2019 FULL YEAR RESULTS

PRESS RELEASE
Paris, 5 February 2020

2019: STRONG GROWTH IN INCOME THANKS TO BUSINESS DRIVE AND TRANSFORMATION

SIGNIFICANT REVENUE GROWTH – RISE IN ALL THE DIVISIONS

REVENUES: +4.9% vs. 2018

POSITIVE JAWS EFFECT IN THE THREE OPERATING DIVISIONS

OPERATING EXPENSES: +2.5% vs. 2018
COST INCOME RATIO: -1.7pt

LOW COST OF RISK

39[1] bps

STRONG NET INCOME[2] GROWTH

NET INCOME[2]: €8,173m (+8.6% vs. 2018)

INCREASE IN DIVIDEND PER SHARE

€3.10[3]

VERY SOLID BALANCE SHEET

CET1 RATIO: 12.1% (+40 bps vs. 01.01.19)

1. COST OF RISK/CUSTOMER LOANS AT THE BEGINNING OF THE PERIOD (IN BP); 2. NET INCOME GROUP SHARE; 3. SUBJECT TO THE APPROVAL OF THE ANNUAL GENERAL MEETING ON 19 MAY 2020

BNP PARIBAS

The bank for a changing world

The Board of Directors of BNP Paribas met on 4 February 2020. The meeting was chaired by Jean Lemierre and the Board examined the Group's results for the fourth quarter and endorsed the 2019 financial statements.

STRONG GROWTH IN INCOME THANKS TO BUSINESS DRIVE AND TRANSFORMATION

BNP Paribas delivered a very good overall performance this year, confirming the strength of its diversified and integrated model and its ability to create value in changing economic, technological, environmental, regulatory and societal conditions.

At 44,597 million euros, revenues were up 4.9% compared to 2018[1].

In the operating divisions, revenues rose by 5.9%, with an increase in all the divisions: +0.8% in Domestic Markets[2] where the effect of the persistently low interest rate environment impacting negatively the networks in the eurozone was more than offset by the business growth, in particular in the specialised businesses; +6.9%[3] in International Financial Services in connection with the business drive at Personal Finance and the very good performance of insurance and Europe-Mediterranean; and +11.6% in CIB which posted strong revenue growth with very good performance by Global Markets and Corporate Banking.

The Group's operating expenses, at 31,337 million euros, were up 2.5% compared to 2018. They included the following exceptional items: the transformation costs of the 2020 plan (744 million euros), restructuring costs[4] (311 million euros) and adaptation measures[5] (162 million euros for early departure plans) totalling 1,217 million euros (1,235 million euros in 2018).

The operating expenses of the operating divisions rose by 3.5% compared to 2018: they were up slightly by 0.3% for Domestic Markets[2] with a decrease in the networks (-0.5%) and a 4.5% increase in the specialised businesses related to business development, rose by 4.5% for International Financial Services[6] to support growth, and rose by 6.1% at CIB in line with business growth.

Good cost control generated a positive 2.4 point jaws effect. The jaws effect was accompanied by an improvement of the cost income ratio in each of the operating divisions thanks to the implementation, of cost saving measures for a cumulative total of 1.8 billion euros in 2019 in line with the 2020 plan launched in 2017.The related transformation costs are in line with the objectives announced. There will be no transformation costs in 2020.

The Group's gross operating income thus came in at 13,260 million euros, up 11.1%. It rose by 11.2% for the operating divisions.

The cost of risk, at 3,203 million euros, rose by 439 million euros compared to 2018. At 39 basis points of outstanding customer loans, it remained at a low level due in particular to the good control of risk at origination, the low interest rate environment and the continued improvement of the credit portfolio in Italy.

[1] +4.6% at constant scope and exchange rates
[2] Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)
[3] +4.7% at constant scope and exchange rates
[4] Restructuring costs related in particular to the integration of Raiffeisen Bank Polska and the discontinuation or restructuring of certain businesses (in particular BNP Paribas Switzerland)
[5] Adaptation measures related in particular to BNL bc, Asset Management and BancWest
[6] +1.5% at constant scope and exchange rates

The Group's operating income, at 10,057 million euros, was thus up 9.7%. It was up 9.4% for the operating divisions.

Non operating items totalled 1,337 million euros, up from 2018 (1,039 million euros). They reflected the exceptional impact of the capital gain from the sale of 16.8% of SBI Life in India, followed by the deconsolidation of the residual stake[1] (+1,450 million euros), the +101 million euro capital gain from the sale of a building, and the impairment of goodwill (-818 million euros). They included in 2018 the +101 million euro capital gain from the sale of a building and the 286 million euros capital gain from the sale of 30.3% from First Hawaiian Bank.

Pre-tax income, at 11,394 million euros (10,208 million euros in 2018), was up 11.6%.

The average corporate tax rate was 24.2%, due in particular to the low taxation of the capital gains with respect to SBI Life.

The Group's net income attributable to equity holders thus came at 8,173 million euros, up 8.6% compared to 2018 and +4.7% excluding exceptional items.

The return on tangible equity not revaluated clocked in at 9.8% reflecting the Group's good overall performance.

As at 31 December 2019, the common equity Tier 1 ratio came in at 12.1%, up 40 basis points compared to 1st January 2019[2]. The leverage ratio[3] came in at 4.6%. The Group's immediately available liquidity reserve amounted to 309 billion euros, equivalent to over one year of room to manoeuvre in terms of wholesale resources.

The net book value per share reached 79.0 euros, an average annual growth rate of 5.1% since 31 December 2008. Tangible net book value per share[4] amounted to 69.7 euros, a growth rate of 7.3% since 31 December 2008 illustrating the continuous value creation throughout the cycle.

The Board of Directors will propose to the shareholders at the Annual General Meeting to pay a dividend of 3.10 euros per share (+2.6% compared to 2018) paid in cash[5], equivalent to a 50% pay-out ratio in line with the plan.

The Group is continuing its transformation and is actively delivering its 2020 plan while strengthening its internal control and compliance system.

At the end of 2019, BNP Paribas reaffirmed its ambition to be a global leader in sustainable finance. The Group is already recognized in this area, as illustrated for example, by being the number 3 participant worldwide in the green bond market at the end of 2019, with 9.8 billion euros as joint bookrunner for its clients, and having signed 3.7 billion euros of Sustainability Linked Loans at the end of 2019, a financing tool indexed on environmental, social and governance (ESG) criteria. This policy of engagement to have a positive impact on society is recognised through the bank's strong rankings (*World's Best Bank for corporate responsibility* in 2019 by Euromoney) and its presence in the major specialised indices (Dow Jones Sustainability Indices, World and Europe).

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[1] 5.2% residual stake in SBI Life
[2] Reminder: -10 bps compared to 31 December 2018 due to the impact of the new IFRS 16 accounting standard
[3] Calculated according to the delegated act of the European Commission dated 10 October 2014
[4] Revaluated
[5] Subject to the approval of the Annual General Meeting on 19 May 2020, shares will go ex-dividend on 25 May 2020, payment on 27 May 2020

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In the fourth quarter 2019, the group achieved a very good performance. At 11,333 million euros, revenues were up 11.5% compared to the fourth quarter 2018.

In the operating divisions, revenues rose by 12.0%. At Domestic Markets[1], it was up 3.4% where increased business (in particular in the specialised businesses) offset the effect of the low interest rate environment, at International Financial Services it increased strongly by 9.8% (+8.3% at constant scope and exchange rates) and at CIB sharply (+30.3%) with growth in all the businesses compared to a very unfavourable market context in the fourth quarter of 2018. Revenues were down in the Corporate Centre due to a lesser contribution from Principal Investment this quarter.

At 8,032 million euros, the Group's operating expenses were up 4.6% year-on-year and generated a positive jaws effect of 6.9 points. Operating expenses included the exceptional impact of transformation costs, restructuring costs[2] and adaptation measures[3] (departure plans) for 420 million euros (481 million euros in the fourth quarter 2018).The cost income ratio improved by 4.7 points.

The operating expenses of the operating divisions were up 6.1% compared to the fourth quarter 2018: they were up 1.2% at Domestic Markets[4], quasi stable in the networks (+0.1%) and up in the specialised businesses due to business development, up 3.4% for International Financial Services due to businesses' growth and scope and foreign exchange effects (+1.6% at constant scope and exchange rates), and up 16.2% at CIB linked to business growth.

The jaws effect was positive in the three operating divisions. The recurring cost savings generated by the 2020 plan in the fourth quarter 2019 came in at 159 million euros for a total of 1.8 billion euros since the launch of the programme in early 2017.

The Group's gross operating income thus came in at 3,301 million euros, up 33.0%. It increased by 25.5% for the operating divisions.

The cost of risk, at 966 million euros, rose by 70 million euros compared to the fourth quarter 2018 due in particular to the rise in outstanding loans and provision write-backs at CIB and Personal Finance during the same period last year. It came in at 46 basis points of outstanding customer loans.

The Group's operating income, at 2,335 million euros (1,586 million euros in the fourth quarter 2018), was up 47.2%. It was up 31.1% for the operating divisions.

Non operating items totalled 194 million euros (97 million euros in the fourth quarter 2018). They included the +101 million euros capital gain from the sale of a building.

Pre-tax income, at 2,529 million euros (1,683 million euros in the fourth quarter 2018), was thus up 50.3% and the Group's net income attributable to equity holders came in at 1,849 million euros, up sharply by 28.2% (+17.3% excluding exceptional items) compared to the fourth quarter of 2018 affected by the impact of unfavourable market conditions.

[1] Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)
[2] Restructuring costs related in particular to the integration of Raiffeisen Bank Polska and the discontinuation or restructuring of certain businesses (in particular BNP Paribas Switzerland)
[3] Adaptation measures related in particular to BNL bc, Asset Management and BancWest
[4] Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)

RETAIL BANKING & SERVICES

DOMESTIC MARKETS

For the whole of 2019, Domestic Markets' business activity was up. Outstanding loans rose by 4.1% with good growth in loans in retail banking particularly in France and Belgium and in the specialised businesses (Arval, Leasing Solutions). Deposits rose by 7.2% compared to 2018. Private banking reported a good level of net asset inflows of +5.6 billion euros.

The division confirmed the success of its digital offerings and its leading position among neobanks in Europe. It has 9.7 million digital customers and is recognised, for example in France, for its leadership in terms of functionalities (D-Rating agency ranked BNP Paribas number 1 among banking networks in France). The mobile usages of individual customers accelerated, with more than 97 million connections to apps, an increase of 23.4% compared to 2018 and with 56.5% of active clients being active digital customers. As at 31 December 2019, the digital bank Hello Bank! was gaining momentum in France, Belgium and Italy on the youth client segment, reaching 506,000 customers in Belgium, 520,000 customers in France and over 1.5 million customers in Germany. For its part, the Nickel neobank exceeded 1.5 million accounts opened as at 31 December 2019 (+33% compared to 31 December 2018). With 5,550 points of sale in France, Nickel has become the third largest distribution network in France, confirming its leadership in the neobank market in France and ranked in the top 5 in Europe.

The Domestic Markets division confirms the strength of its growth-generating corporate and private banking franchises within the integrated model. A comprehensive and broad approach to customer needs with all the Group's businesses combined with strong businesses such as Trade Finance (No.1 in France and Belgium) and Cash Management (No.1 in France and Belgium, No.3 in Italy) has forged a leading position in a dynamic corporate market. The division also reports strong positions in private banking (No. 1 in France and Belgium, No. 5 in Italy) with 8.1% growth in assets under management compared to 2018 and a positive cooperation drive with the Corporate business line (at the source of gross asset inflows close to 3 billion euros as at 31 December 2019).

Finally, the Domestic Markets division continues its digital transformation and strengthens its model. It rolled out expanded customer knowledge tools in all countries leveraging shared digital assets. It continues to enhance operating efficiency and customer satisfaction with end-to-end digitalisation of the main customer journeys (onboarding, mortgages and investment products) in France, Italy and Belgium and to automate processes (over 700,000 transactions a month processed by robots in the networks in the fourth quarter 2019). Moreover, the operating division supports its customers beyond banking service with, for example, the development of Lyf Pay, a universal mobile payment solution that has already recorded 2.7 million downloads since it was launched in May 2017 and the roll-out of *Telepass*, a mobility offering for corporates and individuals in Italy (7,600 corporate customers and 66,800 individual users as at 31 December 2019).

Revenues[1], at 15,814 million euros, were up 0.8% compared to 2018. Growth in loan volumes and the strong increase in the specialised businesses were almost entirely offset by the low interest rate environment in the networks.

Operating expenses[1] (10,741 million euros) rose just 0.3% compared to 2018. They were down in the networks (-0.5%[2]) but up in the specialised businesses as regards to business growth (with a positive jaws effect). The jaws effect for the operating division was positive (+0.5 point).

[1] Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg
[2] FRB, BNL bc and BRB

Gross operating income[1] was up 1.9%, at 5,073 million euros, compared to 2018.

The cost of risk was low, at 1,021 million euros (-26 million euros compared to 2018). It continued its decrease at BNL bc.

Thus, after allocating one-third of Domestic Markets Private Banking's net income to the Wealth Management business (International Financial Services division), the division reported 3,798 million euros in pre-tax income[2], up 3.7% compared to 2018.

In the fourth quarter 2019, revenues[1], at 4,036 million euros, were up 3.4% compared to the fourth quarter 2018 as a result of increased business and good growth in the specialised businesses offset by the low interest rate environment. Operating expenses[1] (2,635 million euros) were up 1.2% compared to the fourth quarter 2018, stable in the networks but up in the specialised businesses due to business development. The jaws effect was positive and the cost income ratio improved by 1.4 point. Gross operating income[1], at 1,402 million euros, was up 7.8% compared to the fourth quarter 2018. The cost of risk was still low. It improved by 67 million euros compared to 2018 and continuing its decrease at BNL bc. After allocating one-third of Private Banking's net income to the Wealth Management business (International Financial Services division), the division's pre-tax income[3] came in at 1,093 million euros, up sharply compared to the fourth quarter 2018 (+19.3%).

French Retail Banking (FRB)

For the whole of 2019, FRB continued its good business drive in the context of economic growth in France. Outstanding loans rose by 5.4% compared to 2018 with an increase particularly in corporate loans. Deposits were up 9.8% and private banking's assets under management rose by 9.3%[4] compared to 31 December 2018, with a strong rise in responsible savings (4.0 billion euros in outstandings, +48% compared to 31 December 2018) as a result of the launch of the financial advisory tool, *myImpact*[5].

The business leveraged the very good development of the corporate franchise, with in particular an increase in the number of onboardings of new clients (+27% compared to 2018) and good growth in cash management fees (+6.5% compared to 2018). Moreover, 65% of 123 companies selected as part of the French Tech initiative (French Tech 120) are FRB customers.

Revenues[6] totalled 6,328 million euros, up 0.3% compared to 2018. Net interest income[6] was up 1.2% due to higher volumes partially offset by the effect of low interest rates. Fees[6] were down 1.0% due to the decrease in charges on fragile customers at the beginning of 2019.

Operating expenses[6], at 4,602 million euros, were down 0.2% compared to 2018, with the impact of cost saving measures, the optimisation and streamlining of the network. The jaws effect was positive at 0.4 point.

Gross operating income[6] thus came in at 1,726 million euros, up 1.5% compared to 2018.

[1] Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg
[2] Excluding PEL/CEL effects of +12 million euros compared to +20 million euros in 2018
[3] Excluding PEL/CEL effects of -9 million euros compared to +15 million euros in the fourth quarter of 2018
[4] Excluding the internal transfer of a subsidiary
[5] Financial advisory solution for responsible investments in France
[6] Including 100% of Private Banking in France (excluding PEL/CEL effects)

At 17 basis points of outstanding customer loans, the cost of risk[1] was at a low level. It came in at 329 million euros, up 41 million euros compared to 2018.

Thus, after allocating one-third of French Private Banking's net income to the Wealth Management business (International Financial Services division), FRB posted 1,261 million euros in pre-tax income[2], down just 0.2% compared to 2018.

In the fourth quarter 2019, revenues[1] totalled 1,569 million euros, up 1.0% compared to the fourth quarter 2018. Net interest income[1] was up 0.2%, as a result of higher volumes partially offset by the effect of low interest rates. Fees[1] were up 2.1%, the increase in financial fees and commissions on payment instruments being mitigated by the decrease in fees on fragile customers. Operating expenses[1], at 1,152 million euros, were up 0.3% compared to the fourth quarter 2018. The impact of the cost reduction measures generated a positive 0.7 point jaws effect. Gross operating income[1] thus came in at 417 million euros, up 3.1% compared to the same period last year. At 21 basis points of outstanding customer loans, the cost of risk[1] was at a low level. It came in at 98 million euros, up 13 million euros compared to the fourth quarter 2018 when it was at a particularly low level. Thus, after allocating one-third of French Private Banking's net income to the Wealth Management business (International Financial Services division), FRB posted 292 million euros in pre-tax income[3], down 2.7% year-on-year.

BNL banca commerciale (BNL bc)

For the whole of 2019, BNL bc's business operated in a lacklustre economic environment. Outstanding loans were down 1.9%[4]; the business continued to grow its market share on the corporate client segment: +0.4 point in 3 years to 5.7%[5]. Deposits were up 4.8% compared to 2018. The rise (+8.0% compared to 31 December 2018) in off balance sheet savings outstandings continued, driven by life insurance (+9.9% compared to 2018).

BNL bc is developing new digital services with the launch of Apple Pay in the Hello bank! mobile apps, thereby finalising the roll-out of the agreement signed with Apple within the scope of Domestic Markets.

Revenues[6] were down 0.5% compared to 2018, at 2,778 million euros. Net interest income[6] was down just 0.1% due to the persistently low interest rate environment and the positioning on clients with a better risk profile. Fees[6] were down 1.1% compared to 2018 due to the unfavourable market context and non-recurring items at the beginning of the year.

Operating expenses[6], at 1,800 million euros, were up just 0.1% compared to 2018, reflecting the effect of cost reduction and adaptation measures.

Gross operating income[6] thus came in at 978 million euros, down 1.7% year-on-year.

The cost of risk[6], at 490 million euros (-102 million euros compared to 2018), continued its improvement. It stood at 64 basis points of outstanding customer loans.

[1] Including 100% of Private Banking in France (excluding PEL/CEL effects)
[2] Excluding PEL/CEL effects of +12 million euros compared to +20 million euros in 2018
[3] Excluding PEL/CEL effects of -9 million euros compared to +15 million euros in the fourth quarter of 2018
[4] -0.1% excluding the impact of the sale of non-performing loans
[5] Source: Italian Banking Association
[6] Including 100% of Italian Private Banking

Thus, after allocating one-third of Italian Private Banking's net income to the Wealth Management business (International Financial Services division), BNL bc posted pre-tax income of 443 million euros, up sharply (+24.3%) compared to 2018.

In the fourth quarter 2019, revenues[1] were up 4.6% compared to the fourth quarter 2018, at 755 million euros. Net interest income[1] was up 8.1% compared to the fourth quarter 2018, benefitting from a slight improvement in margins on the new loan origination and the impact of a positive non-recurring item partially offset by the impact of the low interest rate environment and the positioning on clients with a better risk profile. Fees[1] were down 0.7%. Operating expenses[1], at 450 million euros, were up 2.2%, as a result of higher contributions to the deposit guarantee scheme in Italy. Yet, the increase is contained thanks particularly to the effect of cost reduction measures. Gross operating income thus came in at 305 million euros, up 8.3% compared to the same period last year. The cost of risk[1], at 109 million euros, continued its improvement (-55 million euros compared to the fourth quarter 2018). It came in at 57 basis points of outstanding customer loans. Thus, after allocating one-third of Italian Private Banking's net income to the Wealth Management business (International Financial Services division), BNL bc posted 181 million euros in pre-tax income, up 72.6% year-on-year.

Belgian Retail Banking

For the whole of 2019, BRB reported sustained business activity. Loans were up 4.4% compared to 2018 with good growth in loans to corporates and an increase in loans to individuals. Deposits rose by 5.1% and off balance sheet savings grew 8.2% compared to 2018, with in particular a strong rise in mutual fund outstandings (+12.8% compared to 2018) and an increase in life insurance outstandings.

The business continued to evolve its operational model, with in particular the conclusion of an agreement between the Belgian main banks to set up an integrated network of ATMs that provides better coverage around the country in order to be ever closer to customers.

BRB's revenues[2] were down 2.0% compared to 2018, at 3,524 million euros. Net interest income[2] was down 3.1%, as the impact of the low interest rate environment was only partially offset by higher loan volumes. Fees[2] were up 1.4% compared to 2018.

Operating expenses[2], at 2,480 million euros, were down (-1.6%) compared to 2018 thanks to the effect of cost reduction measures. The business closed 88 branches in 2019.

Gross operating income[2] thus came in at 1,044 million euros, down 2.8% compared to 2018.

The cost of risk[2] totalled 55 million euros compared to 43 million euros in 2018. At 5 basis points of outstanding customer loans, it was very low.

After allocating one-third of Belgian Private Banking's net income to the Wealth Management business (International Financial Services division), BRB thus posted pre-tax income of 929 million euros, down 5.1% compared to 2018.

[1] Including 100% of Italian Private Banking
[2] Including 100% of Belgian Private Banking

In the fourth quarter 2019, BRB's revenues[1] were up 2.5% compared to the fourth quarter 2018, at 878 million euros. Net interest income[1] was down 0.3% due to low interest rates and fees[1] rose by 11%, particularly thanks to growth in off balance sheet savings outstandings and fees generated in private banking. Operating expenses[1], at 560 million euros, were down 1.9% compared to the fourth quarter 2018 thanks to the effects of the transformation plan. The jaws effect was positive at 4.3 points in the fourth quarter 2019. Gross operating income[1], at 318 million euros, was thus up 11.1% compared to the same period last year. The cost of risk[1] varied by +39 million euros compared to the same period a year earlier when provisions were offset by write-backs. At 2 basis points of outstanding customer loans, it remained very low. After allocating one-third of Belgian Private Banking's net income to the Wealth Management business (International Financial Services division), BRB thus generated 302 million euros in pre-tax income, up 26.9% compared to the fourth quarter 2018.

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

For the whole of 2019, all the specialised businesses of Domestic Markets showed a very good drive. Arval's leading position was confirmed on its perimeter of 27 countries and strengthened by the doubling of the number of white label partnerships with car manufacturers. Arval's financed fleet grew strongly by 8.9%[2] across all segments. Leasing Solutions' financing outstandings rose by 6.9%[2] compared to 2018. Personal Investors reported an increase in assets under management (+21.8% compared to 31 December 2018) and Nickel continued its very strong growth with more than 366,000 accounts opened this year (1.5 million accounts opened as at 31 December 2019).

Luxembourg Retail Banking (LRB)'s outstanding loans rose by 8.6% compared to 2018, with good growth in mortgages and corporate loans. Deposits were up 11.5%.

The revenues[3] of the five businesses, at 3,184 million euros, were up 6.6% compared to 2018 in aggregate.

Operating expenses[3] rose by 4.5% compared to 2018, at 1,859 million euros; up with the effect of business development contained by cost saving measures and operating efficiency gains. The jaws effect was positive by 2.1 points.

The cost of risk[3] totalled 146 million euros (123 million euros in 2018).

Thus, the pre-tax income of these five businesses, after allocating one-third of Luxembourg Private Banking's net income to the Wealth Management business (International Financial Services division), rose significantly by 9.5% compared to 2018, at 1,165 million euros, reflecting the good drive of the businesses.

[1] Including 100% of Belgian Private Banking
[2] At constant scope and exchange rates
[3] Including 100% of Private Banking Private Banking in Luxembourg

In the fourth quarter 2019, revenues[1] of the five businesses, at 834 million euros, were up 8.2% compared to the fourth quarter 2018 due to good business development, with particularly strong revenue growth at Arval and Leasing Solutions. Operating expenses[1] rose by 6.6% compared to the fourth quarter 2018, to 473 million euros, in line with business growth, generating a positive 1.6 point jaws effect. The cost of risk[1] was up 13 million euros compared to 42 million euros in the fourth quarter 2018. Thus, the pre-tax income of these five business units, after allocating one-third of Luxembourg Private Banking's net income to the Wealth Management business (International Financial Services division), rose sharply to 318 million euros (+9.9% compared to the fourth quarter 2018).

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INTERNATIONAL FINANCIAL SERVICES

For the whole of 2019, International Financial Services continued its strong growth and deployed sustained business activity: outstanding loans were up 8.1% compared to 2018 (+5.1% at constant scope and exchange rates) with good growth at Personal Finance and Europe-Mediterranean. The division reported +20.2 billion euros in net asset inflows, with particularly good asset inflows at Wealth Management as well as in Insurance notably in unit-linked policies. Assets under management of the savings and insurance businesses totalled 1,123 billion euros (+9.3% compared to 31 December 2018).

The IFS division strengthens the leading positions of its businesses, at the core of the integrated model (Personal Finance: the number 1 consumer credit specialist in Europe in 33 countries; the Europe-Mediterranean and BancWest networks with more than 15 million customers; BNP Paribas Cardif: global leader in creditor protection insurance, present in 34 countries; the number 1 private bank in the eurozone; and BNP Paribas Asset Management: a global asset manager, leader in sustainable finance). It is developing new growth-generating partnerships at Personal Finance (Opel in Poland, Volvo in Italy, BYmyCAR in France, Ford in several European countries, Carrefour in Italy, Leroy Merlin in Brazil) and in Insurance (strategic alliance with ScotiaBank, and with Sainsbury's Bank and Argos).

The IFS division optimises customer service through digitalisation. In its international retail networks, it already has 3.9 million euros digital customers. It is successfully developing new digital solutions to support its clients: 85% of the transactions at Personal Finance are performed in self-care, the digitalised creditor protection insurance journey is a success in France for Cardif (90% of immediate responses for personal insurance and 80% of immediate responses for collective insurance), 48% of clients actively use digital channels at Wealth Management[2]. The division is incorporating open innovation and new technologies in co-creation with start-ups, relying in particular on Station F, one of the largest start-up accelerators worldwide. *BNP Paribas Plug and Play*, accelerated 47 projects at Station F with 36 start-ups and an industrialisation rate of 35% among the best in the Fintech ecosystem. It also has doubled the capacity of Bivwak, a European set up for project acceleration created by BNP Paribas in 2017 based on agile development of innovative solutions for our clients and skill improvement of our employees. Finally, it is constantly developing robotics (more than 760,000 transactions a month processed by robots). 150 projects using artificial intelligence are already operational or in development.

[1] Including 100% of Private Banking in Luxembourg
[2] Wealth Management clients with at least one connection per month

The division's revenues, at 17,183 million euros, were up 6.9% compared to 2018. At constant scope and exchange rates, they rose by 4.7% in connection with the good drive at Personal Finance and the very good performance of insurance and the Europe-Mediterranean banking networks.

Operating expenses, at 10,507 million euros, were up 4.5%. At constant scope and exchange rates, they rose by only 1.5%, the rise being contained by the contribution of cost saving measures and operating efficiency gains. The jaws effect was positive at 2.4 points.

Gross operating income thus came in at 6,676 million euros, up 10.9% compared to 2018 (+10.4% at constant scope and exchange rates).

The cost of risk, at 1,911 million euros, was up 344 million euros compared to 2018. It increased by 309 million euros at constant scope and exchange rates.

International Financial Services' pre-tax income thus came in at 5,226 million euros, up 4.5% compared to 2018 (+6.7% at constant scope and exchange rates).

In the fourth quarter 2019, revenues, at 4,391 million euros, were up 9.8% with a slightly favourable foreign exchange effect (appreciation of the dollar offset by the depreciation of the Turkish lira). At constant scope and exchange rates, they rose by 8.3% compared to 2018, an increase driven particularly by the very good performance of Insurance, Real Estate Services, Personal Finance and the Europe-Mediterranean banking networks. Operating expenses, at 2,715 million euros, were up 3.4% (+1.6% at constant scope and exchange rates), resulting in a positive jaws effect of 6.7 points. Gross operating income thus came in at 1,675 million euros, up 22.0% compared to the fourth quarter 2018 (+21.1% at constant scope and exchange rates). The cost of risk, at 574 million euros, was up 173 million euros compared to a low level in 2018, in particular for Personal Finance and Europe-Mediterranean. International Financial Services' pre-tax income thus came in at 1,201 million euros, up 9.1% compared to the fourth quarter 2018 (+9.7% at constant scope and exchange rates), reflecting the division's good drive.

Personal Finance

For the whole of 2019, Personal Finance continued to grow: outstanding loans grew by 9.2%, driven by a business drive in Europe and in connection with partnerships. This increase in volumes was accompanied by a good control of margins at production. In 2019, the business executed four securitisation transactions[1] in Europe for a total amount of 3.8 billion euros. It signed a pan-European agreement (Netherlands, Belgium, Luxembourg, Poland) with Ford Europe for a 5-year period and a partnership with Arval in the United Kingdom for a car inventory financing solution for car dealers. Its partnership with Opel in new countries (Poland, Netherlands and Spain) got off to a good start in 2019.

Personal Finance's revenues, at 5,796 million euros, were up 4.8% compared to 2018 in connection with the rise in volumes and growth sustained in particular by the very good drive in Italy, Spain and Germany.

Operating expenses, at 2,857 million euros, were up 3.3% compared to 2018 due to the support of increased business and thanks to cost saving measures. The jaws effect was positive at 1.4 point and the cost income ratio improved by 0.7 point compared to 2018.

[1] Non-deconsolidating

Gross operating income thus came in at 2,939 million euros, up 6.2% compared to 2018.

The cost of risk came in at 1,354 million euros, up 169 million euros compared to 2018 in connection with the rise of outstandings. At 145 basis points of outstanding customer loans, it was still low.

Personal Finance's pre-tax income thus came in at 1,602 million euros, down 2.7% compared to 2018. It was down 0.6% excluding a non-recurring item in an associated company.

In the fourth quarter 2019, Personal Finance's revenues, at 1,485 million euros, were up 5.3% compared to the fourth quarter 2018 in connection with the rise in volumes and the positioning on products with a better risk profile. Operating expenses, at 721 million euros, were down 1.0% compared to the fourth quarter 2018, as a result of the gradual effect of cost saving measures. The jaws effect was largely positive (+6.3 points). Gross operating income thus came in at 764 million euros, up 12.0% compared to the fourth quarter 2018. The cost of risk reached 156 basis points of outstanding customer loans, or 370 million euros, up 71 million euros compared to a particularly low level in the fourth quarter 2018. Personal Finance's pre-tax income thus came in at 374 million euros, down 6.4% compared to the fourth quarter 2018.

Europe-Mediterranean

For the whole of 2019, Europe-Mediterranean reported a good overall performance with business drives sustained by the universal banking model and the strengthening of franchises. Europe-Mediterranean's outstanding loans were up 1.4%[1] compared to 2018, with particularly good growth in Poland and Morocco. For their part, deposits were up 1.2%[1]. The business successfully completed the operational integration of Raiffeisen Bank Polska and generated the cost synergies expected.
At 2,699 million euros, Europe-Mediterranean's[2] revenues rose by 6.8%[1] compared to 2018, with growth in all regions, higher volumes and margins, and a good level of fees.

Operating expenses[2], at 1,799 million euros, rose by 1.0%[1] compared to 2018, reflecting the implementation of cost synergies in Poland in connection with the integration of Raiffeisen Bank Polska[3] (39 million euros realised in 2019, closure of 188 branches) and the effects of the transformation plan in all regions. The evolution of the operating expenses generated a largely positive jaws effect of 5.9 points.

The cost of risk[2] totalled 399 million euros (+17.9%[1] compared to 2018 due to the rise in Turkey). At 98 basis points of outstanding customer loans, it remained at a moderate level.

After allocating one-third of Turkish Private Banking's net income to the Wealth Management business, Europe-Mediterranean thus generated 728 million euros in pre-tax income, strongly up 23.1% at constant scope and exchange rates, given the high level of non-operating items in 2018 and up 6.5% at historical scope and exchange rates, due in particular to the strong depreciation of the Turkish lira between 2018 and 2019.

[1] At constant scope and exchange rates
[2] Including 100% of Private Banking in Turkey
[3] Acquisition on 31 October 2018 of the core banking activities of Raiffeisen Bank Polska (excluding mortgage loans in foreign currencies and a limited number of other assets)

In the fourth quarter 2019, Europe-Mediterranean's revenues[1], at 702 million euros, rose by 10.3%[2] compared to the fourth quarter 2018 with good growth in all regions, and in particular in Turkey and Poland. Operating expenses[1], at 459 million euros, were up 5.2%[2], with an increase in costs related to business development, contained thanks to savings measures. The jaws effect was largely positive (+5.1 points). The cost of risk[1] was up 36 million euros compared to a low level in 2018, with a moderate increase in Turkey. After allocating one-third of Turkish Private Banking's net income to the Wealth Management business, Europe-Mediterranean generated 197 million euros in pre-tax income, up 10.9% at constant scope and exchange rates and by 11.9% at historical scope and exchange rates.

BancWest

For the whole of 2019, BancWest maintained its business drive but operated in a less favourable interest rate environment. Loans grew by 1.2%[2] compared to 2018, with growth in loans to individuals and corporate customers. Deposits were up +3.9%[2] with good growth in customer deposits (+5.4%)[3].

Private Banking's assets under management (15.7 billion dollars as at 31 December 2019) were up 14.3% compared to 31 December 2018. Cooperation with CIB is expanding, with 57 deals made jointly in 2019.

At 2,375 million euros, revenues[4] were down 1.8%[2] compared to 2018. The decrease in the interest rate margin in an environment of downward interest rates was only partially offset by an increase in business activity and fees (in particular cards and cash management).

Operating expenses[4] were down 3.6%[2], to 1,712 million euros, due to the reduction in the headcount (-7.2% compared to 31 December 2018), related in particular to the mutualisation of some functions with CIB and the transfer of support functions to a lower cost area (Arizona).

Gross operating income[4], at 633 million euros, was up 3.0%[2] compared to 2018.

The cost of risk rose by 78 million euros compared to a low base in 2018. At 27 basis points of outstanding customer loans, it remained low.

Thus, after allocating one-third of U.S. Private Banking's net income to the Wealth Management business, BancWest posted 484 million euros in pre-tax income, down 10.0% compared to 2018 at constant scope and exchange rates but down only 5.5% at historical scope and exchange rates given a positive foreign exchange effect.

In the fourth quarter 2019, revenues[4], at 611 million euros, were down 1.7%[2] compared to the fourth quarter 2018 with a decrease in net interest margin attenuated by an increase in business and fees. At 406 million euros, operating expenses[4] were down 9.0%[2] compared to the fourth quarter 2018. Gross operating income[4], at 205 million euros, was thus up 17.0%[2] year-on-year. The cost of risk[4] (84 million euros) increased this quarter due to two specific files, and rose by 62 million euros compared to the fourth quarter 2018. Thus, after allocating one-third of U.S. Private Banking's net income to the Wealth Management business, BancWest posted 110 million euros in pre-tax income, down 21.7% at constant scope and exchange rates compared to the fourth quarter 2018 (-20.8% at historical scope and exchange rates).

[1] Including 100% of Private Banking in Turkey
[2] At constant scope and exchange rates
[3] Deposits excluding treasury activities
[4] Including 100% of Private Banking in the United States

Insurance and Wealth and Asset Management

For the whole of 2019, the Insurance and Wealth and Asset Management businesses continued their growth. Assets under management[1] reached 1,123 billion euros at 31 December 2019. They rose by 9.3% compared to 31 December 2018 due in particular to a very favourable performance effect: +79.7 billion euros on the back of the rebound of financial markets. Net asset inflows came in at +20.2 billion euros with good net asset inflows at Wealth Management in Asia, Germany and Belgium, slight asset outflows in Asset Management due to money market funds, good net asset inflows in Real Estate Investment Management in Germany and in France and, lastly, good asset inflows in insurance in particular in unit-linked policies. The foreign exchange effect was favourable (+3.3 billion euros) and a scope effect unfavourable (-3.6 billion euros) in connection with the deconsolidation of SBI Life.

As at 31 December 2019, assets under management[1] broke down as follows: Asset Management (470 billion euros, including 30 billion euros from Real Estate Investment Management), Wealth Management (393 billion euros), and Insurance (260 billion euros).

Insurance continued the development of its business, diversifying its asset inflows in savings with an increasing share of unit-linked policies in particular in France and Asia, by developing volumes of protection insurance in Europe and Latin America, and property and casualty insurance in the FRB network via Cardif IARD. The business continues to strengthen its partnerships through the signing of strategic alliances with Scotiabank in four countries in Latin America, with Famsa, a leading retailer in Mexico, and with Sainsbury's Bank and Argos to develop pet insurance in the United Kingdom.

Insurance's revenues, at 3,068 million euros, rose by 14.5% compared to 2018 driven by a favourable effect of rising markets and good business drive. Operating expenses, at 1,500 million euros, rose by 6.7% as a result of business development. Despite the scope effect related to the deconsolidation of SBI Life, pre-tax income was up 16.0% compared to 2018, at 1,716 million euros.

In Wealth and Asset Management, the global expertise of Wealth Management continued to be recognised, being named *Best Private Bank in the World* (Global Finance) and *Best Global European Private Bank* (Private Banker International). The Asset Management business continued to evolve and amplified the adaptation of its organisation, the successful roll-out of the Aladdin global operational investment system and the development of new solutions (ESG, quantitative solutions, multi-assets, real assets, etc.).

Wealth and Asset Management's revenues (3,320 million euros) were up 1.0% compared to 2018 with a continuous improvement during the year after a difficult first quarter due to the financial market crisis at the end of 2018 and with a very good performance of Real Estate Services at the end of the year. Operating expenses totalled 2,682 million euros. They rose by 1.7% compared to 2018 thanks to the measures of the transformation plan, in particular in Asset Management (gradually decommissioning 50 applications after the successful roll-out of the Aladdin solution). At 695 million euros, Wealth and Asset Management's pre-tax income, after receiving one-third of the net income of private banking's net income in the domestic markets, in Turkey and in the United States, was thus up 2.0% compared to 2018.

In the fourth quarter 2019, Insurance's revenues, at 654 million euros, rose by 20.7% compared to the fourth quarter 2018 due to the base effect marked by the financial market crisis at the end of 2018 and the good business growth, in particular in Italy and Latin America. Operating expenses, at 380 million euros, were up 10.0% as a result of business development, generating a largely positive jaws effect. Despite the scope effect related to the deconsolidation of SBI Life, pre-tax income was up 26.3% compared to the fourth quarter 2018, at 304 million euros.

[1] Including distributed assets

Wealth and Asset Management's revenues (957 million euros) were up 10.5% compared to the fourth quarter 2018 due to the very good performance of Real Estate Services in Germany and France and the positive impact of the strong rebound in the financial markets for Wealth Management and Asset Management. Operating expenses totalled 760 million euros, up 4.3% compared to the fourth quarter 2018 due in particular to the very good development of Real Estate Services this quarter being mitigated by the decrease in costs in Asset Management (gradual effect of the transformation plan measures). At 216 million euros, Wealth and Asset Management's pre-tax income, after receiving one-third of the net income of private banking's net income in the domestic markets, in Turkey and in the United States, was thus sharply up 48.1% compared to the fourth quarter 2018.

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CORPORATE AND INSTITUTIONAL BANKING (CIB)

For the whole of 2019, CIB strengthens its leading positions on targeted corporate and institutional client bases and gained market shares. CIB ranked No. 3 among the CIBs in EMEA (Europe, Middle East and Africa) based on revenues generated in the first nine months of 2019, thus making it the leading European player behind two U.S. institutions.

With the success of its development plans in selected European countries, the division confirms its leading positions on the Corporate segment, with over 260 new large corporate group clients since 2016, in particular in targeted countries (Germany, United Kingdom, Netherlands and Scandinavia) and almost 1,500 new client relationships with subsidiaries of multinational clients in 2019. It continued to develop its franchises in the Asia-Pacific and the Americas regions with reinforced cooperation with BancWest. Major initiatives were also launched in 2019 to intensify business development with institutional clients. The division is thus strengthening its position with fund managers via the firm agreement with Deutsche Bank signed on 13 November 2019 on the transfer of prime brokerage and electronic execution while ensuring service continuity to clients; the transition period started with the first transfers of teams. The division also continued the optimisation of certain activities, with the signing of an agreement to transfer fund distribution activities to Allfunds, one of the leading platforms in this sector worldwide ("Wealthtech"), in exchange for a strategic stake of 22.5%[1].

The division intensified cooperation with all the Group's businesses and capitalised on the close relations enhanced by the integrated model with joint initiatives in transaction banking. It expanded its proposal of CIB solutions to major Domestic Markets and IFS clients with a global and joint approach to all the Group's businesses. More than 2.8 billion euros in revenues per year were generated by Domestic Markets and IFS from the clients covered by CIB, over 500 million euros are generated by CIB from the clients covered by Domestic Markets and IFS.

The digitalisation of customer services is increasing with more than 11,500 corporate clients on the Centric platform in 2019, more than 21 million euros electronic orders processed in 2018 for Global Market clients and over 6,000 institutional clients on the Securities Services Neolink platform. The digitalisation and automation of processes as well as the ramping up of service platforms support the improvement of operating efficiency.

[1] Subject to the approval of the regulatory authorities and the necessary authorisations

Thus, as announced in early 2019, CIB stepped up its transformation plan, generating 298 million euros in recurring savings in 2019.

The division's revenues, at 12,080 million euros, rose by 11.6% compared to 2018 with growth in the three businesses and very good performances by Global Markets and Corporate Banking.

Global Markets' revenues, at 5,571 million euros, were up 17.9% compared to 2018 and 20.7% excluding the effect of the creation of the new Capital Markets platform[1]. The business reported very sustained business growth based on market share gains in particular in FICC[2]. The VaR, which measures the level of market risks, was still at a very low level (26 million euros).

FICC's revenues[2], at 3,563 million euros, were up 31.1% (+36.0% excluding the effect of the creation of the new Capital Markets platform[1]) compared to 2018, due to a sharp rise in primary markets and credit, a strong rebound in forex and emerging markets and a very good performance in rates.

Equity and Prime Services' revenues, at 2,007 million euros, were stable compared to 2018, with a gradual recovery in 2019 from a low point at the end of 2018 and a good performance on equity derivatives, in particular on structured products.

Global Markets confirmed its strong positions on bond issues (number 1 in the EMEA region, number 1 for all bond issues in euro, and number 8 for all international issues) and on multi-dealer platforms (top 3 on euro credit derivatives and emerging market bonds in local currencies and top 5 on swaps and euro bonds). The expertise of the business was recognised: BNP Paribas was named *Currency Derivatives House of the Year* and *Eurobond House of the Year* (Risk Award 2019).

Securities Services' revenues, at 2,198 million euros, were up 0.9% compared to 2018 (+3.0% excluding non-recurring items) as a result of asset growth (+8.2% on average compared to 2018), transactions up (+2.3% on average) and strong growth in the Asia region (+18% compared to 2018). Assets under custody and administration were up sharply 12.2% compared to 31 December 2018 due in particular to the integration of Janus Henderson's assets in the United States since the end of March. Furthermore, the expertise of the business was widely recognised as *Transaction Bank of the Year* for securities service activities according to The Banker magazine and *Custodian of the Year* according to AsiaRisk magazine.

Corporate Banking's revenues, at 4,312 million euros, rose by 9.9% compared to 2018 (+6.5% excluding the effect of the creation of the Capital Markets platform[1]). The strong development of the business was driven in particular by the very good business development in Europe in connection with the use of the Capital Markets platform by clients (+12.8% compared to 2018) ramping up, the strong rise in fees (+7.2% compared to 2018) and the 7.5%[3] increase in outstanding loans to 146 billion euros. The business is the leading European player in Investment Banking in the Europe, Middle East & Africa region, number 1 in Europe for large companies in Corporate Banking, cash management and trade finance.

CIB's operating expenses, at 8,663 million euros, rose by 6.1% compared to 2018, a rise linked to the strong business growth, nevertheless contained by the effect of cost saving measures (development of mutualised platforms, optimisation of processes, etc.). The jaws effect was largely positive (+5.5 points).

[1] Global Markets and Corporate Banking shared platform for corporate finance introduced in the first quarter 2019 (transfer of €136m of revenues from Global Markets to Corporate Banking in 2018)
[2] Fixed Income, Currencies and Commodities
[3] Average outstandings at constant scope and exchange rates

CIB's gross operating income was thus up 28.2%, at 3,417 million euros.

The cost of risk for CIB was still low, at 218 million euros. It rose by 175 million euros compared to 2018, which had benefited from many provision write-backs.

CIB thus generated 3,207 million euros in pre-tax income, sharply up 19.6%, reflecting the solid growth in business combined with the success of its transformation.

In the fourth quarter 2019, the operating division's revenues, at 3,101 million euros, rose sharply by 30.3% compared to the fourth quarter 2018. Global Markets' revenues, at 1,340 million euros, were doubled compared to a low base (650 million euros) in the fourth quarter 2018 due to a particularly challenging context. At 820 million euros, FICC[1] revenues rose sharply 62.5% compared to the fourth quarter 2018 (+73.3% excluding the effect of the creation of the new Capital Markets platform[2]) with very strong growth in all segments (rates, foreign exchange, credit and primary market). Revenues of Equity and Prime Services, at 520 million euros, were up sharply compared to a low base in the fourth quarter 2018 (145 million euros). The business recorded very good derivatives client business, in particular on structured products. Securities Services' revenues, at 551 million euros, were down 12.2% compared to the fourth quarter 2018; excluding the positive impact of the revaluation of a stake in the fourth quarter 2018, they were up 4.2% in line with the growth of business (increase in asset volumes and the number of transactions). Corporate Banking's revenues, at 1,210 million euros, were up 9.8% compared to the fourth quarter 2018 (+4.8% excluding the effect of the introduction of the Capital Markets platform[2]) driven in particular by the increases in the Europe, Middle East & Africa and Asia-Pacific regions and good growth in transaction activities (cash management and trade finance).

At 2,229 million euros, CIB's operating expenses were up 16.2% year-on-year due to the strong increase in business. The jaws effect remained strongly positive (14.1 points) due to cost saving measures. CIB's gross operating income was 871 million euros, up very sharply compared to the fourth quarter 2018 (460 million euros). CIB's cost of risk was improving by 20 million euros and at a still low level: 80 million euros.

CIB generated 801 million euros in pre-tax income, i.e. a doubling compared to the fourth quarter 2018 (393 million euros).

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[1] Fixed Income, Currencies and Commodities
[2] Transfer of €55m of revenues from Global Markets to Corporate Banking in 4Q19

CORPORATE CENTRE

For the whole of 2019, Corporate Centre revenues amounted to 71 million euros compared to 479 million euros in 2018, which included First Hawaiian Bank's contribution of 359 million euros[1].

Operating expenses totalled 1,728 million euros compared to 1,965 million euros in 2018. They included the exceptional impact of 744 million euros in transformation costs (1,106 million euros in 2018), 311 million euros in restructuring costs[2] (129 million euros in 2018) and 162 million euros in additional businesses' adaptation measures (departure plans)[3] (0 in 2018). In 2018, they included 189 million euros in operating expenses of First Hawaiian Bank.

The cost of risk was 58 million euros, down 51 million euros compared to 2018 when it included 13 million euros in the cost of risk of First Hawaiian Bank.

Other non-operating items totalled 786 million euros compared to 353 million euros in 2018. They included the exceptional impact of the capital gain realised from the sale of 16.8% of SBI Life in India, followed by the deconsolidation of the residual stake (+1,450 million euros), the capital gain realised from the sale of a building for +101 million euros, and the impairments of goodwill (-818 million euros). They included in 2018 the exceptional impact of a +101 million euros capital gain realised from the sale of a building, and the 286 million euro capital gain realised from the sale of 30.3% from First Hawaiian Bank.

The Corporate Centre's pre-tax income thus came in at -848 million euros compared to -1 159 million euros in 2018.

In the fourth quarter 2019, Corporate Centre's revenues totalled -45 million euros compared to -1 million euros in the fourth quarter 2018 with a lower contribution from Principal Investment this quarter compared to the fourth quarter 2018. Operating expenses totalled 529 million euros compared to 605 million euros in the fourth quarter 2018. They included the exceptional impact of 175 million euros in transformation costs (385 million euros in the fourth quarter 2018), 163 million euros in restructuring costs[2] (97 million euros in the fourth quarter 2018) and 81 million euros in businesses' adaptation measures (early departure plans)[3] (0 in the fourth quarter 2018). The cost of risk was 60 million euros (74 million euros in the fourth quarter 2018). Other non-operating items totalled 62 million euros (-88 million euros in the fourth quarter 2018). They recorded +101 million euros in capital gains from the sale of a building. The Corporate Centre's pre-tax income thus came in at -558 million euros compared to -743 million euros in the fourth quarter 2018.

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[1] Reminder: First Hawaiian Bank (FHB) no more fully consolidated from 1st August 2018 and its contribution to the income statement reallocated retroactively to the Corporate Centre effective from 1st January 2018 (see new quarterly series published on 29 March 2019)

[2] Restructuring costs related in particular to the integration of Raiffeisen Bank Polska and the discontinuation or restructuring of certain businesses (in particular BNP Paribas Switzerland)

[3] Related in particular to BNL bc, Asset Management and BancWest

FINANCIAL STRUCTURE

The Group has a very solid balance sheet.

The common equity Tier 1 ratio came in at 12.1% as at 31 December 2019, up 40 basis points from 1st January 2019 (down itself by 10 basis points compared to 31 December 2018 due to the impact of the new IFRS 16 accounting standard). The 40 basis point increase primarily broke down between: the 2019 net income excluding exceptional non-operating items and after taking into account a 50% pay-out ratio (+60 bps), the increase in risk-weighted assets at constant change net of the impact of securitisations (-40 bps), the net impact of the sales and acquisitions (SBI Life, the deconsolidation of the residual stake in this subsidiary and the impact of the agreement on Deutsche Bank's Prime Brokerage) as well as the partial impairment of BancWest's goodwill (+20 bps). The impact of other effects, including the change effect, on the ratio was on the whole limited.

The leverage ratio[1] stood at 4.6% as at 31 December 2019.

The immediately available liquidity reserves totalled 309 billion euros, which is equivalent to more than one year of room to manoeuvre in terms of wholesale funding.

The evolution of these ratios illustrates the Group's ability to continuously adapt to regulatory changes and its exceptionally solid balance sheet.

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[1] Calculated according to the delegated act of the European Commission dated 10 October 2014

2020 OBJECTIVES

According to International Monetary Fund forecasts, economic growth is well-oriented for 2020 in the eurozone and in emerging markets, with a slight slowdown expected in the United States.

The adjustment of monetary policies in the summer of 2019 led to a more unfavourable interest rate environment than anticipated at the beginning of 2019. Interest-bearing products of the network banks of the Eurozone are thus impacted.

In this context, on the strength of its diversified revenue model, the Group anticipates to continue its growth.

Strong business drive and growth: full contribution of the diversified and integrated model

The contribution of the Group's diversified model, the business drive, the strengthening of the franchises of the businesses, and also the increasing collaboration between the businesses and the full contribution of the transformation plan should fully support the Group's capacity to generate growth in this environment.

Domestic Markets anticipates a continuation in the acceleration of its business drive and the development of revenues, leveraging its leading positions in the specialised businesses and on corporate clients and private banking client segments with the strength of the integrated model. The division will continue to undertake the development of innovative digital offerings to acquire new customers and support evolving usages. Domestic Markets' revenues in 2020 are nonetheless expected to decrease moderately due to the impact of the persistently low interest rate environment in the networks partially offset by a rise in business and strong growth in the specialised businesses. The operating division will pursue its efforts to reduce operating expenses in the networks while supporting growth in the specialised businesses, and should generate a neutral jaws effect.

International Financial Services should continue the intensification of business growth based on its best in class offerings, its platforms, partnerships and distribution networks. It will pursue the selective growth of retail banking outside the eurozone and intensify the contribution of cooperation with the Group within the integrated model. IFS confirms its role as a growth engine for the Group with revenue expected to grow on the back of the business drive in all the IFS businesses and the development of partnerships. Supporting the increased business, the operating division should benefit from the full contribution of the levers of the transformation plan generating a positive jaws effect.

CIB is expected to consolidate its leading position in Europe on corporates with the intensification of the country development plans and the success of Capital Markets. It will continue reinforcing the institutional franchise with the integration of Deutsche Bank's Prime Brokerage platforms. Finally, CIB will capitalise on its global presence with targeted initiatives in Asia-Pacific (China, etc.) and the Americas (Brazil, Mexico, etc.) and will continue to develop cooperation with the other businesses of the Group. Buoyed by these initiatives, the division is anticipating continued revenue growth sustained by new market share gains. While supporting business growth, the effect of cost saving measures should enable the division to generate a positive jaws effect.

Transformation plan: a concrete transformation generating cost savings

The exceptional transformation costs under the 2020 plan totalled 2.7 billion euros in three years. There will be no transformation costs in 2020, which will enable to reduce spending by 0.7 billion euros in 2020 compared to 2019.

The recurring savings generated by the plan at the end of 2019 totalled 1.8 billion euros in line with the objectives. The Group expects to generate an additional 1.5 billion euros in additional recurring savings in 2020, thereby attaining the target of 3.3 billion euros in cumulative recurring cost savings.

2020 Exceptional items

The ramp-up of remote work and flex office makes it possible to adjust the property portfolio. It is thus expected that the sales of buildings by the Group will generate, in 2020, c. 500 million euros in real estate capital gains.

On another note, in 2020, the Group envisions exceptional costs up 200 million euros for the reinforcement of the information system as well as 100 million euros for restructuring measures and 100 million for adaptation measures – early departure plans.

A policy of engagement in society with the ambition to be a leader in sustainable finance

The Group has an ambitious Corporate Social Responsibility (CSR) policy and is committed to making a positive impact on society with concrete achievements. At the end of 2019, BNP Paribas reaffirmed its ambition to be a global leader in sustainable finance.

The Group is taking strong positions, as a founding member of the United Nations Principles for Responsible Banking, which commits it to align its strategy with the Paris Agreement and the Sustainable Development Goals (SDGs). Its objective in 2020 is to provide 185 billion euros in financing to sectors contributing to the SDGs. It also promotes a more inclusive economy and business models for society.

It is accompanying the acceleration of the energy and environmental transition by making the commitment to support the preservation of the ocean, which includes 1 billion euros to finance the ecological transition of ships by 2025, by taking the decision to reduce to nil its outstanding loans to companies related to thermal coal by 2030 in the European Union and 2040 in the rest of the world, and by raising its target of supporting renewable energy development by 18 billion euros by 2021. The Group stopped financing companies whose principal business activity is related to the unconventional oil & gas sector and stopped financing of new coal projects since 2017.

The Group is also a very significant tax payer with a total amount of taxes and levies of 5.9 billion euros paid in 2019, including 2.5 billion euros in France.

Capital

The Group's capital generation is regular and solid. Between 2014 and 2019, average growth of the common equity Tier 1 ratio was 35 basis points a year on average despite the impacts of the change in accounting standards, in particular in 2018 and 2019.

The target announced in 2017 to reach a 12% common equity Tier 1 ratio by the end of 2020 was already achieved in 2019. At 12.1% as at 31 December 2019, the Group's common equity Tier 1 is thus well above the requests notified by the SREP.

The finalisation of Basel 3 is in the process of being transposed in European Union law. After estimates of the European Banking Authority regarding the impact on capital requirements of banks, the European authorities reminded that this transposition is not expected to significantly increase these requirements for the banking industry taken as a whole. To this end, it is very probable that the exemptions decided during the vote of the CRD5 will be maintained. With this assumption and, to the extent necessary, by taking management actions, BNP Paribas deems that it will limit to 10% the inflation of its risk-weighted assets as a result of this transposition.

This inflation is assumed to be at least partly offset by expected adjustments by the supervisor (European Central Bank (S.S.M.)) with respect to Pillar 2: the application of article 104a of CRD5 should authorise the partial coverage of P2R by hybrid securities (AT1 and T2) and no longer by common equity Tier 1. The requests of Pillar 2 themselves, based on the supervisory process and in particular stress tests, could be recalibrated. As a reminder, BNP Paribas is one of the banks whose CET1 ratio is the least affected by the stress tests.

It therefore appears that with a CET1 ratio well above current requests as notified by the SREP and a regular and solid capital generation, BNP Paribas is favourably positioned to face the finalization of Basel 3.

2020 OBJECTIVES SUMMARY

In 2020, the Group anticipates continuing to grow business in all the operating divisions, by leveraging a strong business drive and the contribution of the diversified and integrated model.

The Group will be able to leverage an ever more efficient and more digital operating model serving customers and employees.

The reinforcement of the franchises within the integrated model should continue, in particular for CIB with the ongoing development of its businesses and the strengthening of its European leadership.

The Group forecasts to benefit from the 2020 transformation plan and cost saving measures that should enable a decrease in absolute value of the operating expenses and a positive jaws effect.

The Group should continue to reinforce its leadership in sustainable finance and pursue an ambitious policy of engagement in civil society.

On this basis, the return on tangible equity (ROTE) is expected to stand at 10% with a 50% dividend pay-out ratio in cash[1].

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[1] Subject to shareholder approval at the Annual General Meeting

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

“With a net income of EUR 8.2 billion, BNP Paribas achieved a very good performance in 2019 thanks to its good business drive and the effects of its transformation. BNP Paribas confirms the strength of its diversified and integrated model.

The way the Group operates has changed, being more efficient and digital for our clients and employees.

The Group is actively executing its ambitious policy of engagement in society with the ambition of being a leader in sustainable finance.

I would like to thank all the Group’s employees who have been mobilized for these good results.”

CONSOLIDATED PROFIT AND LOSS ACCOUNT

€m	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19 / 3Q19	2019	2018	2019 / 2018
Group								
Revenues	**11,333**	**10,160**	**+11.5%**	**10,896**	**+4.0%**	**44,597**	**42,516**	**+4.9%**
Operating Expenses and Dep.	-8,032	-7,678	+4.6%	-7,421	+8.2%	-31,337	-30,583	+2.5%
Gross Operating Income	**3,301**	**2,482**	**+33.0%**	**3,475**	**-5.0%**	**13,260**	**11,933**	**+11.1%**
Cost of Risk	-966	-896	+7.8%	-847	+14.0%	-3,203	-2,764	+15.9%
Operating Income	**2,335**	**1,586**	**+47.2%**	**2,628**	**-11.2%**	**10,057**	**9,169**	**+9.7%**
Share of Earnings of Equity-Method Entities	129	195	-33.9%	143	-9.9%	586	628	-6.7%
Other Non Operating Items	65	-98	n.s.	34	+91.3%	751	411	+82.7%
Non Operating Items	**194**	**97**	**+99.9%**	**177**	**+9.5%**	**1,337**	**1,039**	**+28.7%**
Pre-Tax Income	**2,529**	**1,683**	**+50.3%**	**2,805**	**-9.8%**	**11,394**	**10,208**	**+11.6%**
Corporate Income Tax	-582	-144	n.s.	-767	-24.1%	-2,811	-2,203	+27.6%
Net Income Attributable to Minority Interests	-98	-97	+1.0%	-100	-2.0%	-410	-479	-14.4%
Net Income Attributable to Equity Holders	**1,849**	**1,442**	**+28.2%**	**1,938**	**-4.6%**	**8,173**	**7,526**	**+8.6%**
Cost/income	**70.9%**	**75.6%**	**-4.7 pt**	**68.1%**	**+2.8 pt**	**70.3%**	**71.9%**	**-1.7 pt**

BNP Paribas' financial disclosures for the fourth quarter 2019 and for the year 2019 are contained in this press release and in the presentation attached herewith.
All legally required disclosures, including the Registration document, are available online at http://invest.bnpparibas.com in the "Results" section and are made public by BNP Paribas pursuant to the requirements under Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the Autorité des Marchés Financiers' general rules.

4Q19 – RESULTS BY CORE BUSINESSES

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Others activities	Group
Revenues		**3,887**	**4,391**	**3,101**	**11,378**	**-45**	**11,333**
	%Change4Q18	+2.7%	+9.8%	+30.3%	+12.0%	n.s.	+11.5%
	%Change3Q19	+3.7%	+3.4%	+7.9%	+4.7%	n.s.	+4.0%
Operating Expenses and Dep.		-2,559	-2,715	-2,229	-7,503	-529	-8,032
	%Change4Q18	+1.2%	+3.4%	+16.2%	+6.1%	-12.6%	+4.6%
	%Change3Q19	+0.8%	+6.7%	+12.9%	+6.3%	+45.8%	+8.2%
Gross Operating Income		**1,328**	**1,675**	**871**	**3,875**	**-574**	**3,301**
	%Change4Q18	+5.8%	+22.0%	+89.6%	+25.5%	-5.2%	+33.0%
	%Change3Q19	+9.9%	-1.7%	-3.0%	+1.7%	+70.8%	-5.0%
Cost of Risk		-252	-574	-80	-906	-60	-966
	%Change4Q18	-21.4%	+43.1%	-20.3%	+10.2%	-18.8%	+7.8%
	%Change3Q19	+2.1%	+10.8%	-1.6%	+7.1%	n.s.	+14.0%
Operating Income		**1,077**	**1,101**	**791**	**2,969**	**-634**	**2,335**
	%Change4Q18	+15.2%	+13.3%	n.s.	+31.1%	-6.7%	+47.2%
	%Change3Q19	+11.8%	-7.1%	-3.2%	+0.1%	+88.1%	-11.2%
Share of Earnings of Equity-Method Entities		4	107	4	115	14	129
Other Non Operating Items		4	-8	6	3	62	65
Pre-Tax Income		**1,085**	**1,201**	**801**	**3,087**	**-558**	**2,529**
	%Change4Q18	+16.4%	+9.1%	n.s.	+27.2%	-24.9%	+50.3%
	%Change3Q19	+12.3%	-8.0%	-3.9%	-0.6%	+86.6%	-9.8%

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Others activities	Group
Revenues		**3,887**	**4,391**	**3,101**	**11,378**	**-45**	**11,333**
	4Q18	3,783	3,999	2,379	10,161	-1	10,160
	3Q19	3,748	4,248	2,873	10,869	27	10,896
Operating Expenses and Dep.		-2,559	-2,715	-2,229	-7,503	-529	-8,032
	4Q18	-2,528	-2,626	-1,919	-7,073	-605	-7,678
	3Q19	-2,539	-2,545	-1,974	-7,058	-363	-7,421
Gross Operating Income		**1,328**	**1,675**	**871**	**3,875**	**-574**	**3,301**
	4Q18	1,255	1,373	460	3,088	**-606**	2,482
	3Q19	1,209	1,704	898	3,811	**-336**	3,475
Cost of Risk		-252	-574	-80	-906	-60	-966
	4Q18	-320	-401	-100	-822	-74	-896
	3Q19	-246	-518	-81	-846	-1	-847
Operating Income		**1,077**	**1,101**	**791**	**2,969**	**-634**	**2,335**
	4Q18	935	972	359	2,266	**-680**	1,586
	3Q19	963	1,186	817	2,965	**-337**	2,628
Share of Earnings of Equity-Method Entities		4	107	4	115	14	129
	4Q18	0	131	39	170	25	195
	3Q19	1	118	5	125	19	143
Other Non Operating Items		4	-8	6	3	62	65
	4Q18	-2	-2	-6	-10	-88	-98
	3Q19	2	1	11	14	20	34
Pre-Tax Income		**1,085**	**1,201**	**801**	**3,087**	**-558**	**2,529**
	4Q18	932	1,101	393	2,426	**-743**	1,683
	3Q19	966	1,305	834	3,104	**-299**	2,805
Corporate Income Tax							-582
Net Income Attributable to Minority Interests							-98
Net Income Attributable to Equity Holders							**1,849**

4Q19 – RESULTS BY CORE BUSINESSES

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Others activities	Group
Revenues		**15,262**	**17,183**	**12,080**	**44,526**	**71**	**44,597**
	%Change2018	+0.9%	+6.9%	+11.6%	+5.9%	-85.1%	+4.9%
Operating Expenses and Dep.		-10,439	-10,507	-8,663	-29,609	-1,728	-31,337
	%Change2018	+0.4%	+4.5%	+6.1%	+3.5%	-12.0%	+2.5%
Gross Operating Income		**4,824**	**6,676**	**3,417**	**14,917**	**-1,657**	**13,260**
	%Change2018	+2.0%	+10.9%	+28.2%	+11.2%	+11.5%	+11.1%
Cost of Risk		-1,016	-1,911	-218	-3,145	-58	-3,203
	%Change2018	-2.7%	+22.0%	n.s.	+18.5%	-46.8%	+15.9%
Operating Income		**3,807**	**4,765**	**3,200**	**11,772**	**-1,715**	**10,057**
	%Change2018	+3.3%	+6.9%	+22.0%	+9.4%	+7.5%	+9.7%
Share of Earnings of Equity-Method Entities		1	488	16	505	81	586
Other Non Operating Items		1	-27	-9	-35	786	751
Pre-Tax Income		**3,810**	**5,226**	**3,207**	**12,242**	**-848**	**11,394**
	%Change2018	+3.4%	+4.5%	+19.6%	+7.7%	-26.8%	+11.6%
Corporate Income Tax							-2,811
Net Income Attributable to Minority Interests							-410
Net Income Attributable to Equity Holders							8,173

QUARTERLY SERIES

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
GROUP								
Revenues	**11,333**	**10,896**	**11,224**	**11,144**	**10,160**	**10,352**	**11,206**	**10,798**
Operating Expenses and Dep.	-8,032	-7,421	-7,435	-8,449	-7,678	-7,277	-7,368	-8,260
Gross Operating Income	**3,301**	**3,475**	**3,789**	**2,695**	**2,482**	**3,075**	**3,838**	**2,538**
Cost of Risk	-966	-847	-621	-769	-896	-686	-567	-615
Operating Income	**2,335**	**2,628**	**3,168**	**1,926**	**1,586**	**2,389**	**3,271**	**1,923**
Share of Earnings of Equity-Method Entities	129	143	180	134	195	139	132	162
Other Non Operating Items	65	34	29	623	-98	288	50	171
Pre-Tax Income	**2,529**	**2,805**	**3,377**	**2,683**	**1,683**	**2,816**	**3,453**	**2,256**
Corporate Income Tax	-582	-767	-795	-667	-144	-583	-918	-558
Net Income Attributable to Minority Interests	-98	-100	-114	-98	-97	-109	-142	-131
Net Income Attributable to Equity Holder	**1,849**	**1,938**	**2,468**	**1,918**	**1,442**	**2,124**	**2,393**	**1,567**
Cost/Income	**70.9%**	**68.1%**	**66.2%**	**75.8%**	**75.6%**	**70.3%**	**65.7%**	**76.5%**

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
RETAIL BANKING & SERVICES Excl. PEL/CEL								
Revenues	**8,286**	**8,006**	**8,045**	**8,096**	**7,767**	**7,774**	**7,915**	**7,731**
Operating Expenses and Dep.	-5,274	-5,084	-5,002	-5,586	-5,154	-4,978	-4,907	-5,416
Gross Operating Income	**3,012**	**2,922**	**3,042**	**2,510**	**2,613**	**2,796**	**3,008**	**2,315**
Cost of Risk	-826	-765	-604	-733	-722	-736	-526	-627
Operating Income	**2,187**	**2,158**	**2,439**	**1,777**	**1,891**	**2,060**	**2,482**	**1,688**
Share of Earnings of Equity-Method Entities	111	119	151	108	131	117	107	132
Other Non Operating Items	-4	3	-27	1	-4	3	0	59
Pre-Tax Income	**2,294**	**2,280**	**2,563**	**1,886**	**2,018**	**2,179**	**2,589**	**1,879**
Allocated Equity (€bn, year to date)	54.9	54.7	54.6	54.3	52.5	52.1	52.0	51.8

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
RETAIL BANKING & SERVICES								
Revenues	**8,278**	**7,997**	**8,072**	**8,099**	**7,782**	**7,778**	**7,916**	**7,733**
Operating Expenses and Dep.	-5,274	-5,084	-5,002	-5,586	-5,154	-4,978	-4,907	-5,416
Gross Operating Income	**3,004**	**2,913**	**3,070**	**2,513**	**2,628**	**2,800**	**3,009**	**2,316**
Cost of Risk	-826	-765	-604	-733	-722	-736	-526	-627
Operating Income	**2,178**	**2,148**	**2,467**	**1,780**	**1,907**	**2,064**	**2,482**	**1,689**
Share of Earnings of Equity-Method Entities	111	119	151	108	131	117	107	132
Other Non Operating Items	-4	3	-27	1	-4	3	0	59
Pre-Tax Income	**2,286**	**2,270**	**2,591**	**1,889**	**2,033**	**2,183**	**2,589**	**1,880**
Allocated Equity (€bn, year to date)	54.9	54.7	54.6	54.3	52.5	52.1	52.0	51.8

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
DOMESTIC MARKETS (including 100% of PB in France, Italy, Belgium and Luxembourg)[1] Excluding PEL/CEL Effects								
Revenues	**4,036**	**3,892**	**3,925**	**3,961**	**3,903**	**3,874**	**3,938**	**3,969**
Operating Expenses and Dep.	-2,635	-2,607	-2,516	-2,983	-2,603	-2,605	-2,528	-2,971
Gross Operating Income	**1,402**	**1,285**	**1,408**	**978**	**1,300**	**1,269**	**1,411**	**998**
Cost of Risk	-254	-245	-214	-307	-322	-251	-204	-270
Operating Income	**1,147**	**1,040**	**1,194**	**671**	**978**	**1,018**	**1,206**	**727**
Share of Earnings of Equity-Method Entities	4	1	2	-6	0	5	-3	-6
Other Non Operating Items	4	2	-6	1	-2	0	1	1
Pre-Tax Income	**1,156**	**1,043**	**1,190**	**666**	**975**	**1,024**	**1,205**	**723**
Income Attributable to Wealth and Asset Management	-62	-67	-68	-58	-59	-67	-73	-65
Pre-Tax Income of Domestic Markets	**1,093**	**975**	**1,122**	**608**	**917**	**956**	**1,132**	**658**
Allocated Equity (€bn, year to date)	25.7	25.7	25.7	25.5	25.2	25.0	24.7	24.4

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
DOMESTIC MARKETS (including 2/3 of PB in France, Italy, Belgium and Luxembourg)								
Revenues	**3,887**	**3,748**	**3,810**	**3,816**	**3,783**	**3,737**	**3,792**	**3,820**
Operating Expenses and Dep.	-2,559	-2,539	-2,443	-2,897	-2,528	-2,531	-2,454	-2,888
Gross Operating Income	**1,328**	**1,209**	**1,367**	**919**	**1,255**	**1,205**	**1,338**	**933**
Cost of Risk	-252	-246	-213	-305	-320	-251	-205	-269
Operating Income	**1,077**	**963**	**1,154**	**615**	**935**	**955**	**1,133**	**664**
Share of Earnings of Equity-Method Entities	4	1	2	-6	0	5	-3	-6
Other Non Operating Items	4	2	-6	1	-2	0	1	1
Pre-Tax Income	**1,085**	**966**	**1,149**	**610**	**932**	**960**	**1,132**	**659**
Allocated Equity (€bn, year to date)	25.7	25.7	25.7	25.5	25.2	25.0	24.7	24.4

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

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
FRENCH RETAIL BANKING (including 100% of Private Banking in France)[1]								
Revenues	**1,560**	**1,558**	**1,624**	**1,597**	**1,568**	**1,575**	**1,593**	**1,595**
Incl. Net Interest Income	*881*	*891*	*916*	*915*	*902*	*900*	*875*	*891*
Incl. Commissions	*679*	*667*	*708*	*682*	*666*	*676*	*718*	*704*
Operating Expenses and Dep.	-1,152	-1,163	-1,102	-1,186	-1,149	-1,168	-1,104	-1,189
Gross Operating Income	**408**	**396**	**522**	**412**	**419**	**407**	**489**	**406**
Cost of Risk	-98	-75	-83	-72	-85	-90	-54	-59
Operating Income	**310**	**320**	**440**	**340**	**334**	**317**	**435**	**347**
Non Operating Items	6	0	0	1	-3	0	1	0
Pre-Tax Income	**316**	**320**	**440**	**340**	**332**	**318**	**437**	**346**
Income Attributable to Wealth and Asset Management	-32	-40	-37	-34	-32	-38	-39	-39
Pre-Tax Income of BDDF	**283**	**281**	**402**	**306**	**299**	**280**	**397**	**307**
Allocated Equity (€bn, year to date)	10.1	10.0	9.9	9.8	9.6	9.5	9.3	9.2

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
FRENCH RETAIL BANKING (including 100% of Private Banking in France)[1] Excluding PEL/CEL Effects								
Revenues	**1,569**	**1,568**	**1,596**	**1,595**	**1,553**	**1,571**	**1,593**	**1,594**
Incl. Net Interest Income	*889*	*901*	*889*	*912*	*887*	*896*	*875*	*890*
Incl. Commissions	*679*	*667*	*708*	*682*	*666*	*676*	*718*	*704*
Operating Expenses and Dep.	-1,152	-1,163	-1,102	-1,186	-1,149	-1,168	-1,104	-1,189
Gross Operating Income	**417**	**405**	**495**	**409**	**404**	**403**	**489**	**405**
Cost of Risk	-98	-75	-83	-72	-85	-90	-54	-59
Operating Income	**318**	**330**	**412**	**337**	**319**	**313**	**435**	**346**
Non Operating Items	6	0	0	1	-3	0	1	0
Pre-Tax Income	**324**	**330**	**412**	**338**	**317**	**314**	**436**	**345**
Income Attributable to Wealth and Asset Management	-32	-40	-37	-34	-32	-38	-39	-39
Pre-Tax Income of BDDF	**292**	**290**	**374**	**304**	**284**	**276**	**397**	**306**
Allocated Equity (€bn, year to date)	10.1	10.0	9.9	9.8	9.6	9.5	9.3	9.2

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
FRENCH RETAIL BANKING (including 2/3 of Private Banking in France)								
Revenues	**1,489**	**1,490**	**1,549**	**1,522**	**1,498**	**1,502**	**1,517**	**1,517**
Operating Expenses and Dep.	-1,116	-1,133	-1,065	-1,147	-1,112	-1,133	-1,068	-1,151
Gross Operating Income	**373**	**357**	**484**	**376**	**386**	**369**	**449**	**367**
Cost of Risk	-96	-77	-81	-70	-84	-90	-53	-59
Operating Income	**277**	**281**	**402**	**305**	**302**	**280**	**396**	**307**
Non Operating Items	6	0	0	1	-3	0	1	0
Pre-Tax Income	**283**	**281**	**402**	**306**	**299**	**280**	**397**	**307**
Allocated Equity (€bn, year to date)	10.1	10.0	9.9	9.8	9.6	9.5	9.3	9.2

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

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
PEL-CEL Effects[2]	-9	-10	28	2	15	4	0	1

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

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
BNL banca commerciale (Including 100% of Private Banking in Italy)[1]								
Revenues	**755**	**663**	**684**	**675**	**722**	**660**	**698**	**713**
Operating Expenses and Dep.	-450	-446	-433	-470	-440	-439	-438	-480
Gross Operating Income	**305**	**217**	**251**	**205**	**282**	**221**	**259**	**233**
Cost of Risk	-109	-109	-107	-165	-164	-131	-127	-169
Operating Income	**196**	**108**	**144**	**40**	**117**	**90**	**132**	**63**
Non Operating Items	-4	0	0	0	-2	0	-1	0
Pre-Tax Income	**191**	**108**	**144**	**40**	**116**	**89**	**130**	**63**
Income Attributable to Wealth and Asset Management	-10	-10	-11	-10	-11	-10	-10	-12
Pre-Tax Income of BNL bc	**181**	**98**	**133**	**30**	**105**	**80**	**120**	**51**
Allocated Equity (€bn, year to date)	5.3	5.3	5.3	5.3	5.5	5.5	5.5	5.4

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
BNL banca commerciale (Including 2/3 of Private Banking in Italy)								
Revenues	**732**	**641**	**663**	**654**	**700**	**638**	**675**	**691**
Operating Expenses and Dep.	-438	-434	-422	-460	-429	-427	-427	-470
Gross Operating Income	**295**	**207**	**241**	**195**	**272**	**211**	**248**	**221**
Cost of Risk	-109	-109	-108	-164	-165	-131	-127	-170
Operating Income	**186**	**98**	**133**	**30**	**107**	**80**	**122**	**51**
Non Operating Items	-4	0	0	0	-2	0	-1	0
Pre-Tax Income	**181**	**98**	**133**	**30**	**105**	**80**	**120**	**51**
Allocated Equity (€bn, year to date)	5.3	5.3	5.3	5.3	5.5	5.5	5.5	5.4

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
BELGIAN RETAIL BANKING (Including 100% of Private Banking in Belgium)[1]								
Revenues	**878**	**853**	**878**	**915**	**857**	**887**	**917**	**934**
Operating Expenses and Dep.	-560	-541	-535	-844	-571	-563	-552	-835
Gross Operating Income	**318**	**312**	**342**	**71**	**286**	**324**	**365**	**99**
Cost of Risk	-5	-20	3	-34	-43	4	2	-6
Operating Income	**313**	**292**	**345**	**37**	**243**	**328**	**367**	**93**
Share of Earnings of Equity-Method Entities	6	5	5	-3	4	8	1	-3
Other Non Operating Items	2	1	-6	0	7	0	0	1
Pre-Tax Income	**321**	**298**	**344**	**35**	**253**	**336**	**368**	**92**
Income Attributable to Wealth and Asset Management	-19	-17	-19	-14	-15	-19	-23	-13
Pre-Tax Income of Belgian Retail Banking	**302**	**281**	**325**	**21**	**238**	**317**	**345**	**79**
Allocated Equity (€bn, year to date)	5.8	5.8	5.9	5.8	5.7	5.7	5.6	5.6

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
BELGIAN RETAIL BANKING (Including 2/3 of Private Banking in Belgium)								
Revenues	**836**	**813**	**836**	**868**	**817**	**845**	**872**	**887**
Operating Expenses and Dep.	-536	-519	-512	-811	-547	-539	-529	-803
Gross Operating Income	**300**	**295**	**323**	**57**	**270**	**305**	**344**	**85**
Cost of Risk	-5	-20	3	-33	-42	4	0	-4
Operating Income	**294**	**275**	**326**	**24**	**228**	**309**	**344**	**80**
Share of Earnings of Equity-Method Entities	6	5	5	-3	4	8	1	-3
Other Non Operating Items	2	1	-6	0	7	0	0	1
Pre-Tax Income	**302**	**281**	**325**	**21**	**238**	**317**	**345**	**79**
Allocated Equity (€bn, year to date)	5.8	5.8	5.9	5.8	5.7	5.7	5.6	5.6

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

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 100% of Private Banking in Luxembourg)[1]								
Revenues	**834**	**807**	**767**	**776**	**771**	**755**	**731**	**728**
Operating Expenses and Dep.	-473	-457	-447	-483	-443	-435	-433	-467
Gross Operating Income	**362**	**351**	**320**	**292**	**328**	**320**	**298**	**261**
Cost of Risk	-42	-41	-27	-37	-29	-33	-25	-36
Operating Income	**320**	**310**	**293**	**256**	**299**	**287**	**273**	**225**
Share of Earnings of Equity-Method Entities	-2	-4	-4	-3	-4	-3	-3	-2
Other Non Operating Items	0	1	0	0	-5	0	0	-1
Pre-Tax Income	**318**	**307**	**290**	**253**	**290**	**284**	**271**	**223**
Income Attributable to Wealth and Asset Management	-1	-1	-1	0	-1	-1	-1	-1
Pre-Tax Income of Other Domestic Markets	**318**	**306**	**289**	**253**	**289**	**283**	**270**	**222**
Allocated Equity (€bn, year to date)	4.5	4.6	4.6	4.5	4.4	4.3	4.3	4.2

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 2/3 of Private Banking in Luxembourg)								
Revenues	**830**	**804**	**763**	**772**	**767**	**752**	**728**	**725**
Operating Expenses and Dep.	-469	-454	-444	-480	-440	-433	-431	-464
Gross Operating Income	**361**	**350**	**319**	**292**	**327**	**319**	**297**	**260**
Cost of Risk	-42	-41	-27	-37	-29	-33	-25	-36
Operating Income	**319**	**309**	**292**	**255**	**298**	**286**	**272**	**225**
Share of Earnings of Equity-Method Entities	-2	-4	-4	-3	-4	-3	-3	-2
Other Non Operating Items	0	1	0	0	-5	0	0	-1
Pre-Tax Income	**318**	**306**	**289**	**253**	**289**	**283**	**270**	**222**
Allocated Equity (€bn, year to date)	4.5	4.6	4.6	4.5	4.4	4.3	4.3	4.2

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

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
INTERNATIONAL FINANCIAL SERVICES								
Revenues	**4,391**	**4,248**	**4,262**	**4,282**	**3,999**	**4,041**	**4,123**	**3,912**
Operating Expenses and Dep.	-2,715	-2,545	-2,559	-2,688	-2,626	-2,446	-2,453	-2,529
Gross Operating Income	**1,675**	**1,704**	**1,703**	**1,594**	**1,373**	**1,595**	**1,671**	**1,383**
Cost of Risk	-574	-518	-390	-428	-401	-486	-322	-358
Operating Income	**1,101**	**1,186**	**1,313**	**1,165**	**972**	**1,109**	**1,349**	**1,026**
Share of Earnings of Equity-Method Entities	107	118	149	113	131	111	109	137
Other Non Operating Items	-8	1	-21	0	-2	3	-1	58
Pre-Tax Income	**1,201**	**1,305**	**1,442**	**1,279**	**1,101**	**1,223**	**1,457**	**1,221**
Allocated Equity (€bn, year to date)	29.2	29.1	28.9	28.8	27.3	27.1	27.3	27.3

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Personal Finance								
Revenues	**1,485**	**1,444**	**1,440**	**1,427**	**1,411**	**1,387**	**1,381**	**1,354**
Operating Expenses and Dep.	-721	-664	-702	-770	-728	-639	-672	-725
Gross Operating Income	**764**	**781**	**738**	**656**	**682**	**748**	**709**	**629**
Cost of Risk	-370	-366	-289	-329	-299	-345	-265	-276
Operating Income	**394**	**415**	**449**	**327**	**383**	**403**	**443**	**353**
Share of Earnings of Equity-Method Entities	-9	19	17	13	17	21	8	15
Other Non Operating Items	-11	0	-13	0	-1	0	-2	4
Pre-Tax Income	**374**	**434**	**454**	**340**	**400**	**424**	**450**	**373**
Allocated Equity (€bn, year to date)	7.9	8.0	7.9	7.8	7.3	7.2	7.1	7.0

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
EUROPE-MEDITERRANEAN (Including 100% of Private Banking in Turkey)[1]								
Revenues	**702**	**657**	**674**	**665**	**600**	**562**	**614**	**581**
Operating Expenses and Dep.	-459	-439	-445	-456	-405	-381	-402	-416
Gross Operating Income	**243**	**218**	**230**	**210**	**195**	**181**	**212**	**165**
Cost of Risk	-113	-112	-97	-77	-78	-105	-55	-70
Operating Income	**129**	**107**	**132**	**133**	**117**	**76**	**157**	**96**
Share of Earnings of Equity-Method Entities	61	44	66	53	60	43	43	41
Other Non Operating Items	8	-1	0	0	-1	0	-1	54
Pre-Tax Income	**198**	**150**	**198**	**186**	**176**	**119**	**199**	**191**
Income Attributable to Wealth and Asset Management	-1	-1	-1	-1	0	-1	-1	-1
Pre-Tax Income of EM	**197**	**150**	**197**	**185**	**176**	**118**	**199**	**191**
Allocated Equity (€bn, year to date)	5.3	5.3	5.3	5.3	4.8	4.8	4.8	4.8

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
EUROPE-MEDITERRANEAN (Including 2/3 of Private Banking in Turkey)								
Revenues	**699**	**655**	**672**	**663**	**599**	**561**	**612**	**579**
Operating Expenses and Dep.	-458	-438	-444	-455	-404	-380	-401	-415
Gross Operating Income	**241**	**217**	**228**	**209**	**195**	**180**	**211**	**164**
Cost of Risk	-113	-111	-97	-77	-78	-105	-55	-70
Operating Income	**128**	**106**	**131**	**132**	**117**	**75**	**156**	**95**
Share of Earnings of Equity-Method Entities	61	44	66	53	60	43	43	41
Other Non Operating Items	8	-1	0	0	-1	0	-1	54
Pre-Tax Income	**197**	**150**	**197**	**185**	**176**	**118**	**199**	**191**
Allocated Equity (€bn, year to date)	5.3	5.3	5.3	5.3	4.8	4.8	4.8	4.8

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

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
BANCWEST (Including 100% of Private Banking in United States)[1]								
Revenues	**611**	**601**	**593**	**569**	**599**	**578**	**576**	**535**
Operating Expenses and Dep.	-406	-433	-431	-442	-431	-430	-406	-415
Gross Operating Income	**205**	**168**	**162**	**127**	**169**	**148**	**170**	**120**
Cost of Risk	-84	-43	-2	-18	-22	-35	0	-12
Operating Income	**121**	**125**	**160**	**109**	**146**	**113**	**169**	**108**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0	0	0
Other Non Operating Items	-5	1	1	0	0	2	0	0
Pre-Tax Income	**116**	**126**	**161**	**109**	**146**	**116**	**169**	**108**
Income Attributable to Wealth and Asset Management	-6	-7	-7	-8	-7	-8	-7	-6
NRBI	**110**	**119**	**153**	**101**	**139**	**108**	**162**	**102**
Allocated Equity (€bn, year to date)	5.4	5.4	5.3	5.3	4.9	4.8	5.0	4.9

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
BANCWEST (Including 2/3 of Private Banking in United States)								
Revenues	**595**	**585**	**576**	**553**	**581**	**562**	**561**	**522**
Operating Expenses and Dep.	-396	-423	-421	-433	-420	-422	-398	-407
Gross Operating Income	**199**	**161**	**155**	**119**	**162**	**140**	**163**	**115**
Cost of Risk	-84	-43	-2	-18	-22	-35	0	-12
Operating Income	**115**	**118**	**152**	**101**	**139**	**106**	**162**	**102**
Non Operating Items	-5	1	1	0	0	2	0	0
Pre-Tax Income	**110**	**119**	**153**	**101**	**139**	**108**	**162**	**102**
Allocated Equity (€bn, year to date)	5.4	5.4	5.3	5.3	4.9	4.8	5.0	4.9

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
Insurance								
Revenues	**654**	**761**	**779**	**874**	**542**	**741**	**735**	**661**
Operating Expenses and Dep.	-380	-370	-360	-389	-346	-351	-342	-367
Gross Operating Income	**274**	**390**	**419**	**484**	**196**	**390**	**393**	**294**
Cost of Risk	-1	-2	1	-2	2	0	1	0
Operating Income	**273**	**389**	**420**	**482**	**198**	**390**	**394**	**294**
Share of Earnings of Equity-Method Entities	30	43	57	37	43	38	46	75
Other Non Operating Items	0	0	-16	0	0	1	0	0
Pre-Tax Income	**304**	**432**	**461**	**520**	**241**	**429**	**440**	**369**
Allocated Equity (€bn, year to date)	8.4	8.4	8.3	8.4	8.4	8.4	8.5	8.7

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
WEALTH AND ASSET MANAGEMENT								
Revenues	**957**	**803**	**795**	**766**	**866**	**791**	**834**	**795**
Operating Expenses and Dep.	-760	-649	-632	-641	-728	-654	-639	-614
Gross Operating Income	**197**	**154**	**163**	**125**	**138**	**137**	**195**	**181**
Cost of Risk	-6	4	-2	-2	-3	-1	-2	0
Operating Income	**191**	**157**	**161**	**123**	**134**	**136**	**193**	**181**
Share of Earnings of Equity-Method Entities	25	12	10	10	11	8	12	5
Other Non Operating Items	-1	0	7	0	0	-1	1	0
Pre-Tax Income	**216**	**170**	**177**	**132**	**146**	**143**	**206**	**187**
Allocated Equity (€bn, year to date)	2.1	2.1	2.1	2.0	1.9	1.9	1.9	1.9

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

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
CORPORATE AND INSTITUTIONAL BANKING								
Revenues	**3,101**	**2,873**	**3,099**	**3,008**	**2,379**	**2,565**	**2,979**	**2,906**
Operating Expenses and Dep.	-2,229	-1,974	-1,997	-2,463	-1,919	-1,884	-1,970	-2,389
Gross Operating Income	**871**	**898**	**1,102**	**545**	**460**	**680**	**1,009**	**517**
Cost of Risk	-80	-81	-24	-32	-100	49	-23	31
Operating Income	**791**	**817**	**1,078**	**513**	**359**	**730**	**986**	**548**
Share of Earnings of Equity-Method Entities	4	5	5	2	39	4	7	9
Other Non Operating Items	6	11	-25	-2	-6	0	3	2
Pre-Tax Income	**801**	**834**	**1,058**	**514**	**393**	**734**	**996**	**558**
Allocated Equity (€bn, year to date)	21.7	21.6	21.3	20.7	20.8	20.7	20.3	19.9

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
CORPORATE BANKING								
Revenues	**1,210**	**1,039**	**1,094**	**969**	**1,102**	**930**	**999**	**892**
Operating Expenses and Dep.	-668	-600	-607	-724	-622	-597	-591	-683
Gross Operating Income	**541**	**440**	**487**	**245**	**480**	**333**	**409**	**209**
Cost of Risk	-80	-88	-21	-35	-91	46	12	1
Operating Income	**461**	**352**	**467**	**210**	**389**	**379**	**421**	**210**
Non Operating Items	3	4	3	3	36	5	7	9
Pre-Tax Income	**464**	**356**	**470**	**213**	**424**	**384**	**428**	**219**
Allocated Equity (€bn, year to date)	12.5	12.5	12.4	12.2	12.2	12.1	12.0	11.9

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
GLOBAL MARKETS								
Revenues	**1,340**	**1,299**	**1,409**	**1,523**	**650**	**1,132**	**1,447**	**1,498**
incl. FICC	*820*	*915*	*793*	*1,035*	*505*	*680*	*729*	*805*
incl. Equity & Prime Services	*520*	*384*	*615*	*488*	*145*	*452*	*718*	*692*
Operating Expenses and Dep.	-1,117	-926	-913	-1,276	-859	-848	-955	-1,275
Gross Operating Income	**223**	**373**	**496**	**248**	**-209**	**284**	**492**	**223**
Cost of Risk	0	4	-6	3	-13	3	-37	28
Operating Income	**222**	**377**	**491**	**251**	**-222**	**287**	**455**	**251**
Share of Earnings of Equity-Method Entities	0	1	1	0	1	0	1	1
Other Non Operating Items	6	9	-25	1	-3	0	1	0
Pre-Tax Income	**229**	**387**	**467**	**252**	**-225**	**287**	**457**	**252**
Allocated Equity (€bn, year to date)	8.3	8.1	8.0	7.7	7.8	7.7	7.4	7.1

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
SECURITIES SERVICES								
Revenues	**551**	**535**	**596**	**516**	**627**	**503**	**532**	**517**
Operating Expenses and Dep.	-444	-449	-477	-463	-438	-439	-424	-431
Gross Operating Income	**107**	**86**	**119**	**53**	**189**	**63**	**108**	**86**
Cost of Risk	0	2	2	-1	4	0	3	1
Operating Income	**108**	**88**	**121**	**52**	**193**	**63**	**110**	**87**
Non Operating Items	0	2	0	-3	0	0	1	0
Pre-Tax Income	**108**	**91**	**121**	**50**	**193**	**63**	**111**	**86**
Allocated Equity (€bn, year to date)	0.9	0.9	0.9	0.8	0.9	0.9	0.9	0.8

€m	4Q19	3Q19	2Q19	1Q19	4Q18	3Q18	2Q18	1Q18
CORPORATE CENTRE								
Revenues	**-45**	**27**	**53**	**37**	**-1**	**9**	**312**	**159**
Operating Expenses and Dep.	*-529*	*-363*	*-436*	*-400*	*-605*	*-415*	*-491*	*-454*
'Incl. Transformation, Restructuring and Adaptation Costs	*-420*	*-256*	*-335*	*-206*	*-481*	*-267*	*-275*	*-211*
Gross Operating Income	**-574**	**-336**	**-383**	**-363**	**-606**	**-405**	**-179**	**-295**
Cost of Risk	-60	-1	7	-4	-74	1	-18	-19
Operating Income	**-634**	**-337**	**-377**	**-367**	**-680**	**-404**	**-197**	**-314**
Share of Earnings of Equity-Method Entities	14	19	24	24	25	18	19	22
Other Non Operating Items	62	20	81	623	-88	285	46	110
Pre-Tax Income	**-558**	**-299**	**-272**	**280**	**-743**	**-101**	**-132**	**-183**

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

Alternative Performance Measures	Definition	Reason for use
Operating division profit and loss account aggregates (revenues, operating expenses, gross operating income, operating income, pre-tax income)	Sum of Domestic Markets' profit and loss account aggregates (with Domestic Markets' profit and loss account aggregates, including 2/3 of private banking in France, Italy, Belgium and Luxembourg), IFS and CIB BNP Paribas Group profit and loss account aggregates = Operating division profit and loss account aggregates + Corporate centre profit and loss account aggregates Reconciliation with Group profit and loss account aggregates is provided in the tables "Results by Core businesses"	Representative measure of the BNP Paribas Group's operating performance
Profit and loss account aggregates, excluding PEL/CEL effect (revenues, gross operating income, operating income, pre-tax income)	Profit and loss account aggregate, excluding PEL/CEL effect Reconciliation with Group profit and loss account aggregates is provided in the tables "Quarterly series"	Representative measure of the aggregates of the period excluding changes in the provision that accounts for the risk generated by PEL and CEL accounts during their lifetime
Profit and loss account aggregates of Retail Banking activity with 100% of Private Banking	Profit and loss account aggregate of a Retail Banking activity including the whole profit and loss account of Private Banking Reconciliation with Group profit and loss account aggregates is provided in the tables "Quarterly series"	Representative measure of the performance of Retail Banking activity including the total performance of Private Banking (before sharing the profit & loss account with the Wealth Management business, Private Banking being under a joint responsibility of Retail Banking (2/3) and Wealth Management business (1/3)
Cost/income ratio	Costs to income ratio	Measure of operational efficiency in the banking sector
Cost of risk/Customer loans at the beginning of the period (in basis points)	Cost of risk (in €m) divided by customer loans at the beginning of the period Details of the calculation are disclosed in the Appendix "Cost of risk on Outstandings" of the Results' presentation	Measure of the risk level by business in percentage of the volume of outstanding loans
Doubtful loans' coverage ratio	Relationship between stage 3 provisions and impaired outstandings (stage 3), balance sheet and off-balance sheet, netted for collateral received, for customers and credit institutions, including liabilities at amortised cost and debt securities at fair value through equity (excluding insurance business)	Measure of provisioning for doubtful loans
Net income Group share excluding exceptional items	Net income attributable to equity holders excluding exceptional items Details of exceptional items are disclosed in the slide "Main Exceptional Items" of the results' presentation	Measure of BNP Paribas Group's net income excluding non-recurring items of a significant amount or items that do not reflect the underlying operating performance, notably transformation and restructuring costs.
Return on Equity (ROE)	Details of the ROE calculation are disclosed in the Appendix "Return on Equity and Permanent Shareholders' Equity" of the results' presentation	Measure of the BNP Paribas Group's return on equity
Return on Tangible Equity (ROTE)	Details of the ROTE calculation are disclosed in the Appendix "Return on Equity and Permanent Shareholders' Equity" of the results' presentation	Measure of the BNP Paribas Group's return on tangible equity

Methodology – Comparative analysis at constant scope and exchange rates

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

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

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

Reminder

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

Operating divisions: they consist of 3 divisions:

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

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