Paris, 24 March 2005

IFRS TRANSITION

On 24 March 2005, the BNP Paribas Group presented its restated 2004 IFRS financial statements. It also presented a quantified simulation ([1]) regarding the impact of the standards to be applied in 2005 on the 2004 results.

LIMITED IMPACTS ON EQUITY AND RESULTS

2004 financial statements restated according to IFRS
(Excluding IAS 32, 39 and IFRS 4)

- Net income, Group share: €4,939mn (+ 5.8% vs. French GAAP)
- Group shareholders' equity as at 31/12/2004: + €243mn (+ 0.85% vs. French GAAP)
- Tier 1 ratio as at 31/12/2004: 8.0% (vs. 8.1% under French GAAP)

1°) The 2004 financial statements restated according to IFRS (excluding IAS 32, 39 and IFRS 4, which only apply as at 1st January 2005) were approved by the Board of Directors. The auditors have performed the audit procedures on these data.

The statements present Group's net income of €4,939 million (compared to €4,668 million under French GAAP). The positive difference of €271 million is broken down in the appendix. It stems primarily from the elimination of goodwill amortisation under IFRS (+ €388 million) and from various one-off restatements (-€187 million). Given BNP Paribas' very moderate stock options attribution policy, the impact of their recognition in expenses is not material (€23 million).

As at 31 December 2004, equity increased slightly under IFRS (+ €243 million, i.e. + 0.85%) and the Tier 1 ratio dropped slightly (8.0% compared to 8.1%). ([2])

2°) The IFRS applicable in 2005 include IAS 32, 39 and IFRS 4, in addition to the standards applied in 2004. Accordingly, the IFRS 2004 and 2005 financial statements will not be directly comparable.

[1]) In accordance with the AMF - the French financial market regulatory authority - recommendations, the purpose of the simulation is to explain as clearly as possible how the IFRS 2004 and 2005 financial statements will not be directly comparable.

[2]) These two trends are inverted since the Reserve for General Banking Risks is reversed in equity under IFRS, whereas it was already included in the Tier 1 ratio calculation.

To provide reference points as clearly as possible, BNP Paribas simulated the application of IAS 32, 39 and IFRS 4 on 2004.

The modifications introduced by these three standards essentially result in timing differences in the recognition of some net banking income items. In 2004, this would have almost offset the impacts of other IFRS and thus the Group's net income would have been close to the French GAAP Group's net income (see appendix for the breakdown of impacts and assumptions adopted for the simulation). As at 1st January 2005, given these new standards, Group shareholder's equity would have increased by approximately €1,650 million in relation to French GAAP and the Tier 1 ratio would have stood at 7.5%.

CHOOSING OPTIONS THAT OFFER THE BEST PROTECTION FOR THE FUTURE

Among the options proposed by IFRS, BNP Paribas has chosen those that offer the best protection for the future and are consistent with Group management methods:

- all existing pension commitments as at 31 December 2004 have been provided for in equity and were fully passed on to the Tier 1 ratio;

- through a €152mn cash payment in 2004 to the employee health insurance scheme, BNP Paribas has extinguished all its health benefit commitments vis-à-vis retirees. The plan now matches the definition of a "defined contribution plan" in accordance with IFRS;

- BNP Paribas has elected to return to an acquisition cost valuation for both investment property and owner-occupied property. This adjustment was recognised in equity. Under IFRS therefore, the Group has unrealised capital gains on property valued at approximately €2 billion as at 31 December 2004;

- BNP Paribas has elected to retrospectively restate all complex derivative contracts falling under the "day-one profit" rule. All things being equal, this option enables a faster reduction of the differences with the former methods.

- BNP Paribas has elected to apply IAS 39 as endorsed by the European Union. This means that BNP Paribas can continue to macro-hedge sight deposits with interest rate derivatives. As at 31 December 2004, the corresponding derivative portfolio showed an unrealised capital gain of approximately €1 billion.

◆

◆ ◆

If the transition to the International Financial Reporting Standards adopted by the European Union has no impact on the economic substance of the Group, it nevertheless represents a complex technical change that was managed with great care. In making its accounting choices among the options offered, BNP Paribas has ensured that its balance sheet is further strengthened.

The Group has confirmed its strategic directions for the coming years ("Vision 2007"): priority given to organic growth, active and disciplined acquisition policy, stepped-up pay-out strategy, and share buybacks enabling at minimum the neutralisation of shares issued for employees.