CONSOLIDATED FINANCIAL STATEMENTS

First Half 2013

Unaudited figures

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CONSOLIDATED FINANCIAL STATEMENTS

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

The consolidated financial statements of the BNP Paribas Group are presented for the first halves of 2013 and 2012. In accordance with Article 20.1 of Annex I of European Commission Regulation (EC) 809/2004, the consolidated financial statements for the first half of 2011 are provided in the update registered on 3 August 2012 under number D.12-0145-A02 to the registration document filed with the Autorité des Marchés Financiers on 9 March 2012 under number D.12-0145.

PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2013

In millions of euros	Notes	First half 2013	First half 2012 (1)
Interest income	3.a	20,074	22,752
Interest expense	3.a	(10,026)	(12,189)
Commission income	3.b	6,195	6,560
Commission expense	3.b	(2,647)	(2,647)
Net gain/loss on financial instruments at fair value through profit or loss	3.c	2,766	2,158
Net gain/loss on available-for-sale financial assets and other financial assets not measured at fair value	3.d	1,087	600
Income from other activities	3.e	17,637	17,595
Expense on other activities	3.e	(15,114)	(14,845)
REVENUES		**19,972**	**19,984**
Operating expense		(12,044)	(12,443)
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		(761)	(737)
GROSS OPERATING INCOME		**7,167**	**6,804**
Cost of risk	3.f	(2,087)	(1,798)
OPERATING INCOME		**5,080**	**5,006**
Share of earnings of associates		106	273
Net gain on non-current assets		129	1,752
Goodwill		-	(104)
PRE-TAX INCOME		**5,315**	**6,927**
Corporate income tax	3.g	(1,592)	(1,843)
NET INCOME		**3,723**	**5,084**
Net income attributable to minority interests		376	365
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS		**3,347**	**4,719**
Basic earnings per share	6.a	2.59	3.84
Diluted earnings per share	6.a	2.58	3.83

(1) Restated according to the amendment to IAS 19 (see notes 1.a and 2).

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

In millions of euros	First half 2013	First half 2012 [(1)]
Net income for the period	**3,723**	**5,084**
Changes in assets and liabilities recognised directly in equity	**(967)**	**2,961**
Items that are or may be reclassified to profit or loss	**(1,072)**	**3,017**
- Items related to exchange rate movements	(196)	579
- Changes in fair value of available-for-sale financial assets, including those reclassified as loans and receivables	266	1,907
- Changes in fair value of available-for-sale financial assets reported in net income, including those reclassified as loans and receivables	(332)	(102)
- Changes in fair value of hedging instruments	(596)	428
- Changes in fair value of hedging instruments reported in net income	1	74
- Items related to investments in associates	(215)	131
Items that will not be reclassified to profit or loss	**105**	**(56)**
- Remeasurement gains (losses) related to post-employment benefit plans	118	(53)
- Items related to investments in associates	(13)	(3)
Total	**2,756**	**8,045**
- Attributable to equity shareholders	2,530	7,152
- Attributable to minority interests	226	893

[(1)] Restated according to the amendment to IAS 19 (see notes 1.a and 2).

BALANCE SHEET AT 30 JUNE 2013

In millions of euros	Notes	30 June 2013	31 December 2012 [1]
ASSETS			
Cash and amounts due from central banks		74,072	103,190
Financial instruments at fair value through profit or loss			
Trading securities	5.a	151,183	143,465
Loans and repurchase agreements	5.a	159,670	146,899
Instruments designated at fair value through profit or loss	5.a	63,983	62,800
Derivative financial instruments	5.a	344,848	410,635
Derivatives used for hedging purposes		9,531	14,267
Available-for-sale financial assets	5.b	196,705	192,506
Loans and receivables due from credit institutions	5.e	65,161	40,406
Loans and receivables due from customers	5.f	623,587	630,520
Remeasurement adjustment on interest-rate risk hedged portfolios		4,357	5,836
Held-to-maturity financial assets		9,867	10,284
Current and deferred tax assets	5.h	8,788	8,732
Accrued income and other assets	5.i	112,226	99,207
Investments in associates		6,552	7,031
Investment property		792	927
Property, plant and equipment		17,001	17,319
Intangible assets		2,527	2,585
Goodwill	5.j	10,488	10,591
TOTAL ASSETS		**1,861,338**	**1,907,200**
LIABILITIES			
Due to central banks		2,056	1,532
Financial instruments at fair value through profit or loss			
Trading securities	5.a	70,512	52,432
Borrowings and repurchase agreements	5.a	211,223	203,063
Instruments designated at fair value through profit or loss	5.a	43,484	43,530
Derivative financial instruments	5.a	343,080	404,598
Derivatives used for hedging purposes		14,111	17,286
Due to credit institutions	5.e	80,520	111,735
Due to customers	5.f	554,198	539,513
Debt securities	5.g	178,491	173,198
Remeasurement adjustment on interest-rate risk hedged portfolios		953	2,067
Current and deferred tax liabilities	5.h	2,421	2,943
Accrued expenses and other liabilities	5.i	91,415	86,691
Technical reserves of insurance companies		149,906	147,992
Provisions for contingencies and charges		11,515	11,380
Subordinated debt	5.g	13,507	15,223
TOTAL LIABILITIES		**1,767,392**	**1,813,183**
CONSOLIDATED EQUITY			
Share capital, additional paid-in capital and retained earnings		*80,481*	*75,654*
Net income for the period attributable to shareholders		*3,347*	*6,564*
Total capital, retained earnings and net income for the period attributable to shareholders		83,828	82,218
Change in assets and liabilities recognised directly in equity		2,308	3,226
Shareholders' equity		**86,136**	**85,444**
Retained earnings and net income for the period attributable to minority interests		7,552	8,161
Changes in assets and liabilities recognised directly in equity		258	412
Total minority interests		**7,810**	**8,573**
TOTAL CONSOLIDATED EQUITY		**93,946**	**94,017**
TOTAL LIABILITIES AND EQUITY		**1,861,338**	**1,907,200**

[1] Restated according to the amendment to IAS 19 (see notes 1.a and 2).

CASH FLOW STATEMENT FOR THE FIRST HALF OF 2013

In millions of euros	Notes	First half 2013	First half 2012 [1]
Pre-tax income		**5,315**	**6,927**
Non-monetary items included in pre-tax net income and other adjustments		**5,057**	**2,044**
Net depreciation/amortisation expense on property, plant and equipment and intangible assets		1,697	1,839
Impairment of goodwill and other non-current assets		18	111
Net addition to provisions		5,804	3,711
Share of earnings of associates		(106)	(273)
Net income from investing activities		(71)	(1,709)
Net income from financing activities		(609)	(768)
Other movements		(1,676)	(867)
Net increase (decrease) in cash related to assets and liabilities generated by operating activities		**(35,685)**	**33,804**
Net decrease in cash related to transactions with credit institutions		(55,995)	(9,658)
Net increase in cash related to transactions with customers		26,352	18,208
Net increase (decrease) in cash related to transactions involving other financial assets and liabilities		(3,628)	27,505
Net decrease in cash related to transactions involving non-financial assets and liabilities		(861)	(1,351)
Taxes paid		(1,553)	(900)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS GENERATED BY OPERATING ACTIVITIES		**(25,313)**	**42,775**
Net increase in cash related to acquisitions and disposals of consolidated entities		342	1,433
Net decrease related to property, plant and equipment and intangible assets		(472)	(727)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS RELATED TO INVESTING ACTIVITIES		**(130)**	**706**
Increase (decrease) in cash and equivalents related to transactions with shareholders		(2,126)	525
Decrease in cash and equivalents generated by other financing activities		(2,084)	(8,877)
NET DECREASE IN CASH AND EQUIVALENTS RELATED TO FINANCING ACTIVITIES		**(4,210)**	**(8,352)**
EFFECT OF MOVEMENT IN EXCHANGE RATES ON CASH AND EQUIVALENTS		**(670)**	**1,014**
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS		**(30,323)**	**36,143**
Balance of cash and equivalent accounts at the start of the period		**100,207**	**50,329**
Cash and amounts due from central banks		103,190	58,382
Due to central banks		(1,532)	(1,231)
On demand deposits with credit institutions		8,665	12,099
On demand loans from credit institutions		(9,840)	(18,308)
Deduction of receivables and accrued interest on cash and equivalents		(276)	(613)
Balance of cash and equivalent accounts at the end of the period		**69,884**	**86,472**
Cash and amounts due from central banks		74,072	94,279
Due to central banks		(2,056)	(3,176)
On demand deposits with credit institutions		10,157	10,511
On demand loans from credit institutions		(11,755)	(14,588)
Deduction of receivables and accrued interest on cash and equivalents		(534)	(554)
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS		**(30,323)**	**36,143**

[1] Restated according to the amendment to IAS 19 (see notes 1.a and 2).

STATEMENT OF CHANGES IN SHAREHOLDERS'

In millions of euros	Capital and retained earnings						
	Attributable to shareholders				Minority interests		
	Share capital and additional paid-in capital	Undated Super Subordinated Notes	Non-distributed reserves	Total	Capital and retained earnings	Preferred shares eligible as Tier 1 capital	Total
Capital and retained earnings at 31 December 2011 (before amendment to IAS 19)	**25,678**	**7,261**	**43,825**	**76,764**	**9,342**	**1,395**	**10,737**
Retrospective impact of the amendment to IAS 19			(354)	(354)	58		58
Capital and retained earnings at 1st January 2012 [(1)]	**25,678**	**7,261**	**43,471**	**76,410**	**9,400**	**1,395**	**10,795**
Appropriation of net income for 2011			**(1,430)**	**(1,430)**	**(236)**		**(236)**
Increases in capital and issues	1,132			1,132			
Reduction in capital						(623)	(623)
Movements in own equity instruments	(92)	(18)	(3)	(113)			
Share-based payment plans			32	32			
Remuneration on preferred shares and undated super subordinated notes			(103)	(103)	(84)		(84)
Impact of internal transactions on minority shareholders			18	18	(18)		(18)
Movements in consolidation scope impacting minority shareholders					(2,027)		(2,027)
Change in commitments to repurchase minority shareholders' interests			14	14	(8)		(8)
Other movements			3	3	4		4
Change in assets and liabilities recognised directly in equity [(1)]			(48)	(48)	(8)		(8)
Net income for first half 2012 [(1)]			**4,719**	**4,719**	**365**		**365**
Interim dividend payments					(18)		(18)
Capital and retained earnings at 30 June 2012 [(1)]	**26,718**	**7,243**	**46,673**	**80,634**	**7,370**	**772**	**8,142**
Increases in capital and issues	21			21			
Reduction in capital	(378)			(378)	(250)	(60)	(310)
Movements in own equity instruments	360	(2)	(43)	315	10		10
Share-based payment plans			40	40			
Remuneration on preferred shares and undated super subordinated notes			(177)	(177)	(2)		(2)
Impact of internal transactions on minority shareholders			(10)	(10)	7		7
Acquisitions of additional interests or partial sales of interests					(4)		(4)
Change in commitments to repurchase minority shareholders' interests			(9)	(9)	(7)		(7)
Other movements	(7)		(10)	(17)	(81)	40	(41)
Change in assets and liabilities recognised directly in equity [(1)]			(46)	(46)	(8)		(8)
Net income for second half 2012 [(1)]			**1,845**	**1,845**	**390**		**390**
Interim dividend payments					(16)		(16)
Capital and retained earnings at 31 December 2012 [(1)]	**26,714**	**7,241**	**48,263**	**82,218**	**7,409**	**752**	**8,161**
Appropriation of net income for 2012			**(1,863)**	**(1,863)**	**(166)**		**(166)**
Increases in capital and issues	79			79			
Reduction in capital						(712)	(712)
Movements in own equity instruments	10	(12)	(54)	(56)			
Share-based payment plans			21	21			
Remuneration on preferred shares and undated super subordinated notes			(101)	(101)	(42)		(42)
Impact of internal transactions on minority shareholders (note 6.c)			76	76	(81)		(81)
Movements in consolidation scope impacting minority shareholders					(25)		(25)
Change in commitments to repurchase minority shareholders' interests			(1)	(1)	(5)		(5)
Other movements			7	7	42		42
Change in assets and liabilities recognised directly in equity			101	101	4		4
Net income for first half 2013			**3,347**	**3,347**	**376**		**376**
Capital and retained earnings at 30 June 2013	**26,803**	**7,229**	**49,796**	**83,828**	**7,512**	**40**	**7,552**

(1) Restated according to the amendment to IAS 19 (see notes 1.a and 2).

EQUITY BETWEEN 1 JAN. 2012 AND 30 JUNE 2013

Changes in assets and liabilities recognised directly in equity					Total equity
Attributable to shareholders				Minority interests	
Exchange rates	Financial assets available for sale and reclassified as loans and receivables	Derivatives used for hedging purposes	Total		
(445)	(2,196)	1,247	(1,394)	(481)	85,626
					(296)
(445)	(2,196)	1,247	(1,394)	(481)	85,330
					(1,666)
					1,132
					(623)
					(113)
					32
					(187)
					(2,027)
					6
					7
487	1,703	291	2,481	536	2,961
					5,084
					(18)
42	(493)	1,538	1,087	55	89,918
					21
					(688)
					325
					40
					(179)
					(3)
					(4)
					(16)
					(58)
(543)	2,642	40	2,139	357	2,442
					2,235
					(16)
(501)	2,149	1,578	3,226	412	94,017
					(2,029)
					79
					(712)
					(56)
					21
					(143)
					(5)
					(25)
					(6)
					49
(243)	(106)	(569)	(918)	(154)	(967)
					3,723
(744)	2,043	1,009	2,308	258	93,946

NOTES TO THE FINANCIAL STATEMENTS

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

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

1.a APPLICABLE ACCOUNTING STANDARDS

The consolidated financial statements of the BNP Paribas Group have been prepared in accordance with international accounting standards (International Financial Reporting Standards – IFRS), as adopted for use in the European Union[1]. Accordingly, certain provisions of IAS 39 on hedge accounting have been excluded, and certain recent texts have not yet undergone the approval process.

The condensed consolidated interim financial statements for the six months ended 30 June 2013 have been prepared in accordance with IAS 34 "Interim Financial Reporting".

In the consolidated financial statements as at 30 June 2013, the Group has applied the amendment to IFRS 7 "Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities" adopted by the European Union on 29 December 2012 (see note 5.k). This amendment has no impact on the recognition and measurement of transactions.

As of 1 January 2013, the Group has applied the amendment to IFRS 13 " Fair Value Measurement" adopted by the European Union on 29 December 2012 and has recognised an adjustment of the model value of derivative instruments in order to take into account its own credit risk (see note 5.c).

As of 1 January 2013, the Group has applied the amendment to IAS 19 "Employee Benefits" adopted in June 2012 by the European Union : the retirement benefit liability is recognised in the Group's balance sheet taking into account actuarial gains or losses which had not been recognised or amortised. As this amendment has a retrospective effect, the comparative financial statements as at 1 January, 30 June and 31 December 2012 have been restated in note 2.

The introduction of other standards, which are mandatory as of 1 January 2013, had no effect on the condensed consolidated interim financial statements at 30 June 2013.

The Group did not choose to early-adopt the new standards, amendments, and interpretations adopted by the European Union whose application in 2013 was optional.

On 29 December 2012, the European Union adopted the amendment to IAS 32 "Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities", IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements", and the amended IAS 28 "Investments in Associates and Joint Ventures", mandatory for financial periods starting on or after 1 January 2014. The Group is in the process of analysing the potential impacts of these new standards on the consolidated financial statements.

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

1.b CONSOLIDATION

1.b.1 SCOPE OF CONSOLIDATION

The consolidated financial statements of BNP Paribas include all entities under the exclusive or joint control of the Group or over which the Group exercises significant influence, with the exception of those entities whose consolidation is regarded as immaterial to the Group. The consolidation of an entity is regarded as immaterial if its contribution to the consolidated financial statements is below the following three thresholds: EUR 15 million of consolidated Revenues, EUR 1 million of consolidated gross operating income or net income before tax, EUR 500 million of total consolidated assets. Companies that hold shares in consolidated companies are also consolidated.

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

The Group also consolidates special purpose entities (SPEs) formed specifically to manage a transaction or a group of transactions with similar characteristics, even where the Group has no equity interest in the entity, provided that the substance of the relationship indicates that the Group exercises control as assessed by reference to the following criteria:

- the activities of the SPE are being conducted exclusively on behalf of the Group, such that the Group obtains benefits from those activities;
- the Group has the decision-making and management powers to obtain the majority of the benefits of the ordinary activities of the SPE (for example, by the power to dissolve the SPE, to amend its bylaws, or to exercise a formal veto over amendments to its bylaws);
- the Group has the ability to obtain the majority of the benefits of the SPE, and therefore may be exposed to risks incident to the activities of the SPE. These benefits may be in the form of rights to some or all of the SPE's earnings (calculated on an annual basis), to a share of its net assets, to benefit from one or more assets, or to receive the majority of the residual assets in the event of liquidation;
- the Group retains the majority of the risks taken by the SPE in order to obtain benefits from its activities. This would apply, for example, if the Group remains exposed to the initial losses on a portfolio of assets held by the SPE.

1.b.2 CONSOLIDATION METHODS

Enterprises under the exclusive control of the Group are fully consolidated. The Group has exclusive control over an enterprise where it is in a position to govern the financial and operating policies of the enterprise so as to obtain benefits from its activities. Exclusive control is presumed to exist when the BNP Paribas Group owns, directly or indirectly, more than half of the voting rights of an enterprise. It also exists when the Group has the power to govern the financial and operating policies of the enterprise under an agreement; to appoint or remove the majority of the members of the Board of Directors or equivalent governing body; or to cast the majority of votes at meetings of the Board of Directors or equivalent governing body.

Currently exercisable or convertible potential voting rights are taken into account when determining the percentage of control held.

Jointly-controlled companies are consolidated using the proportional method. The Group exercises joint control when, under a contractual arrangement, strategic financial and operating decisions require the unanimous consent of the parties that share control.

Enterprises over which the Group exercises significant influence (associates) are accounted for by the equity method. Significant influence is the power to participate in the financial and operating policy decisions of an enterprise without exercising control. Significant influence is presumed to exist when the Group holds, directly or indirectly, 20% or more of the voting power of an enterprise. Interests of less than 20% are excluded from consolidation unless they represent a strategic investment and the

Group effectively exercises significant influence. This applies to companies developed in partnership with other groups, where the BNP Paribas Group participates in strategic decisions of the enterprise through representation on the Board of Directors or equivalent governing body, exercises influence over the enterprise's operational management by supplying management systems or senior managers, and provides technical assistance to support the enterprise's development.

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

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

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

Transactions resulting in a loss of control completed prior to 1 January 2010 gave rise to the recognition of a gain or loss equal to the difference between the sale price and the Group's share in the underlying equity. For transactions completed after 1 January 2010, the revised IAS 27 required any equity interest retained by the Group to be remeasured at its fair value through profit or loss.

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

1.b.3 CONSOLIDATION PROCEDURES

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

- **Elimination of intragroup balances and transactions**

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

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

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

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

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

Differences arising from the translation of balance sheet items and profit and loss items are recorded in shareholders' equity under "Exchange rates" for the portion attributable to shareholders, and in "Minority interests" for the portion attributable to outside investors. Under the optional treatment

permitted by IFRS 1, the Group has reset to zero all translation differences, by booking all cumulative translation differences attributable to shareholders and to minority interests in the opening balance sheet at 1 January 2004 to retained earnings.

On liquidation or disposal of some or all of an interest held in a foreign enterprise located outside the euro zone, leading to a change in the nature of the investment (loss of control, significant influence or joint control), the cumulative translation adjustment recorded in equity at the date of the liquidation or sale is recognised in the profit and loss account.

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

1.b.4 BUSINESS COMBINATIONS AND MEASUREMENT OF GOODWILL

- **Business combinations**

Business combinations are accounted for using the purchase method.

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

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

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

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

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

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

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

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

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

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

- **Measurement of goodwill**

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

- Cash-generating units

The BNP Paribas Group has split all its activities into cash-generating units[2] representing major business lines. This split is consistent with the Group's organisational structure and management methods, and reflects the independence of each unit in terms of results and management approach. It is reviewed on a regular basis in order to take account of events likely to affect the composition of cash-generating units, such as acquisitions, disposals and major reorganisations.

- Testing cash-generating units for impairment

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

- Recoverable amount of a cash-generating unit

The recoverable amount of a cash-generating unit is the higher of the fair value of the unit and its value in use.

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

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

[2] As defined by IAS 36.

1.c FINANCIAL ASSETS AND FINANCIAL LIABILITIES

1.c.1 LOANS AND RECEIVABLES

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

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

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

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

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

1.c.2 REGULATED SAVINGS AND LOAN CONTRACTS

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

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

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

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

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

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

The reinvestment rate for savings and the refinancing rate for loans are derived from the swap yield curve and from the spreads expected on financial instruments of similar type and maturity. Spreads are determined on the basis of actual spreads on fixed rate home loans in the case of the loan phase and products offered to individual clients in the case of the savings phase. In order to reflect the uncertainty of future interest rate trends, and the impact of such trends on customer behaviour models and on at-risk outstandings, the obligations are estimated using the Monte-Carlo method.

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

1.c.3 SECURITIES

- **Categories of securities**

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

- Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are composed of:

- financial assets held for trading purposes;
- financial assets that the Group has designated, on initial recognition, at fair value through profit or loss using the fair value option available under IAS 39. The conditions for applying the fair value option are set out in section 1.c.10.

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

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

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

- Loans and receivables

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

- Held-to-maturity financial assets

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

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

- Available-for-sale financial assets

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

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

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

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

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

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

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

- **Date of recognition for securities transactions**

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

Regardless of their classification (at fair value through profit or loss, loans and receivables or debt), temporary sales of securities as well as sales of borrowed securities are initially recognised at the settlement date.

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

1.c.4 FOREIGN CURRENCY TRANSACTIONS

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

- Monetary assets and liabilities[3] expressed in foreign currencies

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

- Non-monetary assets and liabilities expressed in foreign currencies

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

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

1.c.5 IMPAIRMENT AND RESTRUCTURING OF FINANCIAL ASSETS

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

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

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

- the existence of accounts that are more than three months past due (six months past due for real estate loans and loans to local authorities);

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

- knowledge or indications that the borrower meets significant financial difficulty, such that a risk can be considered to have arisen regardless of whether the borrower has missed any payments;
- concessions with respect to the credit terms granted to the borrower that the lender would not have considered had the borrower not been meeting financial difficulty (see section "Restructuring of assets classified as «Loans and receivables»").

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

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

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

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

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

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

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

Apart from the identification criteria, the Group has determined three indications of impairment, one being a significant decline in price, defined as a fall of more than 50% of the acquisition price, another being a prolonged decline over two consecutive years and the final one being a decline on average of at least 30% over an observation period of one year. The Group believes that a period of two years is what

is necessary for a moderate decline in price below the purchase cost to be considered as something more than just the effect of random volatility inherent in the stock markets or a cyclical change lasting a few years, but which represents a lasting phenomenon justifying an impairment.

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

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

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

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

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

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

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

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

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

1.c.6 RECLASSIFICATION OF FINANCIAL ASSETS

The only authorised reclassifications of financial assets are the following:

-For a non-derivative financial asset which is no longer held for the purposes of selling it in the near-term, out of “Financial assets at fair value through profit or loss” and into:

- “Loans and receivables” if the asset meets the definition for this category and the Group has the intention and ability to hold the asset for the foreseeable future or until maturity; or
- Other categories only under rare circumstances when justified and provided that the reclassified assets meet the conditions applicable to the host portfolio.

-Out of “Available-for-sale financial assets” and into:

- “Loans and receivables” with the same conditions as set out above for "Financial assets at fair value through profit or loss;
- “Held-to-maturity financial assets,” for assets that have a maturity, or “Financial assets at cost,” for unlisted variable-income assets.

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

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

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

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

1.c.7 ISSUES OF DEBT SECURITIES

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

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

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

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

The term “own equity instruments” refers to shares issued by the parent company (BNP Paribas SA) or by its fully consolidated subsidiaries.

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

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

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

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

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

1.c.9 DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING

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

- **Derivatives held for trading purposes**

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

- **Derivatives and hedge accounting**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- **Embedded derivatives**

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

1.c.10 DETERMINATION OF FAIR VALUE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

External costs that are directly attributable to an issue of new shares are deducted from equity net of all related taxes.

1.c.13 COST OF RISK

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

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

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

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

1.c.15 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

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

1.d ACCOUNTING STANDARDS SPECIFIC TO INSURANCE BUSINESS

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

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

1.d.1 ASSETS

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

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

1.d.2 LIABILITIES

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

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

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

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

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

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

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

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

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

1.d.3 PROFIT AND LOSS ACCOUNT

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

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

1.e PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.f LEASES

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

1.f.1 LESSOR ACCOUNTING

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

- **Finance leases**

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

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

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

- **Operating leases**

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

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

1.f.2 LESSEE ACCOUNTING

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

- **Finance leases**

A finance lease is treated as an acquisition of an asset by the lessee, financed by a loan. The leased asset is recognised in the balance sheet of the lessee at the lower of its fair value or the present value of the minimum lease payments calculated at the interest rate implicit in the lease. A matching liability,

equal to the fair value of the leased asset or the present value of the minimum lease payments, is also recognised in the balance sheet of the lessee. The asset is depreciated using the same method as that applied to owned assets, after deducting the residual value from the amount initially recognised, over the useful life of the asset. The lease obligation is accounted for at amortised cost.

- **Operating leases**

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

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

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

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

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

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

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

1.h EMPLOYEE BENEFITS

Employee benefits are classified in one of four categories:

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

- **Short-term benefits**

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

- **Long-term benefits**

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

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

- **Termination benefits**

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

- **Post-employment benefits**

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

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

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

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

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

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

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

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

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

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

1.i SHARE-BASED PAYMENT

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

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

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

- **Stock option and share award plans**

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

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

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

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

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

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

If the payment of share-based variable compensation is explicitly subject to the employee's continued presence at the vesting date, the services are presumed to have been rendered during the vesting period and the corresponding compensation expense is recognised on a pro rata basis over that period. The expense is recognised under salary and employee benefits expenses with a corresponding liability in the

balance sheet. It is revised to take into account any non-fulfilment of the continued presence or performance conditions and the change in BNP Paribas share price.

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

- **Share subscriptions or purchases offered to employees under the Company Savings Plan**

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

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

1.j PROVISIONS RECORDED UNDER LIABILITIES

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

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

1.k CURRENT AND DEFERRED TAXES

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

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

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

- taxable temporary differences on initial recognition of goodwill;

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

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

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

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

Current and deferred taxes are recognised as tax income or expenses in the profit and loss account, excepted for deferred taxes relating to unrealised gains or losses on available-for-sale assets or to changes in the fair value of instruments designated as cash flow hedges, which are taken to shareholders' equity.

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

1.l CASH FLOW STATEMENT

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

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

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

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

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

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

This applies in particular to:

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

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

2. RETROSPECTIVE IMPACT OF THE AMENDMENT TO IAS 19

- **Balance sheet**

This table presents the balance sheet items which have been adjusted according to the amendment to IAS 19:

In millions of euros	31 December 2011 before amendment to IAS 19	adjustments	1 January 2012 restated	31 December 2012 before amendment to IAS 19	adjustments	31 December 2012 restated
ASSETS						
Current and deferred tax assets	11,570	106	11,676	8,661	71	8,732
Accrued income and other assets	93,540	(157)	93,383	99,359	(152)	99,207
Investments in associates	4,474	(4)	4,470	7,040	(9)	7,031
Total impact on assets		**(55)**			**(90)**	
LIABILITIES						
Current and deferred tax liabilities	3,489	(14)	3,475	3,046	(103)	2,943
Provisions for contingencies and charges	10,480	255	10,735	10,962	418	11,380
Total impact on liabilities		**241**			**315**	
CONSOLIDATED EQUITY						
Capital and retained earnings	*76,764*	*(354)*	*76,410*	*82,655*	*(437)*	*82,218*
Changes in assets and liabilities recognised directly in equity	*(1,394)*		*(1,394)*	*3,231*	*(5)*	*3,226*
Attributable to equity shareholders	**75,370**	**(354)**	**75,016**	**85,886**	**(442)**	**85,444**
Capital and retained earnings	*10,737*	*58*	*10,795*	*8,124*	*37*	*8,161*
Changes in assets and liabilities recognised directly in equity	*(481)*		*(481)*	*412*		*412*
Attributable to minority interests	**10,256**	**58**	**10,314**	**8,536**	**37**	**8,573**
Total impact on consolidated equity		**(296)**			**(405)**	

Adjustments are analysed as follows :

	1 January 2012			31 December 2012		
In millions of euros	Impact of the amendment to IAS 19	*of which prior service costs*	*of which actuarial gains and losses*	Impact of the amendment to IAS 19	*of which prior service costs*	*of which actuarial gains and losses*
Costs not yet recognised (before tax)	**(412)**	**(163)**	**(249)**	**(570)**	**(153)**	**(417)**
of which accrued income and other assets	*(157)*			*(152)*		
of which provisions for contingencies and charges	*(255)*			*(418)*		
Deferred tax	**120**	**57**	**63**	**174**	**54**	**120**
of which deferred tax assets	*106*			*71*		
of which deferred tax liabilities	*14*			*103*		
Impact of associates	**(4)**		**(4)**	**(9)**		**(9)**
Exchange rates				**-**	**(2)**	**2**
Retrospective impact of the amendment to IAS 19	**(296)**	**(106)**	**(190)**	**(405)**	**(101)**	**(304)**

- **Profit and loss account and changes in assets and liabilities recognised directly in equity**

This table presents the profit and loss account items which have been adjusted as at 30 June 2012, according to the amendment to IAS 19:

In millions of euros	First half 2012 before amendment to IAS 19	adjustments	First half 2012 restated
Operating expense	(12,447)	4	(12,443)
Corporate income tax	(1,841)	(2)	(1,843)
Total impact on net income		**2**	
Net income attributable to equity shareholders		*4*	
Net income attributable to minority interests		*(2)*	

In addition, due to the amendment to IAS 19, the following impacts have been reported in the changes in assets and liabilities recognised directly in equity for the first half 2012:

- items that will not be reclassified to profit or loss, which amounted to EUR -56 million,
- adjustment of EUR -11 million in items related to exchange rate movements.

3. NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE FIRST HALF OF 2013

3.a NET INTEREST INCOME

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

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

In millions of euros	First half 2013			First half 2012		
	Income	Expense	Net	Income	Expense	Net
Customer items	**12,787**	**(4,216)**	**8,571**	**14,665**	**(4,837)**	**9,828**
Deposits, loans and borrowings	12,139	(4,161)	7,978	13,884	(4,744)	9,140
Repurchase agreements	3	(18)	(15)	8	(51)	(43)
Finance leases	645	(37)	608	773	(42)	731
Interbank items	**767**	**(970)**	**(203)**	**989**	**(1,358)**	**(369)**
Deposits, loans and borrowings	709	(924)	(215)	947	(1,234)	(287)
Repurchase agreements	58	(46)	12	42	(124)	(82)
Debt securities issued		**(1,165)**	**(1,165)**		**(1,839)**	**(1,839)**
Cash flow hedge instruments	**1,423**	**(1,257)**	**166**	**1,757**	**(1,574)**	**183**
Interest rate portfolio hedge instruments	**1,130**	**(1,628)**	**(498)**	**1,050**	**(1,795)**	**(745)**
Financial instruments at fair value through profit or loss	**1,088**	**(790)**	**298**	**1,269**	**(786)**	**483**
Fixed-income securities	744		744	721		721
Loans / Borrowings	222	(276)	(54)	163	(230)	(67)
Repurchase agreements	122	(223)	(101)	385	(453)	(68)
Debt securities		(291)	(291)		(103)	(103)
Available-for-sale financial assets	**2,653**		**2,653**	**2,779**		**2,779**
Held-to-maturity financial assets	**226**		**226**	**243**		**243**
Total interest income/(expense)	**20,074**	**(10,026)**	**10,048**	**22,752**	**(12,189)**	**10,563**

Interest income on individually impaired loans amounted to EUR 277 million in the first half of 2013 compared with EUR 304 million in the first half of 2012.

3.b COMMISSION INCOME AND EXPENSE

Commission income and expense on financial instruments, which are not measured at fair value through profit or loss amounted to EUR 1,575 million and EUR 232 million respectively in the first half of 2013, compared with income of EUR 1,692 million and expense of EUR 312 million in the first half of 2012.

Net commission income related to trust and similar activities through which the Group holds or invests assets on behalf of clients, trusts, pension and personal risk funds or other institutions amounted to EUR 1,141 million in the first half of 2013, compared with EUR 1,162 million in the first half of 2012.

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

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

In millions of euros	First half 2013	First half 2012
Trading book	**1,953**	**2,044**
Debt instruments	334	1,043
Equity instruments	1,225	1,056
Other derivatives	368	(62)
Repurchase agreements	26	7
Financial instruments designated at fair value through profit or loss	**981**	**(448)**
of which debt securities remeasurement effect arising from BNP Paribas Group issuer risk (note 5.c)	*(299)*	*(557)*
Impact of hedge accounting	**43**	**18**
Fair value hedges	535	63
Hedged items in fair value hedge	(492)	(45)
Remeasurement of currency positions	**(211)**	**544**
Total	**2,766**	**2,158**

Net gains on the trading book in the first half of 2013 and 2012 include a non-material amount related to the ineffective portion of cash flow hedges.

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

In millions of euros	First half 2013	First half 2012
Loans and receivables, fixed-income securities [(1)]	**423**	**183**
Disposal gains and losses	423	183
Equities and other variable-income securities	**664**	**417**
Dividend income	365	351
Additions to impairment provisions	(119)	(222)
Net disposal gains	418	288
Total	**1,087**	**600**

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

Unrealised gains and losses, after the impact of insurance policyholders' surplus reserves, previously recorded under "Change in assets and liabilities recognised directly in shareholders' equity" and included in the pre-tax income, amounted to a net gain of EUR 467 million for the first half of 2013 compared with a net gain of EUR 132 million for the first half of 2012.

3.e NET INCOME FROM OTHER ACTIVITIES

In millions of euros	First half 2013			First half 2012		
	Income	Expense	Net	Income	Expense	Net
Net income from insurance activities	13,734	(11,903)	1,831	12,841	(10,968)	1,873
Net income from investment property	46	(16)	30	322	(157)	165
Net income from assets held under operating leases	2,722	(2,177)	545	2,901	(2,397)	504
Net income from property development activities	573	(483)	90	673	(562)	111
Other net income	562	(535)	27	858	(761)	97
Total net income from other activities	**17,637**	**(15,114)**	**2,523**	**17,595**	**(14,845)**	**2,750**

- **Net income from insurance activities**

In millions of euros	First half 2013	First half 2012
Gross premiums written	11,790	10,502
Policy benefit expenses	(7,705)	(8,350)
Changes in technical reserves	(3,076)	(1,718)
Change in value of admissible investments related to unit-linked policies	992	1,427
Reinsurance ceded	(180)	(185)
Other income and expense	10	197
Total net income from insurance activities	**1,831**	**1,873**

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

3.f COST OF RISK

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

- **Cost of risk for the period**

Cost of risk for the period

In millions of euros	First half 2013	First half 2012
Net allowances to impairment	(2,306)	(1,896)
Recoveries on loans and receivables previously written off	385	310
Irrecoverable loans and receivables not covered by impairment provisions	(166)	(212)
Total cost of risk for the period	**(2,087)**	**(1,798)**

Cost of risk for the period by asset type

In millions of euros	First half 2013	First half 2012
Loans and receivables due from credit institutions	(10)	(20)
Loans and receivables due from customers	(1,958)	(1,598)
Available-for-sale financial assets	(16)	(10)
Financial instruments of trading activities	(42)	(114)
Other assets	(22)	(5)
Off-balance sheet commitments and other items	(39)	(51)
Total cost of risk for the period	**(2,087)**	**(1,798)**

3.g CORPORATE INCOME TAX

In millions of euros	First half 2013	First half 2012 [1]
Net current tax expense	(1,445)	(1,500)
Net loss of deferred taxes	(147)	(343)
Corporate income tax expense	**(1,592)**	**(1,843)**

[1] Restated according to the amendment to IAS 19 (see notes 1.a and 2).

4. SEGMENT INFORMATION

The Group is composed of three core businesses:

- Retail Banking (RB), which covers Domestic Markets, Personal Finance, and International Retail Banking. Domestic Markets include retail banking networks in France (FRB), Italy (BNL banca commerciale), Belgium (BRB), and Luxembourg (LRB), as well as certain specialised retail banking divisions (Personal Investors, Leasing Solutions and Arval). International Retail Banking is composed of all BNP Paribas Group retail banking businesses out of the Eurozone, split between Europe Mediterranean and BancWest in the United States;
- Investment Solutions (IS), which includes Wealth Management; Investment Partners – covering all of the Group's Asset Management businesses; Securities Services to management companies, financial institutions and other corporations; Insurance and Real Estate Services;
- Corporate and Investment Banking (CIB), which includes Advisory & Capital Markets (Equities and Equity Derivatives, Fixed Income & Forex, Corporate Finance) and Corporate Banking (Specialised and Structured Financing, Corporate Deposit Line) businesses.

Other activities mainly include Principal Investments, Klépierre[4] property investment company, and the Group's corporate functions.

They also include non-recurring items resulting from applying the rules on business combinations. In order to provide consistent and relevant economic information for each core business, the impact of amortising fair value adjustments recognised in the net equity of entities acquired and restructuring costs incurred in respect to the integration of entities have been allocated to the "Other Activities" segment.

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

The capital allocation is carried out on the basis of risk exposure, taking into account various conventions relating primarily to the capital requirement of the business as derived from the risk-weighted asset calculations required under capital adequacy rules. Normalised equity income by segment is determined by attributing to each segment the income of its allocated equity.

So as to be comparable with the first half 2013, the segment information for the first half 2012 has been restated of the following three main effects as if these had occurred from 1 January 2012:

1. The increases in taxes and social security contributions arising from French legislation adopted in 2012- systemic tax (EUR -122 million), corporate social contribution ("forfait social") (EUR -33 million) and tax on wages (EUR -19 million) – had temporarily been allocated to the Corporate Centre's operating expenses. They have now been allocated between the divisions and business lines.

2. The USD 2.2 billion capital increase made by BancWest in 2012, by converting an intra-group liability, had the effect of reducing 2012 revenues by EUR -51 million. This amount corresponds to the additional cost of capital compared with the previous funding structure, based on Group standards for calculating business line income on a normative capital basis. The impact had temporarily been allocated to the Corporate Centre.

   The corresponding differences were accounted for under "Other Activities" so as not to affect the Group's pre-tax income.

[4] The Klepierre Group was fully consolidated until 14 March 2012, then, following the partial disposal of the Group's interest, Klepierre has been consolidated under the equity method (see note 6.d).

3. As indicated in notes 1.a and 2, the amendment to IAS 19 "Employee Benefits" had the effect of increasing the Group's first half 2012 pre-tax income by EUR 4 million. This adjustment has been re-allocated to the relevant core business and business line operating expenses.

- **Income by business segment**

In millions of euros	First half 2013						First half 2012 [2]					
	Revenues	Operating expense	Cost of risk	Operating income	Non-operating items	Pre-tax income	Revenues	Operating expense	Cost of risk	Operating income	Non-operating items	Pre-tax income
Retail Banking												
Domestic Markets												
French Retail Banking [1]	3,446	(2,110)	(167)	1,169	3	1,172	3,388	(2,153)	(170)	1,065	1	1,066
BNL banca commerciale [1]	1,615	(865)	(591)	159		159	1,606	(882)	(449)	275		275
Belgian Retail Banking [1]	1,606	(1,178)	(62)	366		366	1,605	(1,185)	(78)	342	14	356
Other Domestic Markets activities	1,118	(641)	(65)	412	22	434	1,090	(632)	(49)	409	9	418
Personal Finance	2,413	(1,104)	(755)	554	31	585	2,475	(1,240)	(701)	534	52	586
International Retail Banking												
Europe-Mediterranean	956	(657)	(124)	175	158	333	861	(651)	(135)	75	33	108
BancWest	1,116	(692)	(38)	386	4	390	1,174	(682)	(78)	414	2	416
Investment Solutions	3,161	(2,118)	(21)	1,022	83	1,105	3,087	(2,115)	(14)	958	52	1,010
Corporate and Investment Banking												
Advisory & Capital Markets	2,939	(2,125)	(97)	717	7	724	3,456	(2,436)	(57)	963	14	977
Corporate Banking	1,626	(870)	(189)	567	11	578	1,895	(872)	(40)	983	9	992
Other Activities	(24)	(445)	22	(447)	(84)	(531)	(653)	(332)	(27)	(1,012)	1,735	723
Total Group	19,972	(12,805)	(2,087)	5,080	235	5,315	19,984	(13,180)	(1,798)	5,006	1,921	6,927

(1) French Retail Banking, BNL banca commerciale, Belgian Retail Banking and Luxembourg Retail Banking after the reallocation within Investment Solutions of one-third of the Wealth Management activities in France, Italy, Belgium and Luxembourg.

(2) Restated according to the amendment to IAS 19 (see notes 1.a and 2).

5. NOTES TO THE BALANCE SHEET AT 30 JUNE 2013

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

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

In millions of euros	30 June 2013		31 December 2012	
	Trading book	Instruments designated as at fair value through profit or loss	Trading book	Instruments designated as at fair value through profit or loss
Securities portfolio	151,183	63,909	143,465	62,701
Loans and repurchase agreements	159,670	74	146,899	99
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	**310,853**	**63,983**	**290,365**	**62,800**
Securities portfolio	70,512		52,432	
Borrowings and repurchase agreements	211,223	1,482	203,063	1,242
Debt securities (note 5.g)		40,539		40,799
Subordinated debt (note 5.g)		1,463		1,489
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**281,735**	**43,484**	**255,495**	**43,530**

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

DERIVATIVE FINANCIAL INSTRUMENTS

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

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

In millions of euros	30 June 2013		31 December 2012	
	Positive market value	Negative market value	Positive market value	Negative market value
Interest rate derivatives	253,987	244,921	333,066	324,079
Currency derivatives	29,173	34,005	21,532	24,697
Credit derivatives	23,338	22,714	22,782	22,523
Equity derivatives	34,693	38,000	29,682	29,467
Other derivatives	3,657	3,440	3,573	3,832
Derivative financial instruments	**344,848**	**343,080**	**410,635**	**404,598**

5.b AVAILABLE-FOR-SALE FINANCIAL ASSETS

In millions of euros	30 June 2013			31 December 2012		
	Net	of which impairment losses	of which changes in value taken directly to equity	Net	of which impairment losses	of which changes in value taken directly to equity
Fixed-income securities	**180,853**	**(84)**	**5,110**	**175,413**	**(69)**	**6,414**
Treasury bills and government bonds	99,261	(4)	1,281	93,801	(4)	1,886
Other fixed-income securities	81,592	(80)	3,829	81,612	(65)	4,528
Equities and other variable-income securities	**15,852**	**(4,295)**	**3,030**	**17,093**	**(4,265)**	**2,868**
Listed securities	5,508	(1,774)	1,404	5,861	(1,821)	1,357
Unlisted securities	10,344	(2,521)	1,626	11,232	(2,444)	1,511
Total available-for-sale financial assets	**196,705**	**(4,379)**	**8,140**	**192,506**	**(4,334)**	**9,282**

The gross amount of impaired fixed-income securities is EUR 139 million at 30 June 2013 (EUR 118 million at 31 December 2012).

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

In millions of euros	30 June 2013			31 December 2012		
	Fixed-income securities	Equities and other variable-income securities	Total	Fixed-income securities	Equities and other variable-income securities	Total
Changes in value of non-hedged securities recognised in "Available-for-sale financial assets"	**5,110**	**3,030**	**8,140**	**6,414**	**2,868**	**9,282**
Deferred tax linked to these changes in value	(1,731)	(552)	(2,283)	(2,162)	(556)	(2,718)
Insurance policyholders' surplus reserve from insurance entities, after deferred tax	(3,246)	(554)	(3,800)	(3,854)	(558)	(4,412)
Group share of changes in value of available-for-sale securities owned by associates, after deferred tax and insurance policyholders' surplus reserve	317	126	443	504	94	598
Unamortised changes in value of available-for-sale securities reclassified as loans and receivables	(145)		(145)	(172)		(172)
Other variations	(37)	30	(7)	(33)	25	(8)
Changes in value of assets taken directly to equity under the heading "Financial assets available for sale and reclassified loans and receivables"	**268**	**2,080**	**2,348**	**697**	**1,873**	**2,570**
Attributable to equity shareholders	33	2,010	2,043	340	1,809	2,149
Attributable to minority interests	235	70	305	357	64	421

5.c MEASUREMENT OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

VALUATION PROCESS

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

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

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

Additional valuation adjustments take into account valuation uncertainty and include market and credit risk premiums to reflect costs that could be incurred upon transacting in the principal market. These valuation adjustments are added to the mid-market value in order to obtain the economic value. Funding assumptions are an integral part of the mid-market valuation through the use of the appropriate discount rate. This notably takes into account the existence and terms of any collateral agreement and the effective funding conditions of the instrument.

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

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

ADDITIONAL VALUATION ADJUSTMENTS

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

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

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

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

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

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

In determining the cost of exiting or transferring counterparty risk exposures, the relevant market is deemed to be an inter-dealer market. However, the observation of CVA remains judgemental due to i) the absence or lack of price discovery in the inter-dealer market, ii) the influence of the regulatory landscape relating to counterparty risk on the market participants' pricing behaviour and iii) the absence of a dominant business model for managing counterparty risk.

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

Own-credit valuation adjustment for debts (OCA) and for derivatives (debit valuation adjustment - DVA): OCA and DVA are adjustments reflecting the effect of credit worthiness of BNP Paribas, on respectively the value of debt securities designated as at fair value through profit and loss and derivatives. Both adjustments are based on the expected future liability profiles of such instruments. The own credit worthiness is inferred from the market-based observation of the relevant bond issuance levels.
Thus, the carrying value of liabilities designated as at fair value though profit or loss is increased by EUR 269 million as at 30 June 2013, compared with a reduction in value of EUR 30 million as at 31 December 2012, i.e. a EUR -299 million variation recognised in net gain on financial instruments at fair value through profit or loss (note 3.c).
Similarly, the fair value of derivative instruments on the liabilities side of the balance sheet is reduced by EUR 379 million as at 30 June 2013, and this adjustment is recognised in the same profit or loss line item.

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

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

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

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

In millions of euros	30 June 2013											
	Trading book				Instruments designated as at fair value through profit or loss				Available-for-sale financial assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities portfolio	**117,525**	**30,392**	**3,266**	**151,183**	**48,540**	**11,765**	**3,604**	**63,909**	**133,657**	**53,934**	**9,114**	**196,705**
Treasury bills and government bonds	62,204	6,760	75	69,039	341	21		362	94,411	4,850		99,261
Asset Backed Securities (ABS) [1]	1,007	7,575	2,786	11,368				-		2,872	353	3,225
CDOs / CLOs [2]		*35*	*2,773*	*2,808*				-				-
Other Asset Backed Securities	*1,007*	*7,540*	*13*	*8,560*				-		*2,872*	*353*	*3,225*
Other fixed-income securities	9,552	15,037	304	24,893	1,392	4,669	56	6,117	31,187	45,981	1,199	78,367
Equities and other variable-income securities	44,762	1,020	101	45,883	46,807	7,075	3,548	57,430	8,059	231	7,562	15,852
Loans and repurchase agreements	**-**	**155,347**	**4,323**	**159,670**	**-**	**74**	**-**	**74**				
Loans		814		814		74		74				
Repurchase agreements		154,533	4,323	158,856								
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND AVAILABLE-FOR-SALE FINANCIAL ASSETS	**117,525**	**185,739**	**7,589**	**310,853**	**48,540**	**11,839**	**3,604**	**63,983**	**133,657**	**53,934**	**9,114**	**196,705**
Securities portfolio	**63,172**	**7,328**	**12**	**70,512**	**-**	**-**	**-**	**-**				
Treasury bills and government bonds	52,870	1,903	9	54,782				-				
Other fixed-income securities	4,483	5,187	2	9,672				-				
Equities and other variable-income securities	5,819	238	1	6,058				-				
Borrowings and repurchase agreements	**-**	**201,409**	**9,814**	**211,223**	**-**	**1,482**	**-**	**1,482**				
Borrowings		3,044	3	3,047		1,482		1,482				
Repurchase agreements		198,365	9,811	208,176				-				
Debt securities *(note 5.g)*				**-**	**2,687**	**30,675**	**7,177**	**40,539**				
Subordinated debt *(note 5.g)*				**-**	**63**	**1,400**	**-**	**1,463**				
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**63,172**	**208,737**	**9,826**	**281,735**	**2,750**	**33,557**	**7,177**	**43,484**				

In millions of euros	31 December 2012											
	Trading book				Instruments designated as at fair value through profit or loss				Available-for-sale financial assets			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Securities portfolio	**105,563**	**33,716**	**4,186**	**143,465**	**47,783**	**10,869**	**4,049**	**62,701**	**125,010**	**57,549**	**9,947**	**192,506**
Treasury bills and government bonds	51,260	7,497	73	58,830	324	16		340	87,921	5,817	63	93,801
Asset Backed Securities (ABS) [1]	48	10,570	3,260	13,878				-		2,645	418	3,063
CDOs / CLOs [2]		*47*	*3,189*	*3,236*				-				-
Other Asset Backed Securities	*48*	*10,523*	*71*	*10,642*				-		*2,645*	*418*	*3,063*
Other fixed-income securities	6,548	14,730	698	21,976	1,493	4,839	77	6,409	28,771	48,339	1,439	78,549
Equities and other variable-income securities	47,707	919	155	48,781	45,966	6,014	3,972	55,952	8,318	748	8,027	17,093
Loans and repurchase agreements	**-**	**144,603**	**2,296**	**146,899**	**-**	**99**	**-**	**99**				
Loans		1,150		1,150		99		99				
Repurchase agreements		143,453	2,296	145,749				-				
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND AVAILABLE-FOR-SALE FINANCIAL ASSETS	**105,563**	**178,319**	**6,482**	**290,364**	**47,783**	**10,968**	**4,049**	**62,800**	**125,010**	**57,549**	**9,947**	**192,506**
Securities portfolio	**43,527**	**8,868**	**37**	**52,432**	**-**	**-**	**-**	**-**				
Treasury bills and government bonds	38,547	1,105		39,652				-				
Other fixed-income securities	1,977	7,677	32	9,686				-				
Equities and other variable-income securities	3,003	86	5	3,094				-				
Borrowings and repurchase agreements	**-**	**194,242**	**8,821**	**203,063**		**1,242**		**1,242**				
Borrowings		4,016		4,016		1,242		1,242				
Repurchase agreements		190,226	8,821	199,047				-				
Debt securities *(note 5.g)*				**-**	**3,138**	**29,121**	**8,540**	**40,799**				
Subordinated debt *(note 5.g)*				**-**	**65**	**1,410**	**14**	**1,489**				
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**43,527**	**203,110**	**8,858**	**255,495**	**3,203**	**31,773**	**8,554**	**43,530**				

[1] These amounts do not represent the total amount of securitisation assets held by BNP Paribas, particularly those classified at inception as "Loans and Receivables", and those reclassified as presented in note 5.d.

[2] Collateralised Debt Obligations / Collateralised Loan Obligations

In millions of euros	30 June 2013							
	Positive market value				Negative market value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	561	249,498	3,928	253,987	530	239,707	4,684	244,921
Currency derivatives	14	29,159		29,173	32	33,973		34,005
Credit derivatives	103	21,069	2,166	23,338	78	20,540	2,096	22,714
Equity derivatives	3,938	29,939	816	34,693	2,333	33,681	1,986	38,000
Other derivatives	234	3,414	9	3,657	252	3,157	31	3,440
Derivative financial instruments not used for hedging purposes	4,850	333,079	6,919	344,848	3,225	331,058	8,797	343,080
Derivative financial instruments used for hedging purposes	-	9,531	-	9,531	-	14,111	-	14,111

In millions of euros	31 December 2012							
	Positive market value				Negative market value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Interest rate derivatives	299	327,589	5,178	333,066	350	318,454	5,275	324,079
Currency derivatives	11	21,521		21,532	56	24,641		24,697
Credit derivatives		21,475	1,307	22,782		21,112	1,411	22,523
Equity derivatives	2,914	26,142	626	29,682	1,304	26,564	1,599	29,467
Other derivatives	299	3,228	46	3,573	291	3,395	146	3,832
Derivative financial instruments not used for hedging purposes	3,523	399,955	7,157	410,635	2,001	394,166	8,431	404,598
Derivative financial instruments used for hedging purposes	-	14,267	-	14,267	-	17,286	-	17,286

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

During the first half of 2013, transfers between Level 1 and Level 2 were not significant.

DESCRIPTION OF MAIN INSTRUMENTS IN EACH LEVEL

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

Level 1

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

Level 1 includes notably equity securities and liquid bonds, shortselling of these instruments, derivative instruments traded on organised markets (futures, options, …) and shares of funds and UCITS, for which the net asset value is calculated on a daily basis.

Level 2

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

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

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

Derivatives classified in Level 2 comprise mainly the following instruments:

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

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

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

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

Level 3

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

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

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

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

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

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

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

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

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

Derivatives

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

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

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

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

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

associated with the projection and geography mixing technique, and the uncertainty of associated parameters, together with the recovery modelling.

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

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

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

Risk classes	Balance Sheet valuation		Main product types composing the Level 3 stock within the risk class	Valuation technique used for the product types considered	Main unobservable inputs for the product types considered	Range of unobservable input across Level 3 population considered	Weighted average
	Asset	Liability					
Cash instruments	2,773		Collateralized Loan Obligations (CLO) CDOs of ABSs (RMBSs, Commercial Real Estate Loans, CMBSs)	Combination of liquidation approach and discounted future cash flow approach	Discount margin	26bp to 1,500 bp (1)	194bp (a)
					Constant prepayment rate (CLOs)	0 -10%	~ 10% (b)
					Cash / synthetic funding basis (€)	0 - 60bp	not meaningful
Repurchase agreements	4,323	9,811	Long-term repo and reverse-repo agreements	Proxy techniques, based amongst other on the funding basis of a benchmark bond pool, that is actively traded and representative of the repo underlying	Long-term repo spread on corporate bonds (High Yield, High Grade) and on ABSs	13bp - 83bp	67bp (c)
Interest rate derivatives	3,928	4,684	Hybrid Forex / Interest rates derivatives	Hybrid Forex interest rate option pricing model	Correlation between FX rate and interest rates. Main currency pairs are EUR/JPY, USD/JPY, AUD/JPY	22% - 56%	48% (c)
			Floors and caps on inflation rate or on the cumulative inflation (such as redemption floors), predominantly on European and French inflation	Inflation pricing model	Volatility of cumulative inflation	1% - 11%	(d)
					Volatility of the year on year inflation rate	0.3% - 2.3%	
			Forward Volatility products such as volatility swaps, mainly in euro	Interest rates option pricing model	Forward volatility of interest rates	0.3% - 0.8%	(d)
			Balance-guaranteed fixed rate, basis or cross currency swaps, predominantly on European collateral pools	Prepayment modeling Discounted cash flows	Constant prepayment rates	3 - 22%	13% (c)
Credit Derivatives	2,166	2,096	Collateralized Debt Obligations and index tranches for inactive index series	Base correlation projection technique and recovery modelling	Base correlation curve for bespoke portfolios	5% to 91%	(d)
					Inter-regions default cross correlation	70 - 90%	80%(a)
					Recovery rate variance for single name underlyings	0 - 25%	(d)
			N-to-default baskets	Credit default model	Default correlation	46% - 99%	71% (c)
			Single name Credit Default Swaps (other than CDS on ABSs and loans indices)	Stripping, extrapolation and interpolation	Credit default spreads beyond observation limit (10Y)	30 bp to 3,000bp (2)	364bp (a)
					Illiquid credit default spread curves (across main tenors)	1bp to 1,500 bp (3)	200bp (a)
Equity Derivatives	816	1,986	Simple and complex derivatives on multi-underlying baskets on stocks	Various volatility option models	Unobservable equity volatility	12% - 74%	29% (e)
					Unobservable equity correlation	25% - 96%	65% (a)

(1) The lower part of the range is relative to short dated securities, while the upper relates to US CDOs of ABSs, which are not significant to the balance sheet since their prices are close to zero. Removing these outliers, the discount margin would range from 43 bp to 358 bp.

(2) The upper part of the range relate to non material balance sheet and net risk position on South American sovereign issuers. Removing these outliers, the upper bound of this range would be 500 bp.

(3) The upper bound of the range relates to distressed names that represent an insignificant portion of the balance sheet on CDSs with illiquid underlying. Removing this portion, the upper bound of the range would be around 500 bp.

(a) Weighting is not based on risks, but on alternative methodology in relation with the Level 3 instruments (PV or notional)

(b) The upper bound of the range relates to CLOs which represents the bulk of the exposures

(c) Weights based on relevant risk axis at portfolio level

(d) No weighting since no explicit sensitivity is attributed to these inputs

(e) Simple averaging

TABLE OF MOVEMENTS IN LEVEL 3 FINANCIAL INSTRUMENTS

For Level 3 financial instruments, the following movements occurred between 1 January 2013 and 30 June 2013:

In millions of euros	Financial Assets				Financial Liabilities		
	Financial instruments at fair value through profit or loss held for trading	Financial instruments designated as at fair value through profit or loss	Available-for-sale financial assets	TOTAL	Financial instruments at fair value through profit or loss held for trading	Financial instruments designated as at fair value through profit or loss	TOTAL
at 31 December 2012	13,639	4,049	9,947	27,635	(17,288)	(8,554)	(25,842)
Purchases	3,546	1,229	621	5,396			-
Issues				-	(3,968)	(3,755)	(7,723)
Sales	(722)	(1,566)	(1,565)	(3,853)	74		74
Settlements [1]	(535)	(25)	104	(456)	1,364	5,023	6,387
Transfers to level 3	231	42	268	541	(378)	(268)	(646)
Transfers from level 3	(971)	(105)	(319)	(1,395)	561	292	853
Gains (or losses) recognised in profit or loss with respect to transactions expired or terminated during the period	123	(20)	(85)	18	442	78	520
Gains (or losses) recognised in profit or loss with respect to unexpired instruments at the end of the period	(427)		5	(422)	105		105
Changes in fair value of assets and liabilities recognised directly in equity							
- Items related to exchange rate movements	(376)		(30)	(406)	465	7	472
- Changes in fair value of assets and liabilities recognised in equity			168	168			-
at 30 June 2013	14,508	3,604	9,114	27,226	(18,623)	(7,177)	(25,800)

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

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

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

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

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

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

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

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

For derivative exposures, the sensitivity measurement is based on the additional credit valuation and the parameter and model uncertainty additional adjustments related to Level 3.

Two scenarios were considered: a favourable scenario where all or portion of the additional valuation adjustment is not considered by market participants, and an unfavourable scenario where market participants would require as much as twice the additional valuation adjustments considered by BNP Paribas for entering into a transaction.

In millions of euros	30 June 2013	
	Potential impact on income	Potential impact on equity
Treasury bills and government bonds	+/-1	
Asset Backed Securities (ABS)	+/-56	+/-4
CDOs / CLOs	*+/-56*	
Other Asset Backed Securities		*+/-4*
Other fixed-income securities	+/-4	+/-12
Equities and other variable-income securities	+/-36	+/-76
Repurchase agreements	+/-55	
Derivative financial instruments	+/-1,163	
Interest rate derivatives	*+/-785*	
Credit derivatives	*+/-207*	
Equity derivatives	*+/-134*	
Other derivatives	*+/-37*	
Sensitivity of Level 3 financial instruments	**+/-1,315**	**+/-92**

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

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

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

In millions of euros	Deferred margin at 31 December 2012	Deferred margin on transactions during the year	Margin taken to the profit and loss account during the year	Deferred margin at 30 June 2013
Interest rate derivatives	202	37	(62)	177
Credit derivatives	165	52	(38)	179
Equity derivatives	213	62	(55)	220
Other derivatives	23	7	(10)	20
Derivative financial instruments	**603**	**158**	**(165)**	**596**

5.d RECLASSIFICATION OF FINANCIAL INSTRUMENTS INITIALLY RECOGNISED AT FAIR VALUE THROUGH PROFIT OR LOSS HELD FOR TRADING PURPOSES OR AS AVAILABLE-FOR-SALE ASSETS

The amendments to IAS 39 and IFRS 7 adopted by the European Union on 15 October 2008 permit the reclassification of instruments initially held for trading or available-for-sale within the customer loan portfolios or as securities available-for-sale.

- Data relating to financial instruments at reclassification date

In millions of euros	Reclassification date	Carrying value		Expected cash flows deemed recoverable [1]		Average effective interest rate	
		Assets reclassified as loans and receivables	Assets reclassified as available-for-sale	Assets reclassified as loans and receivables	Assets reclassified as available-for-sale	Assets reclassified as loans and receivables	Assets reclassified as available-for-sale
Sovereign securities from the available-for-sale portfolio		**3,126**		**5,425**			
of which Portuguese sovereign securities	30 June 2011	1,885		3,166		8.8%	
of which Irish sovereign securities	30 June 2011	1,241		2,259		6.7%	
Structured transactions and other fixed-income securities		**10,995**	**767**	**12,728**	**790**		
from the trading portfolio							
	1 October 2008	7,077	767	7,904	790	7.6%	6.7%
	30 June 2009	2,760		3,345		8.4%	
from the available-for-sale portfolio							
	30 June 2009	1,158		1,479		8.4%	

[1] Expected cash flows cover the repayment of capital and of all interest (not discounted) until the date the instruments mature.

Measurement of reclassified assets at 30 June 2013

In millions of euros	30 June 2013		31 December 2012	
	Carrying value	Market or model value	Carrying value	Market or model value
Sovereign securities reclassified as loans and receivables due from customers	**996**	**1,147**	**1,259**	**1,443**
of which Portuguese sovereign securities	736	809	1,001	1,117
of which Irish sovereign securities	260	338	258	326
Reclassified structured transactions and other fixed-income securities	**2,427**	**2,384**	**3,581**	**3,538**
Into loans and receivables due from customers	2,427	2,384	3,581	3,538

5.e INTERBANK AND MONEY-MARKET ITEMS

- **Loans and receivables due from credit institutions**

In millions of euros	30 June 2013	31 December 2012
On demand accounts	10,157	8,665
Loans[1]	52,103	28,250
Repurchase agreements	3,386	4,028
Total loans and receivables due from credit institutions, before impairment provisions	**65,646**	**40,943**
of which doubtful loans	*966*	*995*
Provisions for impairment of loans and receivables due from credit institutions	**(485)**	**(537)**
specific provisions	(442)	(508)
collective provisions	(43)	(29)
Total loans and receivables due from credit institutions, net of impairment provisions	**65,161**	**40,406**

(1) Loans and receivables due from credit institutions include term deposits made with central banks, which amounted to EUR 17,637 million as at 30 June 2013.

- **Due to credit institutions**

In millions of euros	30 June 2013	31 December 2012
On demand accounts	11,755	9,840
Borrowings	61,422	93,862
Repurchase agreements	7,343	8,033
Total due to credit institutions	**80,520**	**111,735**

5.f CUSTOMER ITEMS

- **Loans and receivables due from customers**

In millions of euros	30 June 2013	31 December 2012
On demand accounts	43,808	43,434
Loans to customers	573,981	583,469
Repurchase agreements	6,126	2,177
Finance leases	26,562	27,965
Total loans and receivables due from customers, before impairment provisions	**650,477**	**657,045**
of which doubtful loans	*44,451*	*42,453*
Impairment of loans and receivables due from customers	**(26,890)**	**(26,525)**
specific provisions	(22,953)	(22,213)
collective provisions	(3,937)	(4,312)
Total loans and receivables due from customers, net of impairment provisions	**623,587**	**630,520**

- **Due to customers**

In millions of euros	30 June 2013	31 December 2012
On demand deposits	276,333	259,770
Term accounts and short-term notes	146,257	149,447
Regulated savings accounts	125,335	122,992
Repurchase agreements	6,273	7,304
Total due to customers	**554,198**	**539,513**

5.g DEBT SECURITIES AND SUBORDINATED DEBT

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

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

Issuer / Issue date In millions of euros	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest step-up	Subordination ranking (1)	Conditions precedent for coupon payment (3)	30 June 2013	31 December 2012
Debt securities						1		**40,539**	**40,799**
Subordinated debt								**1,463**	**1,489**
- Redeemable subordinated debt			(2)			2		**763**	**781**
- Perpetual subordinated debt								**700**	**708**
BNP Paribas Fortis SA Dec-07	EUR	3,000	Dec-14	3-month Euribor +200 bp	-	5	A	626	592
Others								74	116

(1) The subordination ranking reflects where the debt stands in the order of priority for repayment against other financial liabilities.

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

(3) Conditions precedent for coupon payment:

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

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

The CASHES are perpetual securities but may be exchanged for Ageas (previously Fortis SA/NV) shares at the holder's sole discretion at a price of EUR 23.94. However, as of 19 December 2014, the CASHES will be automatically exchanged into Ageas shares if their price is equal to or higher than EUR 35.91 for twenty consecutive trading days. The principal amount will never be redeemed in cash. The rights of the CASHES holders is limited to the 125,313,283 Ageas shares that BNP Paribas Fortis acquired on the date of issuance of the CASHES and pledged to them.

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

On 25 January 2012, Ageas and BNP Paribas Fortis signed an agreement concerning the purchase of all perpetual subordinated notes by BNP Paribas Fortis and the partial settlement of the RPN, following which the CASHES have been partially purchased in cash, and then converted into the Ageas underlying shares.

At 30 June 2013, the net balance of the RPN represents a subordinated liability of EUR 241 million that is eligible to Tier 1 capital.

DEBT SECURITIES MEASURED AT AMORTISED COST

Issuer / Issue date In millions of euros	Currency	Original amount in foreign currency (millions)	Date of call or interest step-up	Interest rate	Interest step-up	Subordination ranking (1)	Conditions precedent for coupon payment (3)	30 June 2013	31 December 2012
Debt securities								**178,491**	**173,198**
- Debt securities in issue with an initial maturity of less than one year						1		**88,345**	**83,591**
Negotiable debt securities								88,345	83,591
- Debt securities in issue with an initial maturity of more than one year						1		**90,146**	**89,607**
Negotiable debt securities								73,989	72,294
Bonds								16,157	17,313
Subordinated debt								**13,507**	**15,223**
- Redeemable subordinated debt			(2)			2		**11,222**	**12,607**
- Undated subordinated notes			(2)					**1,473**	**1,461**
BNP Paribas SA Oct. 85	EUR	305	-	TMO -0.25%	-	3	B	254	254
BNP Paribas SA Sept. 86	USD	500	-	6-month Libor +0.075%	-	3	C	210	207
BNP Paribas Fortis SA Oct. 04	EUR	1,000	Oct-14	4.625%	3-month Euribor +170 bp	5	D	911	879
Others								98	121
- Undated subordinated notes								**576**	**926**
BNP Paribas Fortis SA Feb. 08	USD	750	-	8.28%	-	5	D	576	563
BNP Paribas Fortis SA June 08	EUR	375	-	8.03%	-	5	D	0	363
- Participating notes [4]								**222**	**222**
BNP Paribas SA July 84	EUR	337	-	depending on net income subject to a minimum of 85% of the TMO rate and a maximum of 130% of the TMO rate	-	4	NA	215	215
Others								7	7
- Expenses and commission, related debt								**14**	**7**

(1) (2) see reference relating to "Debt securities at fair value through profit or loss"

(3) Conditions precedent for coupon payment

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

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

D Interest is not payable if the coupons exceed the difference between net equity and the amount of the issuer's share capital and reserves not available for distribution.

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

On 2 June 2013, BNP Paribas Fortis carried out the early redemption of the perpetual subordinated loan of an original amount of EUR 375 million.

5.h CURRENT AND DEFERRED TAXES

In millions of euros	30 June 2013	31 December 2012 [(1)]
Current taxes	1,095	790
Deferred taxes	7,693	7,942
Current and deferred tax assets	**8,788**	**8,732**
Current taxes	869	901
Deferred taxes	1,552	2,042
Current and deferred tax liabilities	**2,421**	**2,943**

[(1)] Restated according to the amendment to IAS 19 (see notes 1.a and 2).

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

In millions of euros	30 June 2013	31 December 2012 [(1)]
Guarantee deposits and bank guarantees paid	49,585	52,602
Settlement accounts related to securities transactions	32,989	13,005
Collection accounts	489	453
Reinsurers' share of technical reserves	2,683	2,827
Accrued income and prepaid expenses	4,423	4,982
Other debtors and miscellaneous assets	22,057	25,338
Total accrued income and other assets	**112,226**	**99,207**
Guarantee deposits received	33,626	42,235
Settlement accounts related to securities transactions	31,470	12,760
Collection accounts	1,549	1,288
Accrued expenses and deferred income	5,649	6,338
Other creditors and miscellaneous liabilities	19,121	24,070
Total accrued expenses and other liabilities	**91,415**	**86,691**

[(1)] Restated according to the amendment to IAS 19 (see notes 1.a and 2).

5.j GOODWILL

In millions of euros	First half 2013
Carrying amount at start of period	**10,591**
Acquisitions	14
Divestments	(86)
Adjustments related to exchange rate movements	(26)
Other movements	(5)
Carrying amount at end of period	**10,488**
Gross value	11,632
Accumulated impairment recognised at the end of period	(1,144)

Goodwill by core business is as follows:

In millions of euros	Carrying amount 30 June 2013	Carrying amount 31 December 2012
Goodwill		
Retail Banking	**8,351**	**8,361**
Arval	*304*	*316*
BancWest	*3,834*	*3,782*
French & Belgian Retail Banking	*59*	*59*
Italian Retail Banking	*1,400*	*1,400*
Europe-Mediterranean	*276*	*295*
Leasing Solutions	*141*	*147*
Personal Finance	*1,926*	*1,950*
Personal Investors	*411*	*412*
Investment Solutions	**1,480**	**1,584**
Insurance	*258*	*259*
Investment Partners	*168*	*251*
Real Estate	*352*	*351*
Securities Services	*356*	*372*
Wealth Management	*346*	*351*
Corporate and Investment Banking	**654**	**643**
Other Activities	**3**	**3**
Total goodwill	**10,488**	**10,591**

No negative goodwill and no impairment loss have been recognised during the first half of 2013.

5.k OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

The following table presents the amounts of financial assets and liabilities before and after offsetting. This information, required by the amendment to IFRS 7 (Disclosures – Offsetting Financial Assets and Financial Liabilities) applicable as of 1st January 2013, aims to enable the comparability with the accounting treatment applicable in accordance with generally accepted accounting principles in the United States (US GAAP), which are less restrictive than IAS 32 as regards offsetting.

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

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

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

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

In millions of euros, at 30 June 2013	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts of financial assets presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts according to IFRS 7 §13 C (e)
Assets						
Cash and amounts due from central banks	74,072		74,072			74,072
Financial instruments at fair value through profit or loss						
Trading securities	151,183		151,183			151,183
Loans	815		815			815
Repurchase agreements	233,123	(74,268)	158,855	(45,884)	(108,358)	4,613
Instruments designated as at fair value through profit or loss	63,983		63,983			63,983
Derivative financial instruments (including derivatives used for hedging purposes)	675,774	(321,395)	354,379	(306,747)	(19,102)	28,530
Loans and receivables due from customers and credit institutions	689,808	(1,060)	688,748	(2,722)	(6,428)	679,598
of which repurchase agreements	*9,512*		*9,512*	*(2,722)*	*(6,428)*	*362*
Accrued income and other assets	115,922	(3,696)	112,226		(30,586)	81,640
of which guarantee deposits paid	*49,585*		*49,585*		*(30,586)*	*18,999*
Other assets not subject to offsetting	257,077		257,077			257,077
TOTAL ASSETS	**2,261,757**	**(400,419)**	**1,861,338**	**(355,353)**	**(164,474)**	**1,341,511**

In millions of euros, at 30 June 2013	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts of financial assets presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts according to IFRS 7 §13 C (e)
Liabilities						
Due to central banks	2,056		2,056			2,056
Financial instruments at fair value through profit or loss						
Trading securities	70,512		70,512			70,512
Borrowings	3,047		3,047			3,047
Repurchase agreements	282,444	(74,268)	208,176	(45,622)	(156,821)	5,733
Instruments designated as at fair value through profit or loss	43,484		43,484			43,484
Derivative financial instruments (including derivatives used for hedging purposes)	678,586	(321,395)	357,191	(306,747)	(30,861)	19,583
Due to customers and to credit institutions	635,778	(1,060)	634,718	(2,984)	(10,248)	621,486
of which repurchase agreements	*13,616*		*13,616*	*(2,984)*	*(10,248)*	*385*
Accrued expenses and other liabilities	95,111	(3,696)	91,415		(19,700)	71,715
of which guarantee deposits received	*33,626*		*33,626*		*(19,700)*	*13,926*
Other liabilities not subject to offsetting	356,793		356,793			356,793
TOTAL LIABILITIES	**2,167,811**	**(400,419)**	**1,767,392**	**(355,353)**	**(217,630)**	**1,194,409**

In millions of euros, at 31 December 2012	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts of financial assets presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments received as collateral	Net amounts according to IFRS 7 §13 C (e)
Assets						
Cash and amounts due from central banks	103,190		103,190			103,190
Financial instruments at fair value through profit or loss						
Trading securities	143,465		143,465			143,465
Loans	1,150		1,150			1,150
Repurchase agreements	193,756	(48,008)	145,749	(35,640)	(103,455)	6,653
Instruments designated as at fair value through profit or loss	62,800		62,800			62,800
Derivative financial instruments (including derivatives used for hedging purposes)	866,733	(441,831)	424,902	(373,016)	(19,476)	32,410
Loans and receivables due from customers and credit institutions	672,138	(1,212)	670,926	(1,516)	(4,400)	665,010
of which repurchase agreements	*6,203*		*6,203*	*(1,516)*	*(4,400)*	*287*
Accrued income and other assets	99,713	(506)	99,207		(24,664)	74,543
of which guarantee deposits paid	*52,602*		*52,602*		*(24,664)*	*27,938*
Other assets not subject to offsetting	255,812		255,812			255,812
TOTAL ASSETS	**2,398,756**	**(491,556)**	**1,907,200**	**(410,172)**	**(151,995)**	**1,345,033**

In millions of euros, at 31 December 2012	Gross amounts of financial assets	Gross amounts set off on the balance sheet	Net amounts of financial assets presented on the balance sheet	Impact of Master Netting Agreements (MNA) and similar agreements	Financial instruments given as collateral	Net amounts according to IFRS 7 §13 C (e)
Liabilities						
Due to central banks	1,532		1,532			1,532
Financial instruments at fair value through profit or loss						
Trading securities	52,432		52,432			52,432
Borrowings	4,017		4,017			4,017
Repurchase agreements	247,054	(48,008)	199,046	(34,500)	(145,370)	19,176
Instruments designated as at fair value through profit or loss	43,530		43,530			43,530
Derivative financial instruments (including derivatives used for hedging purposes)	863,715	(441,831)	421,884	(373,016)	(24,361)	24,507
Due to customers and to credit institutions	652,460	(1,212)	651,248	(2,657)	(10,928)	637,662
of which repurchase agreements	*15,336*		*15,336*	*(2,657)*	*(10,928)*	*1,751*
Accrued expenses and other liabilities	87,197	(506)	86,691		(19,722)	66,970
of which guarantee deposits received	*42,235*		*42,235*		*(19,722)*	*22,513*
Other liabilities not subject to offsetting	352,803		352,803			352,803
TOTAL LIABILITIES	**2,304,739**	**(491,556)**	**1,813,183**	**(410,172)**	**(200,381)**	**1,202,630**

6. ADDITIONAL INFORMATION

6.a CHANGES IN SHARE CAPITAL AND EARNINGS PER SHARE

- **Resolutions of the Shareholders' General Meetings valid for the first half of 2013**

The following authorisations to increase or reduce the share capital have been granted to the Board of Directors under resolutions voted in the Shareholders' General Meetings and were valid during the first half of 2013:

	Resolutions adopted at Shareholders' General Meetings	Use of authorisation during the first half of 2013
Shareholders' General Meeting of 11 May 2011 (15th resolution)	Authorisation to allot performance shares to the Group's employees and corporate officers *The shares awarded may be existing shares or new shares to be issued and may not exceed 1.5% of BNP Paribas' share capital, i.e. less than 0.5% a year.* *This authorisation was granted for a period of 38 months .*	This authorisation was not used during the period
Shareholders' General Meeting of 11 May 2011 (16th resolution)	*Authorisation to grant stock subscription or purchase options to corporate officers and certain employees* *The number of options granted may not exceed 3% of the share capital of BNP Paribas, i.e. less than 1% a year. This is a blanket limit covering both the 15th and 16th resolutions of the Shareholders' General Meeting of 11 May 2011.* *This authorisation was granted for a period of 38 months.*	This authorisation was not used during the period
Shareholders' General Meeting of 23 May 2012 (5th resolution)	Authorisation given to the Board of Directors to set up a share buyback programme for the Company until it holds at most 10% of the shares forming the share capital. *Said acquisitions of shares at a price not exceeding EUR 60 (EUR 75 previously) would be intended to fulfil several objectives, notably including:* *- honouring obligations arising from the issue of share equivalents, stock option programmes, the award of free shares, the award or sale of shares to employees in connection with the employee profit-sharing scheme, employee share ownership plans or corporate savings plans;* *- cancelling shares following authorisation by the Shareholders' General Meeting of 23 May 2012 (21st resolution),* *- covering any allocation of shares to the employees and corporate officers of BNP Paribas and companies exclusively controlled by BNP Paribas within the meaning of Article L. 233-16 of the French Commercial Code,* *- for retention or remittance in exchange or payment for external growth transactions, mergers, spin-offs or asset contributions,* *- in connection with a market-making agreement complying with the Code of Ethics of the Autorité des Marchés Financiers,* *- for asset and financial management purposes.* *This authorisation was granted for a period of 18 months and was nullified by the 6th resolution of the Shareholders' General Meeting of 15 May 2013.*	Under the market-making agreement, 1,225,783 shares with a par value of EUR 2 were acquired and 1,236,283 shares with a par value of EUR 2 were sold between 1 January and 15 May 2013
Shareholders' General Meeting of 23 May 2012 (13th resolution)	Authorisation to issue ordinary shares and share equivalents and securities granting entitlement to debt instruments, with pre-emptive rights for existing shareholders maintained. *The par value of the capital increases that may be carried out immediately and/or in the future by virtue of this authorisation may not exceed EUR 1 billion (representing 500 million shares)* *The par value of any debt instruments giving access to the capital of BNP Paribas that may be issued by virtue of this authorisation may not exceed EUR 10 billion;* *This authorisation was granted for a period of 26 months.*	This authorisation was not used during the period

Shareholders' General Meeting of 23 May 2012 (14th resolution)	Authorisation to issue ordinary shares and share equivalents and securities granting entitlement to debt instruments, with pre-emptive rights for existing shareholders waived and a priority subscription period granted. *The par value of the capital increases that may be carried out immediately and/or in the future by virtue of this authorisation may not exceed EUR 350 million (representing 175 million shares).* *The par value of any debt instruments that may be issued by virtue of this authorisation may not exceed EUR 7 billion.* *This authorisation was granted for a period of 26 months.*	This authorisation was not used during the period
Shareholders' General Meeting of 23 May 2012 (15th resolution)	Authorisation to issue ordinary shares and share equivalents, with pre-emptive rights for existing shareholders waived, in consideration for securities tendered to public exchange offer. *The par value of the capital increases that may be carried out on one or more occasions by virtue of this authorisation may not exceed EUR 350 million (representing 175 million shares).* *This authorisation was granted for a period of 26 months.*	This authorisation was not used during the period
Shareholders' General Meeting of 23 May 2012 (16th resolution)	Authorisation to issue ordinary shares and share equivalents, with pre-emptive rights for existing shareholders waived, in consideration for securities tendered to contribution of shares up to a maximum of 10% of the capital. *The par value of the capital increases that may be carried out on one or more occasions by virtue of this authorisation may not exceed 10 % of the number of shares forming the issued capital of BNP Paribas on the date of the decision by the Board of Directors.* *This authorisation was granted for a period of 26 months.*	This authorisation was not used during the period
Shareholders' General Meeting of 23 May 2012 (17th resolution)	Blanket limit on authorisations to issue shares without pre-emptive rights for existing shareholders. *The maximum par value of all issues made without pre-emptive rights for existing shareholders carried out immediately and/or in the future by virtue of the authorisations granted under the 14th to 16th resolutions of the present Shareholders' General Meeting may not exceed EUR 350 million for shares and EUR 7 billion for debt instruments.*	Not applicable
Shareholders' General Meeting of 23 May 2012 (18th resolution)	Issue of shares to be paid up by capitalising income, retained earnings or additional paid-in capital. *Authorisation was given to increase the issued capital within the limit of a maximum par value of EUR 1 billion on one or more occasions, by capitalising all or part of the retained earnings, profits or additional paid-in capital, successively or simultaneously, through the issuance and award of free ordinary shares, through an increase in the par value of existing shares, or through a combination of these two methods.* *This authorisation was granted for a period of 26 months.*	This authorisation was not used during the period
Shareholders' General Meeting of 23 May 2012 (19th resolution)	Blanket limit on authorisations to issue shares with or without pre-emptive rights for existing shareholders. *The maximum par value of all issues made with or without pre-emptive rights for existing shareholders by virtue of the authorisations granted under the 13th to 16th resolutions of the present Shareholders' General Meeting may not exceed EUR 1 billion for shares issued immediately and/or in the future and EUR 10 billion for debt instruments.*	Not applicable
Shareholders' General Meeting of 23 May 2012 (20th resolution)	Authorisation granted to the Board of Directors to carry out transactions reserved for members of the BNP Paribas Group's Corporate Savings Plan in the form of new share issues and/or sales of reserved shares. *Authorisation was given to increase the share capital within the limit of a maximum par value of EUR 46 million on one or more occasions by issuing ordinary shares, with pre-emptive rights for existing shareholders waived, reserved for members of the BNP Paribas Group's Corporate Savings Plan, or by share sales.* *This authorisation was granted for a period of 26 months.*	This authorisation was not used during the period

Shareholders' General Meeting of 15 May 2013 (6th resolution)	Authorisation given to the Board of Directors to set up a share buyback programme for the Company until it holds at most 10% of the shares forming the share capital. *Said acquisitions of shares at a price not exceeding EUR 60 (as previously) would be intended to fulfil several objectives, notably including:* *- honouring obligations arising from the issue of share equivalents, stock option programmes, the award of free shares, the award or sale of shares to employees in connection with the employee profit-sharing scheme, employee share ownership plans or corporate savings plans,* *- cancelling shares following authorisation by the Shareholders' General Meeting of 15 May 2013 (14th resolution),* *- covering any allocation of shares to the employees and corporate officers of BNP Paribas and companies exclusively controlled by BNP Paribas within the meaning of Article L. 233-16 of the French Commercial Code,* *- for retention or remittance in exchange or payment for external growth transactions, mergers, spin-offs or asset contributions,* *- in connection with a market-making agreement complying with the Code of Ethics of the Autorité des Marchés Financiers,* *- for asset and financial management purposes.* *This authorisation was granted for a period of 18 months and replaces that given by the 5th resolution of the Shareholders' General Meeting of 23 May 2012.*	Under the market-making agreement, 462,000 shares with a par value of EUR 2 were acquired and 422,500 shares with a par value of EUR 2 were sold between 16 May and 30 June 2013
Shareholders' General Meeting of 15 May 2013 (14th resolution)	Authorisation to reduce the share capital by cancelling shares. *Authorisation was given to cancel on one or more occasions through a reduction in the share capital all or some of the shares that BNP Paribas holds and that it may come to hold, provided that the number of shares cancelled in any 24-month period does not exceed 10% of the total number of shares in issue on the transaction date.* *Full powers were delegated to complete the capital reduction and deduct the difference between the purchase cost of the cancelled shares and their par value from additional paid-in capital and reserves available for distribution, including from the legal reserve in respect of up to 10% of the capital cancelled.* *This authorisation was granted for a period of 18 months and replaces that given by the 21th resolution of the Shareholders' General Meeting of 23 May 2012.*	This authorisation was not used during the period

- **Share capital transactions**

Operations affecting share capital	Number of shares	Par value (in euros)	In euros	Date of authorisation by Shareholders' Meeting	Date of decision by Board of Directors	Date from which shares carry dividend rights
Number of shares outstanding at 31 December 2011	**1,207,745,986**	**2**	**2,415,491,972**			
Increase in ordinary shares by exercise of stock subscription options	12,694	2	25,388	(1)	(1)	01 January 2011
Capital increase arising from the payment of a stock dividend	41,679,176	2	83,358,352	23 May 2012	23 May 2012	01 January 2012
Capital increase reserved for members of the Company Savings Plan	4,289,709	2	8,579,418	12 May 2010	03 May 2012	01 January 2012
Number of shares outstanding at 30 June 2012	**1,253,727,565**	**2**	**2,507,455,130**			
Increase in ordinary shares by exercise of stock subscription options	568,487	2	1,136,974	(1)	(1)	01 January 2012
Capital decrease by cancellation of shares	(12,034,091)	2	(24,068,182)	23 May 2012	14 December 2012	-
Number of shares outstanding at 31 December 2012	**1,242,261,961**	**2**	**2,484,523,922**			
Increase in ordinary shares by exercise of stock subscription options	2,172,596	2	4,345,192	(1)	(1)	01 January 2012
Increase in ordinary shares by exercise of stock subscription options	28,232	2	56,464	(1)	(1)	01 January 2013
Number of shares outstanding at 30 June 2013	**1,244,462,789**	**2**	**2,488,925,578**			

(1) Various resolutions voted in the Shareholders' General Meetings and decisions of the Board of Directors authorising the granting of stock subscription options that were exercised during the period.

- **Ordinary shares issued by BNP Paribas and held by the Group**

	Proprietary transactions		Trading account transactions (1)		Total	
	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)	Number of shares	Carrying amount (in millions of euros)
Shares held at 31 December 2011	**15,964,748**	**559**	**(6,080,030)**	**(184)**	**9,884,718**	**375**
Acquisitions	866,512	26			866,512	26
Disposals	(862,092)	(26)			(862,092)	(26)
Shares delivered to employees	(351,293)	(16)			(351,293)	(16)
Other movements			3,583,675	108	3,583,675	108
Shares held at 30 June 2012	**15,617,875**	**543**	**(2,496,355)**	**(76)**	**13,121,520**	**467**
Acquisitions	876,737	27			876,737	27
Disposals	(960,912)	(27)			(960,912)	(27)
Shares delivered to employees	(1,013)				(1,013)	
Capital decrease	(12,034,091)	(378)			(12,034,091)	(378)
Other movements	(920)		1,130,906	18	1,129,986	18
Shares held at 31 December 2012	**3,497,676**	**165**	**(1,365,449)**	**(58)**	**2,132,227**	**107**
Acquisitions	1,687,783	72			1,687,783	72
Disposals	(1,658,783)	(71)			(1,658,783)	(71)
Shares delivered to employees	(675,048)	(29)			(675,048)	(29)
Other movements	(29,209)	(1)	431,575	19	402,366	18
Shares held at 30 June 2013	**2,822,419**	**136**	**(933,874)**	**(39)**	**1,888,545**	**97**

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

At 30 June 2013, the BNP Paribas group was a net buyer of 1,888,545 BNP Paribas shares representing an amount of EUR 97 million, which was recognised as a reduction in equity.

In 2011, BNP Paribas SA had acquired on the market, outside the market-making agreement, 12,034,091 shares at an average price of EUR 31.39 with the intention of cancelling these shares. They were cancelled following the decision of the Board of Directors made on 14 December 2012.

Under the Bank's market-making agreement relating to the BNP Paribas share on the Italian market, and in line with the Code of Ethics recognised by the AMF, made with Exane BNP Paribas, BNP Paribas SA bought back 1,687,783 shares during the first half of 2013 at an average share price of EUR 42.89, and sold 1,658,783 shares at an average share price of EUR 43.11. At 30 June 2013, 178,832 shares worth EUR 7.5 million were held by BNP Paribas under this agreement.

From 1 January to 30 June 2013, 675,048 BNP Paribas shares were delivered following the definitive award of free shares to their beneficiaries.

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

- Preferred shares issued by the Group's foreign subsidiaries

In January 2003, BNP Paribas Capital Trust VI, a subsidiary under the exclusive control of the Group, had made a EUR 700 million issue of non-voting undated non-cumulative preferred shares governed by the laws of the United States, which did not dilute BNP Paribas ordinary shares. The shares payed a fixed-rate dividend for a period of ten years. They were redeemable after a ten-year period, and thereafter at each coupon date. These shares have been redeemed during the first half of 2013.

During 2012, EUR 660 million of preferred shares of the same type as those described above were redeemed.

In 2003 and 2004, the LaSer-Cofinoga sub-group, which is proportionately consolidated by BNP Paribas made three issues of undated non-voting preferred shares through special purpose entities governed by UK law and exclusively controlled by the LaSer-Cofinoga sub-group. These shares pay a non-cumulative preferred dividend for a ten-year period, at a fixed rate for those issued in 2003 and an indexed rate for the 2004 issue. After this ten-year period, they will be redeemable at par at the issuer's discretion at the end of each quarter on the coupon date, and the dividend payable on the 2003 issue will become Euribor-indexed.

In October 2012, EUR 45 million of the 2003 issue were repurchased. In March 2013, the outstanding issue amount was reimbursed.

Preferred shares issued by the Group's foreign subsidiaries

Issuer	Date of issue	Currency	Amount (in million of euros)	Rate and term before 1st call date		Rate after 1st call date
Cofinoga Funding II LP	January and May 2004	EUR	80 [1]	TEC 10[2] + 1.35%	10 years	TEC 10[2] + 1.35%
Total at 30 June 2013			**40**			

[1] Before application of the proportionate consolidation rate.

[2] TEC 10 is the daily long-term government bond index, corresponding to the yield-to-maturity of a fictitious 10-year Treasury note.

The proceeds of these issues are recorded under "Minority interests" in the balance sheet, and the dividends are reported under "Minority interests" in the profit and loss account.

- Undated Super Subordinated Notes issued by BNP Paribas SA

BNP Paribas SA has issued Undated Super Subordinated Notes which pay a fixed or floating rate coupon and are redeemable at the end of a fixed period and thereafter at each coupon date. Some of these issues will pay a coupon indexed to Euribor or Libor if the notes are not redeemed at the end of this period.

The table below summarises the characteristics of these various issues

Undated Super Subordinated Notes

Date of issue	Currency	Amount (in millions of currency units)	Coupon payment date	Rate and term before 1st call date		Rate after 1st call date
June 2005	USD	1,070	semi-annual	5.186%	10 years	USD 3-month Libor + 1.680%
October 2005	EUR	1,000	annual	4.875%	6 years	4.875%
October 2005	USD	400	annual	6.25%	6 years	6.250%
April 2006	EUR	549	annual	4.73%	10 years	3-month Euribor + 1.690%
April 2006	GBP	450	annual	5.945%	10 years	GBP 3-month Libor + 1.130%
July 2006	EUR	150	annual	5.45%	20 years	3-month Euribor + 1.920%
July 2006	GBP	163	annual	5.945%	10 years	GBP 3-month Libor + 1.810%
April 2007	EUR	638	annual	5.019%	10 years	3-month Euribor + 1.720%
June 2007	USD	600	quarterly	6.5%	5 years	6.50%
June 2007	USD	1,100	semi-annual	7.195%	30 years	USD 3-month Libor + 1.290%
October 2007	GBP	200	annual	7.436%	10 years	GBP 3-month Libor + 1.850%
June 2008	EUR	500	annual	7.781%	10 years	3-month Euribor + 3.750%
September 2008	EUR	650	annual	8.667%	5 years	3-month Euribor + 4.050%
September 2008	EUR	100	annual	7.57%	10 years	3-month Euribor + 3.925%
December 2009	EUR	2	quarterly	3-month Euribor + 3.750%	10 years	3-month Euribor + 4.750%
December 2009	EUR	17	annual	7.028%	10 years	3-month Euribor + 4.750%
December 2009	USD	70	quarterly	USD 3-month Libor + 3.750%	10 years	USD 3-month Libor + 4.750%
December 2009	USD	0.5	annual	7.384%	10 years	USD 3-month Libor + 4.750%
Total euro-equivalent value at 30 June 2013		**7,229** (1)				

(1) Net of shares held by Group entities

BNP Paribas has the option of not paying interest due on these Undated Super Subordinated Notes if no dividends were paid on BNP Paribas SA ordinary shares or on Undated Super Subordinated Note equivalents in the previous year. Unpaid interest is not carried forward.

The contracts relating to these Undated Super Subordinated Notes contain a loss absorption clause. Under the terms of this clause, in the event of insufficient regulatory capital – which is not fully offset by a capital increase or any other equivalent measure – the nominal value of the notes may be reduced in order to serve as a new basis for the calculation of the related coupons until the capital deficiency is made up and the nominal value of the notes is increased to its original amount. However, in the event of the liquidation of BNP Paribas SA, the amount due to the holders of these notes will represent their original nominal value irrespective of whether or not their nominal value has been reduced.

The proceeds from these issues are recorded in equity under “Capital and retained earnings”. In accordance with IAS 21, issues denominated in foreign currencies are recognised at their historical value based on their translation into euros at the issue date. Interest on the instruments is treated in the same way as dividends.

At 30 June 2013, the BNP Paribas Group held EUR 49 million of Undated Super Subordinated Notes which were deducted from shareholders’ equity.

- **Earnings per share**

Basic earnings per share is calculated by dividing the net income for the period attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period. The net income attributable to ordinary shareholders is determined by deducting the net income attributable to holders of preferred shares.

Diluted earnings per share correspond to the net income for the period divided by the weighted average number of shares outstanding as adjusted for the maximum effect of the conversion of dilutive equity instruments into ordinary shares. In-the-money stock subscription options are taken into account in the diluted earnings per share calculation, as are performance shares granted under the Global Share-based Incentive Plan. Conversion of these instruments would have no effect on the net income figure used in this calculation.

	First half 2013	First half 2012 (1)
Net income used to calculate basic and diluted earnings per ordinary share *(in millions of euros)* (2)	**3,211**	**4,577**
Weighted average number of ordinary shares outstanding during the year	**1,240,768,354**	**1,192,253,695**
Effect of potentially dilutive ordinary shares	2,481,917	1,305,277
- Stock subscription option plan	390,552	
- Performance share attribution plan	2,091,365	1,275,148
- Stock purchase plan	-	30,129
Weighted average number of ordinary shares used to calculate diluted earnings per share	**1,243,250,271**	**1,193,558,972**
Basic earnings per share *(in euros)*	**2.59**	**3.84**
Diluted earnings per share *(in euros)*	**2.58**	**3.83**

(1) Restated according to the amendment to IAS 19 (see notes 1.a and 2.)

(2) Net income used to calculate basic and diluted earnings per share is the net income attributable to equity shareholders, adjusted for the remuneration on the Undated Super Subordinated Notes issued by BNP Paribas SA (treated as preferred share equivalents), which for accounting purposes is handled as dividends.

The dividend per share paid in 2013 out of 2012 net income amounted to EUR 1.50 compared with EUR 1.20 per share paid in 2012 out of 2011 net income.

6.b Scope of consolidation

Name	Country	30 June 2013				31 December 2012			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
Consolidating company									
BNP Paribas SA	France								
Retail Banking									
Domestic Markets									
Retail Banking - France									
Banque de Wallis et Futuna	France	Full (1)	51.0%	51.0%		Full (1)	51.0%	51.0%	
BNP Paribas Developpement	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Factor	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Factor Portugal	Portugal	Full	100%	100%		Full	100%	100%	
BNP Paribas Guadeloupe	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Guyane	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Martinique	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Nouvelle Caledonie	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Réunion	France	Full (1)	100%	100%		Full (1)	100%	100%	
Fortis Commercial Finance SAS	France								S4
Retail Banking - Belgium									
Alpha Card SCRL (groupe)	Belgium	Equity	50.0%	37.5%		Equity	50.0%	37.5%	
BNP Paribas Commercial Finance Ltd. (ex- Fortis Commercial Finance Ltd.)	UK	Full	100%	74.9%	D1	Equity *	100%	74.9%	
BNP Paribas Factoring Coverage Europe Holding NV (ex- Fortis Commercial Finance Holding NV)	Netherlands	Full	100%	74.9%		Full	100%	74.9%	
BNP Paribas Fortis (ex- Fortis Banque SA)	Belgium	Full	74.9%	74.9%		Full	74.9%	74.9%	
BNP Paribas Fortis Factor	Belgium								S4
BNP Paribas Factor GmbH (ex- Fortis Commercial Finance GmbH)	Germany	Full	100%	74.9%	D1	Equity *	100%	74.9%	
BNP Paribas Fortis Factor NV (ex- Fortis Commercial Finance NV)	Belgium	Full	100%	74.9%		Full	100%	74.9%	
BNP Paribas Fortis Funding SA	Luxembourg	Full	100%	74.9%		Full	100%	74.9%	
Bpost banque (ex- Banque de La Poste SA)	Belgium	Prop.	50.0%	37.5%		Prop.	50.0%	37.5%	
Demetris NV	Belgium	Equity *	100%	74.9%		Equity *	100%	74.9%	
Europay Belgium	Belgium								S3
Fortis Commercial Finance Deutschland BV	Netherlands	Full	100%	74.9%	D1	Equity *	100%	74.9%	
Fortis Finance Belgium S.C.R.L.	Belgium				S1	Full	100%	74.9%	
FV Holding N.V.	Belgium				S3	Equity	40.0%	30.0%	
Immobilière Sauvenière SA	Belgium	Equity *	100%	74.9%		Equity *	100%	74.9%	
Special Purpose Entities									
BASS Master Issuer NV	Belgium	Full	-	-		Full	-	-	
Esmée Master Issuer	Belgium	Full	-	-		Full	-	-	
Retail Banking - Luxembourg									
BGL BNP Paribas	Luxembourg	Full	66.0%	53.4%		Full	66.0%	53.4%	
BGL BNP Paribas Factor SA	Luxembourg	Full	100%	53.4%		Full	100.00%	53.43%	E1
BNP Paribas Lease Group Luxembourg SA	Luxembourg	Full	100%	53.4%		Full	100%	53.4%	V2
Cofhylux SA	Luxembourg	Full	100%	53.4%		Full	100%	53.4%	
Société Alsacienne de développement et d'expansion	France	Full	100%	53.4%		Full	100%	53.4%	
Retail Banking - Italy (BNL Banca Commerciale)									
Artigiancassa SPA	Italy	Full	73.9%	73.9%		Full	73.9%	73.9%	
Banca Nazionale del Lavoro SPA	Italy	Full	100%	100%		Full	100%	100%	
BNL Finance SPA	Italy	Full	100%	100%		Full	100%	100%	
BNL Positivity SRL	Italy	Full	51.0%	51.0%		Full	51.0%	51.0%	
BNP Paribas Personal Finance SPA	Italy								S4
International Factors Italia SPA - Ifitalia	Italy	Full	99.6%	99.6%		Full	99.6%	99.6%	
Special Purpose Entities									
EMF IT-2008-1 SRL	Italy	Full	-	-		Full	-	-	
Vela ABS SRL	Italy	Full (2)	-	-		Full (2)	-	-	
Vela Home SRL	Italy	Full (2)	-	-		Full	-	-	
Vela Mortgages SRL	Italy	Full	-	-		Full	-	-	
Vela OBG SRL	Italy	Full	-	-		Full	-	-	E1
Vela Public Sector SRL	Italy	Full	-	-		Full	-	-	
Arval									
Arval Austria GmbH	Austria	Equity *	100%	100%		Equity *	100%	100%	D1
Arval Belgium SA	Belgium	Full	100%	100%		Full	100%	100%	
Arval Benelux BV	Netherlands	Full	100%	100%		Full	100%	100%	
Arval Brasil Limitada	Brazil	Full	100%	100%		Full	100%	100%	
Arval Business Services Ltd.	UK				S3	Full	100%	100%	
Arval BV	Netherlands	Full	100%	100%		Full	100%	100%	
Arval CZ SRO (ex- Arval PHH Service Lease CZ)	Czech Republic	Full	100%	100%		Full	100%	100%	
Arval Deutschland GmbH	Germany	Full	100%	100%		Full	100%	100%	
Arval ECL	France	Equity *	100%	100%		Equity *	100%	100%	D1
Arval Hellas Car Rental SA	Greece	Equity *	100%	100%		Equity *	100%	100%	
Arval India Private Ltd.	India	Equity *	100%	100%		Equity *	100%	100%	
Arval Ltd.	UK				S3	Full	100%	100%	
Arval Luxembourg SA	Luxembourg	Equity *	100%	100%		Equity *	100%	100%	D1
Arval Magyarorszag KFT	Hungary	Equity *	100%	100%		Equity *	100%	100%	
Arval Maroc SA	Morocco	Equity *	100%	89.0%		Equity *	100%	89.0%	D1
Arval NV	Belgium								S3
Arval PHH Holdings Ltd.	UK				S3	Full	100%	100%	
Arval PHH Holdings UK Ltd.	UK				S3	Full	100%	100%	
Arval OOO	Russia	Full	100%	100%		Full	100%	100%	
Arval Schweiz AG	Switzerland	Equity *	100%	100%		Equity *	100%	100%	D1
Arval Service Gmbh	Germany				S4	Full	100%	100%	
Arval Service Lease	France	Full	100%	100%		Full	100%	100%	
Arval (cont'd)									
Arval Service Lease Aluger Operational Automoveis SA	Portugal	Equity *	100%	100%		Equity *	100%	100%	D1
Arval Service Lease Italia S. p. A.	Italy	Full	100%	100%		Full	100%	100%	
Arval Service Lease Polska sp. z o. o.	Poland	Full	100%	100%		Full	100%	100%	
Arval Service Lease Romania SRL	Romania	Equity *	100%	100%		Equity *	100%	100%	
Arval Service Lease SA	Spain	Full	100%	100%		Full	100%	100%	
Arval Slovakia	Slovakia	Equity *	100%	100%		Equity *	100%	100%	D1
Arval Trading	France	Equity *	100%	100%		Equity *	100%	100%	D1
Arval UK Group Ltd.	UK	Full	100%	100%		Full	100%	100%	
Arval UK Ltd.	UK	Full	100%	100%		Full	100%	100%	
Autovalley	France	Equity *	100%	100%		Equity *	100%	100%	
BNP Paribas Fleet Holdings Ltd.	UK	Full	100%	100%		Full	100%	100%	
Cofiparc SNC	France	Full	100%	100%		Full	100%	100%	
Gestion et Location Holding	France				S4	Full	100%	100%	
Greenval Insurance Company Ltd.	Ireland	Full (3)	100%	100%		Full (3)	100%	100%	
PHH Financial services Ltd.	UK				S3	Full	100%	100%	
Public Location Longue Durée (ex- Dexia Location Longue Durée)	France	Equity *	51.0%	51.0%		Equity *	51.0%	51.0%	
TEB Arval Arac Filo Kiralama AS	Turkey	Full	75.0%	68.7%		Full	75.0%	68.7%	
Leasing Solutions									
Ace Equipment Leasing	Belgium	Full	100%	76.7%		Full	100%	76.7%	V2
Ace Leasing	Belgium	Full	100%	76.7%		Full	100%	76.7%	V2
Ace Leasing BV	Netherlands	Full	100%	76.7%		Full	100%	76.7%	V2
Agrilease BV	Netherlands	Full	100%	76.7%		Full	100%	76.7%	V2
Albury Asset Rentals Ltd.	UK	Full	100%	76.7%		Full	100%	76.7%	V2
All In One Vermietungsgesellschaft für Telekommunicationsanlagen mbH.	Germany	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
All In One Vermietung GmbH	Austria	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
Aprolis Finance	France	Full	51.0%	39.1%		Full	51.0%	39.1%	V2
Arius	France	Full	100%	76.7%		Full	100%	76.7%	V2
Artegy Ltd.	UK	Full	100%	76.7%		Full	100%	76.7%	V2
Artegy	France	Full	100%	76.7%		Full	100%	76.7%	V2
Barloworld Heftruck BV	Netherlands	Equity	50.0%	38.4%		Equity	50.0%	38.4%	V2
BNP Paribas Finansal Kiralama AS	Turkey	Full	100%	75.8%		Full	100%	75.8%	V2
BNP Paribas Lease Group BPLG	France	Full (1)	100%	76.7%		Full (1)	100%	76.7%	V2
BNP Paribas Lease Group (Rentals) Ltd.	UK	Full	100%	76.7%		Full	100%	76.7%	V2
BNP Paribas Lease Group IFN SA	Romania	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
BNP Paribas Lease Group KFT	Hungary	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
BNP Paribas Lease Group Leasing Solutions SPA	Italy	Full	100%	93.9%		Full	100%	93.9%	V2
BNP Paribas Lease Group Lizing RT	Hungary	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
BNP Paribas Lease Group Netherlands BV	Netherlands	Full	100%	76.7%		Full	100%	76.7%	V2
BNP Paribas Lease Group Polska SP z.o.o	Poland	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
BNP Paribas Lease Group PLC	UK	Full	100%	76.7%		Full	100%	76.7%	V2
BNP Paribas Lease Group SA Belgium	Belgium	Full	100%	76.7%		Full	100%	76.7%	V2
BNP Paribas Leasing Solutions	Luxembourg	Full	100%	76.7%		Full	100%	76.7%	V2
BNP Paribas Leasing Solutions Immobilier Suisse	Switzerland	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
BNP Paribas Leasing Solutions Ltd. (ex- H.F.G.L Ltd.)	UK	Full	100%	76.7%		Full	100%	76.7%	V2
BNP Paribas Leasing Solutions NV	Netherlands	Full	100%	76.7%		Full	100%	76.7%	V2
BNP Paribas Leasing Solutions Suisse SA	Switzerland	Equity *	100%	76.7%		Equity *	100%	76.7%	V2&D1
Claas Financial Services	France	Full (1)	60.1%	46.1%		Full (1)	60.1%	46.1%	V2
Claas Financial Services Inc.	U.S.A	Full	100%	46.1%		Full	100%	46.1%	V2
Claas Financial Services Ltd.	UK	Full	51.0%	39.1%		Full	51.0%	39.1%	V2
CNH Capital Europe	France	Full (1)	50.1%	38.4%		Full (1)	50.1%	38.4%	V2
CNH Capital Europe BV	Netherlands	Full	100%	38.4%		Full	100%	38.4%	V2
CNH Capital Europe GmbH	Austria	Full	100%	38.4%		Full	100%	38.4%	V2
CNH Capital Europe Ltd.	UK	Full	100%	38.4%		Full	100%	38.4%	V2
Commercial Vehicle Finance Ltd.	UK	Full	100%	76.7%		Full	100%	76.7%	V2
Equipment Lease BV	Netherlands	Full	100%	76.7%		Full	100%	76.7%	V2
ES-Finance	Belgium	Full	100%	74.9%		Full	100%	74.9%	V2
Fortis Lease Belgium	Belgium	Full	100%	76.7%		Full	100%	76.7%	V2
Fortis Lease (France)	France	Full (1)	100%	76.7%		Full (1)	100%	76.7%	V2
Fortis Lease Car & Truck	Belgium	Full	100%	76.7%		Full	100%	76.7%	V2
Fortis Lease Deutschland GmbH	Germany	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
Fortis Lease Group Services	Belgium								V2&S3
Fortis Lease Hungaria Equipment Financing Financial Leasing Company	Hungary								S3
Fortis Lease Hungaria Vehicle Financing Financial Leasing Company	Hungary								S3
Fortis Lease Iberia SA	Spain	Equity *	100%	76.3%		Equity *	100%	76.3%	V2
Fortis Lease Operativ Lizing Zartkoruen Mukodo Reszvenytarsasag	Hungary	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
Fortis Lease Polska Sp.z.o.o.	Poland	Full	100%	74.9%		Full	100%	74.9%	
Fortis Lease Portugal	Portugal	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
Fortis Lease Romania IFN SA	Romania	Equity *	100%	76.7%		Equity *	100%	76.7%	V2
Fortis Lease UK Ltd.	UK	Full	100%	76.7%		Full	100%	76.7%	V2
Fortis Lease UK (1) Ltd.	UK								S3
Fortis Lease UK Retail Ltd.	UK	Full	100%	76.7%		Full	100%	76.7%	V2
Fortis Vastgoedlease BV	Netherlands	Full	100%	76.7%		Full	100%	76.7%	V2
Hans Van Driel Rental BV	Netherlands								S2
H.F.G.L Ltd. (ex- BNP Paribas Leasing Solutions Ltd.)	UK	Full	100%	76.7%		Full	100%	76.7%	V2
Humberclyde Commercial Investments Ltd.	UK	Full	100%	76.7%		Full	100%	76.7%	V2
Humberclyde Commercial Investments N°1 Ltd.	UK	Full	100%	76.7%		Full	100%	76.7%	V2
Humberclyde Finance Ltd.	UK								S1
Humberclyde Industrial Finance Ltd.	UK								S1
JCB Finance	France	Full (1)	100%	38.4%		Full (1)	100%	38.4%	V2
JCB Finance Holdings Ltd.	UK	Full	50.1%	38.4%		Full	50.1%	38.4%	V2
Locatrice Italiana SPA	Italy	Equity *	100%	93.9%		Equity *	100%	93.9%	V2

Changes in the scope of consolidation

New entries (E) in the scope of consolidation
- E1 Passing qualifying thresholds as defined by the Group (cf. note 1.b)
- E2 Incorporation
- E3 Purchase or change of control

Removals (S) from the scope of consolidation
- S1 Cessation of activity (including dissolution, liquidation)
- S2 Disposal, loss of control or loss of significant influence
- S3 Entities removed from the scope because < qualifying thresholds (cf.note 1.b)
- S4 Merger, Universal transfer of assets and liabilities

Variance(V) in voting or ownership interest
- V1 Additional purchase
- V2 Partial disposal
- V3 Dilution
- V4 Increase in %

Equity * Simplified consolidation by the equity method (non-material entities)(cf. note 1.b)

Miscellaneous
- D1 Consolidation method change not related to fluctuation in voting or ownership interest
- D2 100 Construction-Sale Companies (Real Estate programmes) of which 89 fully and 11 proportionally consolidated
- D3 The Klepierre group was fully consolidated until 14 March 2012, then, following the partial disposal of the interest of BNP Paribas Group, the Klepierre group has been consolidated under the equity method (cf. note 6.d.).
- D4 Integration in the TEB Holding Group

Prudential scope of consolidation
- (1) French subsidiaries whose regulatory supervision falls within the scope of the consolidated Group, in accordance with article 4.1 of CRBF regulation 2000.03.
- (2) Entities excluded from prudential scope of consolidation
- (3) Entites consolidated under the equity method for prudential purposes

Name	Country	30 June 2013 Method	Voting (%)	Interest (%)	Ref.	31 December 2012 Method	Voting (%)	Interest (%)	Ref.
Leasing Solutions (cont'd)									
Manitou Finance Ltd.	UK	Full	51.0%	39.1%		Full	51.0%	39.1%	V2
MFF	France	Full (1)	51.0%	39.1%		Full (1)	51.0%	39.1%	V2
Natiocrédibail	France	Full (1)	100%	100%		Full (1)	100%	100.0%	V1
Natiocrédimurs	France	Full (1)	100%	100%		Full (1)	100%	100.0%	V1
Natioénergie 2 (ex- Natioénergie)	France	Equity *	100%	100%	D1	Full (1)	100%	100.0%	V1
Paricomi 2	France								S3
Same Deutz Fahr Finance Ltd.	UK	Full	100%	76.7%		Full	100%	76.7%	V2
Same Deutz-Fahr Finance	France	Full (1)	100%	76.7%		Full (1)	100%	76.7%	V2
SREI Equipement Finance Private Ltd.	India	Prop.	50.0%	38.4%		Prop.	50.0%	38.4%	V2
UFB Asset Finance Ltd.	UK								S1
Special Purpose Entities									
Fortis Energy Leasing XI BV	Netherlands	Full	-	-		Full	-	-	V2
Fortis Energy Leasing X2 BV	Netherlands	Full	-	-		Full	-	-	V2
Fortis Energy Leasing XIV BV	Netherlands	Full	-	-		Full	-	-	V2
Vela Lease SRL	Italy	Full	-	-		Full	-	-	
Personal Investors									
B*Capital	France	Full (1)	100%	99.9%		Full (1)	100%	99.9%	
Cortal Consors	France	Full (1)	100%	100.0%		Full (1)	100%	100.0%	
Geojit BNP Paribas Financial Services Ltd - Groupe	India	Prop.	33.6%	33.6%		Prop.	33.6%	33.6%	
Geojit Technologies Private Ltd.	India	Full	56.8%	56.8%		Full	56.8%	56.8%	
Portzamparc Gestion	France	Full	100%	51.0%		Full	100%	51.0%	
Portzamparc société de Bourse	France	Full (1)	51.0%	51.0%		Full (1)	51.0%	51.0%	
BNP Paribas Personal Finance									
Alpha Crédit SA	Belgium	Full	100%	74.9%		Full	100%	74.9%	
Axa Banque Financement	France	Equity	35.0%	35.0%		Equity	35.0%	35.0%	
Banco BGN SA	Brazil	Full	100%	100%		Full	100%	100%	
Banco BNP Paribas Personal Finance SA	Portugal	Full	100%	100%		Full	100%	100%	
Banco Cetelem Argentina SA	Argentina	Full	100%	100%		Full	100%	100%	
Banco Cetelem SA	Spain	Full	100%	100%		Full	100%	100%	
Banco de Servicios Financieros SA	Argentina	Equity	39.9%	39.9%		Equity	39.9%	39.9%	
BGN Mercantil E Servicos Limitada	Brazil	Equity *	100%	100%		Equity *	100.00%	100.00%	E1
Bieffe 5 SPA	Italy	Full	100%	100%		Full	100%	100%	
BNP Paribas Personal Finance	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Personal Finance EAD	Bulgaria	Full	100%	100%		Full	100%	100%	
BNP Paribas Personal Finance BV	Netherlands	Full	100%	100%		Full	100%	100%	
BNP Paribas Personal Finance SA de CV	Mexico	Full	100%	100%		Full	100%	100%	
Cafineo	France	Full (1)	51.0%	50.8%		Full (1)	51.0%	50.8%	
Carrefour Banque	France	Equity	39.2%	39.2%		Equity	39.2%	39.2%	
Carrefour Promotora de Vendas e Participaçoes (CPVP) Limitada	Brazil								S2
Cetelem Algérie	Algeria	Equity *	100%	100%		Equity *	100%	100%	D1
Cetelem America Ltda	Brazil	Full	100%	100%		Full	100%	100%	
Cetelem Bank LLC (ex- BNP Paribas Vostok LLC)	Russia	Equity	30.0%	30.0%		Equity	30%	30%	V2
Cetelem Benelux BV	Netherlands								S1
Cetelem Brasil SA	Brazil	Full	100%	100%		Full	100%	100%	
Cetelem CR AS	Czech Republic	Full	100%	100%		Full	100%	100%	
Cetelem IFN	Romania	Full	100%	100%		Full	100%	100%	
Cetelem Latin America Holding Participaçoes Ltda	Brazil	Full	100%	100%		Full	100%	100%	
Cetelem Slovensko AS	Slovakia	Full	100%	100%		Full	100%	100%	
CMV Médiforce	France	Full (1)	100%	100%		Full (1)	100%	100%	
Cofica Bail	France	Full (1)	100%	100%		Full (1)	100%	100%	
Cofiplan	France	Full (1)	100.0%	100.0%		Full (1)	100.0%	100.0%	
Commerz Finanz	Germany	Full	50.1%	50.1%		Full	50.1%	50.1%	
Cosimo	France				S3	Full	100%	100%	
Credirama SPA	Italy				S3	Equity *	51.0%	51.0%	
Credisson Holding Ltd.	Cyprus								S1
Crédit Moderne Antilles Guyane	France	Full (1)	100%	100%		Full (1)	100%	100%	
Crédit Moderne Océan Indien	France	Full (1)	97.8%	97.8%		Full (1)	97.8%	97.8%	
Direct Services	Bulgaria	Full	100%	100%		Full	100%	100%	
Domofinance	France	Full (1)	55.0%	55.0%		Full (1)	55.0%	55.0%	
Effico	France	Full	100%	100%		Full	100%	100%	
Effico Iberia SA	Spain	Equity *	100%	100%	D1	Full	100%	100%	
Effico Portugal	Portugal				S2	Equity *	100%	100%	
Eos Aremas Belgium SA	Belgium	Equity	50.0%	37.4%		Equity	50.0%	37.4%	
Eurocredito EFC SA	Spain	Full	100%	100%		Full	100%	100%	
Facet	France	Full (1)	100%	100%		Full (1)	100%	100%	
Fidem	France	Full (1)	100%	100%	V1	Full (1)	51.0%	51.0%	
Fimestic Expansion SA	Spain	Full	100%	100%		Full	100%	100%	
Finalia	Belgium				S4	Full	100.0%	74.9%	V1
Findomestic Banca SPA	Italy	Full	100%	100%		Full	100%	100%	
Findomestic Banka AD	Serbia	Full	100%	100%		Full	100%	100%	
Gesellschaft für Capital & Vermögensverwaltung Gmbh (GCV)	Germany	Equity *	100%	74.9%	E1				
Inkasso Kodat Gmbh & Co KG	Germany	Equity *	100%	74.9%	E1				
LaSer - Cofinoga (Groupe)	France	Prop.	50.0%	50.0%		Prop.	50.0%	50.0%	
Leval 20	France	Full	100%	100%		Full	100.00%	100.00%	E1
Loisirs Finance	France	Full (1)	51.0%	51.0%		Full (1)	51.0%	51.0%	
Magyar Cetelem Bank Zrt.	Hungary	Full	100%	100%		Full	100%	100%	
Natixis Financement	France								S2
Nissan Finance Belgium NV	Belgium	Full	100%	74.9%	V2	Full	100%	75.4%	V2
Norrsken Finance	France	Full (1)	51.0%	51.0%		Full (1)	51.0%	51.0%	
Oney Magyarorszag Zrt	Hungary	Full	40.0%	40.0%	E1				
Prestacomer SA de CV	Mexico				S3	Full	100%	100%	
Prêts et Services SAS	France	Full (1)	100%	100%		Full (1)	100%	100%	
Projeo	France	Full (1)	51.0%	51.0%		Full (1)	51.0%	51.0%	
Servicios Financieros Carrefour EFC	Spain	Equity	37.3%	39.9%		Equity	37.3%	39.9%	

Name	Country	30 June 2013 Method	Voting (%)	Interest (%)	Ref.	31 December 2012 Method	Voting (%)	Interest (%)	Ref.
BNP Paribas Personal Finance (cont'd)									
Sundaram BNP Paribas Home Finance Ltd.(ex- Sundaram Home Finance Ltd.)	India	Equity *	49.9%	49.9%		Equity *	49.9%	49.9%	
Submarino Finance Promotora de Credito Limitada	Brazil								S2
TEB Tuketici Finansman AS	Turkey	Full	92.8%	91.0%		Full	92.8%	91.0%	
UCB Ingatlanhitel RT	Hungary	Full	100%	100%		Full	100%	100%	
UCB Suisse	Switzerland	Full	100%	100%		Full	100%	100%	
Union de Creditos Inmobiliarios - UCI (Groupe)	Spain	Prop.	50.0%	50.0%		Prop.	50.0%	50.0%	
Von Essen GmbH & Co. KG Bankgesellschaft	Germany	Full	100%	74.9%		Full	100%	74.9%	
Special Purpose Entities									
Autonoria 2012 - 1 et 2	France	Full	-	-		Full	-	-	E2
Domos 2011 - A et B	France	Full	-	-		Full	-	-	
FCC Retail ABS Finance - Noria 2008	France								S1
FCC Retail ABS Finance - Noria 2009	France	Full	-	-		Full	-	-	
FCC Domos 2008	France	Full	-	-		Full	-	-	
FCC Master Domos	France								S1
FCC U.C.I 5 -18	Spain	Prop.	-	-		Prop.	-	-	
Fideicomiso Financiero Cetelem II FCC	Argentina	Full	-	-	E2				
Florence 1 SRL (ex- Viola Finanza SRL)	Italy	Full	-	-		Full	-	-	
Florence SPV SRL	Italy	Full	-	-	E2				
Fundo de Investimento EM Direitos Creditorios BGN Life	Brazil				S1	Full	-	-	
Fundo de Investimento EM Direitos Creditorios BGN Premium	Brazil								S1
Phedina Hypotheken 2010 BV	Netherlands	Full	-	-		Full	-	-	
Phedina Hypotheken 2011-I BV	Netherlands	Full	-	-		Full	-	-	
Phedina Hypotheken 2013-I BV	Netherlands	Full	-	-	E2				
International Retail Banking									
Retail Banking in the United States of America									
1897 Services Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
521 South Seventh Street LLC	U.S.A								S1
BancWest Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
Bancwest Investment Services, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Bank of the West Business Park Association LLC	U.S.A	Full	38.0%	38.0%		Full	38.0%	38.0%	
Bank of the West	U.S.A	Full	100%	100%		Full	100%	100%	
Bishop Street Capital Management Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
BW Insurance Agency, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
BW Leasing, Inc.	U.S.A								S1
Center Club, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
CFB Community Development Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
Commercial Federal Affordable Housing, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Commercial Federal Community Development Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
Commercial Federal Insurance Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
Commercial Federal Investment Service Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Community Service, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Equity Lending Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Essex Credit Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
FHB Guam Trust Co.	U.S.A	Full	100%	100%		Full	100%	100%	
FHL Lease Holding Company Inc.	U.S.A								S1
FHL SPC One, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
First Bancorp	U.S.A	Full	100%	100%		Full	100%	100%	
First Hawaïan Bank	U.S.A	Full	100%	100%		Full	100%	100%	
First Hawaiian Leasing, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
First National Bancorporation	U.S.A	Full	100%	100%		Full	100%	100%	
First Santa Clara Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
Liberty Leasing Company	U.S.A	Full	100%	100%		Full	100%	100%	
Mountain Falls Acquisition Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
Real Estate Delivery 2 Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
The Bankers Club, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Ursus Real estate inc	U.S.A	Full	100%	100%		Full	100%	100%	
Special Purpose Entities									
Claas Financial Services LLC	U.S.A	Full	-	-		Full	-	-	
Commercial Federal Capital Trust 2	U.S.A				S1	Full	-	-	
Commercial Federal Realty Investors Corporation	U.S.A	Full	-	-		Full	-	-	
Commercial Federal Service Corporation	U.S.A	Full	-	-		Full	-	-	
Equipment Lot Bombardier 1997A-FH	U.S.A				S1	Full	-	-	
Equipment Lot FH	U.S.A	Full	-	-		Full	-	-	
Equipment Lot Siemens 1997A-FH	U.S.A	Full	-	-		Full	-	-	
Equipment Lot Siemens 1998A-FH	U.S.A	Full	-	-		Full	-	-	
First Hawaiian Capital 1	U.S.A	Full	-	-		Full	-	-	
FTS Acquisitions LLC	U.S.A				S1	Full	-	-	
Glendale Corporate Center Acquisition LLC	U.S.A	Full	-	-		Full	-	-	
LACMTA Rail Statutory Trust (FH1)	U.S.A	Full	-	-		Full	-	-	
Laveen Village Center Acquisition LLC	U.S.A	Full	-	-		Full	-	-	
Lexington Blue LLC	U.S.A	Equity	-	-		Equity	-	-	
MNCRC Equipement Lot	U.S.A	Full	-	-		Full	-	-	
NYCTA Equipement Lot	U.S.A	Full	-	-		Full	-	-	
Riverwalk Village Three Holdings LLC	U.S.A	Full	-	-		Full	-	-	
Santa Rita Townhomes Acquisition LLC	U.S.A	Full	-	-		Full	-	-	
Southwest Airlines 1993 Trust N363SW	U.S.A	Full	-	-		Full	-	-	
ST 2001 FH-1	U.S.A	Full	-	-		Full	-	-	
SWB 98-1	U.S.A								S1
SWB 99-1	U.S.A	Full	-	-		Full	-	-	
VTA 1998-FH	U.S.A	Full	-	-		Full	-	-	
1997-LRV-FH	U.S.A	Full	-	-		Full	-	-	
1999-FH-1 (SNCF)	U.S.A								S1
1999-FH-2 (SNCF)	U.S.A								S1

Changes in the scope of consolidation

New entries (E) in the scope of consolidation
- E1 Passing qualifying thresholds as defined by the Group (cf. note 1.b)
- E2 Incorporation
- E3 Purchase or change of control

Removals (S) from the scope of consolidation
- S1 Cessation of activity (including dissolution, liquidation)
- S2 Disposal, loss of control or loss of significant influence
- S3 Entities removed from the scope because < qualifying thresholds (cf.note 1.b)
- S4 Merger, Universal transfer of assets and liabilities

Variance(V) in voting or ownership interest
- V1 Additional purchase
- V2 Partial disposal
- V3 Dilution
- V4 Increase in %

Equity * Simplified consolidation by the equity method (non-material entities)(cf. note 1.b)

Miscellaneous
- D1 Consolidation method change not related to fluctuation in voting or ownership interest
- D2 100 Construction-Sale Companies (Real Estate programmes) of which 89 fully and 11 proportionally consolidated
- D3 The Klepierre group was fully consolidated until 14 March 2012, then, following the partial disposal of the interest of BNP Paribas Group, the Klepierre group has been consolidated under the equity method (cf. note 6.d.).
- D4 Integration in the TEB Holding Group

Prudential scope of consolidation
- (1) French subsidiaries whose regulatory supervision falls within the scope of the consolidated Group, in accordance with article 4.1 of CRBF regulation 2000.03.
- (2) Entities excluded from prudential scope of consolidation
- (3) Entites consolidated under the equity method for prudential purposes

Name	Country	30 June 2013				31 December 2012			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
Europe Mediterranean									
Banque de Nankin	China	Equity	14.7%	14.7%		Equity	14.7%	14.7%	V1
Banque Internationale du Commerce et de l'Industrie Burkina Faso	Burkina Faso	Full	51.0%	51.0%		Full	51.0%	51.0%	
Banque Internationale du Commerce et de l'Industrie Cote d'Ivoire	Ivory Coast	Full	59.8%	59.8%		Full	59.8%	59.8%	
Banque Internationale du Commerce et de l'Industrie Gabon	Gabon	Equity	46.9%	46.9%	V1	Equity	46.7%	46.7%	
Banque Internationale du Commerce et de l'Industrie Guinée	Guinea	Equity	40.5%	40.5%	V1	Equity	30.8%	30.8%	
Banque Internationale du Commerce et de l'Industrie Mali	Mali	Full	85.0%	85.0%		Full	85.0%	85.0%	
Banque Internationale du Commerce et de l'Industrie Senegal	Senegal	Full	54.1%	54.1%		Full	54.1%	54.1%	
Banque Marocaine du Commerce et de l'Industrie	Morocco	Full	67.0%	67.0%		Full	67.0%	67.0%	
Banque Marocaine du Commerce et de l'Industrie Assurance	Morocco	Equity *	100%	67.0%		Equity *	100%	67.0%	
Banque Marocaine du Commerce et de l'Industrie Crédit Conso (ex- Cetelem Maroc)	Morocco	Full	99.9%	66.9%		Full	99.9%	66.9%	
Banque Marocaine du Commerce et de l'Industrie Gestion	Morocco	Equity *	100%	67.0%		Equity *	100%	67.0%	
Banque Marocaine du Commerce et de l'Industrie Leasing	Morocco	Full	72.0%	48.3%		Full	72.0%	48.3%	
Banque Marocaine du Commerce et de l'Industrie Offshore	Morocco	Full	100%	67.0%		Full	100%	67.0%	
BNP Intercontinentale - BNPI	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Bank Polska SA	Poland	Full	99.9%	74.9%		Full	99.9%	74.9%	
BNP Paribas BDDI Participations	France	Full	100%	100%		Full	100%	100%	
BNP Paribas El Djazair	Algeria	Full	100%	100%		Full	100%	100%	
BNP Paribas Fortis Yatirimlar Holding AS	Turkey	Full	100%	74.9%		Full	100%	74.9%	
BNP Paribas SAE	Egypt				S2	Full	95.2%	95.2%	
BNP Paribas Yatirimlar Holding Anonim Sirketi	Turkey	Full	100%	100%		Full	100%	100%	
Dominet SA	Poland	Full	100%	74.9%		Full	100%	74.9%	
Fortis Bank Malta Ltd.	Malta				S3	Equity *	100%	74.9%	
Fortis Faktoring AS	Turkey				V2&D4	ME *	100%	74.9%	
Fortis Holding Malta BV	Netherlands				S3	Full	100%	74.9%	
Fortis Holding Malta Ltd.	Malta				S3	Full	100%	74.9%	
IC Axa Insurance	Ukraine	Equity *	49.8%	49.8%		Equity *	49.8%	49.8%	
IC Axa Ukraine	Ukraine								S4
Orient Commercial Bank	Vietnam	Equity	20.0%	20.0%		Equity	20.0%	20.0%	
TEB Holding AS (Groupe)	Turkey	Prop.	50.0%	37.5%		Prop.	50.0%	37.5%	
Ukrainian Leasing Company	Ukraine	Equity *	100%	100%		Equity *	100%	100%	
UkrSibbank	Ukraine	Full	100%	100%		Full	100%	100%	
Union Bancaire pour le Commerce et l'Industrie	Tunisia	Full	50.1%	50.1%	V1	Full	50.0%	50.0%	
Special Purpose Entities									
K-Kollect LLC	Ukraine	Full	-	-		Full	-	-	
Investment Solutions									
BNP Paribas Suisse SA	Switzerland	Full	100%	100%		Full	100%	100%	
Insurance									
AG Insurance-Groupe	Belgium	Equity	25.0%	18.7%		Equity	25.0%	18.7%	
BNP Paribas Cardif	France	Full (3)	100%	100%		Full (3)	100%	100%	
BNP Paribas Cardif BV (ex- BNP Paribas Assurance BV)	Netherlands	Full (3)	100%	100%		Full (3)	100%	100%	
BNP Paribas Cardif Emeklilik Anonim Sirketi	Turkey	Equity *	100%	100%		Equity *	100%	100%	
BNP Paribas Cardif Levensverzekeringen NV (ex- Cardif Levensverzekeringen NV)	Netherlands	Full (3)	100%	100%		Full (3)	100%	100%	
BNP Paribas Cardif Pojistovna A.S	Czech Republic	Full (3)	100%	100%		Full (3)	100%	100%	
BNP Paribas Cardif PSC Ltd. (ex- Pinnacle Underwriting Limited)	UK	Equity *	100%	100%		Equity *	100%	100%	
BNP Paribas Cardif Seguros Generales SA (ex- Compania de Seguros Generales Cardif SA)	Chile	Full (3)	100%	100%		Full (3)	100%	100%	
BNP Paribas Cardif Seguros de Vida SA (ex- Compania de Seguros de Vida Cardif SA)	Chile	Full (3)	100%	100%		Full (3)	100%	100%	
BNP Paribas Cardif Schadeverzekeringen NV (ex- Cardif Schadeverzekeringen NV)	Netherlands	Full (3)	100%	100%		Full (3)	100%	100%	
BNP Paribas Cardif TCB Life Insurance Company Ltd (ex- BNP Paribas Assurance TCB Life Insurance Company Ltd)	Taiwan	Equity	49.0%	49.0%		Equity	49.0%	49.0%	
BNP Paribas Cardif Vita Compagnia di Assicurazione E Riassicurazione S.P.A.	Italy	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Assicurazioni SPA	Italy	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Assurances Risques Divers	France	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Assurance Vie	France	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Biztosito Magyarorszag Zrt	Hungary	Equity *	100%	100%		Equity *	100%	100%	
Cardif Colombia Seguros Generales	Colombia	Full (3)	100%	100%	D1	Equity *	100%	100%	
Cardif del Peru Sa Compania de Seguros	Perou	Equity *	100%	100%		Equity *	100%	100%	
Cardif do Brasil Vida e Previdencia SA	Brazil	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif do Brasil Seguros e Garantias	Brazil	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Forsakring AB	Sweden	Equity *	100%	100%		Equity *	100%	100%	
Cardif Hayat Sigorta Anonim Sirketi	Turkey	Equity *	100%	100%		Equity *	100%	100%	
Cardif Holdings Inc.	U.S.A								S3
Cardif Insurance Company	Russia	Full (3)	100%	100%	D1	Equity *	100%	100%	
Cardif I-Services	France	Equity *	100%	100%		Equity *	100%	100%	
Cardif Leven	Belgium	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Life Insurance Co. Ltd.	South Korea	Full (3)	85.0%	85.0%		Full (3)	85.0%	85.0%	
Cardif Lux Vie	Luxembourg	Full (3)	66.7%	51.1%		Full (3)	66.7%	51.1%	
Cardif Mexico Seguros de Vida SA de CV	Mexico	Equity *	100%	100%		Equity *	100%	100%	

Name	Country	30 June 2013				31 December 2012			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
Insurance (cont'd)									
Cardif Mexico Seguros Generales SA de CV	Mexico	Equity *	100%	100%		Equity *	100%	100%	
Cardif Nordic AB	Sweden	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Pinnacle Insurance Holdings PLC	UK	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Pinnacle Insurance Management Services PLC	UK	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Polska Towarzystwo Ubezpieczen na Zycie SA	Poland	Full (3)	100%	100%		Full (3)	100%	100%	
Cardif Seguros SA	Argentina	Full (3)	100%	100%		Full (3)	100%	100%	
CB (UK) Ltd. (Fonds C)	UK	Full (3)	100%	100%		Full (3)	100%	100%	
Darnell Ltd.	Ireland	Full (3)	100%	100%		Full (3)	100%	100%	
F & B Insurance Holdings SA (Groupe)	Belgium	Equity	50.0%	50.0%		Equity	50.0%	50.0%	
Financial Telemarketing Services Ltd.	UK	Equity *	100%	100%		Equity *	100%	100%	
GIE BNP Paribas Cardif	France	Full (3)	100%	99.0%		Full (3)	100%	99.0%	
Luizaseg	Brazil	Equity *	50.0%	50.0%		Equity *	50.0%	50.0%	
Natio Assurance	France	Equity *	50.0%	50.0%		Equity *	50.0%	50.0%	
NCVP Participacoes Societarias SA	Brazil	Full (3)	100%	100%		Full (3)	100%	100%	
Pinnacle Insurance PLC	UK	Full (3)	100%	100%		Full (3)	100%	100%	
Pocztylion Arka Powszechne Towarzystwo Emerytalne SA	Poland	Equity	33.3%	33.3%		Equity	33.3%	33.3%	
Pojistovna Cardif Slovakia A.S	Slovakia	Equity *	100%	100%		Equity *	100%	100%	
Portes de Claye SCI	France	Equity	45.0%	56.9%	V2	Equity	45.0%	57.2%	E3
Rueil Caudron SCI	France								S3
Scoo SCI	France	Equity	46.4%	58.0%	V2	Equity	46.4%	58.3%	E1
State Bank of India Life Insurance Company Ltd.	India	Equity	26.0%	26.0%		Equity	26.0%	26.0%	
Special Purpose Entities									
Odyssée SCI	France	Full (3)	-	-		Full (3)	-	-	
Wealth Management									
Bank Insinger de Beaufort NV	Netherlands	Full	63.0%	63.0%		Full	63.0%	63.0%	
Bank Insinger de Beaufort Safe Custody NV	Netherlands								S3
BNP Paribas Espana SA	Spain	Full	99.6%	99.6%		Full	99.6%	99.6%	
BNP Paribas Wealth Management	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Wealth Management Monaco	Monaco	Full (1)	100%	100%		Full (1)	100%	100%	
Conseil Investissement	France	Equity *	100%	100%		Equity *	100%	100%	
Fundamentum Asset Management (FAM)	Luxembourg								S3
Insinger de Beaufort Asset Management AG	Switzerland								S3
Insinger de Beaufort Asset Management NV	Netherlands								S3
Insinger de Beaufort Associates BV	Netherlands								S3
Insinger de Beaufort Consulting BV	Netherlands								S3
Klein Haneveld Consulting BV	Netherlands								S3
Sodefi Holding AG	Switzerland								S3
Investment Partners									
Alfred Berg Administration A/S	Denmark	Full	100%	90.5%		Full	100%	90.5%	
Alfred Berg Asset Management AB	Sweden	Full	100%	90.5%		Full	100%	90.5%	
Alfred Berg Asset Management Services AB	Sweden								S4
Alfred Berg Fonder AB	Sweden	Full	100%	90.5%		Full	100%	90.5%	
Alfred Berg Fondsmaeglerselskab A/S	Denmark	Full	100%	90.5%		Full	100%	90.5%	
Alfred Berg Forvaltning AS	Norway	Full	100%	90.5%		Full	100%	90.5%	
Alfred Berg Kapitalforvaltning AB	Sweden	Full	100%	90.5%		Full	100%	90.5%	
Alfred Berg Kapitalforvaltning AS	Norway	Full	100%	90.5%		Full	100%	90.5%	
Alfred Berg Kapitalforvaltning Finland AB	Finland	Full	100%	90.5%		Full	100%	90.5%	
Alfred Berg Rahastoyhtio Oy (ex- Alfred Berg Funds)	Finland	Full	100%	90.5%		Full	100%	90.5%	
Antin Infrastructure Partners	France								S2
Arnhem Investment Management Pty Ltd.	Australia				S3	Equity	40.0%	36.2%	
Banco Estado Administradora General de Fondos	Chile	Equity *	50.0%	45.3%		Equity *	50.0%	45.3%	
BNP Paribas Asset Management SAS	France	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Asset Management Brasil Ltda	Brazil	Full	100%	97.6%		Full	100%	97.6%	
BNP Paribas Asset Management Inc. (ex-Fortis Investment Management USA Inc.)	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Asset Management India Private Ltd	India	Equity *	100%	90.5%		Equity *	100%	90.5%	
BNP Paribas Asset Management Uruguay SA	Uruguay								S3
BNP Paribas Clean Energy Partners GP Ltd	UK				S2	Equity *	100%	90.5%	
BNP Paribas Investment Partners	France	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners Asia Ltd	Hong-Kong	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners (Australia) Ltd	Australia	Equity *	100%	90.5%	D1	Full	100%	90.5%	
BNP Paribas Investment Partners (Australia) Holdings Pty Ltd	Australia	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners BE Holding	Belgium	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners Belgium	Belgium	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners Funds (Nederland) NV	Netherlands	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners Japan Ltd	Japan	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners Latam SA	Mexico	Equity *	99.0%	89.6%		Equity *	99%	89.6%	E1
BNP Paribas Investment Partners Luxembourg	Luxembourg	Full	99.7%	90.2%		Full	99.7%	90.2%	
BNP Paribas Investment Partners Netherlands NV	Netherlands	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners NL Holding NV	Netherlands	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners Singapore Ltd	Singapore	Equity *	100%	90.5%		Equity *	100%	90.5%	
BNP Paribas Investment Partners Societa di Gestione del Risparmio SPA	Italy	Full	100%	98.4%		Full	100%	98.4%	
BNP Paribas Investment Partners UK Holdings Ltd	UK								S3
BNP Paribas Investment Partners UK Ltd	UK	Full	100%	90.5%		Full	100%	90.5%	
BNP Paribas Investment Partners USA Holdings Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Private Equity	France	Equity *	100%	100%		Equity *	100%	100%	
CamGestion	France	Full	100%	90.5%		Full	100%	90.5%	
Fauchier General Partner Ltd	Guernsey				S2	Full	100%	90.5%	
Fauchier Partners Asset Management Ltd	Guernsey				S2	Full	100%	90.5%	

Changes in the scope of consolidation

New entries (E) in the scope of consolidation
- E1 Passing qualifying thresholds as defined by the Group (cf. note 1.b)
- E2 Incorporation
- E3 Purchase or change of control

Removals (S) from the scope of consolidation
- S1 Cessation of activity (including dissolution, liquidation)
- S2 Disposal, loss of control or loss of significant influence
- S3 Entities removed from the scope because < qualifying thresholds (cf.note 1.b)
- S4 Merger, Universal transfer of assets and liabilities

Variance(V) in voting or ownership interest
- V1 Additional purchase
- V2 Partial disposal
- V3 Dilution
- V4 Increase in %

Equity * Simplified consolidation by the equity method (non-material entities)(cf. note 1.b)

Miscellaneous
- D1 Consolidation method change not related to fluctuation in voting or ownership interest
- D2 100 Construction-Sale Companies (Real Estate programmes) of which 89 fully and 11 proportionally consolidated
- D3 The Klepierre group was fully consolidated until 14 March 2012, then, following the partial disposal of the interest of BNP Paribas Group, the Klepierre group has been consolidated under the equity method (cf. note 6.d.).
- D4 Integration in the TEB Holding Group

Prudential scope of consolidation
- (1) French subsidiaries whose regulatory supervision falls within the scope of the consolidated Group, in accordance with article 4.1 of CRBF regulation 2000.03.
- (2) Entities excluded from prudential scope of consolidation
- (3) Entites consolidated under the equity method for prudential purposes

Name	Country	30 June 2013				31 December 2012			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
Investment Partners (cont'd)									
Fauchier Partners Corporation	U.S.A				S2	Full	100%	90.5%	
Fauchier Partners International Ltd	Bermuda				S2	Full	100%	90.5%	
Fauchier Partners Ltd	UK				S2	Full	100%	90.5%	
Fauchier Partners LLP	UK				S2	Full	87.2%	79.0%	V4
Fauchier Partners Management Company Ltd	UK				S2	Full	100%	90.5%	
Fauchier Partners Management Ltd	Guernsey				S2	Full	100%	90.5%	
Fauchier Partners SAS	France				S2	Full	100%	90.5%	
Fischer Francis Trees & Watts Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Fischer Francis Trees & Watts Singapore Ltd	Singapore								S4
Fischer Francis Trees & Watts UK Ltd	UK	Equity *	100%	90.5%		Equity *	100%	90.5%	D1
Fund Channel	Luxembourg	Equity *	50.0%	45.2%		Equity *	50.0%	45.2%	
FundQuest Advisor (ex- FundQuest)	France	Equity *	100%	90.5%	D1	Full	100%	90.5%	
FundQuest UK Ltd.	UK	Equity *	100%	90.5%	D1	Full	100%	90.5%	
Haitong - Fortis Private Equity Fund Management Co. Ltd.	China	Equity	33.0%	29.9%		Equity	33.0%	29.9%	
HFT Investment Management Co Ltd - Groupe	China	Equity	49.0%	44.4%		Equity	49.0%	44.4%	
Impax Asset Management Group PLC	UK								S3
PT. BNP Paribas Investment Partners	Indonesia	Full	99.0%	89.6%		Full	99.0%	89.6%	
Shinan BNP Paribas Asset Management Co Ltd	South Korea	Prop.	35.0%	31.7%		Prop.	35.0%	31.7%	
THEAM	France	Full	100%	90.6%		Full	100%	90.6%	
TKB BNP Paribas Investment Partners Holding BV	Netherlands	Equity	50.0%	45.3%		Equity	50.0%	45.3%	
Securities services									
BNP Paribas Dealing Services (ex-BNP Paribas Fin' AMS)	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Dealing Services Asia Ltd.	Hong-Kong	Full	100%	100%		Full	100%	100%	E1
BNP Paribas Financial Services LLC	U.S.A				S3	Equity *	100%	100%	
BNP Paribas Fund Services Australasia Pty Ltd.	Australia	Full	100%	100%		Full	100%	100%	
BNP Paribas Fund Services Dublin Ltd.	Ireland	Equity *	100%	100%		Equity *	100%	100%	
BNP Paribas Fund Services France	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Fund Services Securities Pty	Australia	Full	100%	100%		Full	100%	100%	
BNP Paribas Securities Services - BP2S	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Securities Services (Holdings) Ltd.	Jersey				S4	Full	100%	100%	
BNP Paribas Sundaram GSO Private Ltd	India	Equity *	51.0%	51.0%		Equity *	51%	51%	E1
BNP Paribas Trust Company (Guernesey) Ltd.	Guernsey				S4	Equity *	100%	100%	
Real Estate Services									
Asset Partners (ex- Asset Partenaires)	France	Full	100%	96.8%		Full	100%	96.8%	
Atisreal Netherlands BV	Netherlands	Full	100%	100%		Full	100%	100%	E1
Auguste Thouard Expertise	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Immobilier Promotion Immobilier d'Entreprise	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Immobilier Residentiel	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Immobilier Residentiel Promotion Ile de France	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Immobilier Residentiel Promotion Mediterranée	France								S4
BNP Paribas Immobilier Residentiel Promotion Rhône Alpes	France								S4
BNP Paribas Immobilier Résidentiel Promotion Sud Ouest	France								S4
BNP Paribas Immobilier Residentiel Residences Services	France								S4
BNP Paribas Immobilier Residentiel Residences Services BSA	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Immobilier Residentiel Residences Services Sofiane	France								S4
BNP Paribas Immobilier Residentiel Service Clients	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Immobilier Residentiel Transaction & Conseil	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Immobilier Residentiel V2i	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Advisory Belgium SA	Belgium	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Advisory Italy SPA	Italy	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Advisory Netherlands BV	Netherlands	Full	100%	100%	E3				
BNP PB Real Estate Advisory & Property Management Czech Republic SRO	Czech Republic	Full	100%	100%		Full	100%	100%	
BNP PB Real Estate Advisory & Property Management Hungary Ltd	Hungary	Full	100%	100%		Full	100%	100%	
BNP PB Real Estate Advisory & Property Management Ireland Ltd.	Ireland	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Advisory & Property Management LLC	United Arab Emirates	Full	49.0%	49.0%		Full	49.0%	49.0%	
BNP Paribas Real Estate Advisory & Property Management Luxembourg SA	Luxembourg	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Advisory & Property Management Poland SP ZOO	Poland	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Advisory & Property Management UK Ltd.	UK	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Advisory Spain SA	Spain	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Consult France	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Consult GmbH	Germany	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Facilities Management Ltd.	UK	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Financial Partner	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate GmbH	Germany	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Holding Benelux SA	Belgium	Full	100%	100%		Full	100%	100%	

Name	Country	30 June 2013				31 December 2012			
		Method	Voting (%)	Interest (%)	Ref.	Method	Voting (%)	Interest (%)	Ref.
Real Estate Services (cont'd)									
BNP Paribas Real Estate Holding GmbH	Germany	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Hotels France	France	Full	100%	96.1%		Full	100.0%	96.1%	
BNP Paribas Real Estate & Infrastructure Advisory Service Private Ltd.	India				S2	Full	71.1%	71.1%	
BNP Paribas Real Estate Investment Management	France	Full	96.8%	96.8%		Full	96.8%	96.8%	
BNP Paribas Real Estate Investment Management Belgium	Belgium	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Investment Management Italy	Italy	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Investment Management Ltd.	UK	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Investment Management Luxembourg SA	Luxembourg	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Investment Management Spain SA	Spain	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Investment Management UK Ltd.	UK	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Investment Services	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Italy SRL (ex- BNP Paribas Real Estate Services Holding Italy)	Italy	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Jersey Ltd.	Jersey	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Property Developpement Italy SPA	Italy	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Property Developpement UK Ltd.	UK	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Property Management Belgium	Belgium	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Property Management France SAS	France	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Property Management GmbH	Germany	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Property Management Italy SrL	Italy	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Property Management Spain SA	Spain	Full	100%	100%		Full	100%	100%	
BNP Paribas Real Estate Transaction France	France	Full	96.1%	96.1%		Full	96.4%	96.1%	
BNP Paribas Real Estate Valuation France	France	Full	100%	100%		Full	100%	100%	
F G Ingenierie et Promotion Immobilière	France	Full	100%	100%		Full	100%	100%	
European Direct Property Management SA	Luxembourg	Full	100%	100%		Full	100%	100%	
Immobiliere des Bergues	France	Full	100%	100%		Full	100%	100%	
Imoplan Immobilien Verwaltungsgesellschaft mbh	Germany	IG	100%	100%	E3				
Meunier Hispania	Spain	Full	100%	100%		Full	100%	100%	
Partner's & Services	France	Full	100%	100%		Full	100%	100%	
Pyrotex GB 1 SA	Luxembourg	Full	100%	100%		Full	100%	100%	E1
Pyrotex SARL	Luxembourg	Full	100%	100%		Full	100%	100%	
S.C BNP Paribas Real Estate Advisory S.A	Romania	Full	100%	100%		Full	100%	100%	
Sesame Conseil SAS	France	Full	95.3%	95.3%		Full	95.3%	95.3%	
Siège Issy	France	Full	100%	100%		Full	100%	100%	
Tasaciones Hipotecarias SA	Spain	Full	100%	100%		Full	100%	100%	
Weatheralls Consultancy Services Ltd.	UK								S1
Special Purpose Entities									
Construction-Sale companies	France	Full/Prop. D2	-	-		Full/Prop. D2	-	-	E1
Sviluppo Residenziale Italia SRL	Italy	Full	-	-		Full	-	-	E1
Via Crespi 26 SRL	Italy	Full	-	-		Full	-	-	
Corporate and Investment Banking									
France									
BNP Paribas Arbitrage	France	Full (1)	100%	100%		Full (1)	100%	100%	
BNP Paribas Equities France	France	Full (1)	100%	100%		Full (1)	100%	100%	
Esomet	France	Full	100%	100%		Full	100%	100%	
Laffitte Participation 22	France	Full	100%	100%		Full	100%	100%	
Parifergie	France	Full (1)	100%	100%		Full (1)	100%	100%	
Parilease	France	Full (1)	100%	100%		Full (1)	100%	100%	
Taitbout Participation 3 Snc	France	Full	100%	100%		Full	100%	100%	
Europe									
Alpha Murcia Holding BV	Netherlands	Equity *	100%	74.9%		Equity *	100%	74.9%	E2
BNP Paribas Arbitrage Issuance BV	Netherlands	Full	100%	100%		Full	100%	100%	
BNP Paribas Bank NV	Netherlands	Full	100%	100%		Full	100%	100%	
BNP Paribas Commodity Futures Ltd.	UK	Full	100%	100%		Full	100%	100%	
BNP Paribas Emission-und Handel. GmbH	Germany	Full	100%	100%		Full	100%	100%	
BNP Paribas Ireland	Ireland	Full	100%	100%		Full	100%	100%	
BNP Paribas Islamic Issuance BV	Netherlands	Full	100%	100%		Full	100%	100%	
BNP Paribas Net Ltd.	UK	Equity *	100%	100%		Equity *	100%	100%	E1
BNP Paribas UK Holdings Ltd.	UK	Full	100%	100%		Full	100%	100%	
BNP Paribas UK Ltd.	UK	Full	100%	100%		Full	100%	100%	
BNP Paribas Vartry Reinsurance Ltd.	Ireland	Full (3)	100%	100%		Full (3)	100%	100%	
BNP Paribas ZAO	Russia	Full	100%	100%		Full	100%	100%	
BNP PUK Holding Ltd.	UK	Full	100%	100%		Full	100%	100%	
Camomile Investments UK Ltd.	UK								S3
Fidex Holdings Ltd.	UK								S3
GreenStars BNP Paribas	Luxembourg	Equity *	100%	100%		Equity *	100%	100%	E1
Harewood Holdings Ltd.	UK	Full	100%	100%		Full	100%	100%	
Landspire Ltd.	UK	Full	100%	100%		Full	100%	100%	
Paribas Trust Luxembourg SA	Luxembourg	Full	100%	53.4%		Full	100%	53.4%	
SC Nueva Condo Murcia SL	Spain	Equity *	100%	74.9%		Equity *	100%	74.9%	E2
Utexam Logistics Ltd.	Ireland	Full	100%	100%		Full	100%	100%	
Utexam Solutions Ltd.	Ireland	Full	100%	100%		Full	100%	100%	E1
Verner Investissements (Groupe)	France	Equity	40.0%	50.0%		Equity	40.0%	50.0%	

Changes in the scope of consolidation

New entries (E) in the scope of consolidation

E1 Passing qualifying thresholds as defined by the Group (cf. note 1.b)
E2 Incorporation
E3 Purchase or change of control

Removals (S) from the scope of consolidation

S1 Cessation of activity (including dissolution, liquidation)
S2 Disposal, loss of control or loss of significant influence
S3 Entities removed from the scope because < qualifying thresholds (cf.note 1.b)
S4 Merger, Universal transfer of assets and liabilities

Variance(V) in voting or ownership interest

V1 Additional purchase
V2 Partial disposal
V3 Dilution
V4 Increase in %

Equity * Simplified consolidation by the equity method (non-material entities)(cf. note 1.b)

Miscellaneous

D1 Consolidation method change not related to fluctuation in voting or ownership interest
D2 100 Construction-Sale Companies (Real Estate programmes) of which 89 fully and 11 proportionally consolidated
D3 The Klepierre group was fully consolidated until 14 March 2012, then, following the partial disposal of the interest of BNP Paribas Group, the Klepierre group has been consolidated under the equity method (cf. note 6.d.).
D4 Integration in the TEB Holding Group

Prudential scope of consolidation

(1) French subsidiaries whose regulatory supervision falls within the scope of the consolidated Group, in accordance with article 4.1 of CRBF regulation 2000.03.
(2) Entities excluded from prudential scope of consolidation
(3) Entites consolidated under the equity method for prudential purposes

Name	Country	30 June 2013 Method	30 June 2013 Voting (%)	30 June 2013 Interest (%)	30 June 2013 Ref.	31 December 2012 Method	31 December 2012 Voting (%)	31 December 2012 Interest (%)	31 December 2012 Ref.
Americas									
ACG Capital Partners II LLC	U.S.A								S1
Banco BNP Paribas Brasil SA	Brazil	Full	100%	100%		Full	100%	100%	
Banexi Holding Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Canada	Canada	Full	100%	100%		Full	100%	100%	
BNP Paribas Capital Corporation Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Capital Services Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Capstar Partners Inc.	U.S.A								S4
BNP Paribas Colombia Corporation Financiera SA	Colombia	Equity *	100%	100%		Equity *	100%	100%	E1
BNP Paribas Energy Trading Canada Corp	Canada	Equity *	100%	100%		Equity *	100%	100%	D1
BNP Paribas Energy Trading GP	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Energy Trading Holdings, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Energy Trading LLC	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas FS LLC	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Leasing Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Mortgage Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas North America Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Prime Brokerage Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Prime Brokerage International Ltd.	Cayman Islands	Full	100%	100%		Full	100%	100%	
BNP Paribas RCC Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
BNP Paribas Securities Corporation	U.S.A	Full	100%	100%		Full	100%	100%	
Camomile Ulster Investments (UK) Ltd.	Cayman Islands								S3
Capstar Partners LLC	U.S.A								S4
CooperNeff Group Inc.	U.S.A				S3	Full	100%	100%	
Cronos Holding Company Ltd. (Groupe)	Bermuda	Equity	30.1%	22.5%		Equity	30.1%	22.5%	
FB Transportation Capital LLC	U.S.A	Full	100%	74.9%		Full	100%	74.9%	
Fortis Funding LLC	U.S.A	Full	100%	74.9%		Full	100%	74.9%	
French American Banking Corporation - F.A.B.C	U.S.A	Full	100%	100%		Full	100%	100%	
FSI Holdings Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Paribas North America Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Petits Champs Participaçoes e Serviços SA	Brazil	Full	100%	100%		Full	100%	100%	
RFH Ltd.	Bermuda				S2	Equity *	100%	74.7%	
SDI Media Central Holdings Corp.	U.S.A	Equity *	100%	100%		Equity *	100%	100%	
TAP Ltd	Bermuda								S2
TCG Fund I, L.P	Cayman Islands	Full	99.7%	74.7%		Full	99.7%	74.7%	
Via North America, Inc.	U.S.A	Full	100%	100%		Full	100%	100%	
Asia - Oceania									
ACG Capital Partners Singapore Pte. Ltd	Singapore	Prop.	50.0%	50.0%		Prop.	50.0%	50.0%	
BNP Pacific (Australia) Ltd.	Australia	Full	100%	100%		Full	100%	100%	
BNP Paribas (China) Ltd.	China	Full	100%	100%		Full	100%	100%	
BNP Paribas Arbitrage (Hong-Kong) Ltd.	Hong-Kong	Full	100%	100%		Full	100%	100%	
BNP Paribas Capital (Asia Pacific) Ltd.	Hong-Kong	Full	100%	100%		Full	100%	100%	
BNP Paribas Finance (Hong-Kong) Ltd.	Hong-Kong	Full	100%	100%		Full	100%	100%	
BNP Paribas India Holding Private Ltd.	India	Full	100%	100%		Full	100%	100%	E1
BNP Paribas India Solutions Private Ltd.	India	Full	100%	100%		Full	100%	100%	
BNP Paribas Japan Ltd.	Japan	Full	100%	100%		Full	100%	100%	
BNP Paribas Malaysia Berhad	Malaysia	Full	100%	100%		Full	100%	100%	E1
BNP Paribas Principal Investments Japan Ltd.	Japan	Full	100%	100%		Full	100%	100%	
BNP Paribas Securities (Asia) Ltd.	Hong-Kong	Full	100%	100%		Full	100%	100%	
BNP Paribas Securities India Private Ltd.	India	Full	100%	100%	V1	Full	100%	95.2%	V1
BNP Paribas Securities Japan Ltd.	Japan	Full	100%	100%		Full	100%	100%	
BNP Paribas Securities (Taiwan) Co Ltd.	Taiwan	Full	100%	100%		Full	100%	100%	
BNP Paribas Securities Korea Company Ltd.	South Korea	Full	100%	100%		Full	100%	100%	
BNP Paribas Securities (Singapore) Pte Ltd.	Singapore	Full	100%	100%		Full	100%	100%	
BNP Paribas SJ Ltd. (ex- BNP Paribas Securities (Japan) Ltd.)	Hong-Kong	Equity *	100%	100%		Equity *	100%	100%	D1
BPP Holdings Pte Ltd.	Singapore	Full	100%	100%		Full	100%	100%	
PT Bank BNP Paribas Indonésia	Indonesia	Full	100%	100%		Full	100%	100%	
PT BNP Paribas Securities Indonesia	Indonesia	Full	99.0%	99.0%		Full	99.0%	99.0%	
Middle East									
BNP Paribas Investment Company KSA	Saudi Arabia	Equity *	100%	100%		Equity *	100%	100%	
Africa									
BNP Paribas Cadiz Stockbroking	South Africa	ME *	60%	60%	E1				
Special Purpose Entities									
54 Lombard Street Investments Ltd.	UK	Full	-	-		Full	-	-	
Alamo Funding II Inc.	U.S.A	Full	-	-		Full	-	-	E1
Alandes BV	Netherlands	Full	-	-		Full	-	-	
Alectra Finance PLC	Ireland	Full	-	-		Full	-	-	
Antin Participation 8	France	Full	-	-		Full	-	-	
APAC NZ Holdings Ltd.	New Zealand								S3
Aquarius Capital Investments Ltd.	Ireland	Full	-	-		Full	-	-	
ARV International Ltd.	Cayman Islands								S3
Astir BV	Netherlands	Full	-	-		Full	-	-	
Atargatis	France	Full	-	-		Full	-	-	
Aura Capital Investment SA	Luxembourg								S1
Austin Finance	France	Full	-	-		Full	-	-	
Black Kite Investment Ltd.	Ireland								S1
BNP Paribas Complex Fundo de Investimento Multimercado	Brazil				S3	Full	-	-	
BNP Paribas EQD Brazil Fund Fundo Invest Multimercado	Brazil	Full	-	-		Full	-	-	
BNP Paribas Finance Inc.	U.S.A	Full	-	-		Full	-	-	
BNP Paribas International Finance Dublin (ex-Fortis International Finance (Dublin))	Irland	Full	-	-	E1				
BNP Paribas Proprietario Fundo de Investimento Multimercado	Brazil	Full	-	-		Full	-	-	
BNP Paribas VPG Adonis LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Brookfin LLC	U.S.A	Full	-	-		Full	-	-	

Name	Country	30 June 2013 Method	30 June 2013 Voting (%)	30 June 2013 Interest (%)	30 June 2013 Ref.	31 December 2012 Method	31 December 2012 Voting (%)	31 December 2012 Interest (%)	31 December 2012 Ref.
Special Purpose Entities (cont'd)									
BNP Paribas VPG Brookline Cre, LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG BMC Select LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG CB Lender LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG CT Holdings LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Freedom Communications LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Lake Butler LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Legacy Cabinets LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Mark IV LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Master LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Medianews Group LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG MGM LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Modern Luxury Media LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Northstar LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG PCMC LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Reader's Digest Association LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG RHI Holdings LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG SBX Holdings LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG SDI Media LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Semgroup LLC	U.S.A	Full	-	-		Full	-	-	
BNP Paribas VPG Titan Outdoor LLC	U.S.A	Full	-	-		Full	-	-	
Boug BV	Netherlands	Full	-	-		Full	-	-	
Crossen SARL	Luxembourg	Full	-	-		Full	-	-	E1
Compagnie Investissement Italiens SNC	France	Full	-	-		Full	-	-	
Compagnie Investissement Opéra SNC	France	Full	-	-		Full	-	-	
Delphinus Titri 2010 SA	Luxembourg								S1
Epsom Funding Ltd.	Cayman Islands								S2
Euraussie Finance SARL	Luxembourg								S3
Fidex Ltd.	UK								S3
Financière des Italiens SAS	France	Full	-	-		Full	-	-	
Financière Paris Haussmann	France	Full	-	-		Full	-	-	
Financière Taitbout	France	Full	-	-		Full	-	-	
Grenache et Cie SNC	Luxembourg	Full	-	-		Full	-	-	
Harewood Financing Limited	UK	Full	-	-		Full	-	-	E3
Harewood Investments N°5 Ltd.	Cayman Islands				S1	Full	-	-	
Harewood Investments N°7 Ltd.	Cayman Islands				S1	Full	-	-	
Harewood Investments N°8 Ltd.	Cayman Islands				S1	Full	-	-	
Iliad Investments PLC	Ireland								S3
Leveraged Finance Europe Capital V BV	Netherlands	Full	-	-		Full	-	-	
Liquidity Ltd.	Cayman Islands								S3
Marc Finance Ltd.	Cayman Islands	Full	-	-		Full	-	-	
Méditerranéa	France	Full	-	-		Full	-	-	
Omega Capital Investments PLC	Ireland	Full	-	-		Full	-	-	
Omega Capital Europe PLC	Ireland	Full	-	-		Full	-	-	
Omega Capital Funding Ltd.	Ireland	Full	-	-		Full	-	-	
Optichamps	France	Full	-	-		Full	-	-	
Participations Opéra	France	Full	-	-		Full	-	-	
Reconfiguration BV	Netherlands								S3
Renaissance Fund III	Japan	Equity *	-	-		Equity *	-	-	
Ribera del Loira Arbitrage	Spain	Full	-	-		Full	-	-	
Royale Neuve I Sarl	Luxembourg	Full	-	-		Full	-	-	
Royale Neuve II Sarl	Luxembourg	Full	-	-		Full	-	-	
Royale Neuve V Sarl	Luxembourg								S3
Royale Neuve VI Sarl	Luxembourg	Full	-	-	E1				S3
Royale Neuve VII Sarl	Luxembourg	Full	-	-		Full	-	-	
Royale Neuve Finance SARL	Luxembourg								S3
Royale Neuve Investments Sarl	Luxembourg								S1
Scaldis Capital (Ireland) Ltd.	Ireland	Full	-	-		Full	-	-	
Scaldis Capital Ltd.	Jersey	Full	-	-		Full	-	-	
Scaldis Capital LLC	U.S.A	Full	-	-		Full	-	-	
Smalt (ex- Fortis Bank Reinsurance SA)	Luxembourg	Full	-	-		Full	-	-	
Stradios FCP FIS	Luxembourg								S3
Sunny Funding Ltd.	Cayman Islands								S3
Tender Option Bond Municipal program	U.S.A	Equity *	-	-		Equity *	-	-	D1
Thunderbird Investments PLC	Ireland								S3
Other Activities									
Private Equity (BNP Paribas Capital)									
Cobema	Belgium	Full	100%	100%		Full	100%	100%	
Compagnie Financière Ottomane SA	Luxembourg	Full	96.9%	96.9%		Full	96.9%	96.9%	
Erbe	Belgium	Equity	39.7%	39.7%	V3	Equity	42.5%	42.5%	
Fortis Private Equity Belgium NV	Belgium	Full	100%	74.9%		Full	100%	74.9%	
Fortis Private Equity Expansion Belgium NV	Belgium	Full	100%	74.9%		Full	100%	74.9%	
Fortis Private Equity France Fund	France				S3	Full	99.9%	75.0%	
Fortis Private Equity Venture Belgium SA	Belgium	Full	100%	74.9%		Full	100%	74.9%	
Gepeco	Belgium	Full	100%	100%		Full	100%	100%	
Property companies (property used in operations)									
Antin Participation 5	France	Full	100%	100%		Full	100%	100%	
Ejesur SA	Spain	Equity *	100%	100%		Equity *	100%	100%	
Foncière de la Compagnie Bancaire SAS	France								S4
Société Immobilière Marché Saint-Honoré	France	Full	99.9%	99.9%		Full	99.9%	99.9%	
Société d'Etudes Immobilières de Constructions - Setic	France								S4
Société Marloise Participations	France				S4	Full	100%	100%	E1
Investment companies and other subsidiaries									
BNL International Investment SA	Luxembourg	Full	100%	100%		Full	100%	100%	
BNP Paribas Home Loan SFH	France	Full	100%	100%		Full	100%	100%	

Changes in the scope of consolidation

New entries (E) in the scope of consolidation
- E1 Passing qualifying thresholds as defined by the Group (cf. note 1.b)
- E2 Incorporation
- E3 Purchase or change of control

Removals (S) from the scope of consolidation
- S1 Cessation of activity (including dissolution, liquidation)
- S2 Disposal, loss of control or loss of significant influence
- S3 Entities removed from the scope because < qualifying thresholds (cf.note 1.b)
- S4 Merger, Universal transfer of assets and liabilities

Variance(V) in voting or ownership interest
- V1 Additional purchase
- V2 Partial disposal
- V3 Dilution
- V4 Increase in %

Equity * Simplified consolidation by the equity method (non-material entities)(cf. note 1.b)

Miscellaneous
- D1 Consolidation method change not related to fluctuation in voting or ownership interest
- D2 100 Construction-Sale Companies (Real Estate programmes) of which 89 fully and 11 proportionally consolidated
- D3 The Klepierre group was fully consolidated until 14 March 2012, then, following the partial disposal of the interest of BNP Paribas Group, the Klepierre group has been consolidated under the equity method (cf. note 6.d.).
- D4 Integration in the TEB Holding Group

Prudential scope of consolidation
- (1) French subsidiaries whose regulatory supervision falls within the scope of the consolidated Group, in accordance with article 4.1 of CRBF regulation 2000.03.
- (2) Entities excluded from prudential scope of consolidation
- (3) Entities consolidated under the equity method for prudential purposes

Name	Country	30 June 2013 Method		Voting (%)	Interest (%)	Ref.	31 December 2012 Method		Voting (%)	Interest (%)	Ref.
Investment companies and other subsidiaries (cont'd)											
BNP Paribas Mediterranée Innovation & Technologies	Morocco	Full		100%	96.7%		Full		100%	96.7%	
BNP Paribas Partners for Innovation (Groupe)	France	Equity		50.0%	50.0%		Equity		50.0%	50.0%	
BNP Paribas Public Sector SCF	France	Full	(1)	100%	100%		Full	(1)	100%	100%	
BNP Paribas SB Re	Luxembourg	Full	(3)	100%	100%		Full	(3)	100%	100%	
Compagnie d'Investissements de Paris - C.I.P	France	Full		100%	100%		Full		100%	100%	
Financière BNP Paribas	France	Full		100%	100%		Full		100%	100%	
Financière du Marché Saint Honoré	France	Full		100%	100%		Full		100%	100%	
GIE Groupement Auxiliaire de Moyens	France	Full		100%	100%		Full		100%	100%	
Le Sphinx Assurances Luxembourg SA	Luxembourg	Equity *		100%	100%		Equity *		100%	100%	
Omnium de Gestion et de Developpement Immobilier - OGDI	France	Full		100%	100%		Full		100%	100%	
Plagefin - Placement, Gestion, Finance Holding SA	Luxembourg	Full		100%	53.4%		Full		100%	53.4%	
Sagip	Belgium	Full		100%	100%		Full		100%	100%	
Société Auxiliaire de Construction Immobilière - SACI	France	Full		100%	100%		Full		100%	100%	
Société Orbaisienne de Participations	France	Full		100%	100%		Full		100%	100%	
UCB Bail 2	France	Full		100%	100%		Full		100%	100%	
UCB Entreprises	France	Full	(1)	100%	100%		Full	(1)	100%	100%	
UCB Locabail immobilier 2	France										S3
Special Purpose Entities											
BNP Paribas Capital Trust LLC 6	U.S.A					S1	Full		-	-	
BNP Paribas Capital Preferred LLC 6	U.S.A					S1	Full		-	-	
BNP Paribas US Medium Term Notes Program LLC	U.S.A	Full		-	-		Full		-	-	
BNP Paribas US Structured Medium Term Notes LLC	U.S.A	Full		-	-		Full		-	-	
Klépierre											
Klépierre SA (Group)	France	Equity		21.8%	21.7%	V2	Equity		22.4%	22.3%	D3

Changes in the scope of consolidation

New entries (E) in the scope of consolidation
- E1 Passing qualifying thresholds as defined by the Group (cf. note 1.b)
- E2 Incorporation
- E3 Purchase or change of control

Removals (S) from the scope of consolidation
- S1 Cessation of activity (including dissolution, liquidation)
- S2 Disposal, loss of control or loss of significant influence
- S3 Entities removed from the scope because < qualifying thresholds (cf.note 1.b)
- S4 Merger, Universal transfer of assets and liabilities

Variance(V) in voting or ownership interest
- V1 Additional purchase
- V2 Partial disposal
- V3 Dilution
- V4 Increase in %

Equity * Simplified consolidation by the equity method (non-material entities)(cf. note 1.b)

Miscellaneous
- D1 Consolidation method change not related to fluctuation in voting or ownership interest
- D2 100 Construction-Sale Companies (Real Estate programmes) of which 89 fully and 11 proportionally consolidated
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- D4 Integration in the TEB Holding Group

Prudential scope of consolidation
- (1) French subsidiaries whose regulatory supervision falls within the scope of the consolidated Group, in accordance with article 4.1 of CRBF regulation 2000.03.
- (2) Entities excluded from prudential scope of consolidation
- (3) Entites consolidated under the equity method for prudential purposes

6.c CHANGE IN THE GROUP'S INTEREST AND MINORITY INTERESTS IN THE CAPITAL AND RETAINED EARNINGS OF SUBSIDIARIES

- **Internal restructuring that led to a change in minority shareholders' interest in the equity of subsidiaries**

	30 June 2013	
In millions of euros	Attributable to shareholders	Minority interests
Sale of assets by BNP Paribas to BNP Paribas Fortis	75	(80)
Other	1	(1)
Total	**76**	**(81)**

- **Acquisitions of additional interests and partial sales of interests leading to changes in minority interests in the equity of subsidiaries**

During the first half of 2013 no operation led to significant changes in minority interests in capital or reserves.

In connection with the acquisition of certain entities, the Group granted minority shareholders put options on their holdings at a predetermined price. The total value of these commitments, which are recorded as a reduction in shareholders' equity, amounts to EUR 101 million at 30 June 2013, compared with EUR 133 million at 31 December 2012.

On 19 September 2012, Galeries Lafayette announced its intention to exercise its option to sell its interest in LaSer to BNP Paribas Personal Finance, in accordance with the shareholders' agreement entered into with its co-shareholder. BNP Paribas took due note of this decision. To date, neither the price nor the timing have been determined.

6.d BUSINESS COMBINATION AND LOSS OF CONTROL

- **Operations realised during the first half of 2013**

No significant business combination or loss of control occurred during the first half of 2013.

- **Operations realised during the first half of 2012**

  - Klépierre

BNP Paribas and Simon Property Group signed an agreement on 14 March 2012 relating to the sale by BNP Paribas of 28.7% of the share capital of Klepierre. The disposal enabled BNP Paribas to realise a EUR 1,516 million gain, including a EUR 631 million net income from BNP Paribas' interest after the operation. An additional EUR 227 million gain from internal transaction reevaluation was also recognised in Net gain on non-current assets. Following this operation, BNP Paribas owns 22.7% of the share capital of Klepierre valued at EUR 1,134 million on 14 March 2012, based on a market price of 26.93 euros per share at the transaction date.
The consolidation of Klépierre under the equity method led the Group to recognise a EUR 67 million negative goodwill in the profit and loss account for the first half of 2012.

The loss of control over Klépierre led to EUR 10.4 billion of investment property being removed from the carrying value of investment property assets in the Group's balance sheet.