

BNP PARIBAS GROUP
FIRST NINE MONTHS RESULTS:

56% RISE IN THE NET INCOME
ATTRIBUTABLE TO THE GROUP ⁽¹⁾
(20.1 % BEFORE THE RESTRUCTURING PROVISION)

At its 15 November 2000 meeting, BNP Paribas's Board of Directors examined BNP Paribas Group's performance for the first nine months of the year.

3 398 MILLION EUROS IN NET INCOME ATTRIBUTABLE TO THE GROUP.

Net income attributable to the Group totalled 3 398 million Euros, up 56% compared to BNP + Paribas pro forma results for the same period in 1999 (20.1% before the restructuring provision). Taken individually, the third quarter showed net income attributable to the Group up 29.9% over the third quarter 1999.

After an exceptional combination of positive factors in the first quarter of this year, the economy remained upbeat but banking and financial services were affected by the rise in interest rates. In this context, the Group's net banking income (12 207 million Euros) rose 12.3% compared to the BNP + Paribas' baseline reference for the first three quarters of 1999 (7.7 % with constant scope and exchange rates).

Operating expenses and depreciation rose 9.7% due in part to the rise in the US dollar and the Group's development. With constant scope and interest rates, the increase was only 5.4%. The Group's cost/income ratio was 63.4% (64.9% for the same period in 1999).

Gross operating income, at 4,470 million Euros, was up 17.0%, due to different growth rates for net banking income and operating expenses and depreciation.

Net provisions for the period rose 10.1% compared to 1999, at 739 million Euros. Operating income rose 18.4% to 3,731 million Euros (+ 13.9 % with a constant scope and exchange rates).

Like last year, non-operating items (1,593 million Euros, + 37.2%) were virtually equal to income tax expenses (1,584 million Euros, + 29%), such that the Group's net income, which totals 3,740 million Euros (+ 21.3%), is close to the operating income.

¹⁾ Rise compared to BNP Paribas' pro forma income for the first three quarters of 1999 (BNP income + Paribas income, presented in accordance with the new consolidated accounts methods). In the first half of 1999, a provision for restructuring totalling 595 million Euros was created in BNP's accounts.

17% rise in gross operating income

In millions of Euros

| | 9 months 2000 | 9 months 1999 ⁽¹⁾ | % Change | At constant scope & ech. rates |
|---|------------------|---------------------------------|----------|--------------------------------------|
| NET BANKING INCOME | 12 207 | 10 874 | +12.3% | +7,7% |
| Including: fees and others ⁽²⁾ | 4 362 | 3 609 | +20.9% | |
| Oper. expenses and depreciation | -7 737 | -7 052 | +9.7% | +5,4% |
| GROSS OPERATING INCOME | 4 470 | 3 822 | +17.0% | +11,9% |
| Provisions | -739 | -671 | +10.1% | +2,8% |
| OPERATING INCOME | 3 731 | 3 151 | +18.4% | +13.9% |
| | | | | |
| Cost/Income Ratio | 63.4% | 64.9% | | |

⁽¹⁾ Pro forma

⁽²⁾ Including revenues of insurance

Group Results

| <i>In millions of Euros</i> | 9 months 2000 | 9 months 1999 ⁽¹⁾ | % Change |
|--|------------------|---------------------------------|----------|
| OPERATING INCOME | 3 731 | 3 151 | + 18.4% |
| Non operating items* | 1 593 | 1 161 | + 37.2% |
| PRE TAX INCOME | 5 324 | 4 312 | + 23,5% |
| Taxes | - 1 584 | - 1 228 | + 29,0% |
| Minority interests | - 342 | - 254 | + 34.6% |
| NET INCOME attrib. to Group before restructuring charge | 3 398 | 2 830 | + 20.1% |
| Restructuring charge | | - 651 | |
| NET INCOME attrib. to Group | 3 398 | 2 179 | +55.9% |
| | | | |
| ROE 9 months 2000 (annualised) : 22 % | | | |
| * o/w capital gains of BNP Paribas Capital : 909 ME as of 30.09.2000 (703 ME as of 30.09.99) | | | |
| ⁽¹⁾ Pro forma | | | |
| <i>Group Results</i> | | | |

The integration of BNP and Paribas' teams and the resulting synergies are being achieved more rapidly than expected.

All our core businesses contribute substantially to improving the pre-tax income.

AN OVERVIEW OF EACH CORE BUSINESS'S RESULTS

The results presented below are calculated based on allocated equity.

Retail Banking.

Domestic Retail Banking.

Domestic Retail Banking's net banking income rose 5.2% to 3,213 million Euros. The network of branches in France increased commissions by 11.5% while the interest income, impacted by the rise in regulated interest rates last July, increases by 0.7 %.

Domestic Retail Banking grew its business with 62,300 new accounts.

| | <i>in mn of Euros</i> | <i>Change.</i> |
|---------------------------------------|---------------------------|----------------|
| Net Banking Income | 3 213 | +5,2% |
| Operat. Expenses & deprec. | (2 333) | (+1,8%) |
| Gross operating income | 880 | +15,2% |
| Provisions | (103) | (-27,9%) |
| Pre-tax income | 786 | +21,4% |

Collected savings continued to grow at a rapid pace, in particular for products given top priority in the sales policy: new money into mutual funds soared 56%, with total outstanding rising 19.9% compared to last year. New money into life insurance policies increased by nearly 30% and actually more than doubled for unit-linked insurance plans. The number of Equity Savings Plans opened rose 62%. While average total deposits were up 3.4%, chequing and current account balances in Francs and in Euros rose 9.4% compared to the same period in 1999.

With respect to lending, BNP Paribas continued to apply its selective credit policy in a highly competitive market where there is pressure on profit margins. The result was a moderate rise in the volume of lending: average lending rose 3.2%, in particular boosted by the increase in private consumer lending (+9.6).

By the end of October, the network had over 430,000 on-line customers (BNP Net: 386,000 and BNP Mobile: 48,000).

Each BNP Net customer connects to the service on average ten times a month. Since the beginning of the year, the number of money transfers made using BNP Net has doubled, as has the share of stock market orders from the Domestic Retail Banking network placed using this channel (40%).

In September, BNP Mobile introduced a new service including, in addition to the WAP service available to all customers, account balance alerts, stock alerts and insurance.

Operating expenses and depreciation rose 1.8%. Provisions were at a particularly low level with France's extremely favourable economic situation.

Pre-tax income jumped 21.4% to 786 million Euros for the first nine months. Taken individually, the third quarter pre-tax income (258 million Euros) was up 28.4% over the third quarter of 1999.

Specialised Financial Services

The international business expansion strategy continued through the third quarter of the year. After the opening of three new subsidiaries in the first quarter (in Brazil, Slovakia and Korea), the growth in Cetelem's outstanding loans outside France soared by 37.7%. BNP Paribas Lease Group, which was created by the merger between BNP Lease and UFB Locabail on July 3rd, grew its outstanding commitments outside France by 15%. In the long term rental services business, the operational integration of PHH-Europe, whose acquisition was finalised on August 9th, has begun.

| | <i>In mn of Euros</i> | <i>Change</i> |
|--|---------------------------|----------------|
| Net Banking Income | 1 514 | +8.5% |
| Operating exp. & depreciation | (968) | (+9.7%) |
| Gross Operating Income | 546 | +6.6% |
| Provisions | (181) | (+0.7%) |
| Pre-tax income | 388 | +8.8% |

However, loan origination and income growth in France decelerated due to rising interest rates and highly competitive pressure on margins. The outstandings of Cetelem grew by only 6.9%.

Cortal stepped up its investments in marketing and advertising (24 million Euros, or four times the amount invested between January and September 1999) and technology (5.7 million Euros, or +39%) and initiated vigorous action to grow its business, which led to a 19% growth in assets under management (to 8 billion Euros), a 26% growth in new money and a 123% boom in stock market orders. Cortal confirmed its position as France's number one e-broker with 38% market share and 134,000 on-line customers.

Since July, Banque Directe customers can access Cortal's on-line stock market service and, in early September, Banque Directe introduced Epargne Directe, a savings account that yields 5% interest.

Specialised Financial Services' operating expenses and depreciation grew 9.7% due mainly to the expansion of Cetelem's and Arval-PHH's international operations and to investments made by Cortal and Banque Directe for their development.

Gross operating income was up 6.6%. Provisions remained unchanged compared to the first quarter 1999: the improved mortgage loan portfolio off-set the rise in Cetelem and BNP Paribas Lease Group's provisions.

The net income before tax stood at 388 million Euros, showing a 8.8% rise for the first nine months. Taken individually, the third quarter pre-tax income (127 million Euros) was up 2.4% over the third quarter of 1999.

International Retail Banking.

This core business maintained a high level of profitability in a broader scope.

| | <i>In mn of Euros</i> | <i>Change</i> |
|---|---------------------------|-----------------|
| Net Banking Income | 1 179 | +34,5% |
| Operating expenses & deprec. | (686) | (+28,9%) |
| Gross Operating Income | 493 | +43,2% |
| Provisions | (120) | (+12,6%) |
| Pre-tax income | 343 | +64,6% |

Compared to the same period in 1999, International Retail Banking's scope was expanded by the full consolidation of four network banking subsidiaries in Africa and the acquisition, in July 1999, of Sierra West, a bank with branches in the western United States (Nevada and California); BancWest has also just signed a deal to buy 30 bank branches in New Mexico and Nevada.

In total, International Retail Banking's revenues grew by 34.5% to 1,179 million Euros, for 493 million Euros in gross operating income (+43.2%).

With constant scope and exchange rates, International Retail Banking maintained a satisfactory level of profitability with net banking income up 10.8%, operating expenses and depreciation 7.3% higher and gross operating income up 16.3%

Provisions totalled 120 million Euros (+12.6%). BancWest benefits from sustained economic growth in California and from a turnaround in Hawaii's economy.

International Retail Banking's pre-tax income came to 343 million Euros (+64.6%), which reflects a maintained high level of profitability in all the regions in which BNP Paribas is present. The third quarter pre-tax income taken individually (138 million Euros) doubled (+102.4%) compared to the third quarter of 1999.

Private Banking and Asset Management.

Private Banking and Asset Management continues to generate strong growth and profitability. Its net banking income grew by 27.3 % and its growth operating income by 55.1 %.

| | In mn of Euros | Change |
|--|----------------|------------------|
| NBI | 1 599 | +27,3% |
| Operat. Exp. & depreciation | (913) | (+12,2 %) |
| GOI | 686 | +55,1% |
| Pre-tax income | 672 | + 65,7% |

The Group's total assets under management totalled 226 billion Euros as of September 30, 2000 (+16.2% compared to September 30, 1999). Private Banking's assets under management grew by 18.7% to reach 106 billion Euros.

The insurance market continued to grow, particularly outside France: in the past year, Cardif took in 50% more international death and disability insurance premiums.

The assets of securities in custody rose to 1,391 billion Euros (+ 61% compared to 30 June 1999). The volume of transactions and the leading business indicators were up in the same proportions.

For this core business, the pre-tax net income rose by 65.7% to reach 672 million Euros for the first nine months. Taken individually, the third quarter pre-tax income (194 million Euros) was up 79.3% over the third quarter of 1999.

Corporate and Investment Banking.

After an exceptional performance in the first quarter of this year, the growth in Corporate and Investment Banking's results remains significant compared to the high level already recorded last year. Furthermore, capital allocation is gradually being reduced.

| | In mn of Euros | Change |
|---------------------------------------|----------------|-------------------|
| NBI | 4 722 | + 14,5 % |
| Operat. expenses & deprec. | (2 646) | (+ 12,1 %) |
| GOI | 2 076 | + 17,8 % |
| Provisions | (343) | (+ 30,0%) |
| Pre-tax income | 1 850 | + 24,9 % |

Business was particularly buoyant for structured financing, corporate bond issues, credit derivatives and equity derivatives. The Group ranks 6th in Europe among lead managers in equity issues for the first nine months of 1999 (source: *Capital Data Bondware*). BNP Paribas was involved in the IPOs of EADS, Wanadoo,

Vivendi Environment, Mariela Burani, and Cryo Networks. In Asia, BNP Paribas-Peregrine ranks 8th among equity intermediaries (*Asia Money Brokers Poll*).

This core business's NBI rose by 14.5 % and operating expenses and depreciation by 12.1%. If we except the impact of exchange rates (important due to the rise in the US dollar and the British pound) and the impact of acquisitions, growth of NBI was 7.4 % and that of expenses was limited to 3.9% thanks to synergies driven by the merger.

Provisions, which were already low in 1999, totaled 344 million Euros, up 30% (15.4% with constant scope and exchange rates). The slowdown of the US economy, which had been anticipated as early as last year, resulted in limited provisions and the general provision set aside for this reason at the end of 1999 was maintained.

Overall, pre-tax income rose by 24.9% to 1,850 million Euros for the first nine months. Taken individually, the third quarter pre-tax income of 414 million Euros was up 49.4% over the third quarter of 1999.

Fully operational with its new integrated organisation, Corporate and Investment Banking has thereby demonstrated its effectiveness.

BNP Paribas Capital.

| | mn of Euros YTD 00 | mn of Euros YTD 99 |
|----------------|-----------------------|-----------------------|
| Capital gains | 784 | 618 |
| Pre-tax income | 793 | 659 |

The event highlighting the third quarter was the end of the public offer for the remaining shares of Copeba. By the end of the offer BNP Paribas held 98.5% of Cobepa's share capital (compared to 58.7% previously).

Roughly half the additional divestments and capital gains realised in connection with this broader scope have already been completed. As of September 30, 2000, capital gains posted by this core business (part attributable to the Group) totaled 784 million Euros, an increase of 166 million Euros (+27%) over last year. The principal business deals in the last quarter involved Aegon, Hurel-Dubois, Audiofina and Saupiquet. The pre-tax income for the third quarter, taken individually, totalled 194 million Euros (30 million Euros in the third quarter of 1999).

As of September 30, 2000, the divestments totalled 1.7 billion Euros, proprietary investments 0.1 billion Euros, and investments for funds 0.7 billion Euros.

The unrealised capital gains in BNP Paribas Capital's portfolio, including Cobepa, total 3.7 billion Euros.

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These results have been verified by Statutory Auditors to ensure that they are true and reliable, consistent and relevant.

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