
 - Effect of the rise in volumes and new mandates
- Operating expenses: +6.5% vs. 1H17
 - +5.3% excluding IFRIC 21*
 - As a result of good business development (onboarding of new mandates)

* €27m in taxes and contributions booked in 1H18 vs. €17m in 1H17



Corporate and Institutional Banking Transactions – 2Q18



Germany – Bayer AG
Refinancing of Monsanto acquisition

- EUR 5bn Multi-Tranche Senior Unsecured Notes Active Bookrunner, *June 2018*
- USD 15bn Multi-Tranche Senior Unsecured Notes Passive Bookrunner, *June 2018*
- EUR 6bn Rights Issue Joint Bookrunner, *June 2018*



China - Zhejiang Geely Holding Group
 EUR 2.1bio Term Loan Facility for 8.2% Acquisition in Volvo Truck
 Joint Mandated Lead Arranger / Facility and Security Agent
June 2018



Germany - Volkswagen International Finance N.V.
 €2.75bn Dual-Tranche hybrid
 The transaction was to refinance the issuer's outstanding 3.875% Non-Call Sept. 2018 notes and to finance general corporate purposes. Joint Active Bookrunner – *June 2018*



France / South Korea – L'Oréal
 Sole Financial Advisor to L'Oréal for the acquisition of Stylenanda
May 2018



Switzerland – Syngenta Finance N.V.
 USD 4.75bn Multi-Tranche 144A / Reg S Offering
 Refinancing of the remaining amounts drawn under the CNAC Saturn (NL) B.V. ("CNAC") Facilities Agreement.
 Active Bookrunner – *April 2018*



Brazil – Grupo Carrefour Brasil
 BRL 1.5bn Debenture Issuance
 Joint Bookrunner
April 2018



Switzerland /France – Givaudan
 Advisor to Givaudan for the acquisition of a 40.6% stake in Naturex through blocks acquisition followed by a mandatory tender offer
April 2018



France / Netherlands – Unibail-Rodamco-Westfield
 Appointed to provide shareholder services and structuring & management services for the new group's stapled shares
April 2018

Corporate and Institutional Banking Ranking and Awards - 2Q18

- **Global Markets et Corporate Banking:**
 - Exane BNP Paribas pan-European Survey: #1 Overall Broker, #1 Overall Research, #1 Equity Sector Research (*Extel survey – June 2018*)
- **Global Markets:**
 - #1 All bonds in Euros and #8 All International bonds (*Dealogic, H1 2018*)
 - Most Impressive Bank for Corporate Debt Capital Market in Euros and five other #1 rankings (*Global Capital Bond Awards 2018*)
 - Interest Rate Derivatives House of the Year (*Global Capital Americas Derivatives Awards 2018*)
- **Securities Services:**
 - Asset Servicing Technology Innovation of the Year, Collateral Management System of the Year and Global Custody Survey Winner 2018 (*Global Investor Investment Excellence Awards 2018 – June 2018*)
- **Corporate Banking:**
 - #1 EMEA Syndicated Loan Bookrunner by volume and number of deals (*Thomson Reuters, H1 2018*)
 - Best Supply Chain Finance Bank (*GTR Leaders in Trade 2018*)
 - Best Export Finance Bank (*Trade Finance Magazine*)



Corporate Centre - 2Q18

€m	2Q18	2Q17	1Q18	1H18	1H17
Revenues	156	3	11	167	360
Operating Expenses and Dep.	-409	-300	-374	-784	-608
<i>Incl. Restructuring and Transformation Costs</i>	-275	-168	-211	-486	-279
Gross Operating income	-253	-297	-363	-616	-248
Cost of Risk	-13	-94	-11	-25	-106
Operating Income	-267	-391	-374	-641	-353
Share of Earnings of Equity-Method Entities	19	44	22	41	63
Other non operating items	46	2	110	156	-6
Pre-Tax Income	-201	-346	-242	-444	-296

● Revenues

- Reminder: under IFRS 9, the value adjustment for the own credit risk (OCA) is no longer booked in revenues but in equity, starting from 1st January 2018 (DVA* negligible in 2Q18; own credit adjustment and DVA* in 2Q17: -€200m)
- 2Q17 reminder: capital gain on the sale of 4.78% stake in Euronext: +€85m

● Operating expenses

- Transformation costs of the businesses: -€267m (-€153m in 2Q17)
- Restructuring costs related to the acquisitions (in particular LaSer, Bank BGZ, DAB Bank and GE LLD): -€8m (-€15m in 2Q17)

* Own credit risk included in derivatives



Corporate Centre - 1H18

- Revenues

- Reminder: under IFRS 9, the value adjustment for the own credit risk (OCA) is no longer booked in revenues but in equity, starting from 1st January 2018 (DVA* negligible in 1H18; own credit adjustment and DVA* in 1H17 : -€207m)
- 1H17 reminder: capital gain from the sale of Shinhan (+€148m) and Euronext (+€85m) shares
- Decrease this semester of Principal Investments' contribution (high basis of comparison in 1H17)

- Operating expenses

- Transformation costs of the businesses: -€473m (-€243m in 1H17)
- Restructuring costs related to the acquisitions (in particular LaSer, Bank BGZ, DAB Bank and GE LLD): -€13m (-€36m in 1H17)

- Other non operating items

- Capital gain on the sale of a building: +€101m in 1H18

** Own credit risk included in derivatives*



Breakdown of taxes and contributions subject to IFRIC 21 - 1H18

<i>€m</i>	1H18	1H17
Domestic Markets*	-451	-422
French Retail Banking*	-101	-89
BNL bc*	-43	-40
Belgian Retail Banking*	-276	-263
Other activities*	-30	-30
International Financial Services	-136	-126
Personal Finance	-59	-43
International Retail Banking*	-27	-36
Insurance	-35	-30
Wealth and Asset Management	-14	-17
Corporate & Institutional Banking	-483	-451
Corporate Banking	-125	-127
Global Markets	-331	-307
Securities Services	-27	-17
Corporate Centre	-69	-64
TOTAL	-1,138	-1,062

* Including 2/3 of Private Banking



Breakdown of the Transformation Costs of the Businesses Presented in the Corporate Centre - 2Q18

<i>m€</i>	2Q18	1Q18	2017	4Q17	3Q17	2Q17	1Q17
Retail Banking & Services	-161	-124	-464	-201	-125	-93	-45
Domestic Markets	-76	-60	-200	-93	-48	-42	-17
French Retail Banking	-45	-33	-129	-58	-31	-28	-12
BNL bc	-4	-3	-17	-9	-5	-2	-1
Belgian Retail Banking	-20	-18	-33	-17	-6	-8	-2
Other Activities	-7	-7	-22	-9	-6	-5	-2
International Financial Services	-85	-64	-264	-109	-76	-51	-28
Personal Finance	-23	-22	-64	-27	-16	-14	-7
International Retail Banking	-30	-19	-102	-37	-31	-20	-13
Insurance	-14	-9	-46	-20	-16	-6	-3
Wealth and Asset Management	-19	-14	-53	-25	-14	-10	-5
Corporate & Institutional Banking	-106	-81	-301	-117	-80	-61	-43
Corporate Banking	-41	-15	-96	-52	-15	-17	-12
Global Markets	-47	-50	-149	-41	-49	-35	-24
Securities Services	-17	-16	-56	-24	-16	-9	-7
Corporate Centre	-1	-0	-91	-90	-0	1	-1
TOTAL	-267	-206	-856	-408	-205	-153	-90



Group Results

Division Results

1H18 Detailed Results

Appendix



Number of Shares and Earnings per Share

> Number of Shares

<i>in millions</i>	30-Jun-18	31-Dec-17
Number of Shares (end of period)	1,250	1,249
Number of Shares excluding Treasury Shares (end of period)	1,248	1,248
Average number of Shares outstanding excluding Treasury Shares	1,248	1,246

> Earnings per Share

<i>in millions</i>	30-Jun-18	30-Jun-17
Average number of Shares outstanding excluding Treasury Shares	1,248	1,246
Net income attributable to equity holders	3,960	4,290
Remuneration net of tax of Undated Super Subordinated Notes	-189	-184
Ex change rate effect on reimbursed Undated Super Subordinated Notes	0	0
Net income attributable to equity holders, after remuneration and exchange rate effect on Undated Super Subordinated Notes	3,771	4,106
Net Earnings per Share (EPS) in euros	3.02	3.30



Capital Ratios and Book Value per Share

> Capital Ratios

	30-Jun-18	31-Dec-17
Total Capital Ratio (a)	14.5%	14.8%
Tier 1 Ratio (a)	12.8%	13.2%
Common equity Tier 1 ratio (a)	11.5%	11.9%

(a) Basel 3 (CRD4), taking into consideration CRR transitory provisions (but with full deduction of goodwill), on risk-weighted assets of €657 bn as at 30.06.18 and €641 bn as at 31.12.17. Subject to the provisions of article 26.2 of (EU) regulation n°575/2013.

> Book value per Share

<i>in millions of euros</i>	30-Jun-18	1-Jan-18	31-Dec-17	
	<i>IFRS 9</i>	<i>IFRS 9</i>	<i>IAS 39</i>	
Shareholders' Equity Group share	98,711	99,426	101,983	(1)
<i>(IFRS 9 impact on shareholders' equity)</i>		-2,533		
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	1,009	1,787	3,198	
of which Undated Super Subordinated Notes	8,167	8,172	8,172	(2)
of which remuneration net of tax payable to holders of Undated Super Subordinated Notes	121	66	66	(3)
Net Book Value (a)	90,423	91,188	93,745	(1)-(2)-(3)
Goodwill and intangibles	12,511	12,443	12,443	
Tangible Net Book Value (a)	77,912	78,745	81,302	
Number of Shares excluding Treasury Shares (end of period) in millions	1,248	1,248	1,248	
Book Value per Share (euros)	72.4	73.1	75.1	
<i>of which book value per share excluding valuation reserve (euros)</i>	<i>71.6</i>	<i>71.7</i>	<i>72.6</i>	
Net Tangible Book Value per Share (euros)	62.4	63.1	65.1	

(a) Excluding Undated Super Subordinated Notes and remuneration net of tax payable to holders of Undated Super Subordinated Notes



Return on Equity and Permanent Shareholders' Equity

> Calculation of Return on Equity

<i>in millions of euros</i>	1H18	1H17	
Net income Group share	3,960	4,290	(1)
Exceptional items (after tax) (a)	-247	-95	(2)
Contribution to the Single Resolution Fund (SRF) and levies after tax	-954	-881	(3)
Annualised net income Group share (exceptional items, contribution to SRF and taxes not annualised) (b)	9,121	9,556	(4)
Remuneration net of tax of Undated Super Subordinated Notes and exchange effect	-367	-361	
Impact of annualised transformation and restructuring costs	-331	-179	
Net income Group share restated used for the calculation of ROE/ROTE	8,423	9,016	
Average permanent shareholders' equity, not revaluated (c)	87,712	85,161	
Return on Equity (ROE)	9.6%	10.6%	
Average tangible permanent shareholders' equity, not revaluated (d)	75,235	72,343	
Return on Tangible Equity (ROTE)	11.2%	12.5%	

(a) See slide 39; (b) As at 30.06.18 and 30.06.17. (4) = 2*[(1) - (2) - (3)] + (2) + (3)

(c) Average Permanent shareholders' equity: average of beginning of the year and end of the period, including notably annualised net income with exceptional items, contribution to SRF and taxes not annualised (Permanent Shareholders' equity = Shareholders' equity attributable to shareholders - changes in assets and liabilities recognised directly in equity - Undated Super Subordinated Notes - remuneration net of tax payable to holders of Undated Super Subordinated Notes - dividend distribution assumption);

(d) Average Tangible permanent shareholders' equity: average of beginning of the year and end of the period, including notably annualised net income with exceptional items, contribution to SRF and taxes not annualised (Tangible permanent shareholders' equity = permanent shareholders' equity - intangible assets - goodwill)

> Permanent Shareholders' Equity Group share, not revaluated (used for the calculation of Return on Equity)

<i>in millions of euros</i>	30-Jun-18 <i>IFRS 9</i>	1-Jan-18 <i>IFRS 9</i>	31-Dec-17 <i>IAS 39</i>	
Net Book Value	90,423	91,188	93,745	(1)
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	1,009	1,787	3,198	(2)
of which 2017 dividend		3,769	3,769	(3)
of which 2018 dividend distribution assumption	4,495			(4)
Annualisation of restated result (a)	5,161			(5)
Impact of transformation and restructuring costs annualised	-331			(6)
Restatement of remuneration of Undated Super Subordinated Notes for the annualised calculation	42			(7)
Permanent shareholders' equity, not revaluated (b)	89,791	85,632	86,778	(1)-(2)-(3)-(4)+(5)+(6)+(7)
Goodwill and intangibles	12,511	12,443	12,443	
Tangible permanent shareholders' equity, not revaluated (b)	77,280	73,189	74,335	

(a) 1H18 Net Income Group Share excluding exceptional items and contribution to the SRF and levies after tax;

(b) Excluding Undated Super Subordinated Notes, remuneration net of tax payable to holders of Undated Super Subordinated Notes and after dividend distribution assumption



A Solid Financial Structure

> Doubtful loans/gross outstandings

	30-Jun-18	1-Jan-18
	<i>IFRS 9</i>	<i>IFRS 9</i>
Doubtful loans (a) / Loans (b)	2.9%	3.0%

(a) Doubtful loans to customers and credit institutions, not netted of guarantees, including on-balance sheet and off-balance sheet and debt securities measured at amortized costs or at fair value through shareholders' equity

(b) Gross outstanding loans to customers and credit institutions, on-balance sheet and off-balance sheet and including debt securities measured at amortized costs or at fair value through shareholders' equity

> Coverage ratio

<i>€bn</i>	30-Jun-18	1-Jan-18
	<i>IFRS 9</i>	<i>IFRS 9</i>
Allowance for loan losses (a)	22.1	22.9
Doubtful loans (b)	27.8	28.6
Stage 3 coverage ratio	79.4%	80.2%

(a) Stage 3 provisions

(b) Gross doubtful loans (customers and credit institutions), on-balance sheet and off-balance sheet, netted of guarantees, including debt securities measured at amortized costs or at fair value through shareholders' equity (excluding insurance)

> Immediately available liquidity reserve

<i>€bn</i>	30-Jun-18	31-Dec-17
Immediately available liquidity reserve (counterbalancing capacity) (a)	308	285

(a) Liquid market assets or eligible to central banks taking into account prudential standards, notably US standards, minus intra-day payment systems needs



Ratio Common Equity Tier 1

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

<i>€bn</i>	30-Jun-18	31-Mar-18
Consolidated Equity	104.2	105.3
Undated super subordinated notes	-8.2	-8.2
2017 dividend		-3.8
2018 project of dividend distribution	-1.9	-0.7
Regulatory adjustments on equity**	-1.1	-1.1
Regulatory adjustments on minority interests	-2.9	-2.8
Goodwill and intangible assets	-13.0	-12.7
Deferred tax assets related to tax loss carry forwards	-0.8	-0.8
Other regulatory adjustments	-0.5	-0.7
Deduction of Irrevocable payments commitments***	-0.5	-0.5
Common Equity Tier One capital	75.3	74.1
Risk-weighted assets	657	638
Common Equity Tier 1 Ratio	11.5%	11.6%

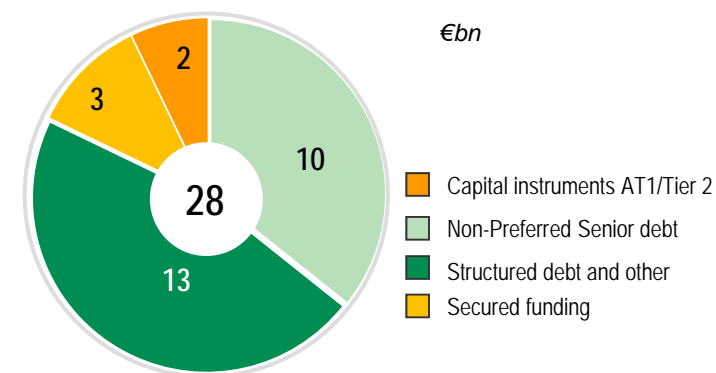
* CRD4, taking into account all the rules of the CRD4 with no transitory provisions.
Subject to the provisions of article 26.2 of (EU) regulation n°575/2013; ** Including Prudent Valuation Adjustment; *** New SSM general requirement



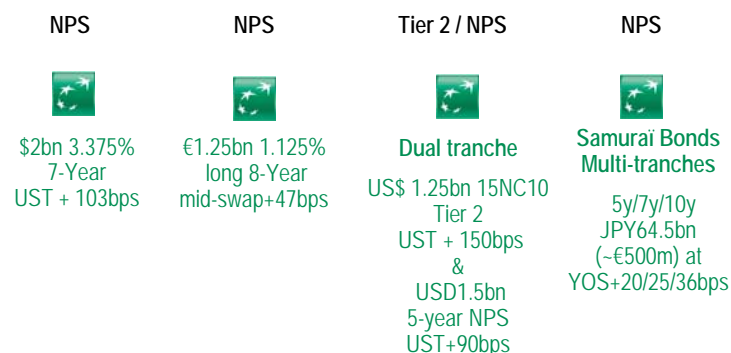
Wholesale Medium/Long Term Funding 2018 Programme

- Indicative breakdown of 2018 MLT funding plan (€28bn)*
 - €2bn of AT1 and Tier 2 issuances (target of 3% of RWA by 2020 on capital instruments)
 - €10bn of Non-Preferred Senior, in line with 2017
 - €13bn of structured notes and other
 - €3bn of secured funding allocated equally between Covered Bonds and Securitisation
- 80% of 2018 total funding plan completed**
 - Tier 2: USD1.25bn
 - Preferred and Non Preferred Senior Debt issued in 2018**: €21.4bn
 - Almost 90% of the NPS programme realised
- 2018 senior debt issuance**: €21.4bn, 4.7-year average maturity, mid-swap +39bps
 - Of which NPS issuances: €8.9bn (6.6-year average maturity, mid-swap +59bps)
 - Of which preferred senior issuances: €11.3bn (2.8-year average maturity, mid-swap +14bps)
 - Of which secured funding: €1.1bn (7.5 years, mid-swap -3bps)

2018 programme breakdown



Main issuances of the year



80% of the 2018 funding plan already achieved

* Subject to market conditions; ** As at 19 July 2018

Cost of Risk on Outstandings (1/2)

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

	2015	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18
Domestic Markets*									
Loan outstandings as of the beg. of the quarter (€bn)	339.2	344.4	356.4	359.2	365.6	367.8	362.3	397.2	398.4
Cost of risk (€m)	1,812	1,515	319	355	311	370	1,356	270	204
Cost of risk (in annualised bp)	53	44	36	40	34	40	37	27	20
FRB*									
Loan outstandings as of the beg. of the quarter (€bn)	144.7	144.3	151.5	154.2	158.2	159.6	155.9	187.5	185.4
Cost of risk (€m)	343	342	79	80	65	107	331	59	54
Cost of risk (in annualised bp)	24	24	21	21	17	27	21	13	12
BNL bc*									
Loan outstandings as of the beg. of the quarter (€bn)	77.4	77.4	79.4	78.5	77.6	77.6	78.3	78.1	77.6
Cost of risk (€m)	1,248	959	228	222	203	218	871	169	127
Cost of risk (in annualised bp)	161	124	115	113	105	113	111	87	66
BRB*									
Loan outstandings as of the beg. of the quarter (€bn)	91.5	96.4	98.7	99.3	102.0	101.7	100.4	102.0	104.3
Cost of risk (€m)	85	98	-1	28	23	15	65	6	-2
Cost of risk (in annualised bp)	9	10	0	11	9	6	6	2	-1

*With Private Banking at 100%



Cost of Risk on Outstandings (2/2)

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

	2015	2016	1Q17	2Q17	3Q17	4Q17	2017	1Q18	2Q18
BancWest*									
Loan outstandings as of the beg. of the quarter (€bn)	55.0	60.3	67.3	66.7	63.5	62.2	64.9	61.4	59.6
Cost of risk (€m)	50	85	22	38	32	20	111	20	5
Cost of risk (in annualised bp)	9	14	13	23	20	13	17	13	3
Europe-Mediterranean*									
Loan outstandings as of the beg. of the quarter (€bn)	38.8	39.1	38.3	38.3	38.3	37.9	38.2	38.2	38.2
Cost of risk (€m)	466	437	67	70	60	62	259	70	55
Cost of risk (in annualised bp)	120	112	70	73	62	66	68	73	58
Personal Finance									
Loan outstandings as of the beg. of the quarter (€bn)	57.0	61.4	65.9	68.9	70.9	68.9	68.7	80.6	82.9
Cost of risk (€m)	1,176	979	240	225	273	271	1,009	276	265
Cost of risk (in annualised bp)	206	159	146	131	154	157	147	137	128
CIB - Corporate Banking									
Loan outstandings as of the beg. of the quarter (€bn)	116.5	118.7	123.4	128.6	122.8	119.2	123.5	131.1	127.0
Cost of risk (€m)	138	292	-57	-78	-4	209	70	-1	-13
Cost of risk (in annualised bp)	12	25	-19	-24	-1	70	6	0	-4
Group**									
Loan outstandings as of the beg. of the quarter (€bn)	698.9	709.8	737.6	742.9	739.1	734.9	738.6	776.9	780.8
Cost of risk (€m)	3,797	3,262	592	662	668	985	2,907	615	567
Cost of risk (in annualised bp)	54	46	32	36	36	54	39	32	29

* With Private Banking at 100%; ** Including cost of risk of market activities, International Financial Services and Corporate Centre



Basel 3* Risk-Weighted Assets

- Basel 3* Risk-Weighted Assets: €657bn as at 30.06.18 (€638bn as at 31.03.18)
 - Impact of foreign exchange effect related to the depreciation of the euro
 - Increase in risk-weighted assets related to credit risk
 - Risk-weighted assets related to the operational risk raised to the standard method level

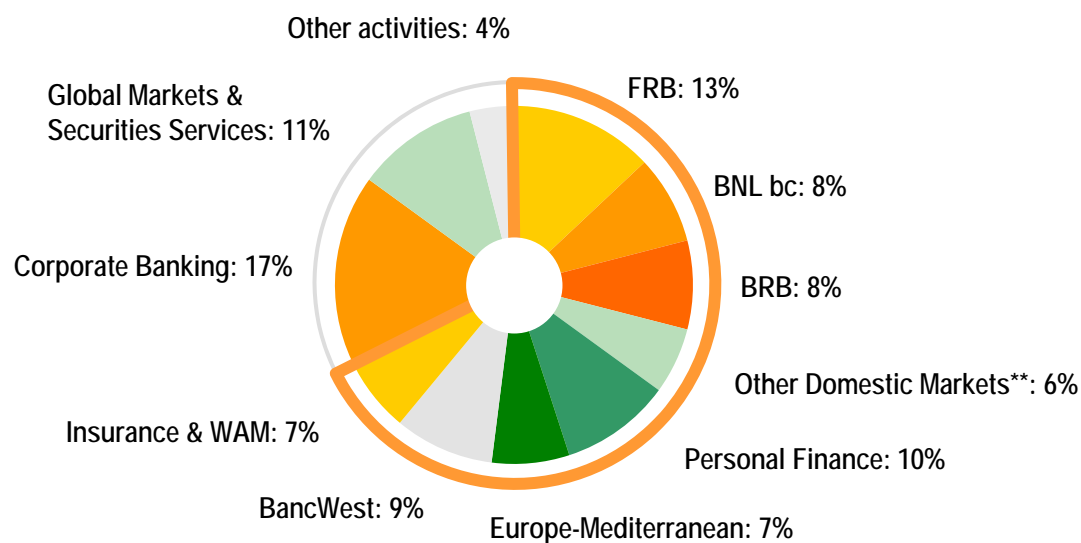
€bn	30.06.18	31.03.18
Credit Risk	516	504
Operational Risk	74	68
Counterparty Risk	30	29
Market / Foreign exchange Risk	18	19
Securitisation positions in the banking book	4	4
Others**	16	15
Total of Basel 3* RWA	657	638

* CRD4: ** Including the DTAs and significant investments in entities in the financial sector subject to 250% weighting



Basel 3* Risk-Weighted Assets by Business

> **Basel 3 risk-weighted assets* by business as at 30.06.2018**

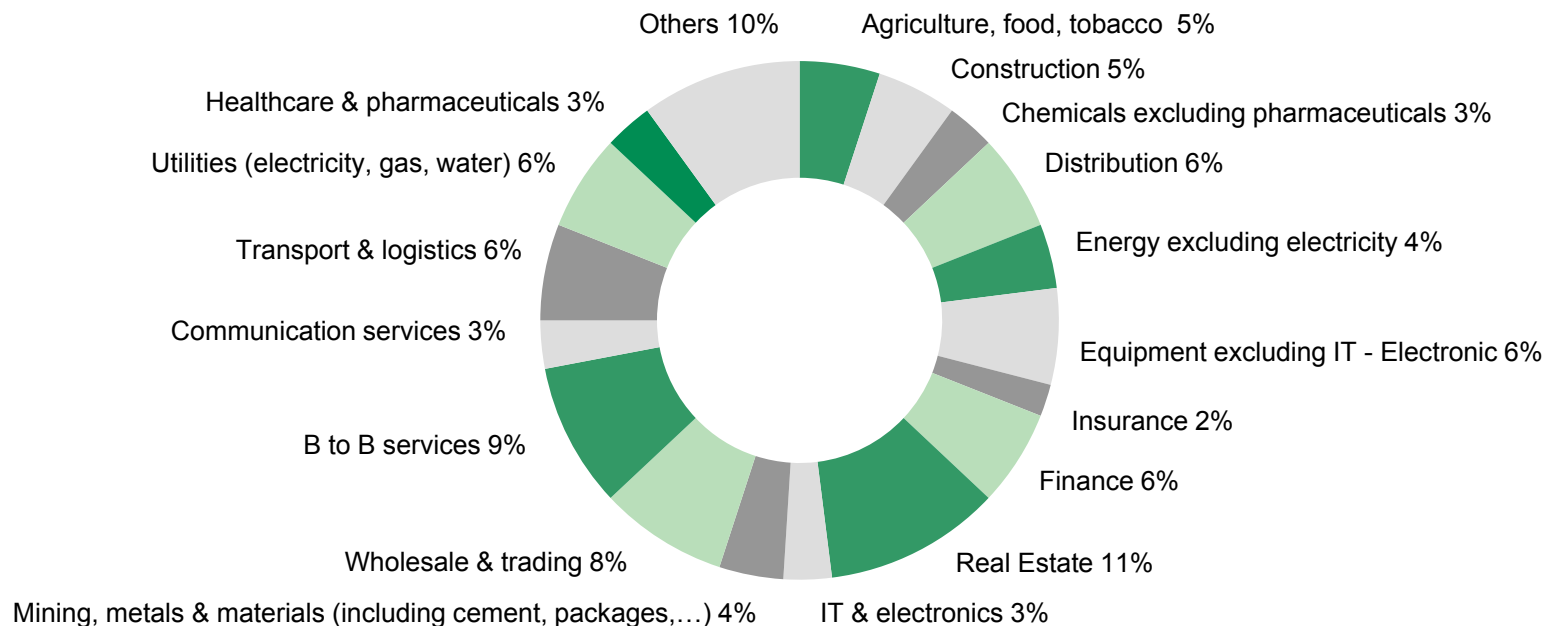


> **Retail Banking and Services: 68%**

* CRD4; ** Including Luxembourg



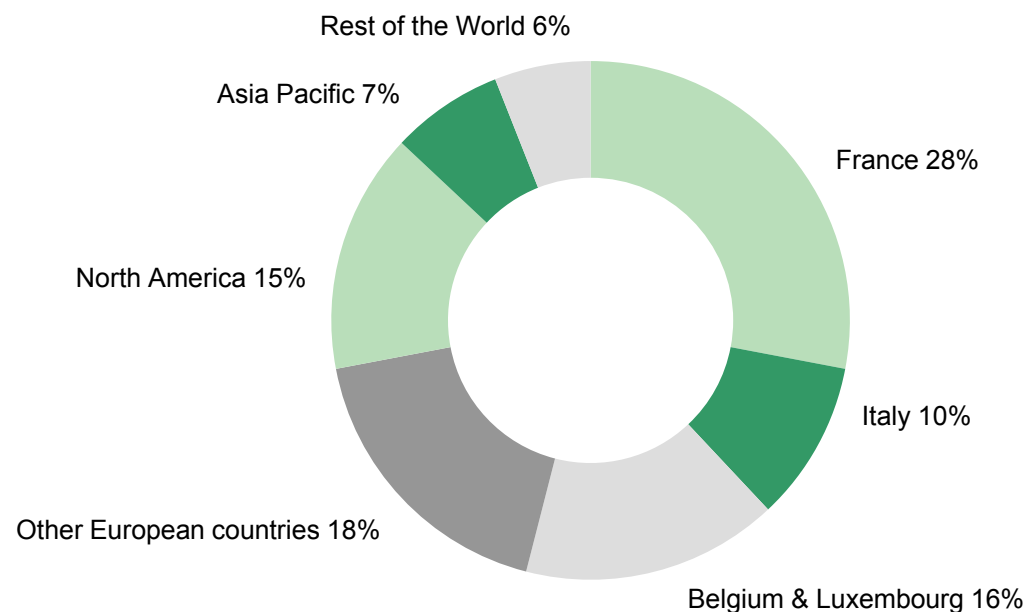
Breakdown of Commitments by Industry (Corporate Asset Class)



**Total gross commitments on and off-balance sheet, unweighted
(corporate asset class) = €661bn as at 30.06.2018**



Breakdown of Commitments by Region



**Total gross commitments on and off balance sheet,
unweighted = €1,559bn as at 30.06.2018**

