First Supplement dated 8 February 2017

to the Euro Medium Term Note Programme Base Prospectus dated 9 December 2016

BNP PARIBAS

(incorporated in France)

(as Issuer)

€90,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

This first supplement (the "**First Supplement**") is supplemental to, and should be read in conjunction with, the base prospectus dated 9 December 2016 (the "**Base Prospectus**") in relation to the €90,000,000,000 Euro Medium Term Note Programme (the "**Programme**") of BNP Paribas ("**BNPP**", the "**Bank**", or the "**Issuer**").

The Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. The "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in a relevant Member State of the European Economic Area. The *Autorité des marchés financiers* (the "**AMF**") granted visa no. 16-575 on 9 December 2016 in respect of the Base Prospectus. Application has been made for approval of this First Supplement to the AMF in its capacity as competent authority pursuant to Article 212-2 of its *Règlement Général* which implements the Prospectus Directive in France.

BNPP accepts responsibility for the information contained in this First Supplement. To the best of the knowledge of BNPP (who has taken all reasonable care to ensure that such is the case), the information contained herein is, subject as provided in the preceding sentence, in accordance with the facts and does not omit anything likely to affect the import of such information.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meanings when used in this First Supplement.

To the extent that there is any inconsistency between (i) any statement in this First Supplement and (ii) any statement in, or incorporated by reference in, the Base Prospectus the statement referred to in (i) above will prevail.

Copies of this First Supplement may be obtained free of charge at the registered offices of BNP Paribas and BNP Paribas Securities Services, Luxembourg Branch as Principal Paying Agent and will be available on the website of BNP Paribas (www.invest.bnpparibas.com) and on the website of the AMF (www.amf-france.org).

This First Supplement has been prepared in accordance with Article 16.1 of the Prospectus Directive and pursuant to Article 212-25 of the AMF's *Règlement Général*, for the purposes of giving information which amends or is additional to the information already contained in the Base Prospectus.

This First Supplement has been prepared for the purposes of:

(A) giving disclosure in respect of a press release and related presentation dated 7 February 2017 issued by BNP Paribas;

(B) amending the "Programme Summary" and the "Pro Forma Issue Specific Summary of the Programme";

(C) amending the "Programme Summary (in French)" and the "Pro Forma Issue Specific Summary of the Programme (in French)";

(D) amending the Risk Factors relating to "Risks Relating to the Bank and its Industry";

(E) amending the "Terms and Conditions of the English Law Notes";

(F) amending the "Terms and Conditions of the French Law Notes";

(G) amending the "Description of BNPP Indices";

(H) amending the "Form of Final Terms" and the "Form of Final Terms for Exempt Notes";

(I) amending the "Taxation" section;

(J) amending the "Hiring Incentives to Restore Employment Act" section; and

(K) amending the "General Information" section.

The incorporation of the documents referred to in (A) above has been included to update the BNPP disclosure. The amendments referred to in (B) and (C) above have been made to reflect the updated BNPP disclosure referred to in (A) above. The amendments referred to in (D) above have been made to update the risk factors relating to BNPP. The amendments referred to in (B), (C), (E) and (F) above have been made to clarify the definition of MREL/TLAC Disqualification Event. The amendments referred to in (G) above have been made to correct the Cinergy Codes in respect of six Millennium Indices. The amendments referred to in (H) and (J) have been made to update the disclosure in respect of withholding under Section 871(m) of the U.S. Internal Revenue Code of 1986. The amendments referred to in (I) above have been made to update the Belgian taxation disclosure. The amendments referred to in (K) above have been made to (i) update the table of Capitalization of BNPP and the BNP Paribas Group, and (ii) include a declaration concerning the unaudited annual results of BNP Paribas for the year ending 31 December 2016 and the unaudited fourth quarter results of BNP Paribas for the quarter ended 31 December 2016.

In accordance with Article 16.2 of the Prospectus Directive, in the case of an offer of Notes to the public, investors who have already agreed to purchase or subscribe for Notes issued under the Programme before this First Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date of publication of this First Supplement to withdraw their acceptances. This right to withdraw shall expire by close of business on 10 February 2017.

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PRESS RELEASE AND RELATED PRESENTATION DATED 7 FEBRUARY 2017

BNP Paribas have released the following press release and presentation dated 7 February 2017 relating to the unaudited financial information of BNP Paribas for the fourth quarter ended 31 December 2016 and the unaudited figures for the year ended 31 December 2016.

2016 FULL YEAR RESULTS

PRESS RELEASE
Paris, 7 February 2017

REVENUE GROWTH DESPITE A LOW INTEREST RATE ENVIRONMENT AND A LACKLUSTRE MARKET CONTEXT THIS YEAR

REVENUES: +1.1% vs. 2015

COST CONTAINMENT

+0.4% vs. 2015

RISE IN GROSS OPERATING INCOME

+2.6% vs. 2015

SIGNIFICANT DECREASE IN THE COST OF RISK

-14.1% vs. 2015 (46 bp)*

RISE IN NET INCOME GROUP SHARE

€7,702 M (+15.1% vs. 2015)

DIVIDEND PER SHARE: €2.70**

SOLID ORGANIC CAPITAL GENERATION

CET1*: 11.5% (+60 bp vs. 31.12.15)**

* COST OF RISK/CUSTOMER LOANS AT THE BEGINNING OF THE PERIOD; ** SUBJECT TO THE APPROVAL OF THE ANNUAL GENERAL MEETING ON 23 MAY 2017; *** AS AT 31 DECEMBER 2016, CRD4 (FULLY LOADED RATIO)

BNP PARIBAS

The bank for a changing world

2016 FULL YEAR RESULTS

PRESS RELEASE
Paris, 7 February 2017

SUCCESS OF THE 2014-2016 BUSINESS DEVELOPMENT PLAN

Progress on all the major strategic priorities

ROE in line with the objective of the plan

LAUNCH OF THE NEW 2017-2020 BUSINESS DEVELOPMENT PLAN

Leverage the strength of the integrated and diversified business model

Build the bank of the future by accelerating digital transformation

Conduct an ambitious Corporate Social Responsibility policy

*
* *

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

"With 7.7 billion euros net income, BNP Paribas delivered a good performance in 2016 thanks to its integrated and diversified business model and the dedicated work of all its employees.

Revenues are up despite a lacklustre environment this year. Costs were well contained and the cost of risk was significantly lower.

The Group's balance sheet is rock-solid and the significant increase in the fully loaded Basel 3 common equity Tier 1 ratio to 11.5% testifies the capital generation.

After the success of its 2014-2016 plan, which allowed to attain the defined targets, the Group now unveils its 2020 business development plan that announces an acceleration of digitalisation and targets an average growth of net income of more than 6.5% per year until 2020.

Serving its customers all over the world, the Group is thus building the bank of the future."

The Board of Directors of BNP Paribas met on 6 February 2017. The meeting was chaired by Jean Lemierre and the Board examined the Group's results for the fourth quarter and endorsed the 2016 financial statements.

RISE IN INCOME AND SOLID CAPITAL GENERATION

BNP Paribas delivered a good overall performance this year, showing the strength of its integrated and diversified business model.

Revenues totalled 43,411 million euros, up by 1.1% compared to 2015 despite the low interest rate environment and a lacklustre market context this year. They included this year the exceptional impact of +597 million euros of the capital gain from the sale of Visa Europe shares as well as the -59 million euros in Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA) (+314 million euros in 2015).

Revenues were up by 0.2% in the operating divisions and by 0.9 % at constant scope and exchange rates given an unfavourable exchange rate. They were down by 0.5% in Domestic Markets[1] (-1.2% at constant scope and exchange rates) due to the low interest rate environment, rose by 1.2% at International Financial Services (+2.7% at constant scope and exchange rates) and decreased by 0.3% at CIB but were up by 1.2% at constant scope and exchange rates despite a particularly challenging market environment in the first quarter of 2016.

Operating expenses, which amounted to 29,378 million euros, were well contained (+0.4% compared to 2015). They included exceptional items for a total of 749 million euro impact (862 million euros in 2015): 159 million euros in the acquisitions' restructuring costs[2] (171 million euros in 2015), 395 million euros in CIB transformation costs (0 in 2015), 144 million euros in restructuring costs related to the businesses[3] (0 in 2015) and the 52 million euros compulsory contribution to the resolution process of 4 Italian banks (69 million euros in 2015). They no longer included any costs related to the Simple & Efficient plan (622 million euros in 2015): in line with the target, the final costs related to this plan were booked in the fourth quarter 2015.

The operating expenses of the operating divisions were up by 1.0%: +2.3% for Domestic Markets[1], +2.3% for International Financial Services and -1.8% for CIB. At constant scope and exchange rates, they rose by 0.5%[4] for Domestic Markets, by 3.6%[4] for International Financial Services and 0.1% for CIB. They included the impact of new regulations and of the strengthening of compliance but benefited from the success of the Simple & Efficient savings plan which offset the natural costs' drift, as well as from the first effects of CIB's savings plan.

The Group's gross operating income was up thus by 2.6%, at 14,033 million euros.

The cost of risk was down significantly by 14.1% due in particular to the good control of risk at loan origination, the low interest rate environment and the continued improvement in Italy. It came to 3,262 million euros (3,797 million euros in 2015) or 46 basis points of outstanding customer loans.

The Group's operating income rose by 10.1% to 10,771 million euros (9,787 million euros in 2015).

Non operating items totalled +439 million euros (+592 million euros in 2015). They included this year -127 million euros[5] in goodwill impairment (-993 million euros in goodwill impairments in 2015[6]). Non operating items also included in 2015 a +716 million euros capital gain from the sale

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[1] Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)
[2] LaSer, Bank BGZ, DAB Bank and GE LLD
[3] BNL bc (50 million euros), Belgian Retail Banking (80 million euros), Wealth and Asset Management (7 million euros), Corporate Centre (7 million euros)
[4] Excluding exceptional costs
[5] Full goodwill impairment of BGZ
[6] Of which BNL bc's full goodwill impairment: -€917m

of the residual stake in Klépierre-Corio, a +123 million euros dilution capital gain due to the merger between Klépierre and Corio and a +94 million euros capital gain from the sale of a non-strategic stake.

Pre-tax income thus came to 11,210 million euros compared to 10,379 million euros in 2015 (+8.0%).

Net income attributable to equity holders was 7,702 million euros, up by 15.1% compared to 2015. Excluding one-off items[1], it came to 7,802 million euros (+6.3%). The return on equity was 9.3% (9.4% excluding one-off items). The return on tangible equity came to 11.1% (11.2% excluding one-off items). The net earnings per share was at €6.0.

At 31 December 2016, the fully loaded Basel 3 common equity Tier 1 ratio[2] was 11.5%, up by 60 basis points compared to 31 December 2015, illustrating the solid capital generation of the Group. The fully loaded Basel 3 leverage ratio[3] came to 4.4% (+40 basis points compared to 31 December 2015). The Liquidity Coverage Ratio was 123% at 31 December 2016. Lastly, the Group's immediately available liquidity reserve was 305 billion euros (266 billion euros as at 31 December 2015), equivalent to over one year of room to manoeuvre in terms of wholesale funding.

The net book value per share reached 73.9 euros, equivalent to a compounded annual growth rate of 6.2% since 31 December 2008, illustrating the continuous value creation throughout the cycle.

The Board of Directors will propose at the Shareholders' Meeting the payment of a dividend of €2.70 per share to be paid in cash, equivalent to a 45% pay-out ratio which is in line with the objective of the plan.

The Group is actively implementing the remediation plan agreed as part of the comprehensive settlement with the U.S. authorities and is continuing to reinforce its compliance and control procedures.

The Group's good overall performance this year illustrates the success of the 2014-2016 business development plan. The average annual revenue growth was 4.0% over the period and the target of 10% return on equity, calculated on the basis of a CET1 ratio of 10%, was exceeded[4].

The Group unveiled the main highlights of its 2017-2020 business development plan. The plan leverages the strength of the integrated and diversified business model and takes into account regulatory constraints which will continue to grow during the period in the current Basel 3 regulatory framework. It is designed to build the bank of the future by continuing the development of the businesses and implementing an ambitious programme of new customer experience, digital transformation and savings. The target is thus to achieve more than 6.5% average annual growth of net income until 2020, a CET1 of 12%[5] in 2020 and a 10% return on equity at that date.

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[1] Effect of exceptional items after tax: -100 million euros in 2016, -644 million euros in 2015
[2] Ratio taking into account all the CRD4 rules with no transitory provisions
[3] Ratio taking into account all the CRD4 rules at 2019 with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014
[4] 10.3% of return on equity in 2016 (excluding one-off items) on the basis of a CET1 ratio of 10%.
[5] With a constant regulatory framework

In the fourth quarter 2016, the Group reported a very solid performance. Revenues totalled 10,656 million euros, up by 2.0% compared to the fourth quarter 2015. They included the exceptional impact of -18 million euros in Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA) (+160 million euros in the fourth quarter 2015).

Revenues of the operating divisions were up by 2.8% compared to the fourth quarter 2015. They were down at Domestic Markets[1] (-1.0%) due to the persistently low interest rate environment but they were up in International Financial Services (+3.1%) and up significantly at CIB (+8.0%) in connection with a favourable market context. The foreign exchange effect this quarter was negligible.

Operating expenses, at 7,444 million euros, rose by only 0.5% compared to the fourth quarter 2015. They included a total of 342 million euros in exceptional items (355 million euros in the fourth quarter 2015): 48 million euros in acquisitions' restructuring costs[2] (54 million euros in the fourth quarter 2015), 98 million euros in CIB's transformation plan costs (0 in the fourth quarter 2015), 144 million euros in restructuring costs related to the businesses[3] (0 in the fourth quarter 2015) and the 52 million euros compulsory contribution to the resolution process of 4 Italian banks (69 million euros in the fourth quarter 2015). They no longer included any Simple & Efficient transformation costs (232 million euros in the fourth quarter 2015).

Operating expenses rose by 3.0% for Domestic Markets[1] but were down 0.5% excluding the impact of exceptional items[4] thanks to the effects of cost savings measures. They rose by 3.2% for International Financial Services as a result of the development of the businesses and decreased by 3.2% for CIB thanks to the effect of the cost cutting plan and despite business growth.

The gross operating income of the Group thus rose by 5.6%, to 3,212 million euros.

The cost of risk was down by 1.9% compared to the fourth quarter 2015. It came to 950 million euros (968 million euros in the fourth quarter 2015).

Non-operating items totalled +5 million euros (-502 million euros in the fourth quarter 2015 which included in particular -993 million euros[5] in exceptional goodwill impairments and the 352 million euros capital gain from the sale of the residual stake in Klépierre-Corio).

Pre-tax income thus came to 2,267 million euros compared to 1,473 million euros in the fourth quarter 2015 (+53.9%).

BNP Paribas posted 1,442 million euros in net income attributable to equity holders (665 million euros in the fourth quarter 2015). Excluding exceptional items[6], it was 1,814 million euros, up by 14.3% compared to the same quarter a year earlier.

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[1] Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)
[2] LaSer, Bank BGZ, DAB Bank, General Electric LLD
[3] BNL bc (50 million euros), Belgian Retail Banking (80 million euros), Wealth and Asset Management (7 million euros) and Corporate Centre (7 million euros)
[4] BNL bc and Belgian Retail Banking restructuring costs totalling 130 million euros (20 million euros in the fourth quarter 2015) and a 47 million euros compulsory contribution to the resolution process of 4 Italian banks (65 million euros in the fourth quarter 2015)
[5] Of which BNL bc's full goodwill impairment: -917 million euros
[6] Effect of exceptional items after tax: -372 million euros in the fourth quarter 2016 (-922 million euros in the fourth quarter 2015)

RETAIL BANKING & SERVICES

DOMESTIC MARKETS

For the whole of 2016, Domestic Markets' outstanding loans rose by 2.5% compared to 2015 due to a good pick-up in demand. Deposits were up by 6.4% driven by a strong growth across all the networks. The sales and marketing drive was reflected in particular by growth in Private Banking's assets under management (+5.4% compared to 31 December 2015).

The operating division expanded its digital offering with the development of new customer journeys that provide a new, seamless and value added banking experience and the launch of new services. For example, the merger between Wa! and Fivory (Crédit Mutuel[1]), will lead to the launch in 2017, in partnership with Carrefour, Auchan and Total, among others, a single universal mobile payment solution combining payment, loyalty programmes and discount offers. Hello bank! saw a rapid rise in the number of its clients to 2.5 million (+200,000 compared to the number as at 31 December 2015), and already generates 9.8% of revenues of individual clients[2].

Lastly, the operating division continued to transform its network by optimising the footprint and rolling out new branch formats.

At 15,715 million euros, revenues[3] were slightly down (-0.5%) compared to 2015. In addition to the impact of persistently low interest rates on interest margins, there was a decrease in financial fees due to an unfavourable market context this year. BRB and the specialised businesses however reported good performance and grew their revenues.

Operating expenses[3] (10,629 million euros) were up by 2.3% compared to last year. Excluding exceptional items[4], they rose by 1.2%, driven by growing business units (Arval, Leasing Solutions). The effect of cost saving measures was partly offset by the impact of the evolution of banking taxes and contributions.

Gross operating income[3] thus decreased by 5.9%, at 5,086 million euros, compared to last year.

The cost of risk was down significantly (-16.4% compared to 2015), in particular due to the significant decline at BNL bc.

Thus, after allocating one-third of Domestic Markets Private Banking's net income to the Wealth Management business (International Financial Services division), the division reported pre-tax income[5] that was up 1.4% compared to 2015, at 3,382 million euros.

In the fourth quarter 2016, revenues[3], which totalled 3,866 million euros, were down slightly (-1.0%) compared to the fourth quarter 2015 as a result of the persistently low interest rate environment. BRB and the specialised business units, however, reported good performance.

Operating expenses[3] (2,794 million euros) were up by 3.0% compared to the same quarter a year earlier. Excluding the impact of exceptional items[4], they were down by 0.5% thanks to the effect of cost saving measures.

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1 CM11-CIC

2 FRB, BNL bc, BRB and Personal Investors, excluding private banking

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

4 50 million euros in restructuring costs for BNL bc (20 million euros in the fourth quarter 2015) and 80 million euros for Belgian Retail Banking (0 in the fourth quarter 2015); BNL bc's 47 million euros contribution to the resolution process of 4 Italian banks (65 million euros in the fourth quarter 2015)

5 Excluding PEL/CEL effects (-2 million euros in 2016, -31 million euros in 2015)

Gross operating income[1] thus decreased by 10.0% (-2.1% excluding exceptional items), to 1,072 million euros.

The cost of risk was down significantly (-15.3% compared to the fourth quarter 2015), in particular in Italy.

Thus, after allocating one-third of Domestic Markets Private Banking's net income to the Wealth Management business (International Financial Services division), the division reported pre-tax income down by 7.8%, at 622 million euros. Excluding the impact of exceptional items, it was up by 5.2%.

French Retail Banking (FRB)

For the whole of 2016, FRB's outstanding loans rose by 0.3% compared to 2015 despite the impact of early repayments. There was a good pick-up in outstandings in the second half of the year which are thus up by 4.2% in the fourth quarter 2016 compared to the same quarter in 2015 with a rise in loans to individual and corporate clients. Deposits rose by 5.4% compared to 2015 driven by strong growth in current account deposits. The pick-up of the sales and marketing drive was also illustrated by the good performance of life insurance (rise of 2.6% in outstandings compared to 31 December 2015) and Private Banking (5.6% growth in assets under management thanks to strong net asset inflows of 2.8 billion euros). The business unit implemented new customer journeys with the BuyMyHome app which notably enables customers to simulate loans for home purchase.

Revenues[2] totalled 6,401 million euros, down by 3.0% compared to 2015. Net interest income[2] was down by 3.4% due to the impact of persistently low interest rates. Fees[2] were down for their part by 2.4% (-1.4% excluding the impact of a non-recurring item) with a decrease in financial fees due to the unfavourable market environment. Financial fees did though pick-up in the fourth quarter of the year (+4.6% compared to the fourth quarter 2015[3]).

Operating expenses[2], at 4,673 million euros, were contained and rose by only 0.7% compared to 2015 despite the rise in taxes and regulatory costs.

Gross operating income[2] thus came to 1,728 million euros, down by 11.7% compared to last year.

The cost of risk[2] was still low, at 342 million euros (343 million euros in 2015). It was 24 basis points of outstanding customer loans.

Thus, after allocating one-third of French Private Banking's net income to the Wealth Management business (International Financial Services division), FRB posted 1,251 million euros in pre-tax income[4] (-14.2% compared to 2015) due to the lacklustre environment this year and the impact of persistently low interest rates. The business unit recorded however a good pick-up in its sales and marketing drive.

In the fourth quarter 2016, revenues[2] totalled 1,548 million euros, down by 3.4% compared to the fourth quarter 2015. Net interest income[2] were down by 5.0% due to the impact of persistently low interest rates. Fees[2] were down for their part by 1.2% but rose by 3.2% excluding the impact of a non-recurring item, with a good pick-up in banking fees and financial fees.

Operating expenses[2], at 1,216 million euros, were contained and rose by only 0.7% compared to the fourth quarter 2015.

[1] Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg
[2] Including 100% of Private Banking in France (excluding PEL/CEL effects)
[3] Excluding a non-recurring item
[4] Excluding PEL/CEL effects (-2 million euros in 2016, -31 million euros in 2015)

Gross operating income[1] thus totalled 332 million euros, down by 16.1% compared to the same quarter a year earlier (-8.8% excluding the impact of a non-recurring item).

The cost of risk[1] reflected this quarter the impact of a specific loan and totalled 124 million euros (88 million euros in the fourth quarter 2015) or 34 basis points of outstanding customer loans.

Thus, after allocating one-third of French Private Banking's net income to the Wealth Management business (International Financial Services division), FRB posted 177 million euros in pre-tax income[2] (-36.0% compared to the fourth quarter 2015).

BNL banca commerciale (BNL bc)

For the whole of 2016, BNL bc's outstanding loans were up by 0.5% compared to 2015 with a gradual recovery in volumes, in particular on individual clients. Deposits rose by 12.6% with a sharp rise in current accounts. BNL bc delivered a good performance in off balance sheet savings: life insurance outstandings were up by 9.8% and mutual fund outstandings by 7.2% compared to 31 December 2015. BNL bc continued to expand Private Banking with 1.2 billion euros in net asset inflows. The business unit implemented new customer journeys with for example the #Digibiz app that offers a wide range of online services to corporate clients.

Revenues[3] were down by 5.7% compared to 2015, to 2,972 million euros. Net interest income[3] was down by 7.1% due to the persistently low interest rate environment and the residual effect of the repositioning, finalised in 2016, on the better corporate clients. Fees[3] were down by -2.9% with a decrease in financial fees due to the unfavourable market context.

Operating expenses[3], at 1,885 million euros, were down by 0.9%. Excluding the impact of non-recurring items[4], they were down by 1.7% thanks to the effect of cost reduction measures.

Gross operating income[3] thus totalled 1,086 million euros, down by 12.9% compared to last year.

The cost of risk[3], at 124 basis points of outstanding customer loans, was down by 289 million euros compared to 2015 with a gradual improvement of the quality of the loan portfolio.

Thus, after allocating one-third of Italian Private Banking's net income to the Wealth Management business (International Financial Services division), BNL bc posted 90 million euros of pre-tax income, a strong improvement compared to 2015 (+134 million euros).

In the fourth quarter 2016, revenues[3] were down by 4.6% compared to the fourth quarter 2015, at 745 million euros. Net interest income[3] was down by 4.2% due to the persistently low interest rate environment and the last effects of the repositioning on the better corporate clients. Fees[3] were down by 5.2% due to banking fees.

Operating expenses[3], at 543 million euros, were down by 1.3% compared to the fourth quarter 2015. Excluding the impact of non-recurring items[4], they were down by 4.3% thanks to the effect of cost reduction measures.

Gross operating income[3] thus totalled 202 million euros, down by 12.5% (-5.1% excluding non-recurring items).

[1] Including 100% of Private Banking in France (excluding PEL/CEL effects)
[2] Excluding PEL/CEL effects (8 million euros in the fourth quarter 2016, 5 million euros in the fourth quarter 2015)
[3] With 100% of Private Banking in Italy
[4] Restructuring costs: 50 million euros (20 million euros in the fourth quarter 2015); compulsory contribution to the resolution process of 4 Italian banks: 47 million euros (65 million euros in the fourth quarter 2015)

The cost of risk[1], at 118 basis points of outstanding customer loans, was down by 71 million euros compared to the fourth quarter 2015.

Thus, after allocating one-third of Italian Private Banking's net income to the Wealth Management business (International Financial Services division), BNL bc posted -36 million euros of pre-tax losses (-80 million euros in the fourth quarter 2015). Excluding non-recurring items, it came to +61 million euros (+4 million euros in the fourth quarter 2015).

Belgian Retail Banking (BRB)

For the whole of 2016, BRB reported sustained business activity. Loans were up by 4.7% compared to 2015 with growth in loans to individual customers (in particular mortgages) and to SMEs. For their part, deposits rose by 5.8% thanks in particular to strong growth in current accounts. The business continued to develop digital banking with new features of the Easy Banking app and Easy Banking Web which now have 1 million and 2.4 million users respectively. The business unit also implemented new customer journeys with the Home on the Spot app which allows customers to simulate loans and offers tools assisting them in the context of home purchase projects.

Revenues[2] were up by 3.1% compared to 2015, at 3,661 million euros: net interest income[2] rose by 5.9% as a result of volume growth and margins holding up well, but fees[2] were down by 4.8% due to a decrease in financial fees as a result of the unfavourable market context.

Operating expenses[2] rose by 4.9% compared to 2015, to 2,582 million euros. Excluding the impact of exceptional items[3] and the evolution in banking taxes, they rose by only 0.9%, reflecting the good cost control.

At 1,079 million euros, gross operating income[2] was down by 1.0% compared to last year (+7.0% excluding exceptional items and the evolution in banking taxes).

The cost of risk[2], at 98 million euros or 10 basis points of outstanding customer loans, was very low and rose by only 13 million euros compared to 2015.

Thus, after allocating one-third of Belgian Private Banking's net income to the Wealth Management business (International Financial Services division), BRB generated 918 million euros in pre-tax income, down by 1.1% compared to last year but up by 8.0% excluding exceptional items and evolution in banking taxes, which reflects the business unit's good performance.

In the fourth quarter 2016, revenues[2] were up by 2.9% compared to the fourth quarter 2015, at 908 million euros: net interest income[2] rose by 3.5% as a result of good growth in volumes and fees[2] rose by 1.3% with a rise in banking fees.

Operating expenses[2] rose by 12.5% compared to the fourth quarter 2015, to 661 million euros. Excluding exceptional items[4], they were down by 1% thanks to the effects of cost saving measures.

Gross operating income[2], at 247 million euros, was down by 16.3% compared to the same quarter a year earlier but rose by 10.7%, excluding exceptional items[4].

The cost of risk[2], at 9 million euros or 4 basis points of outstanding customer loans, was particularly low. It was down by 43 million euros compared to the fourth quarter 2015.

[1] With 100% of Private Banking in Italy
[2] With 100% of Private Banking in Belgium
[3] In particular 80 million euros in restructuring costs (0 in 2015) partly offset by a 30 million euros provision write-back
[4] 80 million euros in restructuring costs (0 in the fourth quarter 2015)

After allocating one-third of Belgian Private Banking's net income to the Wealth Management business (International Financial Services division), BRB generated 222 million euros in pre-tax income, down by 5.6% compared to the same quarter a year earlier but up by 28.3% excluding exceptional items[1].

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

For the whole of 2016, the specialised businesses of Domestic Markets showed a good overall drive. The business activity of Arval was sustained and the financed fleet showed strong growth at constant scope (+10.1% compared to 2015) bringing the number of financed vehicles to over 1 million. The business unit actively implemented the integration of GE Fleet Services. The financing outstandings of Leasing Solutions were up (+4.8% at constant scope and exchange rates) thanks to the good growth in the core business, despite the continued reduction of the non-strategic portfolio. Personal Investors saw a good level of new clients' acquisition.

Luxembourg Retail Banking's outstanding loans rose by 1.5% compared to 2015, due in particular to mortgages and deposits were up by 14.4% with good inflows notably on the corporate segment.

Revenues[2] on the whole were up by 7.3% compared to 2015, at 2,681 million euros, reflecting the effect of the acquisition of GE Fleet Services in Europe. At constant scope and exchange rates, they rose by 3.4% with a rise in all the business units.

Operating expenses[2] rose by 7.3% compared to 2015, at 1,488 million euros. At constant scope and exchange rates, they were up by only 1.9%, the effect of the business development being partly offset by the first cost synergies between DAB Bank et Consors bank ! in Germany.

The cost of risk[2] was down by 21 million euros compared to 2015, at 115 million euros.

Thus, the contribution of these four business units to Domestic Markets' pre-tax income, after allocating one-third of Luxembourg Private Banking's net income to the Wealth Management business (International Financial Services division), was 1,123 million euros, up sharply compared to 2015: +13.1% (+9.2% at constant scope and exchange rates).

In the fourth quarter 2016, revenues[2] were on the whole up by 4.2% compared to the fourth quarter 2015, at 666 million euros, reflecting the effect of the acquisition of GE Fleet Services in Europe. At constant scope and exchange rates, they were also up by 4.2% with a rise in all the businesses, as scope and exchange rates effects offset each other.

Operating expenses[2] rose by 1.5% compared to the fourth quarter 2015, at 374 million euros. At constant scope and exchange rates, they were down by 0.2% thanks to the first cost synergies between DAB Bank and Consors bank! in Germany.

The cost of risk[2] was up by 6 million euros compared to the fourth quarter 2015, at 37 million euros.

Thus, the contribution of these four business units to Domestic Markets' pre-tax income, after allocating one-third of Luxembourg Private Banking's net income to the Wealth Management business (International Financial Services division), was 259 million euros, up by 6.3% compared to the fourth quarter 2015 (+8.6% at constant scope and exchange rates).

[1] 80 million euros in restructuring costs (0 in the fourth quarter 2015)
[2] With 100% of Private Banking in Luxembourg

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INTERNATIONAL FINANCIAL SERVICES

For the whole of 2016, the International Financial Services' businesses reported a good sales and marketing drive: Personal Finance had a sustained business activity, Europe-Mediterranean and BancWest posted good growth in their activity while the Insurance and Wealth & Asset Management businesses generated good asset inflows. The division's sales and marketing drive was also illustrated by the development of digital offering and innovations in all the businesses.

At 15,479 million euros, revenues were up by 1.2% compared to 2015. At constant scope and exchange rates, they were up by +2.7% with growth in International Retail Banking, Insurance and Personal Finance, and Wealth & Asset Management held up well.

Operating expenses (9,544 million euros) were up by 2.3% compared to last year. At constant scope and exchange rates, they were up by 3.7%.

Gross operating income thus totalled 5,935 million euros, down by 0.4% compared to last year (+1.2% at constant scope and exchange rates).

The cost of risk was 1,496 million euros, down by 226 million compared to 2015 due in particular to the decline in the cost of risk at Personal Finance.

Operating income thus totalled 4,439 million euros, up by 4.7% compared to last year (+5.8% at constant scope and exchange rates).

Thus, International Financial Services' pre-tax income increased to 4,924 million euros (+4.0% compared to 2015 and +5.8% at constant scope and exchange rates).

In the fourth quarter 2016, revenues, at 4,025 million euros, were up by 3.1% compared to the fourth quarter 2015. They were up by +3.3% at constant scope and exchange rates with growth in all the businesses.

Operating expenses (2,481 million euros) were up by 3.2% compared to the same quarter a year earlier. At constant scope and exchange rates and excluding exceptional costs[1], they were up by 3.3%, as a result of business growth.

Gross operating income thus totalled 1,544 million euros, up by 2.9% compared to the same quarter a year earlier (+2.8% at constant scope and exchange rates).

The cost of risk was 425 million euros, up by 14 million compared to the fourth quarter 2015.

Operating income thus totalled 1,118 million euros, up by 2.7% compared to the same quarter a year earlier (+2.0% at constant scope and exchange rates).

International Financial Services' pre-tax income was thus up by 2.5% compared to the fourth quarter 2015, at 1,236 million euros (+2.4% at constant scope and exchange rates).

[1] In particular Wealth and Asset Management's restructuring costs for 7 million euros in (0 in the fourth quarter 2015)

Personal Finance

For the whole of 2016, Personal Finance continued its strong sales and marketing drive. Outstanding loans grew by +8.8%[1] compared to 2015 in connection with the rise in demand and the effect of new commercial agreements. The business unit signed new partnership agreements this year in banking (Banco CTT in Portugal), in retail (Eggo Kitchen House in Belgium, Ikea and Mr Bricolage in France) and telecoms (Yoigo in Spain). Outstanding car loans rose by 16.5% compared to 2015[2] and the business unit forged new business deals with Honda in France and Volvo in Italy. Lastly, Personal Finance continued to expand the digital processing of loans with 3.1 million applications signed digitally, up 80% over last year.

Revenues were up by 0.4% compared to 2015, at 4,679 million euros with an unfavourable foreign exchange effect. At constant scope and exchange rates, they were up by 2.0% under the opposite influence of a rise in volumes and an increase in products that have a better risk profile. There was a good drive in Germany, Spain and Italy.

Operating expenses were down by 0.7% compared to 2015, at 2,298 million euros. They were up by 1.0% at constant scope and exchange rates, reflecting good cost control.

Gross operating income thus totalled 2,381 million euros, up by 1.5% compared to last year (+3.0% at constant scope and exchange rates).

At 979 million euros, or 159 basis points of outstanding customer loans, the business recorded a sharp decline in the cost of risk (-196 million euros compared to 2015) due to the low interest rate environment and the growing positioning on products with a better risk profile (car loans in particular) as well as 50 million euros in provisions write-backs following sales of doubtful loans.

Personal Finance's pre-tax income was thus 1,442 million euros, up sharply compared to 2015: +15.9% (+17.9% at constant scope and exchange rates).

In the fourth quarter 2016, Personal Finance's revenues were up by 2.1% compared to the fourth quarter 2015, at 1,185 million euros. At constant scope and exchange rates, they were up 2.5% as a result of volumes rise and the growing positioning on products with a better risk profile.

Operating expenses were up by 3.2% compared to the fourth quarter 2015, at 598 million euros. They were up by 3.6% at constant scope and exchange rates, as a result of good business development.

Gross operating income thus totalled 587 million euros, up by 0.9% compared to the same quarter a year earlier (+1.4% at constant scope and exchange rates).

At 269 million euros, or 170 basis points of outstanding customer loans, the business unit recorded a significant decrease in the cost of risk (-39 million euros compared to the fourth quarter 2015) due to the low interest rate environment and the growing positioning on products with a better risk profile.

Personal Finance's pre-tax income thus totalled 334 million euros, up sharply compared to the fourth quarter 2015: +14.0% (+16.7% at constant scope and exchange rates).

[1] At constant scope and exchange rates
[2] Outstandings at the end of the period at historical scope and constant exchange rates

Europe-Mediterranean

For the whole of 2016, Europe-Mediterranean reported good business growth. Outstanding loans rose by 5.5%[1] compared to 2015 with a rise in all regions. Deposits grew by 9.8%[1], with good growth in all countries. There was a sustained development in the digital offering with 350,000 clients for CEPTETEB in Turkey and over 200,000 clients for BGZ OPTIMA in Poland.

At 2,513 million euros, revenues[2] were up by 6.0%[1] compared to 2015, in connection with the increase in volumes.

Operating expenses[2], at 1,705 million euros, rose by 4.6%[1] compared to last year. Excluding the rise in banking taxes and contributions in Poland[3], they were up by only 3.7%[1], reflecting the good control of expenses and the effect of cost synergies in Poland.

The cost of risk[2] totalled 437 million euros, or 112 basis points of outstanding customer loans, largely stable compared to 2015 (+0.7%[1]).

Given the rise in the contribution from associated companies and after allocating one-third of Turkish Private Banking's net income to the Wealth Management business, Europe-Mediterranean generated 566 million euros in pre-tax income, up sharply (+19.9%[4] compared to last year).

In the fourth quarter 2016, revenues[2], at 630 million euros, were up by 5.9%[1] compared to the fourth quarter 2015, in connection with increase in volumes and margins; they were up significantly in particular in Turkey.

At 431 million euros, operating expenses[2] rose by 1.1%[1] (+3.4% excluding the evolution of taxes and contributions in Poland) compared to the same quarter a year earlier.

Gross operating income[2] thus rose by 18.0%[1] compared to the fourth quarter 2015.

The cost of risk[2] totalled 127 million euros, or 129 basis points of outstanding customer loans. It was up by 31 million euros compared to the fourth quarter 2015 due to a rise in the cost of risk in Turkey but was stable compared to the third quarter 2016.

Given the good contribution of the associated companies and after allocating one-third of Turkish Private Banking's net income to the Wealth Management business, Europe-Mediterranean thus generated 120 million euros down by 1.2%[5] compared to the same quarter a year earlier.

BancWest

For the whole of 2016, BancWest continued its growth in a favourable economic context.

Loans were up by 8.5%[1] compared to 2015, both for corporate and individual customers. Deposits were up by 7.9%[1] with strong rise in current and savings accounts. BancWest continued to expand Private Banking with assets under management totalling 12.1 billion U.S. dollars as at 31 December 2016 (+19% compared to 31 December 2015).

[1] At constant scope and exchange rates
[2] With 100% of Private Banking in Turkey
[3] Introduction of a banking tax in Poland in 2016: 44 million euros (one-off contribution to the deposit guarantee fund & to the support fund for borrowers for 31 million euros in 2015
[4] At constant scope and exchange rates (+10.2% at historical scope and exchange rates)
[5] At constant scope and exchange rates (-9.8% at historical scope and exchange rates)

The year was also marked for BancWest by the success of the Comprehensive Capital Analysis and Review (CCAR) and by the success of the initial public offering of First Hawaiian Bank that continues to be fully consolidated so long as the Group maintains control over it.

Revenues[1], at 2,984 million euros, rose by 5.5%[2] compared to 2015, the increase in volumes being partly offset by the effect of lower interest rates in the United States for the whole of 2016 compared to 2015.

At 2,038 million euros, operating expenses[1] rose by 8.5%[2] compared to 2015. Excluding regulatory costs[3] and non-recurring costs[4], they grew by 6.9% as a result of the strengthening of the commercial set up (private banking, consumer finance).

The cost of risk[1] (85 million euros) was still at a low level, at 14 basis points of outstanding customer loans. It was however up by 35 million euros compared to the particularly low level in 2015.

Thus, after allocating one-third of U.S. Private Banking's net income to the Wealth Management business, BancWest generated 862 million euros in pre-tax income (-4.7%[5] compared to 2015).

In the fourth quarter 2016, revenues[1], totalling 795 million euros, rose by 6.5%[2] compared to the fourth quarter 2015 in connection with a rise in volumes.

Operating expenses[1], at 521 million euros, rose by 6.5%[2] compared to the fourth quarter 2015. Excluding regulatory costs[3] and non-recurring costs related to the initial public offering of First Hawaiian Bank, they grew by 5.3% because of the strengthening of the commercial set-ups.

The cost of risk[1] (23 million euros) was still at a low level, at 15 basis points of outstanding customer loans. It was up by 27 million euros compared to the fourth quarter 2015 when provisions were more than offset by write-backs.

Thus, after allocating one-third of U.S. Private Banking's net income to the Wealth Management business, BancWest generated 251 million euros in pre-tax income (-4.1%[6] compared to the fourth quarter 2015).

Insurance and Wealth and Asset Management

Insurance and Wealth & Asset Management posted, in a lacklustre context in 2016, a good overall performance with good asset inflows in all the business units.

Their assets under management[7] reached, as at 31 December 2016, the record level of 1,010 billion euros (+5.8% compared to 31 December 2015). They rose by 56 billion euros compared to 31 December 2015 due in particular to very good net asset inflows totalling 34.9 billion euros (strong asset inflows at Wealth Management in Asia, France, Italy and at BancWest, very good asset inflows in Asset Management, in particular into diversified and bond funds; good asset inflows in Insurance particularly in unit-linked accounts).

As at 31 December 2016, assets under management[7] broke down as follows: Asset Management (416 billion euros), Wealth Management (344 billion euros), Insurance (226 billion euros) and Real Estate Services (24 billion euros).

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1 With 100% of Private Banking in the United States
2 At constant scope and exchange rates
3 CCAR and Intermediate Holding Company
4 Costs related to the initial public offering of First Hawaiian Bank and a provision for an IT project
5 At constant scope and exchange rates (-6.6% at historical scope and exchange rates)
6 At constant scope and exchange rates (-2.5% at historical scope and exchange rates)
7 Including distributed assets

The implementation of new customer journeys and digital transformation is illustrated, for Wealth Management, by the launch of new digital services (“myAdvisory” a portfolio management mobile app and “myBioPass”, a unique key to access digital banking services) and, for Insurance, by 70 digital projects to transform services and improve performances.

Insurance’s revenues, at 2,382 million euros, were up by 2.7% compared to 2015, due to the rise in protection insurance revenues in Europe and in Latin America. Operating expenses, at 1,201 million euros, rose by 3.8%, due to the business development and the rise in regulatory costs. After taking into account the good performance of associated companies, pre-tax income was thus up by 3.0% compared to last year, at 1,369 million euros.

Wealth and Asset Management’s revenues, at 2,977 million euros, held up well in a lacklustre context (-1.2% compared to 2015). Operating expenses, at 2,341 million euros, were up by 1.4% as a result in particular of the development of Wealth Management. At 685 million euros, Wealth and Asset Management’s pre-tax income, after receiving one-third of the net income of private banking in the domestic markets, in Turkey and in the United States, was thus down by 5.4% compared to 2015.

In the fourth quarter 2016, Insurance and Wealth & Asset Management recorded 2 billion euros net asset inflows.

Insurance’s revenues, at 636 million euros, were up by 5.3% compared to the fourth quarter 2015, with in particular the rise in protection insurance revenues in Europe. Operating expenses, at 315 million euros, rose by 4.4%, due to the business development and the rise in regulatory costs. Pre-tax income was thus up by 5.4% compared to last year, at 356 million euros,

Wealth and Asset Management’s revenues, at 794 million euros, were up slightly (+0.5% compared to the fourth quarter 2015), driven by Wealth Management. Operating expenses, at 626 million euros, were up by 3.3%. Excluding the impact of exceptional restructuring costs, they rose by 2.3% as a result of the expansion of Wealth Management. At 176 million euros, Wealth and Asset Management’s pre-tax income, after receiving one-third of the net income of private banking in the domestic markets, in Turkey and in the United States, was thus down by 5.0% compared to the fourth quarter 2015 (-1.1% excluding exceptional restructuring costs).

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CORPORATE AND INSTITUTIONAL BANKING (CIB)

For the whole of 2016, CIB’s business units continued to grow in their markets and the business reported solid growth in the second half of the year after a particularly challenging context in the first quarter. The division actively implemented its transformation plan, on track with the defined timetable, and launched transformation initiatives and cost-saving measures in all regions.

Revenues of the business, at 11,469 million euros, were on the whole virtually stable compared to 2015 (-0.3%) but they rose by 1.2% at constant scope and exchange rates.

At 5,650 million euros, Global Markets’ revenues were down by 1.1% compared to 2015 but up by 1.6% at constant scope and exchange rates, showing a good recovery of the business after a particularly challenging market context in Europe at the beginning of the year. The revenues of FICC[1], at 3,860 million euros, were up by 10.0% compared to 2015 with good performance of rates

[1] Fixed Income, Currencies, and Commodities

and credit. The business unit reported sustained business performances and gained market share. It ranked number 1 for all bond issues in euros and number 9 for all international issues. At 1,791 million euros, Equity and Prime Services' revenues were down for their part by 18.7% compared to a high base in 2015 due to the less favourable context in the equity markets. The VaR, which measures market risks, remained very low (34 million euros).

Securities Services' revenues, at 1,824 million euros, were up by 1.9% (+2.2% at constant scope and exchange rates), in connection with the rise in assets under custody, reflecting good business development.

Corporate Banking's revenues, at 3,994 million euros, were stable (-0.3% compared to 2015 but +0.3% at constant scope and exchange rates) with a good pick-up in business after a lacklustre context in the first quarter. Revenues remained at a good level in Europe and Asia Pacific and grew in the Americas region. At 129.4 billion euros, loans were up by 4.3% compared to 2015. Deposits were up sharply, at 117.2 billion euros (+22.8% compared to 2015) in connection with the good development of cash management. The business unit continued to strengthen its positions and confirmed its number 1 ranking in Europe for syndicated financing. It gained new clients and developed transaction banking business (trade finance, etc.), also confirming its global number 4 ranking in cash management.

At 8,309 million euros, CIB's operating expenses were down by 1.8% compared to 2015 (stable at constant scope and exchange rates). They benefited from cost saving measures (about 350 million euros in savings in 2016) but recorded the impact of the rise in banking taxes and regulatory costs.

CIB's cost of risk totalled 217 million euros (+5 million euros compared to 2015). Corporate Banking's cost of risk was low at 292 million euros or 25 basis points of outstanding customer loans (+154 million euros increase compared to the very low level in 2015 which benefited from provision write-backs). Global Markets' cost of risk was a 72 million euros net write-back compared to an 80 million euro provision in 2015.

The operating income of CIB was thus up by 3.8% (+4.6% at constant scope and exchange rates), at 2,943 million euros.

CIB generated, though, income that was down by 1.2%, at 2,962 million euros, compared to last year which had recorded a one-off capital gain of 74 million euros from the sale of a non-strategic stake (+3.4% at constant scope and exchange rates).

<u>In the fourth quarter 2016</u>, CIB reported a very good performance. Revenues rose by 8.0% compared to the fourth quarter 2015, at 2,821 million euros.

Global Markets' revenues, at 1,284 million euros, were up sharply by 21.9% compared to the fourth quarter 2015 with strong client business in a favourable market context. The revenues of FICC[1], at 838 million euros, were up by 22.9% with very good growth of rates, credit and bond issues. At 446 million euros, the revenues of the Equity and Prime Services business unit were up by 20.2% with good volumes growth. The revenues of Securities Services, at 466 million euros, were up by 7.6% as a result of the rise in outstandings and in transaction volumes. At 1,071 million euros, Corporate Banking's revenues were down by 4.9% compared to a very good level in the fourth quarter 2015 which had registered significant transactions.

At 1,914 million euros, operating expenses were down by 3.2% compared to the fourth quarter 2015 due to cost savings measures and despite business growth.

CIB' cost of risk totalled 70 million euros (+7 million euros compared to the fourth quarter 2015). It was still low at Corporate Banking, at 115 million euros, or 39 basis points of outstanding customer

[1] Fixed Income, Currencies, and Commodities

loans, but rose by 46 million euros compared to the same quarter a year earlier due to a specific file. Global Markets' cost of risk was a net write-back of 44 million euros (net write-back of 4 million euros during the same quarter a year earlier).

CIB thus posted income up sharply, at 841 million euros (+50.8% compared to the fourth quarter 2015).

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CORPORATE CENTRE

For the whole of 2016, Corporate Centre revenues were 1,294 million euros compared to 910 million euros in 2015. They included the exceptional impact of +597 million euros of the capital gain from the sale of Visa Europe shares, the -59 million euros in Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA) (+314 million euros in 2015) as well as a very good contribution of Principal Investments.

Operating expenses totalled 1,189 million euros compared to 1,336 million euros in 2015. They included the exceptional impact of 159 million euros in the acquisitions' restructuring costs[1] (171 million euros in 2015), 395 million euros in CIB transformation costs (0 in 2015) and 7 million euros restructuring costs (0 in 2015). They no longer included any Simple & Efficient costs (622 million euros in 2015): in keeping with the objective, the final costs related to this plan were booked in the fourth quarter 2015.

The cost of risk totalled 39 million euros (51 million euros in 2015).

Non-operating items totalled -121 million euros (-79 million euros in 2015). They included -181 million euros[2] in goodwill impairments of subsidiaries' shares (-993 million euros in goodwill impairments in 2015[3]). Non-operating items also included in 2015 a +716 million euros capital gain from the sale of the residual stake in Klépierre-Corio; a +123 million euros dilution capital gain due to the merger between Klépierre and Corio and the +20 million euro share of the capital gain from the sale of a non-core investment allocated to the Corporate Centre.

The Corporate Centre's pre-tax income was -55 million euros compared to -656 million euros in 2015.

In the fourth quarter 2016, Corporate Centre revenues were 70 million euros compared to 151 million euros in the fourth quarter 2015. They included in particular -18 million euros in Own Credit Adjustment (OCA) and own credit risk included in derivatives (DVA) (+160 million euros in the fourth quarter 2015) and a good contribution of Principal Investments.

Operating expenses came to 330 million euros compared to 381 million euros in the fourth quarter 2015. They included 48 million euros in acquisitions' restructuring costs[1] (54 million euros in the fourth quarter 2015), 98 million euros in CIB transformation costs (0 in the fourth quarter 2015) and 7 million euros in restructuring costs (0 in the fourth quarter 2015). They no longer included any Simple & Efficient transformation costs (232 million euros in the fourth quarter 2015).

The cost of risk totalled 56 million euros (24 million euros in the fourth quarter 2015).

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[1] LaSer, Bank BGZ, DAB Bank and GE LLD

[2] Of which -127 million euros for BGZ's full goodwill impairment

[3] Of which BNL bc's full goodwill impairment: -917 million euros

For reference purposes, a final exceptional provision of 100 million euros was booked in the fourth quarter 2015 in connection with the remediation plan agreed as part of the comprehensive settlement with the U.S. authorities to industrialise existing processes.

Non-operating items totalled -123 million euros (-617 million euros in the fourth quarter 2015). They included -127 million euros[1] in goodwill impairments (-993 million euros in goodwill impairments in 2015[2]). Non-operating items also included in the fourth quarter 2015 the +352 million euros capital gain from the sale of the residual stake in Klépierre-Corio.

The Corporate Centre's pre-tax income was thus -440 million euros compared to -970 million euros in the fourth quarter 2015.

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FINANCIAL STRUCTURE

The Group's balance sheet is rock-solid.

The fully loaded Basel 3 common equity Tier 1 ratio[3] was 11.5% as at 31 December 2016, up by 60 basis points compared to 31 December 2015, primarily due to the year's results after the dividend payment.

The Basel 3 fully loaded leverage ratio[4], calculated on total Tier 1 capital, totalled 4.4% as at 31 December 2016 (+40 basis points compared to 31 December 2015).

The Liquidity Coverage Ratio stood at 123% as at 31 December 2016.

The Group's liquid and asset reserve immediately available totalled 305 billion euros (compared to 266 billion euros as at 31 December 2015), which is equivalent to more than one year of room to manoeuvre in terms of wholesale funding.

The evolution of the Group's ratios illustrates its solid capital generation and its ability to manage its balance sheet in a disciplined manner.

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SUCCESS OF THE 2014-2016 BUSINESS DEVELOPMENT PLAN

The good performance of the Group this year illustrates the success of the 2014-2016 business development plan.

During the period, the Group made progress on all the major strategic priorities defined in the plan. To prepare itself for the transformations of retail banking, the Group has launched Hello bank! which already has 2.5 million customers, developed digital banks in International Retail Banking, continued to adapt the branch networks and expanded private banking in all the networks. CIB,

[1] Full goodwill impairment of BGZ
[2] Of which BNL bc's full goodwill impairment: -917 million euros
[3] Taking into account all the rules of the CRD4 directives with no transitory provisions. Subject to the provisions of Article 26.2 of Regulation (EU) No 575/2013
[4] Taking into account all the rules of the CRD4 directives in 2019 with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014

strengthened by Securities Services, gained market share on large corporate and institutional clients and developed transaction banking. All the businesses managed to adapt to the transformations in their environment, like BNL bc. which refocused the corporate sales and marketing approach on the better clients, already reaping the first positive effects in terms of its results, and CIB that grouped together its market businesses in Global Markets. Lastly, regional business development plans (Germany, Asia Pacific, CIB-North America) achieved their growth targets, as well as the specialised businesses.

Average revenue growth[1] thus attained 4.0%[2] per year during the period despite a much more lacklustre environment than expected due to very low interest rates. Organic revenue growth[1] was sustained (+2.2% per year on average[2]) thanks to the good development of the businesses and the success of the regional business development plans, despite the low interest rate environment on Domestic Markets and the impact of the reduction of the Energy & Commodities business in CIB. Targeted acquisitions (DAB Bank, GE Fleet Services Europe, 50% not yet owned by LaSer and Bank BGZ) allowed to use available capital resources while preserving limited growth of risk-weighted assets (+0.7%[2] per year on average) and provided a positive contribution to the growth of revenues.

Operating expenses were well contained. They benefited from the success of the Simple & Efficient plan which helped to generate 3.3 billion euros in recurring savings[3] since it was launched in 2013 or 500 million euros above the initial objective. They recorded however the impact of new taxes and regulations that increased by 1.3 billion euros between 2013 and 2016. Excluding the impact of new taxes and regulations, the average annual growth of operating expenses was 2.7%[2] per year[4] and only 0.7% at constant scope and exchange rates. The jaws effect was thus positive at 1.2 point per year on average excluding new taxes and regulations.

Cost of risk was also reduced and the Group thus achieved or surpassed the main financial targets of the 2014-2016 plan with return on equity excluding exceptional items of 10.3% calculated based on a 10% CET1 ratio (for a 10% target), an 11.5% fully loaded Basel 3 common equity Tier 1 ratio and a 45% dividend pay-out ratio.

During the period, the Group carried out an active Corporate Social Responsibility policy (CSR) and introduced a new Code of Conduct that lead to a large-scale online training programme for employees. Many actions by the Group, such as financing socially responsible businesses, had a positive impact on society. The Group plays an active role in energy transition: it strictly limited financing in the coal industry and successfully launched a green bond. BNP Paribas is the European leader in the Banking category for CSR criteria according to Vigeo Eiris, the extra-financial rating agency.

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2017-2020 BUSINESS DEVELOPMENT PLAN

The 2017-2020 business development plan is based on the Group's integrated and diversified business model with three pillars focused on customers' needs: Domestic Markets, International Financial Services (IFS) and Corporate and Institutional Banking (CIB).

Leveraging this balanced business model, which has demonstrated its strength, the plan aims to build the bank of the future by continuing to grow the businesses and implementing an ambitious

[1] Excluding exceptionals (+€147m in 2013; +€538m in 2016)
[2] 2013-2016 average annual growth rate
[3] Of which 2.5 billion euros during the 2014-2016 period
[4] 4.2% a year on average including new taxes and regulations

programme of digital transformation, new customer experience, and cost savings in strict compliance with the Corporate Social Responsibility policy.

The plan, which is based on conservative macroeconomic assumptions, factors in regulatory constraints expected by 2020 which continue to grow in the current Basel 3 regulatory framework (introduction of Net Stable Funding ratio (NSFR), TLAC requirement on top of the capital constraints…).

In this context, headwinds will continue to be strong at the beginning of the period before letting up in 2019-2020. On average, the Group's target is revenue growth above or equal to 2.5% per year in order to raise the ROE to 10% in 2020.

The Group is targeting an average growth of net income in excess of 6.5% per year for the whole period which will allow, with a 50% dividend pay-out ratio, to grow the dividend by 9% per year on average, and reach a 12%[1] CET1 ratio in 2020.

The 2017-2020 business development plan is based on an ambitious transformation programme in all the operating divisions and on differentiated development strategies between Domestic Markets, IFS and CIB:

An ambitious programme of new customer experience, digital transformation & savings in all the divisions

In all the divisions, the Group will implement an ambitious transformation programme that aims at the same time to implement a new customer experience, the acceleration of digital transformation and improvement of operating efficiency.

It will rely on the success of a significant number of initiatives already underway in terms of products, apps and digital platforms (such as, for example, Hello bank ! and Wa ! in Domestic Markets, Cepteteb and BGZ Optima in IFS, Centric and Cortex in CIB), Tech Labs (such as l'Atelier and l'Echangeur) and incubators (such as the International Hackathon and Wai).

The Group plans to invest 3 billion euros between 2017 and 2019 in this programme that will generate 3.4 billion euros in savings during the same period and 2.7 billion in annual recurring savings starting from 2020 with a balanced contribution of all the divisions.

Five levers will be implemented in all the divisions to renew the customer experience and build a more digital and efficient bank: implement new customer journeys (new services, and digital, expanded, seamless and personalised journeys); improve the operational model by streamlining end-to-end processes, simplifying the organisations, and developing mutualised platforms; adapt information systems by incorporating in particular new technologies in order to accelerate digital and by promoting agile practices; better use data by leveraging them for customers' benefit and by reinforcing data storage, protection and analysis capacities; and, lastly, develop more digital, collaborative and agile work practices.

Differentiated business development strategies per division

In an interest rate environment that will improve only very gradually and given new client expectations influenced by digital usages, Domestic Markets will reinforce the sales and marketing drive with new customer experiences, enhanced attractiveness of the offering and new services. The division will improve its operating efficiency by actively continuing to adapt the branch networks, transforming the operating model and accelerating digitalisation. In a risk environment that will continue to be favourable, it will continue its cost of risk control policy in Italy. The target of

[1] At constant regulatory framework

Domestic Markets[1] is thus an average annual revenue growth of more than 0.5% per year until 2020, a 3 point reduction in its cost income ratio and a return on equity[2] above 17.5% in 2020 (+2 points compared to 2016).

As a growth engine for the Group, International Financial Services will strengthen its positions by accelerating the development (new offerings, new partnerships, new regions for the specialised businesses), consolidating the leading positions of the businesses and continuing to expand retail banking outside of the Eurozone. The division will continue to adapt to future constraints (MIFID 2, etc.) and improve its operating efficiency, in particular by accelerating digital transformation and streamlining processes. The target of IFS[3] is thus an average annual revenue growth of more than 5% per year until 2020, a 5 point reduction in its cost income ratio and a 20% return on equity[2] in 2020 (+2 points compared to 2016).

CIB will capitalise on the good start of its plan in 2016 in all its dimensions: resource optimisation, cost reduction and revenue growth. The operating division will extend to 2020 all the actions under way and accelerate the operating and digital transformation. It will expand its corporate and institutional client base, continue to grow fee-generating businesses (advisory services, cash management, Securities Services) and continue to leverage its regional positions to develop international services. It will also expand its client base in Europe, in particular in the countries of Northern Europe (Germany, Netherlands, etc.), and will continue to develop cooperations with other businesses in the Group. The target of CIB is thus an average annual revenue growth of more than 4.5% per year until 2020, a 8 point reduction in its cost income ratio and a return on equity[2] of more than 19% in 2020 (+6 points compared to 2016).

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* *

[1] Including 100% of Private Banking (excluding PEL/CEL effects)
[2] Return on notional equity (RONE)
[3] Excluding First Hawaiian Bank

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CONSOLIDATED PROFIT AND LOSS ACCOUNT

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**10,656**	**10,449**	**+2.0%**	**10,589**	**+0.6%**	**43,411**	**42,938**	**+1.1%**
Operating Expenses and Dep.	-7,444	-7,406	+0.5%	-7,217	+3.1%	-29,378	-29,254	+0.4%
Gross Operating Income	**3,212**	**3,043**	**+5.6%**	**3,372**	**-4.7%**	**14,033**	**13,684**	**+2.6%**
Cost of Risk	-950	-968	-1.9%	-764	+24.3%	-3,262	-3,797	-14.1%
Costs related to the comprehensive settlement with US authorities	0	-100	n.s.	0	n.s.	0	-100	n.s.
Operating Income	**2,262**	**1,975**	**+14.5%**	**2,608**	**-13.3%**	**10,771**	**9,787**	**+10.1%**
Share of Earnings of Equity-Method Entities	151	154	-1.9%	163	-7.4%	633	589	+7.5%
Other Non Operating Items	-146	-656	-77.7%	9	n.s.	-194	3	n.s.
Non Operating Items	**5**	**-502**	**n.s.**	**172**	**-97.1%**	**439**	**592**	**-25.8%**
Pre-Tax Income	**2,267**	**1,473**	**+53.9%**	**2,780**	**-18.5%**	**11,210**	**10,379**	**+8.0%**
Corporate Income Tax	-721	-719	+0.3%	-790	-8.7%	-3,095	-3,335	-7.2%
Net Income Attributable to Minority Interests	-104	-89	+16.9%	-104	-0.0%	-413	-350	+18.0%
Net Income Attributable to Equity Holders	**1,442**	**665**	**n.s.**	**1,886**	**-23.5%**	**7,702**	**6,694**	**+15.1%**
Cost/Income	**69.9%**	**70.9%**	**-1.0 pt**	**68.2%**	**+1.7 pt**	**67.7%**	**68.1%**	**-0.4 pt**

BNP Paribas' financial disclosures for the fourth quarter 2016 and for the year 2016 are contained in this press release and in the presentation attached herewith.
All legally required disclosures, including the Registration document, are available online at http://invest.bnpparibas.com in the "Results" section and are made public by BNP Paribas pursuant to the requirements under Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the Autorité des Marchés Financiers' general rules.

4Q16 – RESULTS BY CORE BUSINESSES

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Other Activities	Group
Revenues		**3,740**	**4,025**	**2,821**	**10,586**	**70**	**10,656**
	%Change/4Q15	-1.1%	+3.1%	+8.0%	+2.8%	-53.6%	+2.0%
	%Change/3Q16	-1.1%	+2.0%	-2.9%	-0.5%	n.s.	+0.6%
Operating Expenses and Dep.		-2,719	-2,481	-1,914	-7,114	-330	-7,444
	%Change/4Q15	+2.8%	+3.2%	-3.2%	+1.3%	-13.3%	+0.5%
	%Change/3Q16	+9.0%	+7.0%	-5.4%	+4.1%	-13.4%	+3.1%
Gross Operating Income		**1,022**	**1,544**	**907**	**3,472**	**-260**	**3,212**
	%Change/4Q15	-10.1%	+2.9%	+42.6%	+6.1%	+13.2%	+5.6%
	%Change/3Q16	-20.7%	-5.1%	+2.7%	-8.6%	-39.0%	-4.7%
Cost of Risk		-399	-425	-70	-894	-56	-950
	%Change/4Q15	-15.3%	+3.6%	+11.4%	-5.3%	n.s.	-1.9%
	%Change/3Q16	+21.8%	+13.1%	-5.7%	+15.0%	n.s.	+24.3%
Costs related to the comprehensive settlement with US authorities		0	0	0	0	0	0
	%Change/4Q15	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
	%Change/3Q16	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Operating Income		**623**	**1,118**	**837**	**2,578**	**-316**	**2,262**
	%Change/4Q15	-6.5%	+2.7%	+46.0%	+10.7%	-10.6%	+14.5%
	%Change/3Q16	-35.2%	-10.6%	+3.5%	-14.6%	-23.4%	-13.3%
Share of Earnings of Equity-Method Entities		13	116	9	138	13	151
Other Non Operating Items		-6	1	-5	-10	-136	-146
Pre-Tax Income		**630**	**1,236**	**841**	**2,707**	**-440**	**2,267**
	%Change/4Q15	-7.4%	+2.5%	+50.8%	+10.8%	-54.7%	+53.9%
	%Change/3Q16	-36.2%	-10.0%	+3.6%	-14.7%	+12.3%	-18.5%

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Other Activities	Group
Revenues		**3,740**	**4,025**	**2,821**	**10,586**	**70**	**10,656**
	4Q15	3,782	3,903	2,612	10,298	151	10,449
	3Q16	3,782	3,946	2,905	10,634	-45	10,589
Operating Expenses and Dep.		-2,719	-2,481	-1,914	-7,114	-330	-7,444
	4Q15	-2,646	-2,403	-1,976	-7,025	-381	-7,406
	3Q16	-2,494	-2,319	-2,022	-6,836	-381	-7,217
Gross Operating Income		**1,022**	**1,544**	**907**	**3,472**	**-260**	**3,212**
	4Q15	1,137	1,500	636	3,273	-230	3,043
	3Q16	1,288	1,627	883	3,798	-426	3,372
Cost of Risk		-399	-425	-70	-894	-56	-950
	4Q15	-471	-411	-63	-944	-24	-968
	3Q16	-327	-376	-74	-777	13	-764
Costs related to the comprehensive settlement with US authorities		0	0	0	0	0	0
	4Q15	0	0	0	0	-100	-100
	3Q16	0	0	0	0	0	0
Operating Income		**623**	**1,118**	**837**	**2,578**	**-316**	**2,262**
	4Q15	666	1,089	574	2,329	-354	1,975
	3Q16	961	1,251	809	3,021	-413	2,608
Share of Earnings of Equity-Method Entities		13	116	9	138	13	151
	4Q15	21	117	10	149	5	154
	3Q16	18	122	2	141	22	163
Other Non Operating Items		-6	1	-5	-10	-136	-146
	4Q15	-7	0	-27	-34	-622	-656
	3Q16	8	1	1	9	0	9
Pre-Tax Income		**630**	**1,236**	**841**	**2,707**	**-440**	**2,267**
	4Q15	680	1,206	558	2,443	-970	1,473
	3Q16	987	1,373	812	3,171	-391	2,780
Corporate Income Tax							-721
Net Income Attributable to Minority Interests							-104
Net Income Attributable to Equity Holders							**1,442**

2016 – RESULTS BY CORE BUSINESSES

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Other Activities	Group
Revenues		**15,170**	**15,479**	**11,469**	**42,117**	**1,294**	**43,411**
	%Change/2015	-0.4%	+1.2%	-0.3%	+0.2%	+42.1%	+1.1%
Operating Expenses and Dep.		-10,336	-9,544	-8,309	-28,189	-1,189	-29,378
	%Change/2015	+2.1%	+2.3%	-1.8%	+1.0%	-11.0%	+0.4%
Gross Operating Income		**4,834**	**5,935**	**3,160**	**13,928**	**105**	**14,033**
	%Change/2015	-5.2%	-0.4%	+3.6%	-1.3%	n.s.	+2.6%
Cost of Risk		-1,509	-1,496	-217	-3,223	-39	-3,262
	%Change/2015	-16.6%	-13.1%	+2.3%	-14.0%	-23.7%	-14.1%
Costs related to the comprehensive settlement with US authorities		0	0	0	0	0	0
	%Change/2015	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Operating Income		**3,324**	**4,439**	**2,943**	**10,705**	**66**	**10,771**
	%Change/2015	+1.1%	+4.7%	+3.8%	+3.3%	n.s.	+10.1%
Share of Earnings of Equity-Method Entities		53	477	20	550	83	633
Other Non Operating Items		2	8	-1	10	-204	-194
Pre-Tax Income		**3,379**	**4,924**	**2,962**	**11,265**	**-55**	**11,210**
	%Change/2015	+2.3%	+4.0%	-1.2%	+2.1%	-91.6%	+8.0%
Corporate Income Tax							-3,095
Net Income Attributable to Minority Interests							-413
Net Income Attributable to Equity Holders							**7,702**

QUARTERLY SERIES

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
GROUP								
Revenues	**10,656**	**10,589**	**11,322**	**10,844**	**10,449**	**10,345**	**11,079**	**11,065**
Operating Expenses and Dep.	-7,444	-7,217	-7,090	-7,627	-7,406	-6,957	-7,083	-7,808
Gross Operating Income	**3,212**	**3,372**	**4,232**	**3,217**	**3,043**	**3,388**	**3,996**	**3,257**
Cost of Risk	-950	-764	-791	-757	-968	-882	-903	-1,044
Costs related to the comprehensive settlement with US authorities	0	0	0	0	-100	0	0	0
Operating Income	**2,262**	**2,608**	**3,441**	**2,460**	**1,975**	**2,506**	**3,093**	**2,213**
Share of Earnings of Equity-Method Entities	151	163	165	154	154	134	164	137
Other Non Operating Items	-146	9	-81	24	-656	29	428	202
Pre-Tax Income	**2,267**	**2,780**	**3,525**	**2,638**	**1,473**	**2,669**	**3,685**	**2,552**
Corporate Income Tax	-721	-790	-864	-720	-719	-770	-1,035	-811
Net Income Attributable to Minority Interests	-104	-104	-101	-104	-89	-73	-95	-93
Net Income Attributable to Equity Holders	**1,442**	**1,886**	**2,560**	**1,814**	**665**	**1,826**	**2,555**	**1,648**
Cost/Income	**69.9%**	**68.2%**	**62.6%**	**70.3%**	**70.9%**	**67.2%**	**63.9%**	**70.6%**

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
RETAIL BANKING & SERVICES Excluding PEL/CEL Effects								
Revenues	**7,758**	**7,735**	**7,636**	**7,522**	**7,681**	**7,582**	**7,719**	**7,571**
Operating Expenses and Dep.	-5,200	-4,813	-4,681	-5,187	-5,049	-4,701	-4,636	-5,074
Gross Operating Income	**2,558**	**2,922**	**2,956**	**2,335**	**2,632**	**2,881**	**3,082**	**2,496**
Cost of Risk	-824	-704	-740	-738	-882	-837	-865	-950
Operating Income	**1,733**	**2,218**	**2,216**	**1,598**	**1,750**	**2,045**	**2,218**	**1,546**
Share of Earnings of Equity-Method Entities	130	140	124	136	138	117	139	115
Other Non Operating Items	-5	9	-2	8	-8	20	-2	-10
Pre-Tax Income	**1,858**	**2,367**	**2,339**	**1,742**	**1,881**	**2,182**	**2,355**	**1,651**
Allocated Equity (€bn, year to date)	49.0	48.8	48.6	48.7	48.4	48.4	48.3	47.7

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
RETAIL BANKING & SERVICES								
Revenues	**7,765**	**7,728**	**7,615**	**7,540**	**7,685**	**7,580**	**7,713**	**7,543**
Operating Expenses and Dep.	-5,200	-4,813	-4,681	-5,187	-5,049	-4,701	-4,636	-5,074
Gross Operating Income	**2,565**	**2,915**	**2,935**	**2,353**	**2,637**	**2,879**	**3,077**	**2,469**
Cost of Risk	-824	-704	-740	-738	-882	-837	-865	-950
Operating Income	**1,741**	**2,212**	**2,195**	**1,616**	**1,755**	**2,042**	**2,212**	**1,519**
Share of Earnings of Equity-Method Entities	130	140	124	136	138	117	139	115
Other Non Operating Items	-5	9	-2	8	-8	20	-2	-10
Pre-Tax Income	**1,866**	**2,360**	**2,318**	**1,760**	**1,885**	**2,180**	**2,349**	**1,623**
Allocated Equity (€bn, year to date)	49.0	48.8	48.6	48.7	48.4	48.4	48.3	47.7

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
DOMESTIC MARKETS (including 100% of Private Banking in France, Italy, Belgium and Luxembourg)* Excluding PEL/CEL Effects								
Revenues	**3,866**	**3,923**	**3,962**	**3,963**	**3,905**	**3,920**	**3,982**	**3,991**
Operating Expenses and Dep.	-2,794	-2,567	-2,449	-2,818	-2,713	-2,526	-2,398	-2,755
Gross Operating Income	**1,072**	**1,356**	**1,513**	**1,145**	**1,191**	**1,394**	**1,584**	**1,235**
Cost of Risk	-399	-329	-388	-399	-471	-419	-433	-490
Operating Income	**674**	**1,028**	**1,124**	**746**	**721**	**975**	**1,152**	**745**
Share of Earnings of Equity-Method Entities	14	18	13	9	22	14	9	5
Other Non Operating Items	-6	8	2	-2	-7	-7	-4	-15
Pre-Tax Income	**681**	**1,054**	**1,140**	**753**	**735**	**981**	**1,156**	**736**
Income Attributable to Wealth and Asset Management	-59	-61	-63	-63	-60	-71	-72	-70
Pre-Tax Income of Domestic Markets	**622**	**993**	**1,076**	**690**	**675**	**911**	**1,084**	**666**
Allocated Equity (€bn, year to date)	23.0	22.9	22.9	22.9	22.7	22.6	22.6	22.6

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
DOMESTIC MARKETS (including 2/3 of Private Banking in France, Italy, Belgium and Luxembourg)								
Revenues	**3,740**	**3,782**	**3,803**	**3,844**	**3,782**	**3,781**	**3,842**	**3,821**
Operating Expenses and Dep.	-2,719	-2,494	-2,378	-2,745	-2,646	-2,459	-2,336	-2,685
Gross Operating Income	**1,022**	**1,288**	**1,425**	**1,099**	**1,137**	**1,322**	**1,506**	**1,136**
Cost of Risk	-399	-327	-385	-398	-471	-420	-432	-488
Operating Income	**623**	**961**	**1,040**	**701**	**666**	**902**	**1,074**	**648**
Share of Earnings of Equity-Method Entities	13	18	13	9	21	14	9	5
Other Non Operating Items	-6	8	2	-2	-7	-7	-4	-15
Pre-Tax Income	**630**	**987**	**1,055**	**708**	**680**	**908**	**1,078**	**638**
Allocated Equity (€bn, year to date)	23.0	22.9	22.9	22.9	22.7	22.6	22.6	22.6

** Including 100% of Private Banking for Revenues down to Pre-tax income line items*

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
FRENCH RETAIL BANKING (including 100% of Private Banking in France)*								
Revenues	**1,556**	**1,594**	**1,587**	**1,661**	**1,608**	**1,649**	**1,663**	**1,646**
Incl. Net Interest Income	*907*	*916*	*879*	*972*	*951*	*959*	*929*	*934*
Incl. Commissions	*649*	*678*	*709*	*689*	*657*	*690*	*734*	*713*
Operating Expenses and Dep.	-1,216	-1,178	-1,106	-1,173	-1,207	-1,172	-1,097	-1,164
Gross Operating Income	**340**	**416**	**481**	**488**	**401**	**477**	**565**	**483**
Cost of Risk	-124	-72	-72	-73	-88	-79	-87	-89
Operating Income	**215**	**345**	**408**	**415**	**313**	**398**	**478**	**394**
Non Operating Items	1	0	1	1	1	1	1	1
Pre-Tax Income	**217**	**345**	**409**	**416**	**314**	**398**	**479**	**395**
Income Attributable to Wealth and Asset Management	-32	-34	-32	-39	-34	-41	-43	-42
Pre-Tax Income of French Retail Banking	**184**	**310**	**377**	**377**	**281**	**358**	**436**	**353**
Allocated Equity (€bn, year to date)	8.7	8.6	8.5	8.6	8.3	8.3	8.3	8.3

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
FRENCH RETAIL BANKING (including 100% of Private Banking in France)* Excluding PEL/CEL Effects**								
Revenues	**1,548**	**1,601**	**1,608**	**1,643**	**1,603**	**1,651**	**1,668**	**1,674**
Incl. Net Interest Income	*899*	*923*	*900*	*954*	*946*	*961*	*935*	*961*
Incl. Commissions	*649*	*678*	*709*	*689*	*657*	*690*	*734*	*713*
Operating Expenses and Dep.	-1,216	-1,178	-1,106	-1,173	-1,207	-1,172	-1,097	-1,164
Gross Operating Income	**332**	**423**	**502**	**470**	**396**	**479**	**571**	**510**
Cost of Risk	-124	-72	-72	-73	-88	-79	-87	-89
Operating Income	**208**	**351**	**430**	**397**	**308**	**400**	**484**	**422**
Non Operating Items	1	0	1	1	1	1	1	1
Pre-Tax Income	**209**	**351**	**430**	**398**	**309**	**401**	**485**	**422**
Income Attributable to Wealth and Asset Management	-32	-34	-32	-39	-34	-41	-43	-42
Pre-Tax Income of French Retail Banking	**177**	**317**	**398**	**359**	**276**	**360**	**442**	**380**
Allocated Equity (€bn, year to date)	8.7	8.6	8.5	8.6	8.3	8.3	8.3	8.3

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
FRENCH RETAIL BANKING (including 2/3 of Private Banking in France)								
Revenues	**1,485**	**1,523**	**1,516**	**1,588**	**1,539**	**1,576**	**1,588**	**1,570**
Operating Expenses and Dep.	-1,178	-1,141	-1,068	-1,139	-1,173	-1,141	-1,065	-1,130
Gross Operating Income	**307**	**382**	**448**	**450**	**367**	**436**	**523**	**440**
Cost of Risk	-124	-71	-72	-73	-87	-79	-87	-88
Operating Income	**183**	**311**	**376**	**377**	**280**	**357**	**436**	**352**
Non Operating Items	1	0	1	1	1	1	1	1
Pre-Tax Income	**184**	**310**	**377**	**377**	**281**	**358**	**436**	**353**
Allocated Equity (€bn, year to date)	8.7	8.6	8.5	8.6	8.3	8.3	8.3	8.3

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

*** Reminder on PEL/CEL provision: this provision takes into account the risk generated by Plans Epargne Logement (PEL) and Comptes Epargne Logement (CEL) during their whole lifetime.*

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
PEL/CEL effects	8	-7	-21	18	5	-2	-6	-28

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
BNL banca commerciale (Including 100% of Private Banking in Italy)*								
Revenues	**745**	**741**	**749**	**737**	**781**	**763**	**797**	**809**
Operating Expenses and Dep.	-543	-448	-433	-462	-550	-446	-443	-464
Gross Operating Income	**202**	**293**	**317**	**275**	**230**	**317**	**354**	**345**
Cost of Risk	-229	-215	-242	-274	-300	-309	-318	-321
Operating Income	**-27**	**78**	**74**	**1**	**-70**	**8**	**36**	**24**
Non Operating Items	0	0	0	0	0	0	0	-1
Pre-Tax Income	**-27**	**78**	**74**	**1**	**-70**	**8**	**36**	**23**
Income Attributable to Wealth and Asset Management	-10	-9	-9	-10	-10	-9	-11	-10
Pre-Tax Income of BNL bc	**-36**	**70**	**65**	**-8**	**-80**	**-1**	**24**	**13**
Allocated Equity (€bn, year to date)	5.7	5.8	5.9	6.0	6.5	6.5	6.5	6.6

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
BNL banca commerciale (Including 2/3 of Private Banking in Italy)								
Revenues	**725**	**721**	**730**	**718**	**762**	**745**	**777**	**790**
Operating Expenses and Dep.	-533	-438	-423	-453	-541	-437	-434	-455
Gross Operating Income	**192**	**284**	**307**	**265**	**221**	**308**	**342**	**335**
Cost of Risk	-229	-214	-242	-274	-301	-309	-318	-321
Operating Income	**-36**	**70**	**65**	**-8**	**-80**	**-1**	**24**	**14**
Non Operating Items	0	0	0	0	0	0	0	-1
Pre-Tax Income	**-36**	**70**	**65**	**-8**	**-80**	**-1**	**24**	**13**
Allocated Equity (€bn, year to date)	5.7	5.8	5.9	6.0	6.5	6.5	6.5	6.6

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
BELGIAN RETAIL BANKING (Including 100% of Private Banking in Belgium)*								
Revenues	**908**	**914**	**923**	**917**	**882**	**880**	**893**	**897**
Operating Expenses and Dep.	-661	-575	-555	-791	-588	-576	-525	-773
Gross Operating Income	**247**	**339**	**367**	**126**	**295**	**305**	**368**	**123**
Cost of Risk	-9	-19	-49	-21	-52	2	-2	-34
Operating Income	**237**	**320**	**318**	**106**	**243**	**306**	**366**	**90**
Share of Earnings of Equity-Method Entities	2	5	5	-4	3	3	5	-1
Other Non Operating Items	-1	-2	0	0	5	-7	-4	-13
Pre-Tax Income	**239**	**323**	**323**	**102**	**250**	**303**	**367**	**76**
Income Attributable to Wealth and Asset Management	-17	-18	-21	-14	-14	-20	-17	-17
Pre-Tax Income of Belgian Retail Banking	**222**	**305**	**302**	**88**	**235**	**283**	**350**	**60**
Allocated Equity (€bn, year to date)	4.7	4.7	4.7	4.6	4.5	4.5	4.5	4.4

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
BELGIAN RETAIL BANKING (Including 2/3 of Private Banking in Belgium)								
Revenues	**867**	**871**	**878**	**875**	**846**	**838**	**856**	**852**
Operating Expenses and Dep.	-636	-550	-534	-763	-565	-551	-506	-747
Gross Operating Income	**230**	**321**	**344**	**112**	**280**	**286**	**350**	**105**
Cost of Risk	-10	-19	-46	-20	-52	0	-1	-32
Operating Income	**221**	**302**	**297**	**92**	**228**	**286**	**349**	**73**
Share of Earnings of Equity-Method Entities	2	5	5	-4	3	3	5	-1
Other Non Operating Items	-1	-2	0	0	5	-7	-4	-13
Pre-Tax Income	**222**	**305**	**302**	**88**	**235**	**283**	**350**	**60**
Allocated Equity (€bn, year to date)	4.7	4.7	4.7	4.6	4.5	4.5	4.5	4.4

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

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 100% of Private Banking in Luxembourg)*								
Revenues	**666**	**669**	**681**	**666**	**638**	**625**	**624**	**611**
Operating Expenses and Dep.	-374	-367	-355	-393	-368	-332	-332	-354
Gross Operating Income	**292**	**302**	**327**	**273**	**270**	**293**	**292**	**257**
Cost of Risk	-37	-23	-25	-31	-31	-33	-26	-47
Operating Income	**255**	**279**	**302**	**242**	**240**	**260**	**266**	**210**
Share of Earnings of Equity-Method Entities	10	13	8	12	18	10	3	5
Other Non Operating Items	-6	10	3	-2	-13	0	0	-1
Pre-Tax Income	**260**	**301**	**312**	**252**	**245**	**270**	**269**	**214**
Income Attributable to Wealth and Asset Management	0	0	-1	-1	-1	-1	-1	-1
Pre-Tax Income of Other Domestic Markets	**259**	**301**	**311**	**251**	**244**	**269**	**267**	**213**
Allocated Equity (€bn, year to date)	3.8	3.8	3.8	3.8	3.5	3.4	3.4	3.3

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 2/3 of Private Banking in Luxembourg)								
Revenues	**663**	**666**	**679**	**663**	**636**	**622**	**621**	**608**
Operating Expenses and Dep.	-372	-365	-353	-391	-366	-330	-331	-353
Gross Operating Income	**291**	**301**	**326**	**272**	**269**	**292**	**290**	**255**
Cost of Risk	-36	-23	-25	-31	-31	-33	-26	-47
Operating Income	**255**	**278**	**301**	**241**	**238**	**259**	**265**	**209**
Share of Earnings of Equity-Method Entities	10	13	8	12	18	10	3	5
Other Non Operating Items	-6	10	3	-2	-13	0	0	-1
Pre-Tax Income	**259**	**301**	**311**	**251**	**244**	**269**	**267**	**213**
Allocated Equity (€bn, year to date)	3.8	3.8	3.8	3.8	3.5	3.4	3.4	3.3

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

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
INTERNATIONAL FINANCIAL SERVICES								
Revenues	**4,025**	**3,946**	**3,813**	**3,696**	**3,903**	**3,799**	**3,871**	**3,722**
Operating Expenses and Dep.	-2,481	-2,319	-2,303	-2,442	-2,403	-2,242	-2,300	-2,389
Gross Operating Income	**1,544**	**1,627**	**1,510**	**1,254**	**1,500**	**1,558**	**1,571**	**1,333**
Cost of Risk	-425	-376	-355	-339	-411	-417	-432	-462
Operating Income	**1,118**	**1,251**	**1,155**	**915**	**1,089**	**1,141**	**1,138**	**871**
Share of Earnings of Equity-Method Entities	116	122	111	127	117	103	131	109
Other Non Operating Items	1	1	-4	10	0	27	2	5
Pre-Tax Income	**1,236**	**1,373**	**1,262**	**1,052**	**1,206**	**1,272**	**1,271**	**985**
Allocated Equity (€bn, year to date)	26.1	25.9	25.7	25.8	25.7	25.7	25.7	25.0

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
PERSONAL FINANCE								
Revenues	**1,185**	**1,177**	**1,168**	**1,149**	**1,161**	**1,174**	**1,164**	**1,161**
Operating Expenses and Dep.	-598	-544	-547	-609	-580	-545	-581	-609
Gross Operating Income	**587**	**632**	**621**	**540**	**581**	**629**	**583**	**552**
Cost of Risk	-269	-240	-248	-221	-309	-287	-288	-292
Operating Income	**317**	**392**	**373**	**319**	**273**	**342**	**295**	**260**
Share of Earnings of Equity-Method Entities	18	18	-8	13	21	22	15	17
Other Non Operating Items	-2	0	-1	1	-1	0	2	-2
Pre-Tax Income	**334**	**411**	**364**	**333**	**293**	**364**	**312**	**276**
Allocated Equity (€bn, year to date)	4.9	4.9	4.8	4.8	4.5	4.5	4.4	4.2

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
EUROPE-MEDITERRANEAN (Including 100% of Private Banking in Turkey)*								
Revenues	**630**	**659**	**616**	**608**	**626**	**617**	**663**	**609**
Operating Expenses and Dep.	-431	-413	-429	-432	-444	-404	-408	-452
Gross Operating Income	**200**	**245**	**187**	**176**	**183**	**213**	**255**	**158**
Cost of Risk	-127	-127	-87	-96	-96	-112	-109	-150
Operating Income	**73**	**118**	**100**	**80**	**87**	**101**	**146**	**8**
Share of Earnings of Equity-Method Entities	49	48	53	50	46	44	42	42
Other Non Operating Items	-1	0	-4	2	1	0	-2	1
Pre-Tax Income	**121**	**166**	**149**	**132**	**134**	**145**	**186**	**51**
Income Attributable to Wealth and Asset Management	-1	0	-1	-1	-1	-1	-1	-1
Pre-Tax Income of EUROPE-MEDITERRANEAN	**120**	**165**	**149**	**132**	**133**	**145**	**185**	**51**
Allocated Equity (€bn, year to date)	5.2	5.2	5.2	5.1	5.4	5.4	5.4	5.3

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
EUROPE-MEDITERRANEAN (Including 2/3 of Private Banking in Turkey)								
Revenues	**628**	**656**	**614**	**606**	**625**	**614**	**661**	**607**
Operating Expenses and Dep.	-429	-411	-428	-431	-442	-403	-406	-450
Gross Operating Income	**199**	**245**	**187**	**176**	**182**	**212**	**254**	**157**
Cost of Risk	-127	-127	-87	-96	-96	-112	-109	-150
Operating Income	**72**	**118**	**100**	**80**	**86**	**100**	**145**	**8**
Share of Earnings of Equity-Method Entities	49	48	53	50	46	44	42	42
Other Non Operating Items	-1	0	-4	2	1	0	-2	1
Pre-Tax Income	**120**	**165**	**149**	**132**	**133**	**145**	**185**	**51**
Allocated Equity (€bn, year to date)	5.2	5.2	5.2	5.1	5.4	5.4	5.4	5.3

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

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
BANCWEST (Including 100% of Private Banking in United States)*								
Revenues	**795**	**728**	**688**	**773**	**735**	**702**	**731**	**667**
Operating Expenses and Dep.	-521	-501	-482	-534	-481	-465	-466	-470
Gross Operating Income	**274**	**227**	**207**	**239**	**253**	**237**	**265**	**197**
Cost of Risk	-23	-14	-23	-25	4	-19	-16	-19
Operating Income	**251**	**213**	**184**	**214**	**257**	**218**	**249**	**178**
Share of Earnings of Equity-Method Entities	0	0	0	0	0	0	0	0
Other Non Operating Items	4	1	1	10	2	25	1	3
Pre-Tax Income	**255**	**214**	**184**	**225**	**260**	**243**	**250**	**180**
Income Attributable to Wealth and Asset Management	-5	-4	-3	-3	-3	-3	-2	-2
Pre-Tax Income of BANCWEST	**251**	**210**	**181**	**221**	**257**	**240**	**248**	**178**
Allocated Equity (€bn, year to date)	6.3	6.2	6.3	6.4	6.3	6.3	6.3	6.0

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
BANCWEST (Including 2/3 of Private Banking in United States)								
Revenues	**782**	**716**	**677**	**762**	**724**	**692**	**721**	**658**
Operating Expenses and Dep.	-513	-493	-474	-526	-474	-457	-459	-463
Gross Operating Income	**269**	**223**	**203**	**236**	**250**	**234**	**262**	**195**
Cost of Risk	-23	-14	-23	-25	4	-19	-16	-19
Operating Income	**246**	**209**	**180**	**211**	**255**	**215**	**247**	**175**
Non Operating Items	4	1	1	10	2	25	1	3
Pre-Tax Income	**251**	**210**	**181**	**221**	**257**	**240**	**248**	**178**
Allocated Equity (€bn, year to date)	6.3	6.2	6.3	6.4	6.3	6.3	6.3	6.0

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
INSURANCE								
Revenues	**636**	**679**	**611**	**456**	**604**	**579**	**562**	**575**
Operating Expenses and Dep.	-315	-299	-278	-309	-302	-278	-276	-301
Gross Operating Income	**321**	**380**	**333**	**147**	**302**	**301**	**286**	**275**
Cost of Risk	-1	3	1	-1	-4	2	-4	0
Operating Income	**320**	**383**	**334**	**146**	**298**	**304**	**282**	**275**
Share of Earnings of Equity-Method Entities	36	44	54	55	40	28	60	42
Other Non Operating Items	0	0	0	-3	-1	0	1	0
Pre-Tax Income	**356**	**427**	**387**	**199**	**337**	**332**	**343**	**316**
Allocated Equity (€bn, year to date)	7.5	7.4	7.4	7.4	7.4	7.3	7.3	7.3

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
WEALTH AND ASSET MANAGEMENT								
Revenues	**794**	**718**	**743**	**723**	**789**	**739**	**764**	**720**
Operating Expenses and Dep.	-626	-572	-577	-567	-605	-558	-579	-566
Gross Operating Income	**168**	**146**	**166**	**156**	**184**	**181**	**185**	**154**
Cost of Risk	-5	3	3	3	-7	-1	-16	-1
Operating Income	**163**	**149**	**169**	**159**	**177**	**180**	**169**	**153**
Share of Earnings of Equity-Method Entities	13	12	13	8	11	10	14	8
Other Non Operating Items	0	0	0	0	-3	2	0	3
Pre-Tax Income	**176**	**161**	**181**	**167**	**185**	**191**	**183**	**165**
Allocated Equity (€bn, year to date)	2.1	2.1	2.1	2.1	2.2	2.2	2.2	2.2

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

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
CORPORATE AND INSTITUTIONAL BANKING								
Revenues	**2,821**	**2,905**	**3,056**	**2,686**	**2,612**	**2,567**	**3,014**	**3,313**
Operating Expenses and Dep.	-1,914	-2,022	-2,115	-2,258	-1,976	-1,955	-2,051	-2,475
Gross Operating Income	**907**	**883**	**942**	**428**	**636**	**612**	**963**	**838**
Cost of Risk	-70	-74	-46	-28	-63	-40	-14	-96
Operating Income	**837**	**809**	**896**	**400**	**574**	**572**	**948**	**742**
Share of Earnings of Equity-Method Entities	9	2	13	-3	10	2	13	8
Other Non Operating Items	-5	1	-2	6	-27	-2	20	136
Pre-Tax Income	**841**	**812**	**907**	**403**	**558**	**573**	**981**	**885**
Allocated Equity (€bn, year to date)	22.2	22.2	22.0	21.9	21.6	21.6	21.5	20.6

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
CORPORATE BANKING								
Revenues	**1,071**	**958**	**1,037**	**929**	**1,126**	**877**	**1,015**	**988**
Operating Expenses and Dep.	-567	-591	-601	-693	-606	-584	-611	-669
Gross Operating Income	**504**	**368**	**436**	**236**	**520**	**293**	**404**	**319**
Cost of Risk	-115	-79	-42	-55	-69	-50	55	-73
Operating Income	**388**	**289**	**394**	**181**	**451**	**243**	**459**	**246**
Non Operating Items	14	-3	2	0	-10	-1	32	139
Pre-Tax Income	**402**	**286**	**396**	**181**	**441**	**242**	**491**	**385**
Allocated Equity (€bn, year to date)	12.4	12.3	12.3	12.2	11.4	11.4	11.3	11.0

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
GLOBAL MARKETS								
Revenues	**1,284**	**1,490**	**1,558**	**1,318**	**1,053**	**1,245**	**1,526**	**1,886**
incl. FICC	*838*	*1,082*	*1,050*	*890*	*682*	*766*	*900*	*1,159*
incl. Equity & Prime Services	*446*	*408*	*509*	*428*	*371*	*478*	*626*	*728*
Operating Expenses and Dep.	-967	-1,065	-1,139	-1,184	-980	-1,001	-1,073	-1,450
Gross Operating Income	**317**	**425**	**419**	**134**	**73**	**243**	**453**	**436**
Cost of Risk	44	5	-4	27	4	11	-72	-23
Operating Income	**361**	**430**	**415**	**160**	**77**	**254**	**380**	**413**
Share of Earnings of Equity-Method Entities	-3	5	11	-4	6	4	2	6
Other Non Operating Items	-8	0	-2	6	-12	-2	0	-1
Pre-Tax Income	**350**	**435**	**424**	**163**	**72**	**256**	**382**	**418**
Allocated Equity (€bn, year to date)	9.0	9.1	9.0	9.1	9.5	9.5	9.5	9.0

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
SECURITIES SERVICES								
Revenues	**466**	**457**	**461**	**440**	**433**	**444**	**473**	**439**
Operating Expenses and Dep.	-380	-367	-374	-382	-390	-369	-368	-356
Gross Operating Income	**86**	**90**	**87**	**59**	**43**	**75**	**106**	**83**
Cost of Risk	2	0	1	0	3	0	3	0
Operating Income	**87**	**90**	**88**	**59**	**45**	**75**	**109**	**83**
Non Operating Items	1	1	0	0	0	0	0	0
Pre-Tax Income	**88**	**91**	**87**	**59**	**45**	**75**	**109**	**83**
Allocated Equity (€bn, year to date)	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.6

€m	4Q16	3Q16	2Q16	1Q16	4Q15	3Q15	2Q15	1Q15
CORPORATE CENTRE								
Revenues	**70**	**-45**	**650**	**618**	**151**	**198**	**352**	**209**
Operating Expenses and Dep.	-330	-381	-295	-182	-381	-302	-395	-258
Incl. Restructuring and Transformation Costs	*-154*	*-253*	*-108*	*-46*	*-286*	*-160*	*-217*	*-130*
Gross Operating Income	**-260**	**-426**	**356**	**435**	**-230**	**-103**	**-43**	**-50**
Cost of Risk	-56	13	-5	9	-24	-6	-24	2
Costs related to the comprehensive settlement with US authorities	0	0	0	0	-100	0	0	0
Operating Income	**-316**	**-413**	**350**	**444**	**-354**	**-109**	**-67**	**-47**
Share of Earnings of Equity-Method Entities	13	22	28	21	5	14	12	15
Other Non Operating Items	-136	0	-77	10	-622	11	410	76
Pre-Tax Income	**-440**	**-391**	**301**	**475**	**-970**	**-84**	**354**	**43**

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

Alternative Performance Measures	Definition	Reason for use
Revenues of the operating divisions	Sum of the revenues of Domestic Markets, IFS and CIB Revenues for BNP Paribas Group = Revenues of the operating divisions + Revenues of Corporate Centre	Representative measure of the BNP Paribas Group's operating performance
Revenues excluding PEL/CEL effects	Revenues excluding PEL/CEL effects	Representative measure of the revenues of the period excluding changes in the provision that accounts for the risk generated by PEL and CEL accounts during their lifetime
Profit & Loss account of retail banking activitywith 100% of Private Banking	Profit & Loss account of a retail banking activity including the whole Profit & Loss account of private banking	Representative measure of the performance of retail banking activity including the total performance of private banking (before sharing the profit & loss account with the Wealth Management business, private banking being under a joint responsibility of retail banking (2/3) and Wealth Management business (1/3))
Cost of risk/Customer loans at the beginning of the period (in basis points)	Cost of risk (in €m) divided by customer loans at the beginning of the period	Measure of the risk level by business in percentage of the volume of outstanding loans
Net income Group share excluding exceptional items	Net income attributable to equity holders excluding exceptional items	Measure of BNP Paribas Group's net income excluding non-recurring items of a significant amount or items that do not reflect the underlying operating performance, notably Own Credit valuation Adjustments for debts (OCA) and for derivatives (Debit Valuation Adjustment - DVA) as well as transformation and restructuring costs
Return on Equity (ROE) excluding exceptional items	Net income Group share excluding exceptional items and remuneration of Undated Super Subordinated Notes divided by the average of permanent shareholders' equity of the period (shareholders' equity Group share excluding changes in assets and liabilities recognized directly in equity, Undated Super Subordinated Notes, remuneration net of tax payable to holders of Undated Super Subordinated Notes and proposed distribution of dividends)	Measure of the BNP Paribas Group's return on equity excluding non-recurring items of a significant amount or items that do not reflect the operating performance, notably Own Credit valuation Adjustments for debts (OCA) and for derivatives (Debit Valuation Adjustment - DVA) as well as transformation and restructuring costs
Return on Tangible Equity (ROTE) excluding exceptional items	Net income Group share excluding exceptional items and remuneration of Undated Super Subordinated Notes divided by the average of tangible permanent shareholders' equity of the period (permanent shareholders' equity correspond to permanent shareholders' equity less goodwill and intangible assets)	Measure of the BNP Paribas Group's return on tangible equity excluding non recurring items of a significant amount or items that do not reflect the operating performance, notably Own Credit valuation Adjustments for debts (OCA) and for derivatives (Debit Valuation Adjustment - DVA) as well as transformation and restructuring costs

Methodology – Comparative analysis at constant scope and exchange rates

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

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

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

Reminder

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

Operating divisions: they consist of 3 divisions:

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

The figures included in this presentation are unaudited. On 29 March 2016, BNP Paribas issued a restatement of its quarterly results for 2015 reflecting, in particular (i) an increase in the capital allocated to each business line to 11% of risk-weighted assets, compared to 9% previously, (ii) the charge of subordination costs of Additional Tier 1 and Tier 2 debt issued by the Group to the divisions and business lines, a review of the way it charges and remunerates liquidity between the Corporate Centre and the business lines and the adaptation of the allocation practices for revenues and operating expenses of Treasury activities within CIB, (iii) the allocation to the divisions and business lines of the contribution to the Single Resolution Fund, the reduction of the French systemic tax and new contributions to the deposit guarantee funds of BNL and Luxembourg Retail Banking which had been temporarily booked in the operating expenses of the Corporate Centre and (iv) some limited internal transfers of business activities and results. The 2015 quarterly result series have been restated reflecting these effects as if they had occurred on 1st January 2015. This presentation is based on the restated 2015 quarterly series.

This presentation includes forward-looking statements based on current beliefs and expectations about future events. Forward-looking statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future events, operations, products and services, and statements regarding future performance and synergies. Forward-looking statements are not guarantees of future performance and are subject to inherent risks, uncertainties and assumptions about BNP Paribas and its subsidiaries and investments, developments of BNP Paribas and its subsidiaries, banking industry trends, future capital expenditures and acquisitions, changes in economic conditions globally or in BNP Paribas' principal local markets, the competitive market and regulatory factors. Those events are uncertain; their outcome may differ from current expectations which may in turn significantly affect expected results. Actual results may differ materially from those projected or implied in these forward looking statements. Any forward-looking statement contained in this presentation speaks as of the date of this presentation. BNP Paribas undertakes no obligation to publicly revise or update any forward-looking statements in light of new information or future events. It should be recalled in this regard that the Supervisory Review and Evaluation Process is carried out each year by the European Central Bank, which can modify each year its capital adequacy ratio requirements for BNP Paribas.

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

BNP PARIBAS
2016 FULL YEAR RESULTS

7 FEBRUARY 2017

BNP PARIBAS

The bank for a changing world

Disclaimer

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2016 Key Messages

Revenue growth despite a low interest rate environment and a lacklustre market context this year	**Revenues: +1.1% vs. 2015**
Cost containment	**+0.4% vs. 2015**
Rise in gross operating income	**+2.6% vs. 2015**
Significant decrease in the cost of risk	**-14.1% vs. 2015 (46 bp)***
Rise in net income Group share **Dividend per share**	**€7,702m (+15.1% vs. 2015)** **€2.70****
Solid organic capital generation	**CET1***: 11.5% (+60 bp vs. 31.12.15)**

Success of the 2014-2016 plan
Launch of a new 2017-2020 business development plan

** Cost of risk/Customer loans at the beginning of the period; ** Subject to the approval of Annual General Meeting on 23 May 2017; *** As at 31 December 2016, CRD4 ("fully loaded" ratio)*

Group Results

Division Results

Success of the 2014-2016 Business Development Plan

2020 Business Development Plan

4Q16 Detailed Results

Appendix

Main Exceptional Items - 2016

	2016	2015
Revenues		
Own credit adjustment and DVA *(Corporate Centre)*	-€59m	+€314m
Capital gain on the sale of Visa Europe shares *(Corporate Centre)*	+€597m	
Total exceptional revenue items	***+€538m***	***+€314m***
Operating expenses		
Simple & Efficient transformation costs *(Corporate Centre)*		-€622m
CIB transformation costs and restructuring costs of acquisitions* (*Corporate Centre*)	-€553m	-€171m
Restructuring costs of Businesses**	-€144m	
Compulsory contribution to the resolution process of 4 Italian banks***	-€52m	-€69m
Total exceptional operating expenses items	***-€749m***	***-€862m***
Costs related to the comprehensive settlement with U.S. authorities *(Corporate Centre)*		
Costs related to the remediation plan		-€100m
	€0m	***-€100m***
Other non operating items		
Goodwill impairments**** *(Corporate Centre)*	-€127m	-€993m
Capital gain on the sale of a non-strategic stake*****		+€94m
Sale of the stake in Klépierre-Corio *(Corporate Centre)*		+€716m
Dilution capital gain due to the merger between Klépierre and Corio *(Corporate Centre)*		+€123m
Total exceptional non operating items	***-€127m***	***-€60m***
Total exceptional items (pre-tax)	**-€338m**	**-€708m**
Total exceptional items (after tax)	**-€100m**	**-€644m**

** LaSer, Bank BGZ, DAB Bank, GE LLD; ** BNL bc (-€50m), BRB (-€80m), WAM (-€7m), Corporate Centre (-€7m); *** BNL bc (-€47m in 2016, -€65m in 2015), Personal Finance (-€5m in 2016, -€4m in 2015); **** Of which full goodwill impairment of BNL bc (-€917m in 2015) and of BGZ (-€127m in 4Q16); ***** CIB-Corporate Banking (€74m), Corporate Centre (€20m)*

Consolidated Group - 2016

	2016	2015	2016 vs. 2015
Revenues	**€43,411m**	**€42,938m**	**+1.1%**
Operating expenses	-€29,378m	-€29,254m	+0.4%
Gross operating income	**€14,033m**	**€13,684m**	**+2.6%**
Cost of risk	-€3,262m	-€3,797m	-14.1%
Costs related to the comprehensive settlement with U.S. authorities	€0m	-€100m	n.s.
Non operating items	€439m	€592m	-25.8%
Pre-tax income	**€11,210m**	**€10,379m**	**+8.0%**
Net income attributable to equity holders	**€7,702m**	**€6,694m**	**+15.1%**
Net income attributable to equity holders excluding one-off items*	**€7,802m**	**€7,338m**	**+6.3%**

ROE (ROTE)**: 9.3% (11.1%)
ROE calculated according to the 2014-2016 plan: 10.3%***

Good overall performance

** See slide 5; ** ROE: return on equity, ROTE: return on tangible equity (ROE excluding exceptional elements: 9.4%; ROTE excluding exceptional elements: 11.2%); *** Return on equity excluding exceptional elements calculated on the basis of CET1 ratio of 10%*

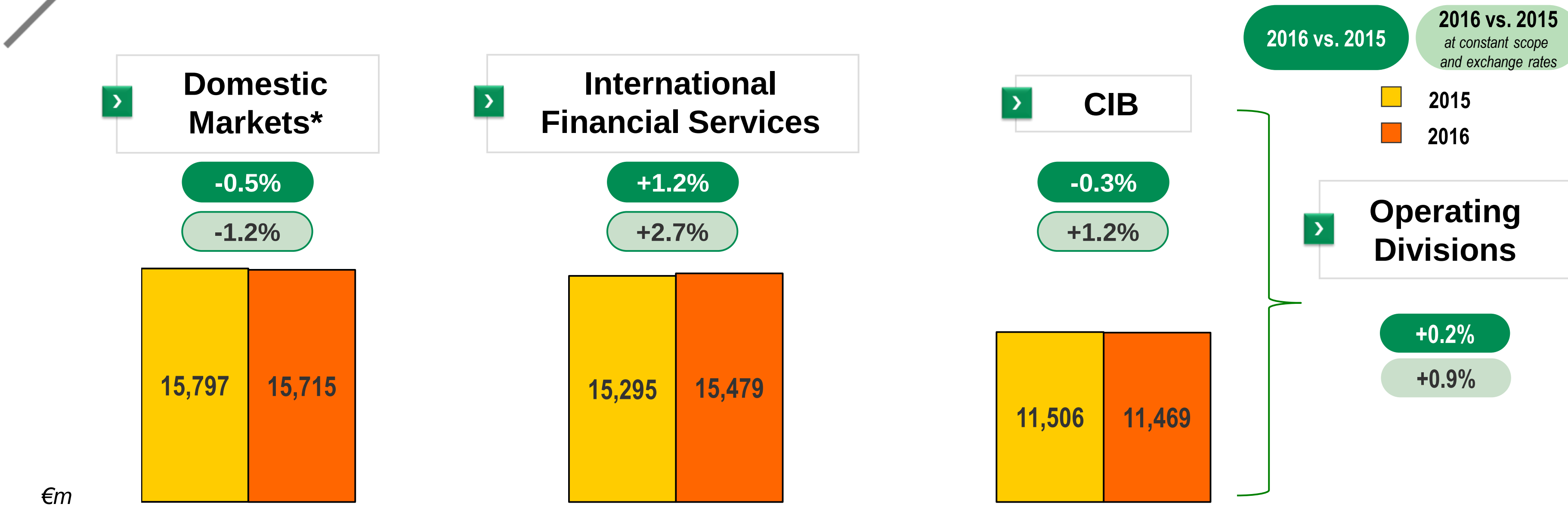
Consolidated Group - 4Q16

	4Q16	4Q15	4Q16 vs. 4Q15
Revenues	**€10,656m**	**€10,449m**	**+2.0%**
Operating expenses	-€7,444m	-€7,406m	+0.5%
Gross operating income	**€3,212m**	**€3,043m**	**+5.6%**
Cost of risk	-€950m	-€968m	-1.9%
Operating income	**€2,262m**	**€1,975m**	**+14.5%**
Non operating items	€5m	-€502m	n.s.
Pre-tax income	**€2,267m**	**€1,473m**	**+53.9%**
Net income attributable to equity holders	**€1,442m**	**€665m**	**n.s.**
Net income attributable to equity holders excluding one-off items*	**€1,814m**	**€1,587m**	**+14.3%**

Good income growth this quarter

** Exceptional elements: see slide 55*

Revenues of the Operating Divisions - 2016

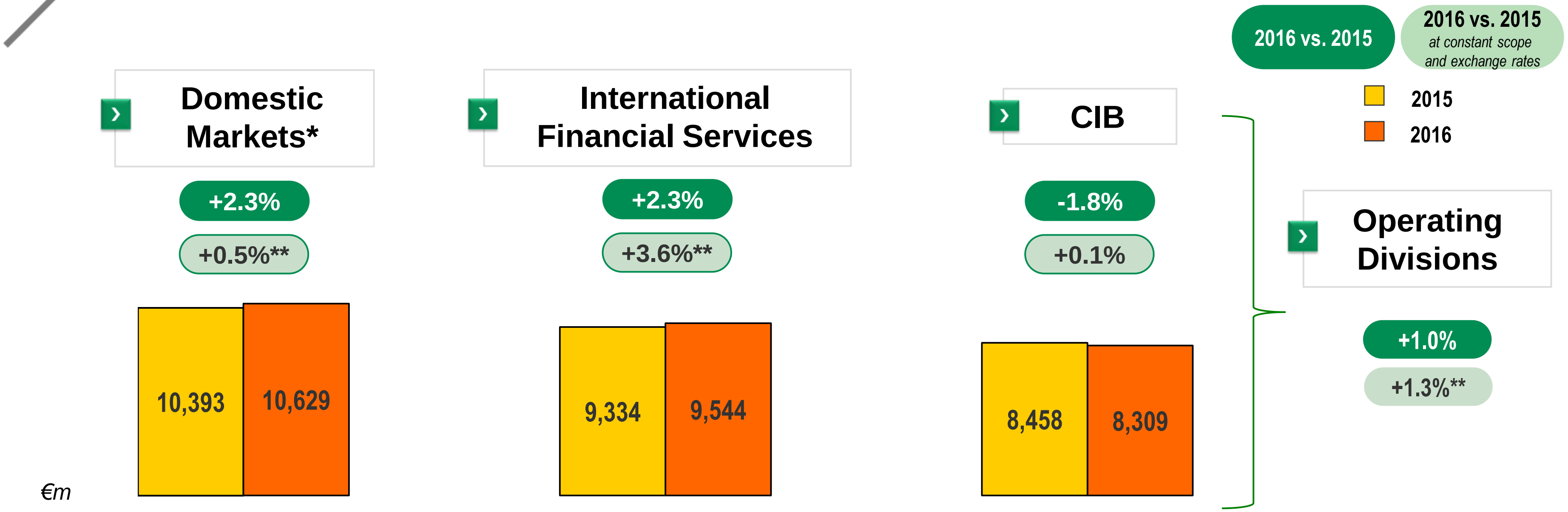


- Unfavourable foreign exchange effect this year
- Slight decrease in the revenues of Domestic Markets as a result of the low interest rate environment
- Rise in the revenues of IFS
- Growth in the revenues of CIB at constant scope and exchange rates despite a particularly unfavourable market environment in 1Q16

Growth of the operating divisions despite a challenging environment

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

Operating Expenses of the Operating Divisions - 2016



- Rise in banking taxes and contributions (impact of +0.6%***)
- Impact of the new regulations and the strengthening of compliance
- Simple & Efficient savings plan offsetting the natural costs' drift (inflation, etc.)
- First effects of CIB's savings plan

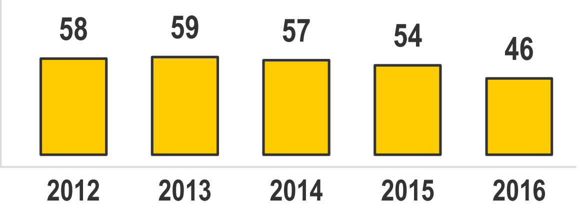
Cost containment but rise in taxes as well as regulatory and compliance costs

** Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg; ** Excluding exceptional operating expenses (see slide 5); *** Rise in taxes and banking contributions: +€172m vs. 2015*

Cost of Risk - 2016 (1/2)

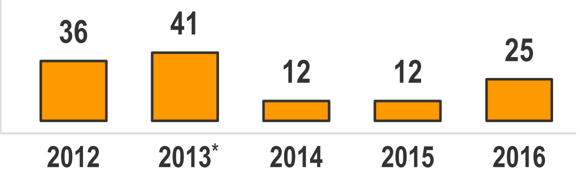
Cost of risk/Customer loans at the beginning of the period (in bp)

Group



- Cost of risk: €3,262m (-€535m vs. 2015)
- Significant decline in the cost of risk

CIB - Corporate Banking



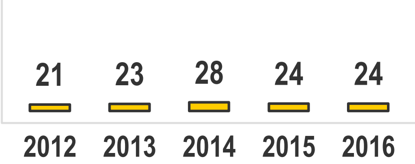
- €292m (+€154m vs. 2015)
- Cost of risk at a low level
- Reminder: positive effect of provisions write-backs in 2014 and 2015

** Restated*

Cost of Risk - 2016 (2/2)

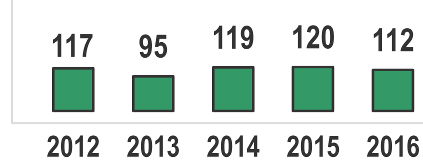
Cost of risk/Customer loans at the beginning of the period (in bp)

FRB



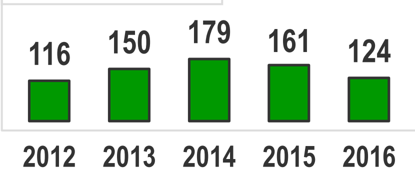
- €342m (stable vs. 2015)
- Cost of risk still low

Europe-Mediterranean



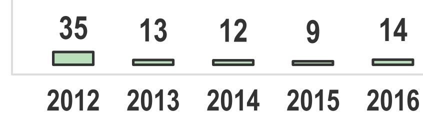
- €437m (-€29m vs. 2015)
- Cost of risk ~stable

BNL bc



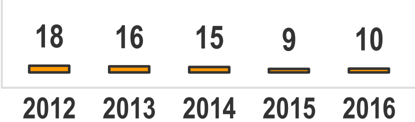
- €959m (-€289m vs. 2015)
- Continued decrease in the cost of risk

BancWest



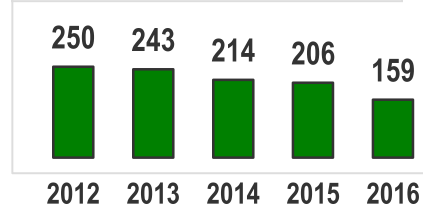
- €85m (+€35m vs. 2015)
- Cost of risk still low

BRB



- €98m (+€13m vs. 2015)
- Very low cost of risk

Personal Finance

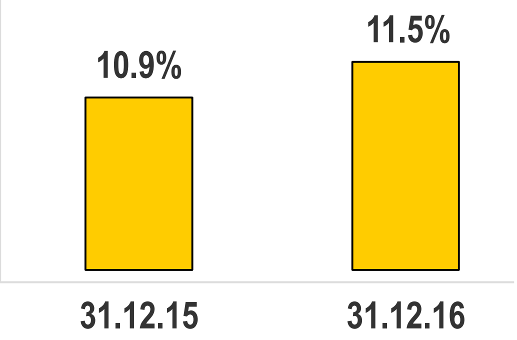


- €979m (-€196m vs. 2015)
  - Effect of the low interest rates and the growing positioning on products with a better risk profile
  - Provisions write-backs following sales of doubtful loans (~-€50m)

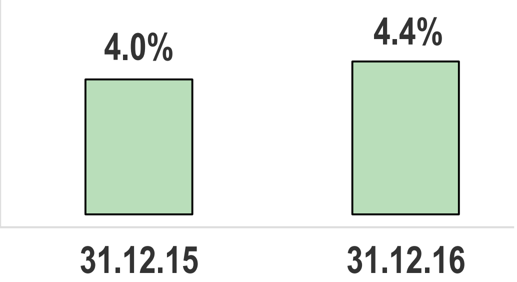
Financial Structure

- Fully loaded Basel 3 CET1 ratio*: 11.5% as at 31.12.16; +60 bp vs. 31.12.15:
  - Essentially due to the 2016 results after taking into account the dividend payment
- Fully loaded Basel 3 leverage**: 4.4% as at 31.12.16 (+40 bp vs. 31.12.15)
  - Calculated on total Tier 1 Capital
- Liquidity Coverage Ratio: 123% as at 31.12.16
- Immediately available liquidity reserve: €305bn*** (€266bn as at 31.12.15)
  - Equivalent to over 1 year of room to manœuvre in terms of wholesale funding

Fully loaded Basel 3 CET1 ratio*



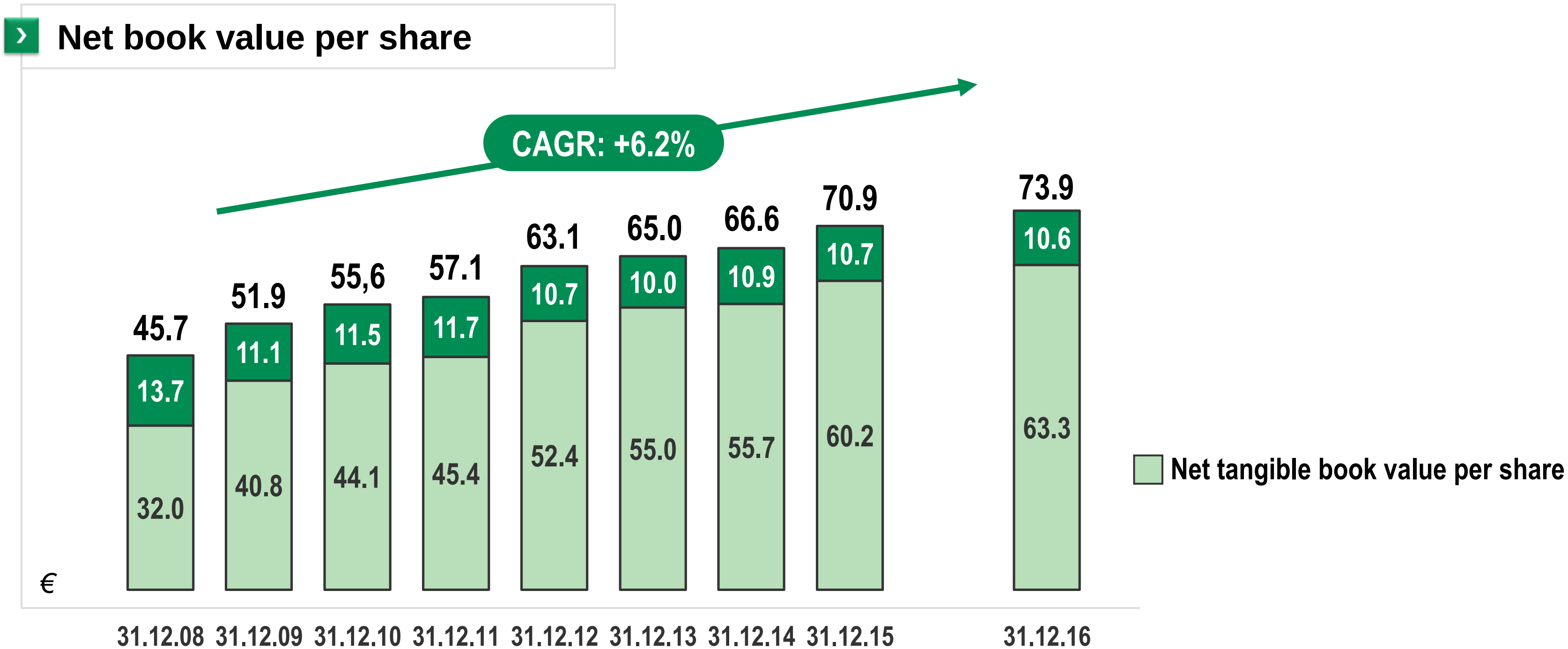
Fully loaded Basel 3 leverage ratio**



Solid capital generation
Continued increase of the fully loaded Basel 3 CET1 ratio

** CRD4 "2019 fully loaded"; ** CRD4 "2019 fully loaded", calculated according to the delegated act of the EC dated 10.10.2014 on total Tier 1 Capital and using value date for securities transactions; *** Liquid market assets or eligible to central banks (counterbalancing capacity) taking into account prudential standards, notably US standards, minus intra-day payment system needs*

Net Book Value per Share

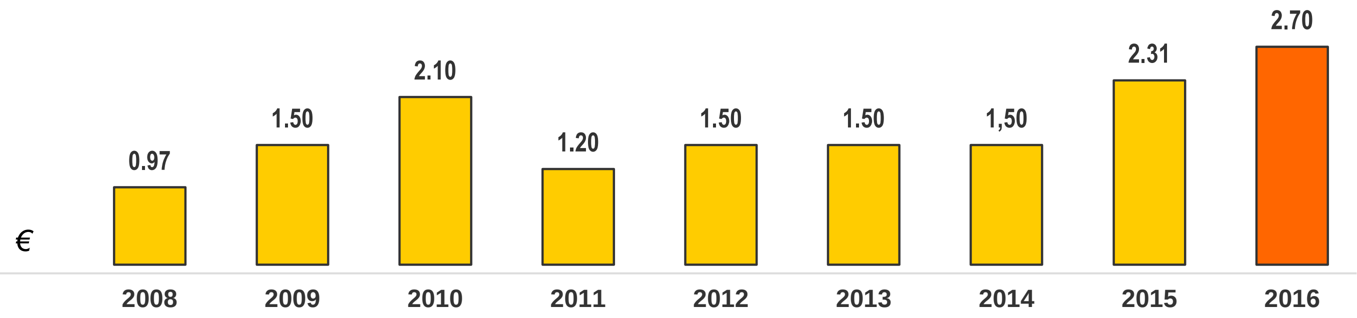


Continued growth in the net book value per share throughout the cycle

Dividend

- Dividend*: €2.70 per share (+16.9% vs. 2015)
  - Paid in cash
  - Dividend yield: 4.6%**
- Implying a pay-out ratio of 45%

Dividend per share



2016 dividend: €2.70 per share

** Subject to approval at the Shareholders' Meeting on 23 May 2017, shares will go ex-dividend on 30 May 2017, payment on 1st June 2017; ** Based on the closing price on 31 January 2017 (€59.18)*

Remediation Plan and Reinforcement of Control Procedures

- Implementation of the remediation plan agreed as part of the comprehensive settlement with the U.S. authorities in line with the timetable defined
  - 72% of projects already finalised, as planned (34 projects out of 47 already finalised)

- Reinforcement of compliance and control procedures
  - Increase staffing of the Compliance function (>3,400 people as at 31.12.16) and General Inspection (>1,200 people as at 31.12.16)
  - Increase in the number of controls performed by the General Inspection: completion in July 2016 of the 1st round of audits of the entities whose USD flows are centralised at BNP Paribas New York and beginning of the 2nd round of audits (achievement target: December 2017)
  - Bolster operational implementation of a stronger culture of compliance: three compulsory e-learning training programmes (Code of Conduct, Sanctions and Embargos, Combating Money Laundering and Terrorism) completed by more than 90% of the employees of the Group
  - Reinforcement and harmonisation of mandatory periodic client portfolio review procedures (Know Your Customer)
  - New tool to filter transactions now operational throughout the entire Group

Active implementation throughout the Group of the remediation plan and the reinforcement of internal control

Group Results

Division Results

Success of the 2014-2016 Business Development Plan

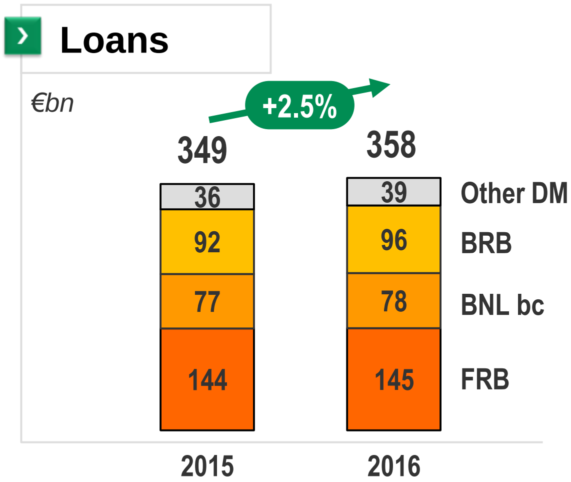
2020 Business Development Plan

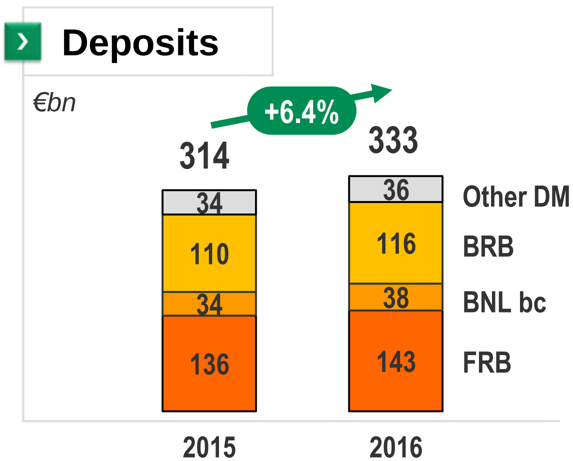
4Q16 Detailed Results

Appendix

Domestic Markets - 2016

- Growth in business activity
  - Loans: +2.5% vs. 2015, good pick-up in demand
  - Deposits: +6.4% vs. 2015, strong growth across all the networks
  - Growth in Private Banking assets under management: +5.4% vs. 31.12.15
  - Hello bank!: generating 9.8% of individual clients* revenues (+1.1 pt. vs. 2015)
- Revenues**: €15,715m (-0.5% vs. 2015)
  - Persistently low interest rate environment
  - Decline in financial fees due to an unfavourable market context this year
  - Good performance of the specialised businesses and BRB
- Operating expenses**: €10,629m (+2.3% vs. 2015)
  - +1.2% excluding exceptional items***
  - Driven by the growing business lines (Arval, Leasing Solutions)
  - Effects of the cost saving measures but rise in banking taxes and contributions
- Pre-tax income****: €3,382m (+1.4% vs. 2015)
  - Reduction of the cost of risk, in particular in Italy



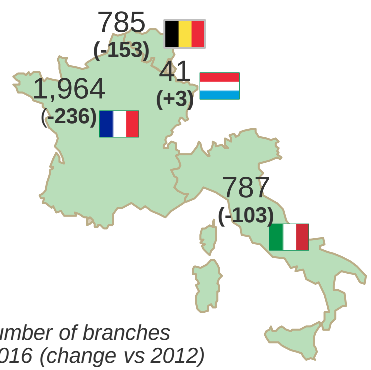


Continued decrease in the cost of risk
Rise in income

* FRB, BNL, BRB and Personal Investors, excluding private banking; ** Including 100% of Private Banking, excluding PEL/CEL; *** Restructuring costs of BNL bc (-€50m) & of BRB (-€80m) and additional contribution of BNL bc to the resolution process of 4 Italian banks (-€47m in 2016, -€65m in 2015); **** Including 2/3 of Private Banking, excluding PEL/CEL

Domestic Markets - Continued Transformation of the Networks and Development of the Digital Offering

Ongoing footprint optimisation



Number of branches end-2016 (change vs 2012)

New branch formats

France	Belgium	Italy
EXPRESS		
ADVISORY	ADVISORY	OPEN BNL
PROJECTS	FULL	FULL

*% of branches already revamped**

100%	98%**	51%

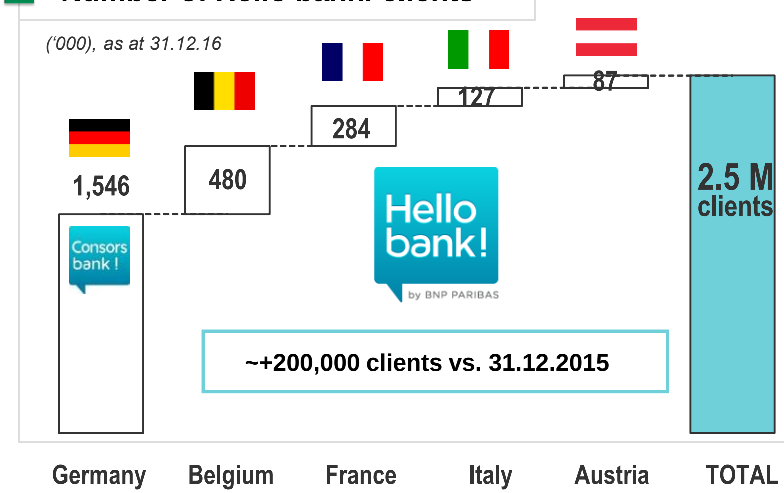
Digitalised branches

Video-conference	Wi-Fi for customers	New mobile workstation tablet-based

*% of branches already equipped**

77%	83%	80%

Number of Hello bank! clients



Progressive implementation of customer journeys

INDIVIDUAL AND PRIVATE BANKING CUSTOMERS

CORPORATE CUSTOMERS

Development of new digitalised services

Wa!

FIVORY

*Launch jointly with Crédit Mutuel*** of a single universal mobile payment solution combining payment, loyalty programmes and discount offers in partnership in particular with Carrefour, Auchan and Total*

* As at 31.12.16 ; ** % of targeted branches; *** CM11-CIC

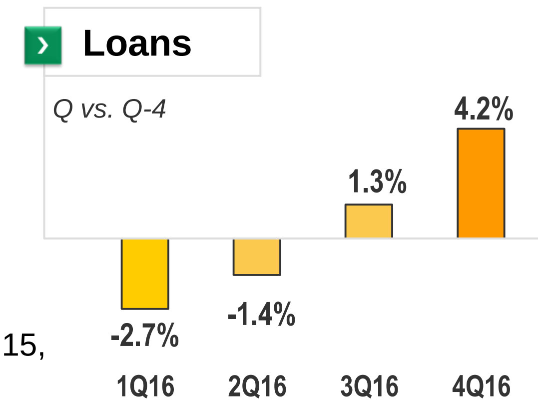
Domestic Markets
French Retail Banking - 2016

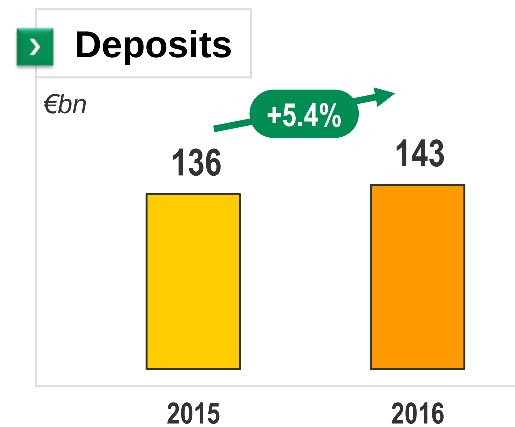
- Good pick-up in business activity during the year
  - Loans: +0.3% vs. 2015, impact of early repayments but good pick-up in outstandings in the 2nd half of the year (+4.2% vs. 4Q15, rise in individual and corporate loans)
  - Deposits: +5.4% vs. 2015, strong growth in current accounts
  - Off balance sheet savings: good performance of life insurance (+2.6% vs. 31.12.15)
  - Private Banking: good growth of assets under management (+5.6% vs. 31.12.15, o.w +3.3% due to strong inflows: +€2.8bn)
- Implementation of new customer journeys:

BuyMyHome
by BNP Paribas

Home purchase projects
Loan simulation

- Revenues*: -3.0% vs. 2015
  - Net interest income: -3.4%, persistently low interest rate environment
  - Fees: -2.4% (-1.4% excluding non recurring item), decline in financial fees due to an unfavourable market environment but good recovery in 4Q (+4.6% vs. 4Q15**)
- Operating expenses*: +0.7% vs. 2015
  - Cost containment despite a rise in taxes and regulatory costs
- Pre-tax income***: €1,251m (-14.2% vs. 2015)





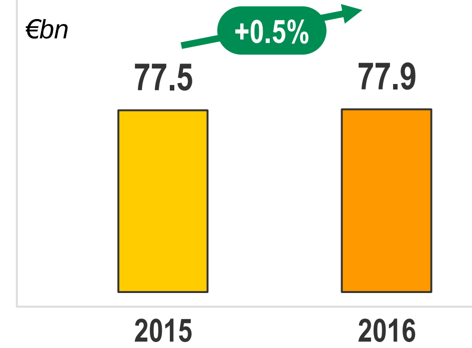
Lacklustre environment this year and impact of low interest rates
Good pick-up in the sales and marketing drive

** Including 100% of French Private Banking, excluding PEL/CEL effects; ** Excluding non recurring item; *** Including 2/3 of French Private Banking, excluding PEL/CEL effects*

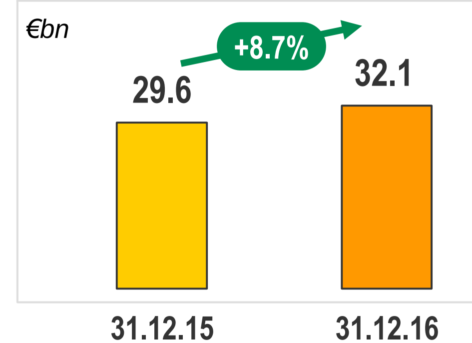
Domestic Markets
BNL banca commerciale - 2016

- Improving business activity
  - Loans: +0.5% vs. 2015, gradual recovery of volumes, in particular on individual clients
  - Deposits : +12.6% vs. 2015, sharp rise in current accounts
  - Off balance sheet savings: good performance (life insurance outstandings: +9.8% vs. 31.12.15, mutual fund outstandings: +7.2% vs. 31.12.15)
  - Continued expansion of Private Banking: €1.2bn in net asset inflows
- Implementation of new customer journeys: #DIGIBIZ *First 100% digital offer for SMEs in Italy (initiating contact, applying for a loan,..)*
- Revenues*: -5.7% vs. 2015
  - Net interest income: -7.1% vs. 2015, impact of the low interest rate environment and of the residual effect of the repositioning on the better corporate clients completed in 2016
  - Fees: -2.9% vs. 2015, reduction in financial fees due to an unfavourable market environment
- Operating expenses*: -0.9% vs. 2015
  - -1.7% vs. 2015 excluding the impact of exceptional items**
  - Effects of cost reduction measures
- Pre-tax income***: €90m (+€134m vs. 2015)
  - Continued decrease in the cost of risk

Loans



Off balance sheet savings
(Life insurance and mutual fund outstandings)



Significant income improvement due to the decline of the cost of risk

** Including 100% of Italian Private Banking; ** Additional contribution to the resolution process of 4 Italian banks: -€47m (-€65m in 2015) & one-off transformation costs: -€50m (-€20m in 2015); *** Including 2/3 of Italian Private Banking*

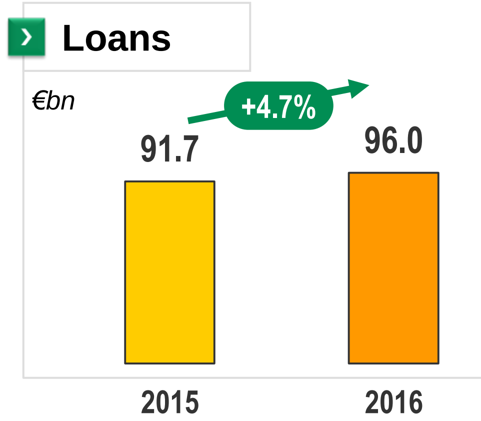
Domestic Markets
Belgian Retail Banking - 2016

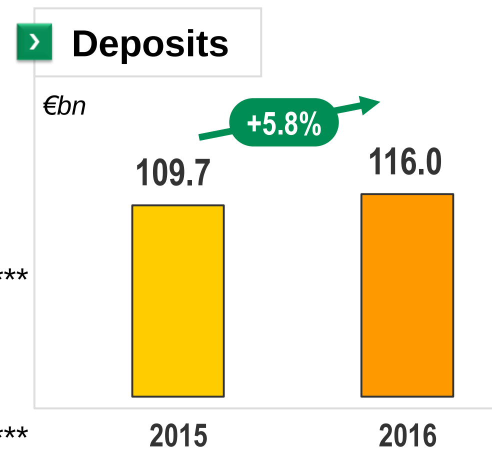
- Sustained business activity
  - Loans: +4.7% vs. 2015, growth in loans to individual customers especially mortgage loans; good increase in loans to SMEs
  - Deposits: +5.8% vs. 2015, strong growth in current accounts
  - Development of digital banking: ~1 million users of the Easy Banking App and ~2.4 million of Easy Banking Web; release of new functions in 2016 (peer-to-peer payments, etc.)
- Implementation of new customer journeys:

Home on the Spot
BNP Paribas Fortis

Loan simulation and tools to assist home purchase projects

- Revenues*: +3.1% vs. 2015
  - Net interest income: +5.9% vs. 2015, due to volume growth and margins holding up well
  - Fees: -4.8% vs. 2015, decrease in financial fees due to an unfavourable market context
- Operating expenses*: +4.9% vs. 2015
  - +0.9% vs. 2015 excluding exceptional items** and the evolution in banking taxes***
  - Good cost containment
- Pre-tax income****: €918m (-1.1% vs. 2015)
  - +8.0% vs. 2015 excluding exceptional items** and the evolution in banking taxes***





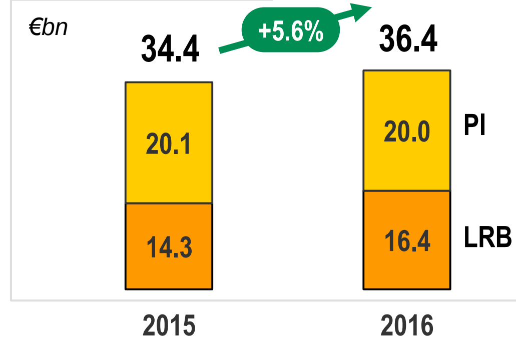
Good results and sustained sales and marketing drive

** Including 100% of Belgian Private Banking; ** In particular transformation costs (-€80m in 4Q16) and partial write-back of a provision for charges (+€30m); *** In particular -€21m related to the the new tax on credit institutions and one-off reimbursement of the Subscription Tax in 2015 (+€18m); **** Including 2/3 of Belgian Private Banking*

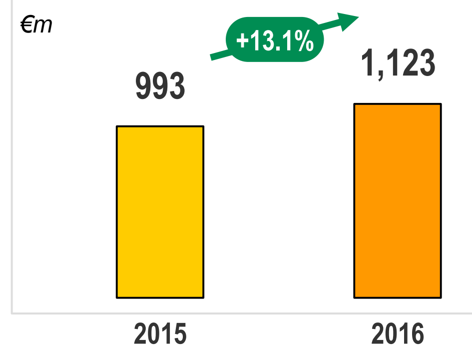
Domestic Markets
Other Activities - 2016

- Good overall drive of the specialised businesses
  - Arval: over 1 million financed vehicles (+10.1%* vs. 2015), active implementation of the GE Fleet Services Europe integration plan
  - Leasing Solutions: continuous rise in outstandings of the core portfolio
  - Personal Investors (PI): good level of new client acquisition
- Luxembourg Retail Banking: good deposit inflows, growth in mortgage loans
- Revenues**: +7.3% vs. 2015
  - Effect in particular of the acquisition of GE Fleet Services Europe
  - +3.3% at constant scope and exchange rates: growth across all business lines
- Operating expenses**: +7.3% vs. 2015
  - +1.9% at constant scope and exchange rates
  - Effect of business development partly offset by the first cost synergies between DAB Bank and Consors bank! in Germany (PI)
- Pre-tax income***: €1,123m (+13.1% vs. 2015)
  - +9.2% at constant scope and exchange rates
  - Decline in the cost of risk

Deposits



Pre-tax income***



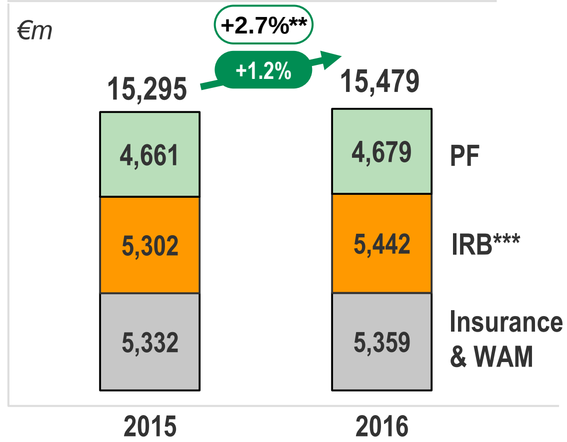
Good business growth and strong rise in income

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

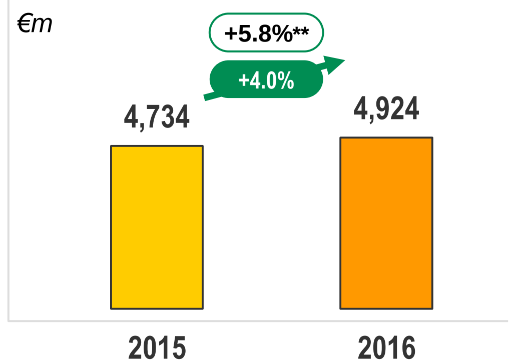
International Financial Services - 2016

- Business activity
  - Personal Finance: very good sales and marketing drive
  - International Retail Banking*: good business growth
  - Insurance & WAM: good asset inflows in all business lines (+€34.9bn)
- Revenues: €15,479m; +1.2% vs. 2015
  - +2.7% at constant scope and exchange rates
  - Growth in International Retail Banking, Insurance and Personal Finance, WAM held up well in a lacklustre environment in Europe
- Operating income: €4,439m; +4.7% vs. 2015
  - +5.8% at constant scope and exchange rates
  - Decrease in the cost of risk at Personal Finance
- Pre-tax income: €4,924m; +4.0% vs. 2015
  - +5.8% at constant scope and exchange rates

Revenues



Pre-tax income



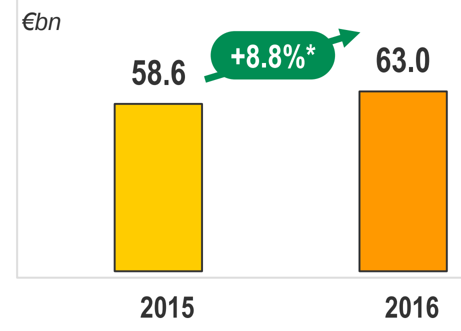
Good sales and marketing drive and rise in income

** Europe-Mediterranean and BancWest; ** At constant scope and exchange rates; *** Including 2/3 of Private Banking in Turkey and in the United States*

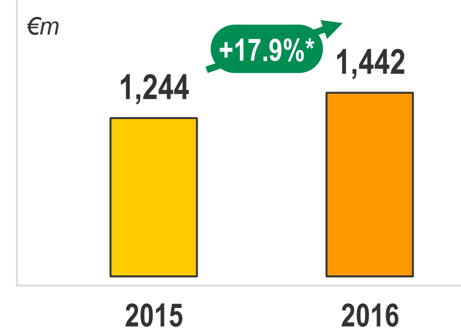
International Financial Services
Personal Finance - 2016

- Continued the very good sales and marketing drive
  - Outstanding loans: +8.8%*, increase in demand in all countries and effect of new partnerships
  - Signed new partnership agreements in banking (Banco CTT in Portugal), retail (Eggo Kitchen House in Belgium, Bauhaus in Denmark, Ikea and Mr Bricolage in France) and telecoms (Yoigo in Spain)
  - Car loans: good growth in outstandings (+16.5%** vs. 2015) and new commercial agreements (Volvo in Italy, Honda in France)
  - Files' digital processing: increase in the number of electronic signatures compared to 2015 (3.1m of files, ~+80%)
- Revenues: €4,679m (+0.4% vs. 2015, unfavourable foreign exchange effect)
  - +2.0% at constant scope and exchange rates: in connection with the rise in volumes and the positioning on products with a better risk profile
  - Good business drive in particular in Germany, Spain and Italy
- Operating expenses: €2,298m (-0.7% vs. 2015)
  - +1.0% at constant scope and exchange rates
  - Good cost containment: positive jaws effect of +1.1 pt
- Pre-tax income: €1,442m (+15.9% vs. 2015)
  - +17.9% at constant scope and exchange rates
  - Significant decline in the cost of risk

Consolidated outstandings



Pre-tax income



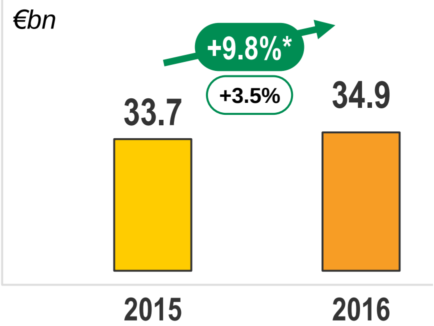
Good business growth and sharp rise in income

** At constant scope and exchange rates; ** Outstandings at the end of the period, at historical scope and constant exchange rates*

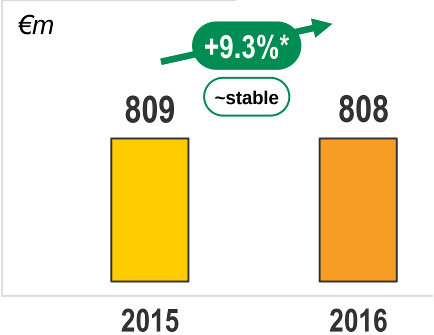
International Financial Services Europe-Mediterranean - 2016

- Good business growth
  - Deposits: +9.8%* vs. 2015, good growth in all countries
  - Loans: +5.5%* vs. 2015, up in all regions
  - Digital banking: CEPTETEB has 350,000 clients in Turkey and BGZoptima has 203,000 clients in Poland
  - Good growth of cross-selling in consumer lending in Poland (outstanding loans: +10.2%* vs. 2015)
- Revenues**: 6.0%* vs. 2015
  - As a result of higher volumes
- Operating expenses**: +4.6%* vs. 2015
  - +3.7%* excluding the rise in banking tax and contributions in Poland ***
  - Good control of expenses and effect of cost synergies in Poland (streamlining of the network: -78 agences vs. 2015)
- Pre-tax income****: €566m (+19.9%* vs. 2015)
  - Rise in the contribution from associated companies

Deposits



GOI**



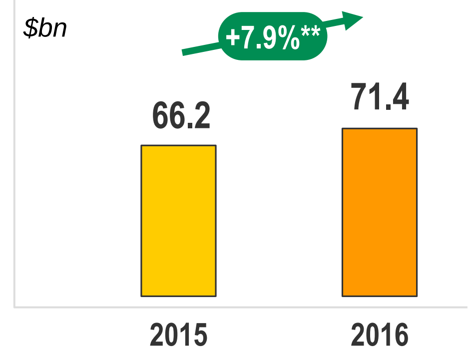
Good business and income growth

* At constant scope and exchange rates; ** Including 100% of Turkish Private Banking; *** Introduction of a banking tax in 2016 (-€44m); one-off contribution to the deposit guarantee fund & to the support fund for borrowers in 2015 (-€31m); **** Including 2/3 of Turkish Private Banking

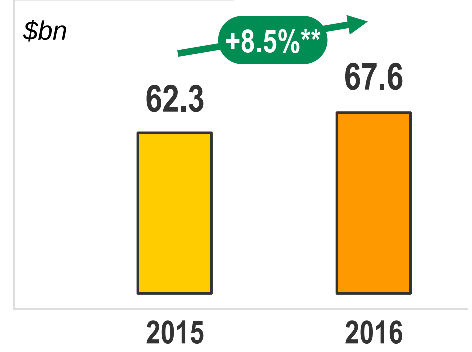
International Financial Services
BancWest - 2016

- Passed the CCAR
- Success of the IPO of First Hawaiian Bank (FHB)
  - 17.4% of the capital placed in the market in August 2016 (full consolidation of the entity maintained)
- Very good business drive
  - Deposits: +7.9%* vs. 2015, strong rise in savings and current accounts
  - Loans: +8.5%* vs. 2015, sustained growth in individual and corporate loans
  - Private Banking: +19%* increase in assets under management vs. 31.12.15 ($12.1bn as at 31.12.16)
- Revenues**: +5.5%* vs. 2015
  - Effect of increased volumes partially offset by lower interest rates in the United States on the whole 2016 compared to 2015
- Operating expenses**: +8.5%* vs. 2015
  - +6.9% excluding the increase in regulatory costs*** and non recurring elements****
  - Strengthening of the commercial set up
- Pre-tax income*****: €862m (-4.7%* vs. 2015)

Deposits



Loans



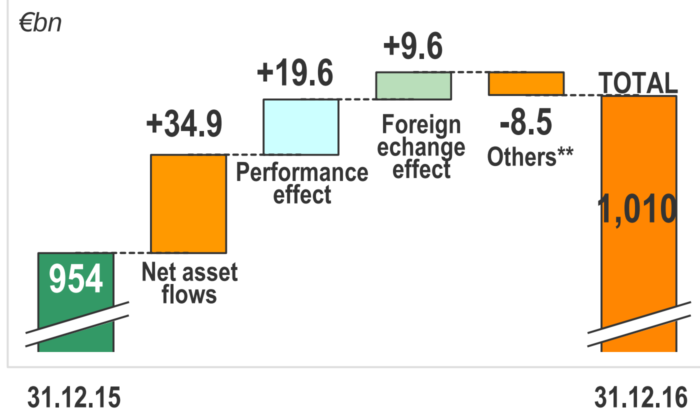
Good sales and marketing performances

** At constant scope and exchange rates; ** Including 100% of Private Banking in the United States; *** CCAR and Intermediate Holding Company; **** Costs linked to the IPO of First Hawaiian Bank & provision on IT project; ***** Including 2/3 of Private Banking in the United States*

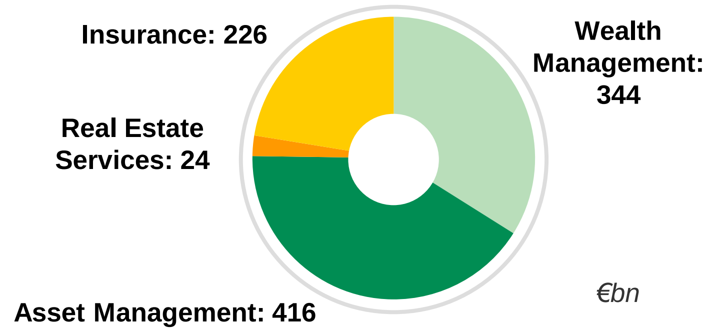
International Financial Services
Insurance and WAM - Asset Flows and AuM - 2016

- Assets under management*: €1,010bn as at 31.12.16
  - +5.8% vs. 31.12.15 (+€56bn vs. 2015)
  - Very good net asset inflows
  - Positive performance effect
- Net asset flows: +€34.9bn in 2016
  - Wealth Management: strong asset inflows, in particular in Asia, France, Italy and at BancWest
  - Asset Management: very good asset inflows, in particular into diversified and bond funds
  - Insurance: good asset inflows particularly in unit-linked policies
- Implementation of new customer journeys and digital banking
  - Wealth Management: new digital services myAdvisory: investments management & financial advice via smartphone; myBioPass: a unique key to access digital banking services
  - Insurance: 70 digital projects to transform services and improve performances; digital innovations in cooperation with FinTechs (Cardif Lab)

Assets under management*



Assets under management* as at 31.12.16



Good asset inflows across all the business units
Record level of assets under management: > €1,000bn

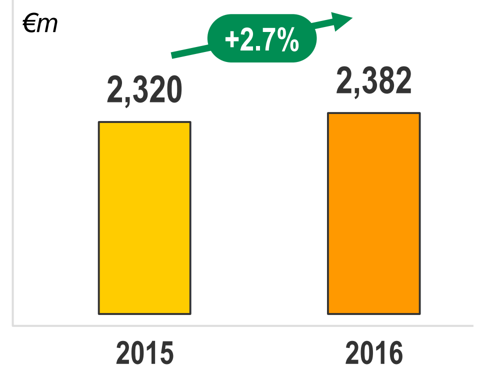
** Including distributed assets; ** Sale of Insinger de Beaufort in 4Q16 (-€9bn)*

International Financial Services
Insurance and WAM - 2016

Insurance

- Revenues: €2,382m; +2.7% vs. 2015
  - Increase in protection insurance revenues in Europe and in Latin America
- Operating expenses: €1,201m; +3.8% vs. 2015
  - As a result of business development and higher regulatory costs
- Pre-tax income: €1,369m; +3.0% vs. 2015
  - Good performance of associated companies

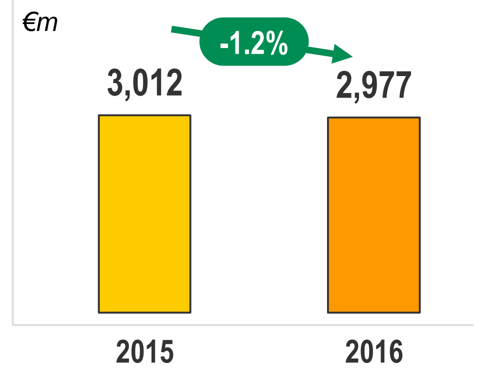
Revenues (Insurance)



Wealth and Asset management*

- Revenues: €2,977m; -1,2% vs. 2015
  - Good overall resistance in a lacklustre context this year
- Operating expenses: €2,341m; +1.4% vs. 2015
  - As a result in particular of Wealth Management's business development
- Pre-tax income: €685m; -5.4% vs. 2015

Revenues (WAM*)



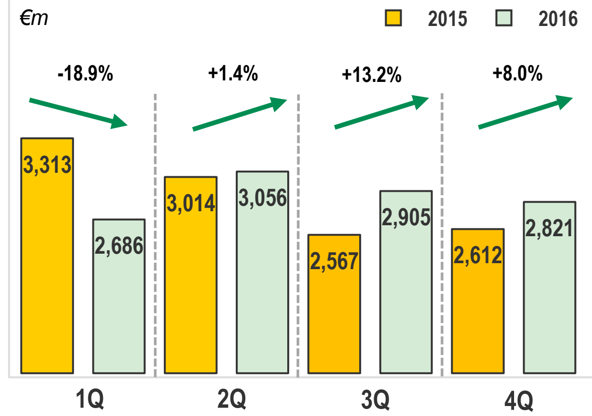
Insurance: income increase
WAM: resistance in a lacklustre context

* Asset Management, Wealth Management, Real Estate Services

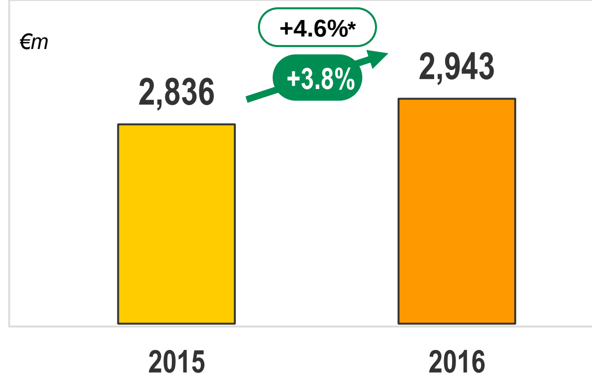
Corporate and Institutional Banking - 2016 Summary

- Active implementation of the transformation plan
  - On track with the defined timetable
  - Transformation initiatives and cost saving measures launched in all regions
- Revenues: €11,469m (-0.3% vs. 2015)
  - +1.2% at constant scope and exchange rates: good pick-up of the business after a very challenging market context in Europe in 1Q16
  - Increase in all the business units: Global Markets (+1.6%*), Securities Services (+2.2%*) and Corporate Banking (+0.3%*)
- Operating expenses: €8,309m (-1.8% vs. 2015)
  - Stable at constant scope and exchange rates (positive jaws effect: +1.1 pt)
  - Effect of the cost saving measures (~-€350m vs. 2015) but rise in banking taxes and regulatory costs
- Pre-tax income: €2,962m (-1.2% vs. 2015)
  - +3.4% at constant scope and exchange rates
  - 2015 reminder: one-off capital gain from the sale of a non-strategic equity investment (€74m)

2016 revenues: quarterly evolution



Operating income



Solid business growth after a particularly challenging environment in the 1st quarter

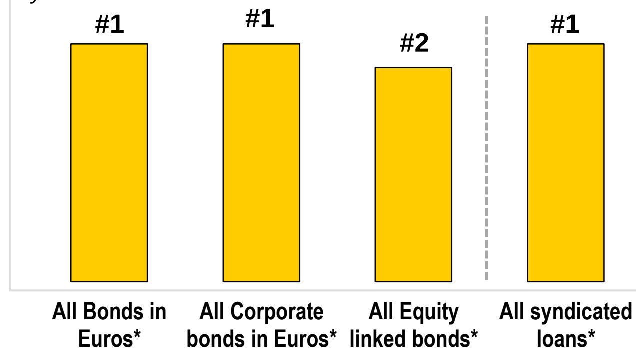
* At constant scope and exchange rates

Corporate and Institutional Banking - 2016 Business Activity

- Global Markets: significant pick-up in the 2nd half of the year
  - Good pick-up of the business after a particularly challenging market environment at the beginning of the year
  - Sustained commercial performances and market share gains
  - Bond issues: ranked #1 for all bonds issued in euros and #9 for all international bonds*
  - VaR down at a very low level (€34m on average)
- Securities Services: good business growth
  - Assets under custody: +1.4% vs. 2015**
  - Number of transactions: +16.0% vs. 2015
  - Sustainable development: Best Provider of ESG Investor Services***
- Corporate Banking: stronger positions
  - Growth in client loans (€129.4bn, +4.3% vs. 2015**)
  - Robust growth of deposits (€117.2bn, +22.8% vs. 2015**) as a result of good business development in cash management
  - Ranked #1 for syndicated loans in Europe*
  - New clients acquisition and development of transaction banking (trade finance, etc.)

2016 European rankings

By volume



IFR AWARDS 2016
- Equity Derivatives House of the Year
- Euro Bond House of the Year
- EMEA Loan House of the Year
- EMEA Structured Equity House of the Year
- Europe Investment-Grade Corporate Bond House of the Year

EUROMONEY CASH MANAGEMENT SURVEY 2016
- No. 4 Global Cash Management
- Best Bank for Transaction Services in Western Europe

GREENWICH ASSOCIATES Greenwich Share Leader 2016
- No. 1 European Large Corporate Trade Finance

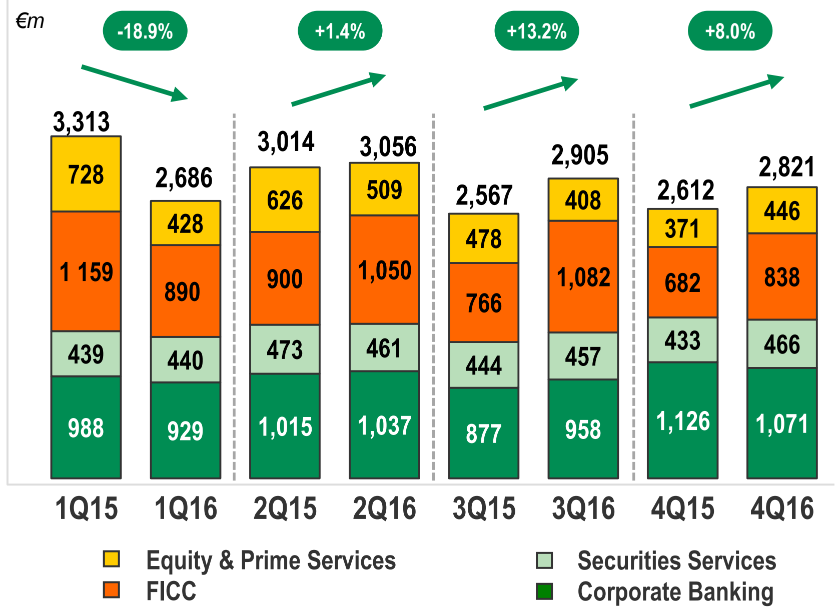
Growth of the business lines in their markets

** Source: Dealogic 2016 in volume; ** Average outstandings; *** Global Custodian, Industry Leaders Awards 2016 - Environment, Social & Governance*

Corporate and Institutional Banking - 2016 Revenues by Business Unit

- Global Markets: €5,650m (-1.1% vs. 2015)
  - +1.6% at constant scope and exchange rates
  - FICC: €3,860m (+10.0% vs. 2015), good recovery after a particularly challenging context in 1Q; good performance in rates and credit
  - Equity & Prime Services: €1,791m (-18.7% vs. 2015), less favourable environment and high 2015 comparison basis (reminder 2015 revenues: +23.6% vs. 2014)
  - Good performance of Global Markets in 4Q16 (+21.9% vs. 4Q15)
- Securities Services: €1,824m (+1.9% vs. 2015)
  - +2.2% at constant scope and exchange rates
  - In connection notably with the rise in outstandings
- Corporate Banking: €3,994m (-0.3% vs. 2015)
  - +0.3% at constant scope and exchange rates: good pick-up in business after a lacklustre environment in the 1st quarter of the year
  - Maintained a good level in Europe and in Asia Pacific, rise in the Americas

Revenues by business unit

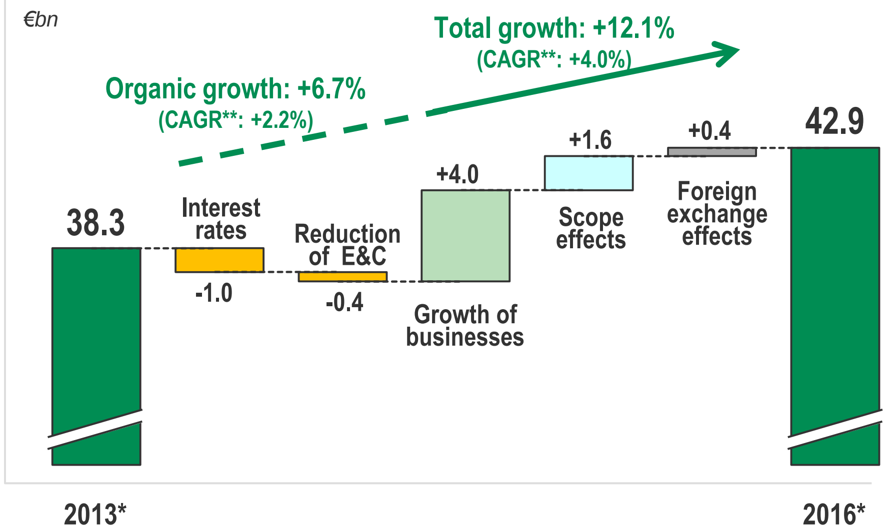


Good pick-up in revenues after a very challenging context at the beginning of the year

Success of the 2014-2016 Plan
Good Revenue Growth

- Revenue growth*: +12.1% vs. 2013 (2013-2016 CAGR**: +4.0%)
  - Despite a more lacklustre macroeconomic context than expected
- Sustained organic growth*: +6.7% vs. 2013 (2013-2016 CAGR**: +2.2%)
  - Good development of the businesses and success of the regional plans
  - Despite the negative impact of low interest rates, in particular on Domestic Markets
  - Impact of the significant reduction of the Energy & Commodities (E&C) business at CIB

Evolution of 2013-2016 revenues*



- Positive contribution of targeted acquisitions
  - Use of available capital resources while keeping a limited growth of RWA during the period (CAGR**: +0.7% vs ≥ +3% expected)
  - Development of the specialised businesses and retail banking outside the Eurozone: acquisition of DAB Bank (Consors bank!), GE Fleet Services Europe (Arval), 50% of LaSer (Personal Finance) and Bank BGZ (Poland)
  - Acquisitions that generate synergies

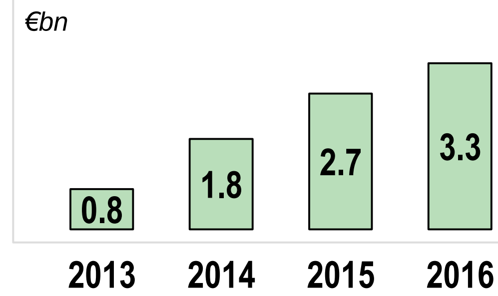
Good revenue growth despite a lacklustre environment

** Excluding exceptional elements (+€147m in 2013, +€538m in 2016); ** Compounded annual growth rate*

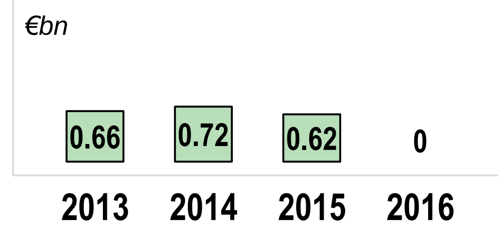
Simple & Efficient

- Finalisation in 2016 of all the projects in line with the plan
  - 1,386 programmes including 2,699 projects completed since 2013
- Cost savings: €3,313m realised since the launch of the plan
  - Of which €575m booked in 2016
  - Reminder: cost savings target raised from €2.8bn to €3.3bn (2013-2016)
- Breakdown of cost savings by division since 2013
  - Domestic Markets (45%), IFS (26%) and CIB (29%)
- Reminder: no Simple & Efficient transformation costs in 2016

Cumulative recurring cost savings



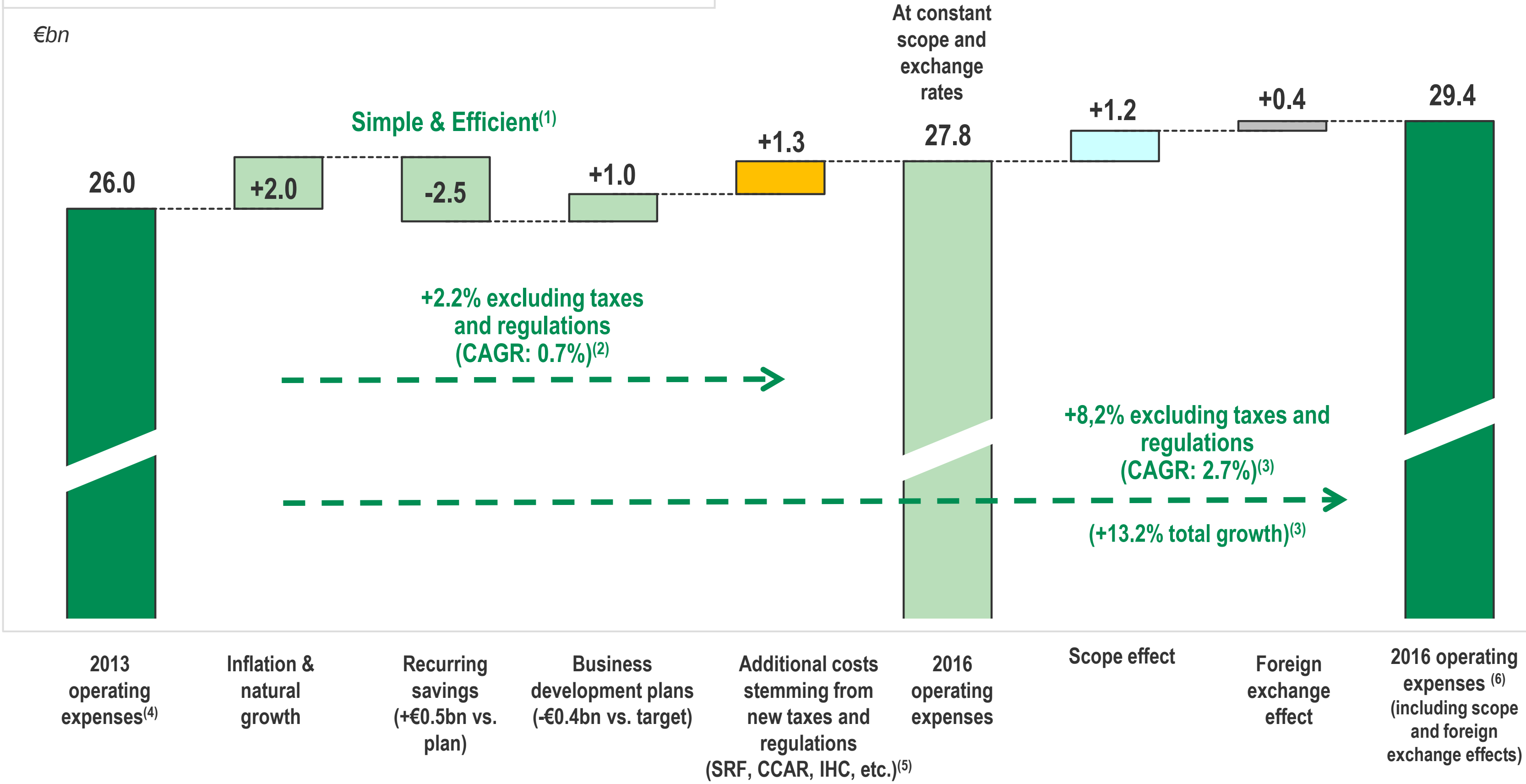
One-off transformation costs



Success of the Simple & Efficient plan
Cost savings largely above the initial target

Success of the 2014-2016 Plan: Cost Containment but Impact of New Taxes and Regulations

2013 - 2016 Operating expenses



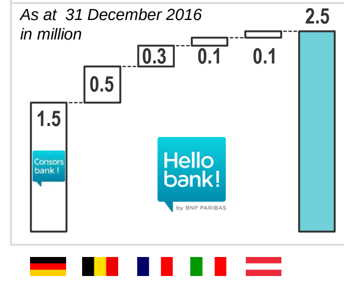
Positive jaws effect excluding new taxes and regulations

(1) Reminder: €800m in savings in 2013; (2) 2013-2016, at constant scope and exchange rates; (3) 2013-2016, at historical scope and exchange rates; (4) Including Simple & Efficient costs: €660m; (5) Resolution funds (€508m), Poland/Belgium (€124m); CCAR and IHC (€238m), Compliance (€235m), other taxes and regulations (€248m); (6) Including the transformation costs of the business units, restructuring costs of the acquisitions and the contribution to the resolution process of 4 Italian banks: €749m

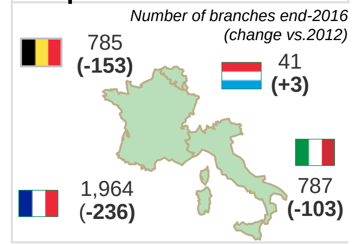
Success of the 2014-2016 Plan
Progress on all the Major Strategic Priorities

- Preparing the retail banking of the future
  - Launch of Hello bank! and development of digital banks at IRB
  - Continued adaptation of the branch network
  - Good development of Private Banking in all the networks
- Positions strengthened on corporate and institutional clients
  - Market share gains
  - Development of transaction banking
  - Tie-up between CIB and Securities Services
- Adaptation of the businesses to the new environments
  - BNL: refocus of the corporate commercial approach on the better clients completed and initial positive effects on the cost of risk
  - CIB: creation of Global Markets and market share gains
- Success of development initiatives
  - Success of regional business development plans (Asia-Pacific, Germany, CIB-North America)
  - Good growth of the specialised businesses (Personal Finance, Arval, leasing, insurance, etc)

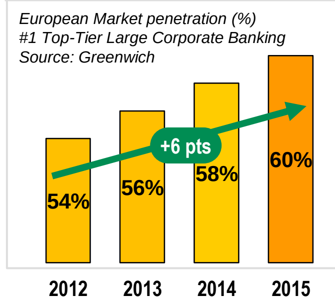
Number of Hello bank! customers



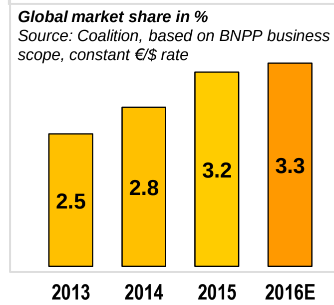
Ongoing footprint optimisation



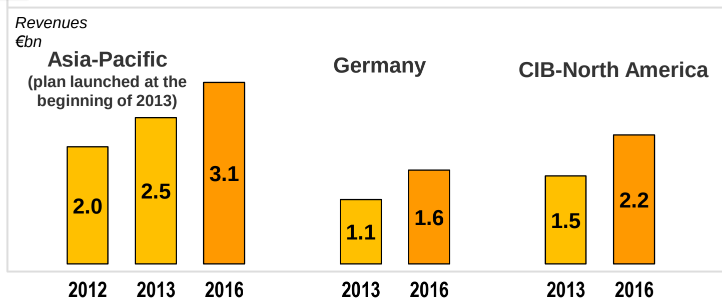
Corporate banking



Global Markets



Success of regional business development plans



Success of the 2014-2016 Plan Financial Targets Achieved

			2016 Target	2016 Achieved	
Growth	Organic growth of revenues		≥ +10% vs. 2013	+12.1% (including acquisitions)[1]	☑
Efficiency	Simple & Efficient costs savings target	€2.0bn in 2015 Initial Plan	€2.8bn	€3.3bn	☑
	Cost income ratio	66% in 2013 excluding S&E costs	-3 pts vs. 2013	66.8%[2] -2 pts excluding regulatory costs	☒
Profitability	ROE[3]	7.8% in 2013	≥ 10%	10.3%	☑
Capital	Fully loaded Basel 3 CET1 Ratio	10.3%[4] end 2013	10.0%	11.5%	☑
	Pay-out ratio	2002-2007: 33-40% 2008-2012: 25-33%	~45%	45%[5]	☑

- Strong net income growth: €7.7bn in 2016 vs. €4.8bn in 2013
  - Excluding exceptional elements: €7.8bn vs. €6.0bn (+29.1%)[6]
- Increase in earnings per share: €6.0 in 2016 vs. €3.68 in 2013
  - Excluding exceptional elements: €6.1 vs. €4.7 equivalent to +9.3% per year on average

Strong income growth

(1) +6.7% excluding acquisitions; (2) Excluding exceptional elements; (3) Excluding exceptional elements, on the basis of CET1 ratio of 10%; (4) CRD4 (fully loaded); (5) Subject to approval at the Shareholders' Meeting; (6) Net impact of exceptional elements: -€0.1bn in 2016, -€1.2bn in 2013

New Code of Conduct and Active Corporate Social Responsibility Policy (CSR)

- Elaboration of a new Code of Conduct
  - > 182,000 employees trained online
  - Additional programmes to support employees assimilate ethical rules (CIB Conduct Program, etc.)
- Actions that have a positive impact on society
  - Financing of socially responsible businesses: €890m*
  - Origination of solidarity financing: structuring of the 1st French Social Impact Contract and of a Social Impact Bond for the State of Connecticut (United States)
  - Policies setting restrictions in the financing of some sectors (agriculture, tobacco)
  - €5m specifically earmarked to aid refugees
  - > 300,000 beneficiaries of microcredit loans made by microfinance organisations funded by the bank
- An active participation in the energy transition
  - Success of the inaugural issue of BNP Paribas "green bonds" (€500m)
  - Strict limitations of coal industry financing
  - €25bn in SRI outstandings** (carbon free outstandings) in funds managed by Asset Management

New Code of Conduct

Mission	Finance the economy, advise our clients, support them in their projects with a deep commitment to ethical responsibility
Values	4 strengths: Sturdiness, Responsibility, Expertise, a "good place to work" 4 levers: Agility, Culture of compliance, Customer satisfaction, Openness
Rules	Defined at the Group level and detailed in the businesses (clients' interests, financial security, market integrity, ethics, etc.)
Practice	Training of employees Use of a whistle-blower procedure Encouragement to be exemplary

European Leader in the Banking category according to Vigeo Eiris***

vigeo eiris

Ranks amongst the Global 100 Most Sustainable Corporations for the 3rd year in a row

The Magazine for Clean Capitalism Corporate Knights

** Outstandings as at end 2016; ** Socially Responsible Investments, outstandings as at the end of 2016; *** Extra-financial rating agency*

Group Results

Division Results

Success of the 2014-2016 Business Development Plan

2020 Business Development Plan

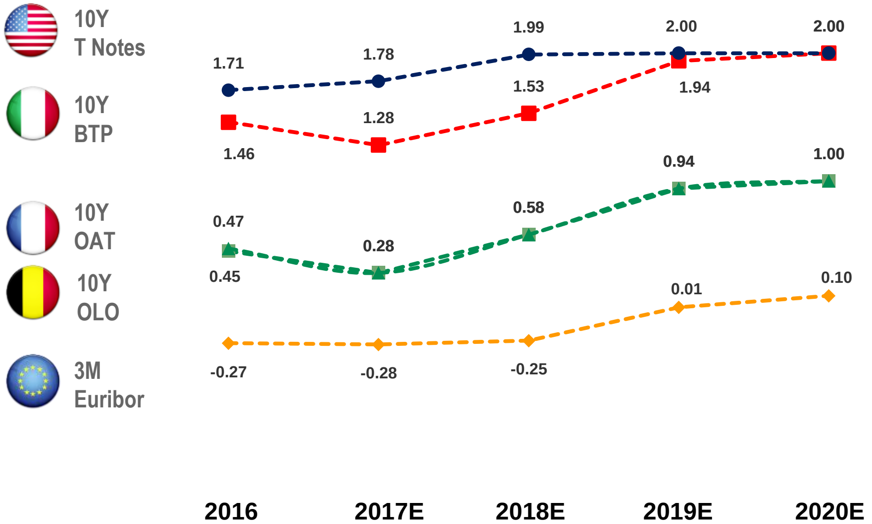
4Q16 Detailed Results

Appendix

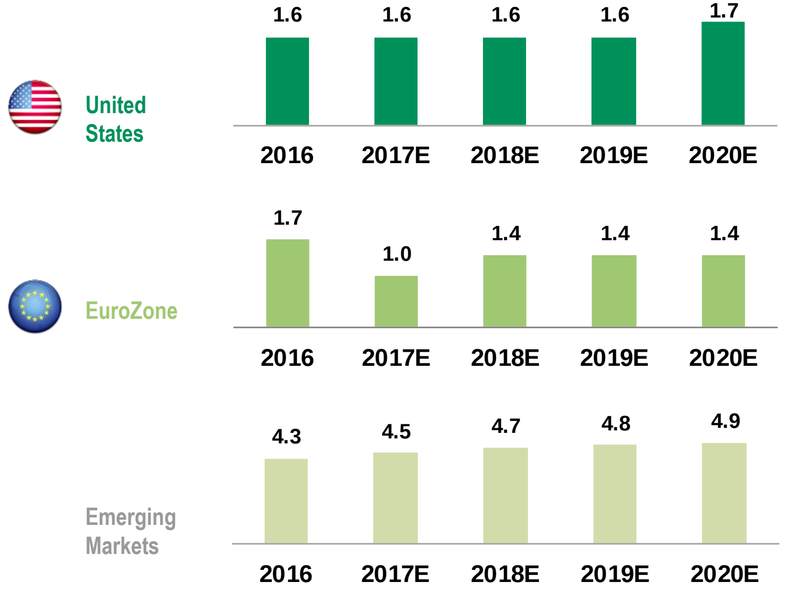
2020 Business Development Plan
A Scenario Based on Conservative Assumptions

Conservative assumptions of a lacklustre macroeconomic environment

Gradual exit from the low interest rate environment



Moderate GDP growth



A business development plan based on a scenario of moderate, gradual and differentiated economic recovery

2020 Business Development Plan: a Trajectory Based on Expected 2020 Regulatory Constraints

		2016	2020 Target[2]
CET 1 ratio	■ CRD IV (Basel 3) ■ 2016 SREP: anticipated level of fully loaded Basel 3 CET1 ratio of 10.25% in 2019[1]	**11.5%** Fully loaded Basel 3 CET1 ratio	**12%**
Total capital TLAC MREL	■ 2016 SREP: anticipated level of Total Capital requirement of 13.75% in 2019[3] ■ TLAC requirement: 20.5% in 2019[4] ■ MREL: thresholds to be determined on a case by case basis by the resolution authorities (SRB) according to the CRD V/CRR 2 (under discussion)	**Total Capital (fully loaded) ratio: 14.2%** • CET1 ratio: 11.5% • Tier 1 and Tier 2: 2.7%	**Total Capital (fully loaded) ratio: 15%** • CET1 ratio: 12% • Tier 1 and Tier 2: 3% **TLAC ratio: 21%**
Liquidity	■ LCR: CRD IV/CRR ■ NSFR: CRD V/CRR 2 (under discussion)	**LCR: 123%**	**LCR > 100%** **NSFR > 100%**
Leverage	■ CRD IV (minimum level of 3%) ■ Additional requirements for G-SIB still under discussion	**4.4%** Fully loaded Basel 3 leverage	**4%**

Regulatory constraints that continue to increase during the period[5]

(1) Excluding Pillar 2 Guidance; (2) Assuming constant regulatory framework; (3) Anticipated level of Tier 1 requirement in 2019: 11.75%; (4) Minimum requirement raised to 22.5% as at 01/01/2022; (5) In the current Basel 3 regulatory framework

An Ambitious Corporate Social Responsibility Policy (CSR)

OUR ECONOMIC RESPONSIBILITY	OUR SOCIAL RESPONSIBILITY	OUR CIVIC RESPONSIBILITY	OUR ENVIRONMENTAL RESPONSIBILITY
Financing the economy in an ethical manner	Developing and engaging our people responsibly	Being a positive agent for change	Combating climate change

A corporate culture marked by ethical responsibility

- Ensure that all the employees of the Group have mastered the Code of Conduct rules
- Contribute to combating fraud, money laundering, bribery and the financing of terrorism
- Ensure that our activities and operations with our customers strictly comply with all applicable fiscal rules

A positive impact for society through our financing and our philanthropic actions

- Contribute to achieving the U.N. Sustainable Development Targets through our loans to corporates and our range of investment products
- Rigorously anticipate and manage the potential impacts on the environment and human rights of our financings
- Continue our corporate sponsorship policy in the arts, solidarity and the environment and support the engagements of our employees in favour of solidarity

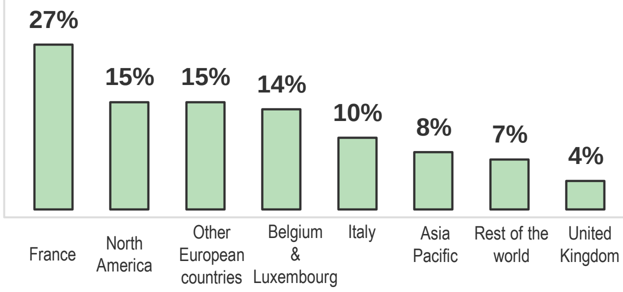
A major role in the transition towards a low carbon economy

- Reduce our carbon footprint based on a best standards internal policy, in compliance with the International Energy Agency's 2°C scenario
- Increase the amount of financing devoted to renewable energies to €15bn in 2020 (x2 vs. 2015)
- Invest €100m by 2020 in innovative start-ups that contribute to accelerate energy transition

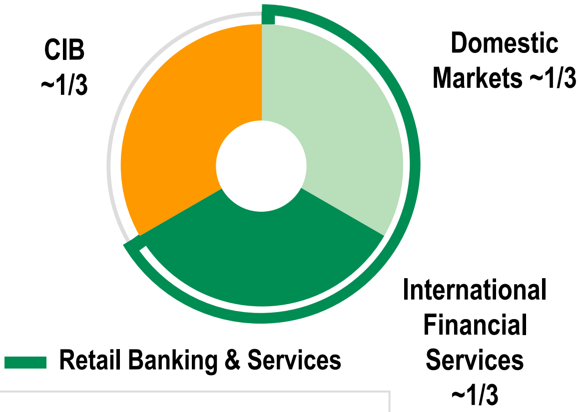
2020 Business Development Plan: Leverage the Strength of the Integrated and Diversified Business Model

- A business model diversified by country and business which has demonstrated its strength
  - No country, business or industry concentration
  - Presence primarily in developed countries (>85%)
  - No business unit >20% of allocated equity
  - Business units and regions evolving according to different cycles
- Activities focused on customers' needs
  - A strong cooperation between businesses & regions
- A clear strength in the new environment
  - Sizeable retail banking operations allowing significant investments in digital banking and new technologies
  - Critical mass in market activities that helps to support credit disintermediation
  - A growing presence in stronger potential areas

Gross commitments* by region: €1,438bn as at 31.12.2016



Allocated equity in 2020



Confirmation of the well-balanced business model based on 3 pillars: Domestic Markets, IFS and CIB

** Gross commitments on and off-balance sheet*

An Ambitious Programme of New Customer Experience, Digital Transformation & Savings

Capitalise on existing initiatives

Digital applications, products and systems

Wa! · SMART derivatives · PAY · #DIGIBIZ · Hello bank! · BGZoptima · CENTRIC · CORTEX · CEPTETEB · MySafePlace · ARVAL Active Link · MyAccounts @OneBank

Tech Labs

ECHANGEUR · L'ATELIER BNP PARIBAS GROUP · @rdif lab

Incubators, accelerators and partnerships

Lux Future Lab · WAI · CO.STATION · BNP PARIBAS INTERNATIONAL HACKATHON · LUISS EnLabs

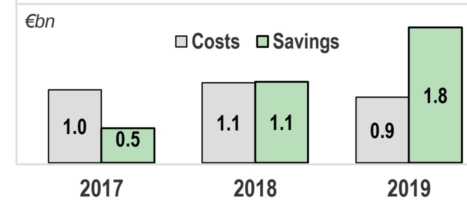
Invest in a new customer experience, digital transformation and operating efficiency…

~€3bn in transformation costs between 2017 and 2019 …

- New customer experience
- Digital transformation
- Operating efficiency

… financed by ~ €3.4bn in savings during the same period

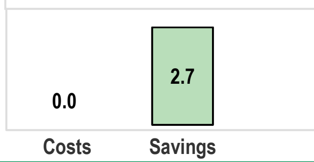
Investments & savings

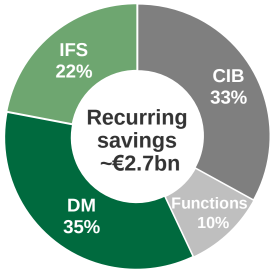


…and generate ~€2.7bn in recurrent annual savings starting from 2020

- Balanced contribution of all the Group's businesses and functions to savings
- ~150 programmes
- A new IT function organisation in the Group

2020 Investments & savings





2020 Business Development Plan: 5 Levers for a New Customer Experience & a More Effective and Digital Bank

1	**Implement new customer journeys**	■ New digitalised, expanded, seamless and personalised customer journeys (more services, more attractiveness, choice of channel, etc.) ■ Upgraded service models (better customer segmentation based on user habits, “the right product at the right time and through the right channel,” etc.) ■ Digitalisation of distribution by developing digital customer interfaces ■ New services made available
2	**Upgrade the operational model**	■ Streamlining and automatisation of end-to-end processes ■ Simplification of the organisations ■ Shared platforms and smart sourcing
3	**Adapt information systems**	■ Evolution of information systems and incorporation of new technologies in order to accelerate digital ■ Improvement of IT efficiency and agile practices ■ Promotion of innovation
4	**Make better use of data to serve clients**	■ Better reliability of data and enhancement of data use for the benefit of customers ■ Reinforcement of data storage, protection and analysis capacities ■ Use of cutting-edge technologies (artificial intelligence, machine learning, etc.)
5	**Work differently**	■ More digital, collaborative and agile work practices ■ Day-to-day digital environment & digital and innovation driven culture ■ Staff training

Domestic Markets 2020: Reinvent Customer Experience and Accelerate Digital Transformation

New client expectations influenced by digital usages

- Choice and transparency
- Easiness
- Personalisation
- Autonomy
- Reliability and Security
- New usages

New customer experience relying on the journeys' digitalisation and a better use of data…

…and development of new services

Digitalised service models

- Self
- Assisted
- Face to Face Remote
- Face to Face Offsite

Reinvent customer journeys

15 Apps already launched of which:

- BNL bc: #DIGIBIZ
- BGL BNPP Wealth Mgt: MySafePlace
- Home on the Spot BNP Paribas Fortis
- Entreprise Clients: MyAccounts @OneBank

Enhance customer knowledge

Leverage technological opportunities

Best practice sharing across entities

- Usage
- Data analytics
- Data management

Commercial proactivity and reactivity

Boost digital acquisition & sales

Target of sales with digital interaction

2015	2016	2020
12%	17%	50%

Online purchase of all products

Integrated service platforms

- Aggregation of optional services (ARVAL Active Link)
- Universal mobile payment solution(*) (Wa! FIVORY)

Implement the 5 levers for a new customer experience, digital transformation and efficiency improvement

* Shared solution with Crédit Mutuel (CM11-CIC)

Domestic Markets 2020: Strengthen the Sales and Marketing Drive and Improve Operating Efficiency

Strengthen the sales and marketing drive in an environment that is improving only gradually

- Strong headwinds (low interest rates, MIFID 2,…) still in 2017 and 2018
- Strengthen the sales and marketing drive: enhance the attractiveness of the offering, offer new services, gain new customers…
- Disciplined growth of risk-weighted assets
- Maintain leading position in Belgium, continue the commercial development in France and selective growth in Italy

A risk environment that continues to be favourable

- Continued improvement in particular in Italy (50 bp in 2020 versus 124 bp in 2016)

Generate €1bn in recurring cost savings

- Actively continue to adapt the branch networks by 2020
- Transform the operational model and adapt the information systems
- 2017-2020 transformation costs: €0.8bn(1)

(1) *Presented in the Corporate Centre*

Main financial targets*

2020 Targets *vs. 2016*	**Revenues** (CAGR)	**Cost income ratio**
Domestic Markets	**>+0.5%**	**-3 pts**

2020 RONE: >17.5%** (+2 pts vs. 2016)

Significant income growth by 2020

** Including 100% of Private Banking, excluding PEL/CEL; ** Return on notional equity*

International Financial Services 2020
Continued Growth, Innovation and Digitalisation

Personal Finance

- **Develop partnerships** in the automotive, banking, retail and other new sectors (telecoms, etc.)
- **Pursue international business development:** United States, Nordic countries, Germany, Austria, etc.
- **Broaden the business model:** develop digital banks (Hello bank! by Cetelem) by leveraging the large customer bases

Insurance

- **Expand the non-life insurance offering** (new partner in France: Matmut)
- **Consolidate international growth:** Europe, Latin America, Asia-Pacific
- **Renew and consolidate distribution partnerships**

Implement the 5 levers for a new customer experience, digital transformation and efficiency improvement

Wealth and Asset Management

- **Wealth Management:** continue **business development in Asia-Pacific** and extend **collaborations with retail banking**
- **Investment Partners: improve the product offering** and continue **to grow asset inflows**
- **Real Estate Services: growth in service businesses** (in particular in Germany and France)

International Retail Banking

- **Step up the growth in the United States:** continue in particular to strengthen cooperations with the Group (corporate clients, PF, Leasing, Wealth Management)
- **Controlled development of TEB in Turkey** and consolidate positions in other countries
- **Complete the integration of BGŻ BNP Paribas**, expand the customer offering and market penetration thanks to the roll-out of the business offering

International Financial Services 2020
A Growth Engine for the Group

Strengthen our positions in a context of transformation

- Step up the pace of growth (new offerings, new partnerships, new regions, etc.) and adapt to the evolution of customers' habits
- Consolidate our leading positions in the business units by leveraging best in class offers
- Continue to expand retail banking outside the Eurozone (Poland, United States, Turkey, etc.) and cooperations with the Group
- Prepare for forthcoming constraints (MIFID 2, regulatory impacts, etc.)

Improve operating efficiency: €0.6bn in cost savings

- Digital initiatives specific to each of the businesses (customer distribution and acquisition, product lifecycle management, new full digital products, etc.)
- Initiatives to streamline and pool processes that support the business units
- 2017-2020 transformation costs: €0.9bn(1)

(1) Presented in the Corporate Centre

Main financial targets*

2020 Targets vs. *2016*	**Revenues** (CAGR)	**Cost income ratio**
IFS	>+5%	-5 pts

2020 RONE: >20%** (+2pts vs. 2016)

Sustained revenue and income growth by 2020

** Excluding FHB; ** Return on notional equity*

CIB 2020: Momentum Generated by the Transformation Plan Implemented from 2016

Good start of the transformation plan in 2016

Resources optimisation FOCUS	Cost reduction IMPROVE	Revenue growth GROW
-€8.3bn of RWA in 2016 (~42% of the target of -€20bn in 2019)	**~-€0.3bn of costs savings in 2016** (~35% of the 2019 target of -€0.95bn)	**~+€200m of revenues* in 2016** **+€2.9bn of RWA* in 2016**

Resources optimisation – FOCUS

Of which:
- **Right-sizing sub-profitable** businesses or portfolios: -€4.4bn in risk-weighted assets in Global Markets (sale of legacy, etc.)
- **Actively managing financial resources:** -€3.1bn in risk-weighted assets in Corporate Banking (securitisation, sale of outstandings, etc.)

Cost reduction – IMPROVE

Of which:
- **Simplifying and streamlining processes:** €91m of savings in 2016 in Global Markets and €85m in support functions (IT, etc.)
- **Headcount reduction** under way:
  - Voluntary departure plan in France
  - Simplifying the organisation and smart sourcing initiatives

Revenue growth – GROW

Of which:
- **Global Markets:** revenues +1.6% vs. 2015** despite a challenging environment
- **Securities Services:** robust business activity and targeted business development focused on institutional clients
- **Corporate Banking:** new clients' acquisition and good development of the businesses

Capitalise on the good start of the transformation plan

** Excluding Focus initiatives and non-recurring items; ** At constant scope and exchange rates*

CIB 2020: Step up the Operational and Digital Transformation & Business Development in Europe

Extend the transformation plan to 2020

- Continue resources optimisation, cost reduction and revenue growth
- Grow the corporate and institutional client franchises
- Continue growing fee businesses (advisory services, cash management, Securities Services)
- Continue to leverage well adapted regional positioning and to develop cross-border business

Implement the 5 levers for efficiency, digitalisation and new customer experience

- Accelerate the digital transformation
- >€200m of additional cost savings generated by End-to-End programmes
- 2020 savings target: ~-€0.9bn vs. 2016 (reminder: ~-€0.3bn achieved in 2016 vs. 2015)
- 2017-2020 transformation costs: €1.1bn(1)

(1) Presented in the Corporate Centre

Step up the expansion of the customer base in Europe

- Grow the corporate customer base (2020 target: +350 new customer groups vs. 2015)
- Specific focus on Northern Europe (Germany, The Netherlands, United Kingdom, Scandinavia)
- Develop cooperations with other business units in the Group

Main financial targets

2020 Targets vs. *2016*	Revenues (CAGR)	Cost income ratio
CIB	>+4.5%	-8 pts

2020 RONE*: >19% (+6pts vs. 2016)

Sustained revenue and income growth by 2020

** Return on notional equity*

Group's 2020 Business Development Plan Financial Targets

			2020 Target
Growth	Revenues growth		2016-2020 CAGR[1] ≥ +2.5%
Efficiency	Plan's savings target		~€2.7bn in recurring cost savings starting from 2020
	Cost income ratio	2016: 66.8%[2]	63%
Profitability	ROE	2016: 9.4%[2]	10%
Capital	Fully loaded Basel 3 CET1 ratio	11.5% in 2016	12%[3]
	Pay-out ratio	2016: 45%[4]	50%[4]

- Average growth of dividend per share[4] > 9% per year (CAGR) until 2020

An ambitious plan that aims to generate an average increase in net income > 6.5% a year until 2020

[1] Compounded annual growth rate; [2] Excluding exceptional items; [3] Assuming constant regulatory framework; [4] Subject to shareholder approval

Conclusion

Good Group performance in 2016

Net income attributable to equity holders: €7.7bn

Success of the 2014-2016 business development plan

Progress on all the major strategic priorities

ROE in line with the objective of the plan

Launch of the new 2017-2020 business development plan

Leverage the strength of the integrated and diversified business model

Build the bank of the future by accelerating digital transformation

Conduct an ambitious Corporate Social Responsibility policy

Group Results

Division Results

Success of the 2014-2016 Business Development Plan

2020 Business Development Plan

4Q16 Detailed Results

Appendix

Main Exceptional Items - 4Q16

	4Q16	4Q15
Revenues		
Own credit adjustment and DVA *(Corporate Centre)*	-€18m	+€160m
	-€18m	***+€160m***
Operating expenses		
Simple & Efficient transformation costs *(Corporate Centre)*		-€232m
CIB transformation costs and restructuring costs of acquisitions* (Corporate Centre)	- €146m	-€54m
Restructuring costs of Businesses**	-€144m	
Compulsory contribution to the resolution process of 4 Italian banks***	-€52m	- €69m
	-€342m	***-€355m***
Costs related to the comprehensive settlement with U.S. authorities *(Corporate Centre)*		
Costs related to the remediation plan		-€100m
	€0m	***-€100m***
Other non operating elements		
Goodwill impairments**** *(Corporate Centre)*	-€127m	-€993m
Sale of the stake in Klépierre-Corio *(Corporate Centre)*		+€352m
	-€127m	***-€641m***
Total exceptional items (pre-tax)	**-€487m**	**-€936m**
Total exceptional items (after tax)	**-€372m**	**-€922m**

** LaSer, Bank BGZ, DAB Bank, GE LLD; ** BNL bc (-€50m), BRB (-€80m), WAM (-€7m), Corporate Centre (-€7m); *** BNL bc (-€47m in 4Q16, -€65m in 4Q15), Personal Finance (-€5m in 4Q16, -€4m in 4Q15);*
***** Of which full goodwill impairment of BGZ: -€127m in 4Q16 and of BNL bc: -€917m in 4Q15*

BNP Paribas Group - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**10,656**	**10,449**	**+2.0%**	**10,589**	**+0.6%**	**43,411**	**42,938**	**+1.1%**
Operating Expenses and Dep.	-7,444	-7,406	+0.5%	-7,217	+3.1%	-29,378	-29,254	+0.4%
Gross Operating Income	**3,212**	**3,043**	**+5.6%**	**3,372**	**-4.7%**	**14,033**	**13,684**	**+2.6%**
Cost of Risk	-950	-968	-1.9%	-764	+24.3%	-3,262	-3,797	-14.1%
Costs related to the comprehensive settlement with US authorities	0	-100	n.s.	0	n.s.	0	-100	n.s.
Operating Income	**2,262**	**1,975**	**+14.5%**	**2,608**	**-13.3%**	**10,771**	**9,787**	**+10.1%**
Share of Earnings of Equity-Method Entities	151	154	-1.9%	163	-7.4%	633	589	+7.5%
Other Non Operating Items	-146	-656	-77.7%	9	n.s.	-194	3	n.s.
Non Operating Items	**5**	**-502**	**n.s.**	**172**	**-97.1%**	**439**	**592**	**-25.8%**
Pre-Tax Income	**2,267**	**1,473**	**+53.9%**	**2,780**	**-18.5%**	**11,210**	**10,379**	**+8.0%**
Corporate Income Tax	-721	-719	+0.3%	-790	-8.7%	-3,095	-3,335	-7.2%
Net Income Attributable to Minority Interests	-104	-89	+16.9%	-104	-0.0%	-413	-350	+18.0%
Net Income Attributable to Equity Holders	**1,442**	**665**	**n.s.**	**1,886**	**-23.5%**	**7,702**	**6,694**	**+15.1%**
Cost/Income	**69.9%**	**70.9%**	**-1.0 pt**	**68.2%**	**+1.7 pt**	**67.7%**	**68.1%**	**-0.4 pt**

- Corporate income tax: average rate of 28.8% in 2016
  - Positive effect of the low fiscal impact on the capital gain on the sale of Visa Europe shares (long term capital gains regime)
  - No significant impact from reevaluation of differed taxes due to lower income tax rate in France in 2020 (« Loi de Finance 2017 »)

Retail Banking and Services - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**7,758**	**7,681**	**+1.0%**	**7,735**	**+0.3%**	**30,651**	**30,552**	**+0.3%**
Operating Expenses and Dep.	-5,200	-5,049	+3.0%	-4,813	+8.0%	-19,880	-19,460	+2.2%
Gross Operating Income	**2,558**	**2,632**	**-2.8%**	**2,922**	**-12.5%**	**10,771**	**11,092**	**-2.9%**
Cost of Risk	-824	-882	-6.5%	-704	+17.1%	-3,005	-3,533	-14.9%
Operating Income	**1,733**	**1,750**	**-1.0%**	**2,218**	**-21.9%**	**7,765**	**7,559**	**+2.7%**
Share of Earnings of Equity-Method Entities	130	138	-6.1%	140	-7.1%	530	509	+4.1%
Other Non Operating Items	-5	-8	-35.9%	9	n.s.	10	1	n.s.
Pre-Tax Income	**1,858**	**1,881**	**-1.2%**	**2,367**	**-21.5%**	**8,305**	**8,069**	**+2.9%**
Cost/Income	67.0%	65.7%	+1.3 pt	62.2%	+4.8 pt	64.9%	63.7%	+1.2 pt
Allocated Equity (€bn)						49.0	48.4	+1.4%

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

Domestic Markets - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**3,866**	**3,905**	**-1.0%**	**3,923**	**-1.5%**	**15,715**	**15,797**	**-0.5%**
Operating Expenses and Dep.	-2,794	-2,713	+3.0%	-2,567	+8.8%	-10,629	-10,393	+2.3%
Gross Operating Income	**1,072**	**1,191**	**-10.0%**	**1,356**	**-20.9%**	**5,086**	**5,404**	**-5.9%**
Cost of Risk	-399	-471	-15.3%	-329	+21.3%	-1,515	-1,812	-16.4%
Operating Income	**674**	**721**	**-6.5%**	**1,028**	**-34.5%**	**3,572**	**3,592**	**-0.6%**
Share of Earnings of Equity-Method Entities	14	22	-37.2%	18	-26.0%	54	50	+8.8%
Other Non Operating Items	-6	-7	-13.6%	8	n.s.	2	-34	n.s.
Pre-Tax Income	**681**	**735**	**-7.3%**	**1,054**	**-35.4%**	**3,628**	**3,608**	**+0.6%**
Income Attributable to Wealth and Asset Management	-59	-60	-1.6%	-61	-3.2%	-246	-273	-9.9%
Pre-Tax Income of Domestic Markets	**622**	**675**	**-7.8%**	**993**	**-37.4%**	**3,382**	**3,335**	**+1.4%**
Cost/Income	72.3%	69.5%	+2.8 pt	65.4%	+6.9 pt	67.6%	65.8%	+1.8 pt
Allocated Equity (€bn)						23.0	22.7	+1.3%

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

- Revenues: -1.0% vs. 4Q15
  - Persistently low interest rate environment
  - Good growth at BRB, LRB and in the specialised businesses (Arval, Personal Investors)
- Operating expenses: +3.0% vs. 4Q15
  - -0.5% vs. 4Q15 excluding the impact of exceptional items*
  - Effect of the cost saving measures
- Pre-tax income: -7.8% vs. 4Q15
  - +5.2% vs. 4Q15 excluding the impact of exceptional items*
  - Decrease in the cost of risk in Italy

** Additional compulsory contribution of BNL bc to the resolution process of 4 Italian banks: -€47m (-€65m in 4Q15) & restructuring costs: BNL bc -€50m (-€20m in 4Q15); BRB -€80m (0 in 4Q15)*

Domestic Markets
French Retail Banking - 4Q16 (excluding PEL/CEL effets)

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**1,548**	**1,603**	**-3.4%**	**1,601**	**-3.3%**	**6,401**	**6,597**	**-3.0%**
Incl. Net Interest Income	*899*	*946*	*-5.0%*	*923*	*-2.5%*	*3,676*	*3,804*	*-3.4%*
Incl. Commissions	*649*	*657*	*-1.2%*	*678*	*-4.3%*	*2,725*	*2,793*	*-2.4%*
Operating Expenses and Dep.	-1,216	-1,207	+0.7%	-1,178	+3.2%	-4,673	-4,641	+0.7%
Gross Operating Income	**332**	**396**	**-16.1%**	**423**	**-21.5%**	**1,728**	**1,956**	**-11.7%**
Cost of Risk	-124	-88	+41.6%	-72	+73.2%	-342	-343	-0.2%
Operating Income	**208**	**308**	**-32.5%**	**351**	**-40.9%**	**1,386**	**1,613**	**-14.1%**
Non Operating Items	1	1	-25.5%	0	n.s.	3	4	-29.8%
Pre-Tax Income	**209**	**309**	**-32.5%**	**351**	**-40.6%**	**1,389**	**1,617**	**-14.1%**
Income Attributable to Wealth and Asset Management	-32	-34	-3.6%	-34	-5.8%	-138	-159	-13.4%
Pre-Tax Income of French Retail Banking	**177**	**276**	**-36.0%**	**317**	**-44.3%**	**1,251**	**1,458**	**-14.2%**
Cost/Income	78.5%	75.3%	+3.2 pt	73.6%	+4.9 pt	73.0%	70.3%	+2.7 pt
Allocated Equity (€bn)						8.7	8.3	+5.5%

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

- Revenues: -3.4% vs. 4Q15
  - Net interest income: -5.0%, persistently low interest rate environment (decrease in margin on deposits and on renegotiated loans but gradual effect of the rise in outstandings)
  - Fees: -1.2% but +3.2% excluding non recurring item, rise in financial fees and banking fees
- Operating expenses: +0.7% vs. 4Q15
  - Cost control
- Increase in the cost of risk due to a specific file

** PEL/CEL effects: -€2m in 2016 (-€31m in 2015) and +€8m in 4Q16 (+€5m in 4Q15)*

Domestic Markets
French Retail Banking - Volumes

Average outstandings (€bn)	Outstandings 4Q16	%Var/4Q15	%Var/3Q16	Outstandings 2016	%Var/2015
LOANS	**148.8**	**+4.2%**	**+1.9%**	**144.8**	**+0.3%**
Individual Customers	80.3	+4.8%	+3.1%	77.4	-0.4%
Incl. Mortgages	70.0	+4.9%	+3.1%	67.4	-0.2%
Incl. Consumer Lending	10.3	+4.5%	+3.5%	10.0	-0.1%
Corporates	68.5	+3.6%	+0.6%	67.4	+1.1%
DEPOSITS AND SAVINGS	**147.6**	**+8.6%**	**+1.5%**	**143.1**	**+5.4%**
Current Accounts	83.2	+21.7%	+2.5%	78.2	+22.0%
Savings Accounts	57.8	-0.8%	-1.4%	58.2	-2.3%
Market Rate Deposits	6.6	-28.5%	+14.7%	6.7	-44.3%

€bn	31.12.16	%Var/ 31.12.15	%Var/ 30.09.16
OFF BALANCE SHEET SAVINGS			
Life Insurance	85.5	+2.6%	+0.1%
Mutual Funds	46.3	+0.6%	+2.8%

- Loans: +4.2% vs. 4Q15, rise in corporate loans, good pick-up in loan origination on individual customers
- Deposits: +8.6% vs. 4Q15, strong growth in current accounts, significant decrease in market rate deposits
- Off balance sheet savings: increase in life insurance vs. 31.12.15

Domestic Markets
BNL banca commerciale - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**745**	**781**	**-4.6%**	**741**	**+0.6%**	**2,972**	**3,150**	**-5.7%**
Operating Expenses and Dep.	-543	-550	-1.3%	-448	+21.3%	-1,885	-1,903	-0.9%
Gross Operating Income	**202**	**230**	**-12.5%**	**293**	**-31.1%**	**1,086**	**1,247**	**-12.9%**
Cost of Risk	-229	-300	-23.9%	-215	+6.5%	-959	-1,248	-23.1%
Operating Income	**-27**	**-70**	**-61.5%**	**78**	**n.s.**	**127**	**-2**	**n.s.**
Non Operating Items	0	0	n.s.	0	+19.8%	0	-1	n.s.
Pre-Tax Income	**-27**	**-70**	**-61.8%**	**78**	**n.s.**	**127**	**-3**	**n.s.**
Income Attributable to Wealth and Asset Management	-10	-10	-8.1%	-9	+12.4%	-37	-41	-9.5%
Pre-Tax Income of BNL bc	**-36**	**-80**	**-54.8%**	**70**	**n.s.**	**90**	**-44**	**n.s.**
Cost/Income	72.9%	70.5%	+2.4 pt	60.5%	+12.4 pt	63.4%	60.4%	+3.0 pt
Allocated Equity (€bn)						5.7	6.5	-11.3%

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

- Revenues: -4.6% vs. 4Q15
  - Net interest income: -4.2% vs. 4Q15, impact of the low interest rate environment and last effects of the repositioning on the better corporate clients
  - Fees: -5.2% vs. 4Q15, decrease of banking fees
- Operating expenses: -1.3% vs. 4Q15
  - -4.3% vs. 4Q15 excluding the impact of exceptional items*: effect of cost reduction measures
- Cost of risk: -23.9% vs. 4Q15
  - Continued decrease in the cost of risk
- Pre-tax income: -54.8% vs. 4Q15
  - €61m excluding the impact of exceptional items*

** Additional compulsory contribution to the resolution process of 4 Italian banks: -€47m (-€65m in 4Q15) & one-off transformation costs: -€50m (-€20m in 4Q15)*

Domestic Markets
BNL banca commerciale - Volumes

Average outstandings (€bn)	Outstandings 4Q16	%Var/4Q15	%Var/3Q16	Outstandings 2016	%Var/2015
LOANS	**78.6**	**+1.4%**	**+0.8%**	**77.9**	**+0.5%**
Individual Customers	39.4	+0.9%	+0.5%	39.2	+1.5%
Incl. Mortgages	24.5	-2.2%	-0.4%	24.8	-1.0%
Incl. Consumer Lending	4.2	+3.3%	+1.0%	4.2	+3.3%
Corporates	39.2	+1.9%	+1.1%	38.7	-0.5%
DEPOSITS AND SAVINGS	**39.9**	**+14.9%**	**+3.8%**	**38.0**	**+12.6%**
Individual Deposits	26.4	+12.3%	+2.3%	25.6	+13.2%
Incl. Current Accounts	26.1	+12.6%	+2.4%	25.2	+13.7%
Corporate Deposits	13.5	+20.2%	+6.9%	12.4	+11.4%

€bn	31.12.16	%Var/ 31.12.15	%Var/ 30.09.16
OFF BALANCE SHEET SAVINGS			
Life Insurance	18.3	+9.8%	+1.4%
Mutual Funds	13.8	+7.2%	+1.4%

- Loans: +1.4% vs. 4Q15
  - Individuals: +0.9% vs. 4Q15, gradual recovery in volumes
  - Corporates: +1.9% vs. 4Q15, good growth in particular on the better corporate clients
- Deposits: +14.9% vs. 4Q15
  - Individuals and corporates: strong rise in current accounts
- Off balance sheet savings: good asset inflows in life insurance, rise in mutual fund outstandings

Domestic Markets
Belgian Retail Banking - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**908**	**882**	**+2.9%**	**914**	**-0.6%**	**3,661**	**3,552**	**+3.1%**
Operating Expenses and Dep.	-661	-588	+12.5%	-575	+15.1%	-2,582	-2,462	+4.9%
Gross Operating Income	**247**	**295**	**-16.3%**	**339**	**-27.3%**	**1,079**	**1,090**	**-1.0%**
Cost of Risk	-9	-52	-82.3%	-19	-52.4%	-98	-85	+15.1%
Operating Income	**237**	**243**	**-2.2%**	**320**	**-25.7%**	**981**	**1,005**	**-2.4%**
Non Operating Items	2	7	-78.7%	3	-55.0%	6	-9	n.s.
Pre-Tax Income	**239**	**250**	**-4.4%**	**323**	**-26.0%**	**987**	**996**	**-0.9%**
Income Attributable to Wealth and Asset Management	-17	-14	+15.2%	-18	-5.9%	-69	-68	+1.1%
Pre-Tax Income of Belgian Retail Banking	**222**	**235**	**-5.6%**	**305**	**-27.2%**	**918**	**928**	**-1.1%**
Cost/Income	72.8%	66.6%	+6.2 pt	62.9%	+9.9 pt	70.5%	69.3%	+1.2 pt
Allocated Equity (€bn)						4.7	4.5	+6.2%

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

- Revenues: +2.9% vs. 4Q15
  - Net interest income: +3.5% vs. 4Q15, due to volume growth
  - Fees: +1.3% vs. 4Q15, rise in banking fees
- Operating expenses: +12.5% vs. 4Q15
  - -1.0% vs. 4Q15 excluding exceptional item*
  - Effect of the cost reduction measures
- Pre-tax income: -5.6% vs. 4Q15
  - +28.3% vs. 4Q15 excluding exceptional item*

** Restructuring costs: -€80m in 4Q16*

Domestic Markets
Belgian Retail Banking - Volumes

Average outstandings (€bn)	Outstandings 4Q16	%Var/4Q15	%Var/3Q16	Outstandings 2016	%Var/2015
LOANS	**97.0**	**+3.9%**	**+0.3%**	**96.0**	**+4.7%**
Individual Customers	65.5	+3.8%	+0.5%	64.7	+5.6%
Incl. Mortgages	46.8	+3.8%	+0.7%	46.2	+6.3%
Incl. Consumer Lending	0.2	+21.3%	-29.5%	0.2	-40.2%
Incl. Small Businesses	18.5	+3.8%	+0.4%	18.4	+4.8%
Corporates and Local Governments	31.5	+4.1%	-0.1%	31.3	+2.8%
DEPOSITS AND SAVINGS	**117.9**	**+6.5%**	**-0.2%**	**116.0**	**+5.8%**
Current Accounts	47.4	+16.7%	-0.7%	45.4	+17.4%
Savings Accounts	67.2	+3.1%	+0.3%	66.5	+1.7%
Term Deposits	3.4	-32.9%	-3.3%	4.0	-27.4%

€bn	31.12.16	%Var/ 31.12.15	%Var/ 30.09.16
OFF BALANCE SHEET SAVINGS			
Life Insurance	24.7	+0.1%	-0.6%
Mutual Funds	30.4	+0.4%	+1.0%

- Loans: +3.9% vs. 4Q15
  - Individuals: +3.8% vs. 4Q15, rise in particular of mortgage loans
  - Corporates: +4.1% vs. 4Q15, good increase in loans to SMEs
- Deposits: +6.5% vs. 4Q15
  - Individuals and corporates: strong growth in current accounts

Domestic Markets
Other Activities - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**666**	**638**	**+4.2%**	**669**	**-0.4%**	**2,681**	**2,498**	**+7.3%**
Operating Expenses and Dep.	-374	-368	+1.5%	-367	+1.8%	-1,488	-1,387	+7.3%
Gross Operating Income	**292**	**270**	**+8.0%**	**302**	**-3.2%**	**1,193**	**1,111**	**+7.4%**
Cost of Risk	-37	-31	+19.5%	-23	+60.1%	-115	-136	-15.2%
Operating Income	**255**	**240**	**+6.5%**	**279**	**-8.4%**	**1,078**	**975**	**+10.5%**
Share of Earnings of Equity-Method Entities	10	18	-43.7%	13	-17.6%	43	36	+18.8%
Other Non Operating Items	-6	-13	-52.9%	10	n.s.	5	-14	n.s.
Pre-Tax Income	**260**	**245**	**+5.8%**	**301**	**-13.8%**	**1,125**	**997**	**+12.8%**
Income Attributable to Wealth and Asset Management	0	-1	-77.0%	0	-0.7%	-2	-5	-55.2%
Pre-Tax Income of Other Domestic Markets	**259**	**244**	**+6.3%**	**301**	**-13.8%**	**1,123**	**993**	**+13.1%**
Cost/Income	56.1%	57.6%	-1.5 pt	54.9%	+1.2 pt	55.5%	55.5%	+0.0 pt
Allocated Equity (€bn)						3.8	3.5	+8.5%

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

- Scope effect linked to the acquisition of GE Fleet Services Europe (Arval)
- At constant scope and exchange rates vs. 4Q15
  - Revenues*: +4.2%, rise across all business lines
  - Operating expenses*: -0.2%, effect of the first cost synergies between DAB Bank and Consors bank! in Germany (Personal Investors)
  - Pre-tax income**: +8.6%

** Including 100% of Private Banking in Luxembourg; ** Including 2/3 of Private Banking in Luxembourg*

Domestic Markets
LRB - Personal Investors

Luxembourg Retail Banking (LRB)

Average outstandings (€bn)	4Q16	%Var/4Q15	%Var/3Q16	2016	%Var/2015
LOANS	**8.5**	**+1.5%**	**+2.0%**	**8.4**	**+1.5%**
Individual Customers	6.1	+2.2%	+0.4%	6.0	+2.2%
Corporates and Local Governments	2.5	-0.4%	+6.1%	2.4	-0.3%
DEPOSITS AND SAVINGS	**17.6**	**+16.3%**	**+3.9%**	**16.4**	**+14.4%**
Current Accounts	8.6	+23.1%	+12.6%	7.5	+14.6%
Savings Accounts	8.2	+23.5%	-1.4%	8.0	+32.3%
Term Deposits	0.7	-50.3%	-21.0%	0.9	-47.6%

€bn	31.12.16	%Var/ 31.12.15	%Var/ 30.09.16
OFF BALANCE SHEET SAVINGS			
Life Insurance	0.9	+2.4%	+0.5%
Mutual Funds	1.7	-4.9%	+0.8%

- Loans vs. 4Q15: increase in mortgage loans
- Deposits vs. 4Q15: increase in sight deposits and savings accounts particularly in the corporate client segment

Personal Investors

Average outstandings (€bn)	4Q16	%Var/4Q15	%Var/3Q16	2016	%Var/2015
LOANS	**0.5**	**-1.0%**	**+0.5%**	**0.5**	**+0.8%**
DEPOSITS	**20.4**	**+1.2%**	**+1.8%**	**20.0**	**-0.6%**

€bn	31.12.16	%Var/ 31.12.15	%Var/ 30.09.16
ASSETS UNDER MANAGEMENT	**84.0**	**+12.3%**	**+9.0%**
European Customer Orders (millions)	**4.2**	**-2.8%**	**+3.5%**

- Assets under management vs. 4Q15:
  - Effect of the acquisition of Sharekhan*
  - +6.8% at constant scope and exchange rates: positive asset inflows and effect of rising markets
- Digital: success of the launch of Video Legitimation in Germany (opening an account fully online)
- Cortal Consors named Best Online-Broker 2016 by Focus Money

** Closed on 23 November 2016 (€4bn of assets under management)*

Domestic Markets
Arval - Leasing Solutions

Arval

Average outstandings (€bn)	4Q16	%Var*/4Q15	%Var*/3Q16	2016	%Var*/2015
Consolidated Outstandings	14.0	+12.0%	+3.1%	13.5	+12.6%
Financed vehicles ('000 of vehicles)	1,028	+8.4%	+2.7%	997	+10.1%

- Consolidated outstandings: +12.0%* vs. 4Q15, good growth in all regions
- Financed vehicles: +8.4%* vs. 4Q15, very good sales and marketing drive, now over 1 million financed vehicles

Leasing Solutions

Average outstandings (€bn)	4Q16	%Var*/4Q15	%Var*/3Q16	2016	%Var*/2015
Consolidated Outstandings	16.8	+6.7%	+3.5%	16.6	+4.8%

- Consolidated outstandings: +6.7%* vs. 4Q15, good growth in the outstandings of the core portfolio and continued reduction of the non-core portfolio

** At constant scope and exchange rates*

International Financial Services - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**4,025**	**3,903**	**+3.1%**	**3,946**	**+2.0%**	**15,479**	**15,295**	**+1.2%**
Operating Expenses and Dep.	-2,481	-2,403	+3.2%	-2,319	+7.0%	-9,544	-9,334	+2.3%
Gross Operating Income	**1,544**	**1,500**	**+2.9%**	**1,627**	**-5.1%**	**5,935**	**5,961**	**-0.4%**
Cost of Risk	-425	-411	+3.6%	-376	+13.1%	-1,496	-1,722	-13.1%
Operating Income	**1,118**	**1,089**	**+2.7%**	**1,251**	**-10.6%**	**4,439**	**4,239**	**+4.7%**
Share of Earnings of Equity-Method Entities	116	117	-0.2%	122	-4.2%	477	460	+3.6%
Other Non Operating Items	1	0	n.s.	1	+66.6%	8	35	-76.0%
Pre-Tax Income	**1,236**	**1,206**	**+2.5%**	**1,373**	**-10.0%**	**4,924**	**4,734**	**+4.0%**
Cost/Income	61.6%	61.6%	+0.0 pt	58.8%	+2.8 pt	61.7%	61.0%	+0.7 pt
Allocated Equity (€bn)						26.1	25.7	+1.4%

- Limited foreign exchange effect this quarter
- At constant scope and exchange rates vs. 4Q15
  - Revenues: +3.3% growth across all the business lines
  - Operating expenses: +3.6% (+3.3% excluding exceptional costs*)
  - Operating income: +2.0%
  - Pre-tax income: +2.4%

** Restructuring costs of WAM (-€7m in 4Q16) and Personal Finance's compulsory contribution to the resolution process of 4 Italian banks (-€5 m in 4Q16, -€4m in 4Q15)*

International Financial Services
Personal Finance - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**1,185**	**1,161**	**+2.1%**	**1,177**	**+0.7%**	**4,679**	**4,661**	**+0.4%**
Operating Expenses and Dep.	-598	-580	+3.2%	-544	+10.0%	-2,298	-2,315	-0.7%
Gross Operating Income	**587**	**581**	**+0.9%**	**632**	**-7.2%**	**2,381**	**2,346**	**+1.5%**
Cost of Risk	-269	-309	-12.7%	-240	+12.2%	-979	-1,176	-16.7%
Operating Income	**317**	**273**	**+16.4%**	**392**	**-19.1%**	**1,401**	**1,170**	**+19.8%**
Share of Earnings of Equity-Method Entities	18	21	-12.5%	18	-2.4%	42	74	-43.7%
Other Non Operating Items	-2	-1	n.s.	0	n.s.	-1	0	n.s.
Pre-Tax Income	**334**	**293**	**+14.0%**	**411**	**-18.7%**	**1,442**	**1,244**	**+15.9%**
Cost/Income	50.5%	49.9%	+0.6 pt	46.3%	+4.2 pt	49.1%	49.7%	-0.6 pt
Allocated Equity (€bn)						4.9	4.5	+9.4%

- At constant scope and exchange rates
  - Revenues: +2.5% vs. 4Q15, in connection with the rise in volumes and the positioning on products with a better risk profile; revenue growth in Germany, Italy and Spain
  - Operating expenses: +3.6% vs. 4Q15, as a result of the good business development
  - Pre-tax income: +16.7% vs. 4Q15 (decrease in the cost of risk)

International Financial Services
Personal Finance - Volumes and risks

Average outstandings (€bn)	Outstandings	%Var/4Q15		%Var/3Q16		Outstandings	%Var/2015	
	4Q16	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates	2016	historical	at constant scope and exchange rates
TOTAL CONSOLIDATED OUTSTANDINGS	65.3	+8.7%	+9.6%	+2.5%	+2.6%	63.0	+7.5%	+8.8%
TOTAL OUTSTANDINGS UNDER MANAGEMENT (1)	75.7	+7.9%	+8.2%	+2.7%	+2.6%	73.1	+6.8%	+8.1%

(1) Including 100% of outstandings of subsidiaries not fully owned as well as of all partnerships

- Very good sales and marketing drive

Cost of risk/outstandings

Annualised cost of risk/outstandings as at beginning of period	4Q15	1Q16	2Q16	3Q16	4Q16
France	1.60%	2.23%	1.62%	1.35%	1.46%
Italy	2.54%	0.94%	1.84%	1.17%	1.44%
Spain	1.96%	0.40%	1.04%	1.72%	1.93%
Other Western Europe	1.57%	0.91%	1.35%	1.28%	1.47%
Eastern Europe	2.30%	0.57%	0.22%	0.77%	1.77%
Brazil	10.7%*	7.76%	5.65%	6.89%	6.15%
Others	2.58%	1.20%	2.03%	2.15%	1.89%
Personal Finance	**2.16%**	**1.49%**	**1.64%**	**1.54%**	**1.70%**

** Exceptional adjustment for the whole year 2015*

International Financial Services
Europe-Mediterranean - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**630**	**626**	**+0.6%**	**659**	**-4.3%**	**2,513**	**2,516**	**-0.1%**
Operating Expenses and Dep.	-431	-444	-2.9%	-413	+4.2%	-1,705	-1,707	-0.1%
Gross Operating Income	**200**	**183**	**+9.1%**	**245**	**-18.7%**	**808**	**809**	**-0.0%**
Cost of Risk	-127	-96	+31.8%	-127	-0.5%	-437	-466	-6.2%
Operating Income	**73**	**87**	**-16.1%**	**118**	**-38.3%**	**371**	**342**	**+8.4%**
Non Operating Items	48	47	+2.3%	48	+0.7%	197	174	+13.3%
Pre-Tax Income	**121**	**134**	**-9.6%**	**166**	**-27.1%**	**568**	**516**	**+10.0%**
Income Attributable to Wealth and Asset Management	-1	-1	+32.2%	0	n.s.	-2	-3	-18.7%
Pre-Tax Income of Europe-Mediterranean	**120**	**133**	**-9.8%**	**165**	**-27.5%**	**566**	**513**	**+10.2%**
Cost/Income	68.3%	70.8%	-2.5 pt	62.7%	+5.6 pt	67.8%	67.9%	-0.1 pt
Allocated Equity (€bn)						5.2	5.4	-2.5%

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

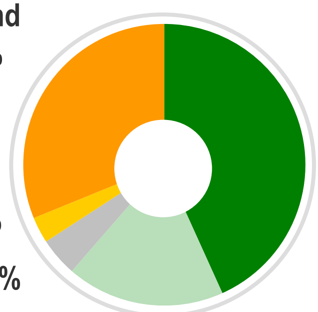
- Foreign exchange effect due in particular to the depreciation of the Turkish lira
  - TRY vs. EUR*: -10.3% vs. 4Q15, -6.7% vs. 3Q16, -9.7% vs. 2015
- At constant scope and exchange rates vs. 4Q15
  - Revenues: +5.9%, as a result of the rise in volumes and margins
  - Operating expenses: +1.1% (+3.4% excluding the development of taxes and contributions in Poland**)
  - Cost of risk: rise in Turkey
  - Non operating items: good contribution from associated companies in Asia
  - Pre-tax income: -1.2% (increase in the cost of risk in Turkey offset by the rise in margins)

** Average rates; ** Introduction of a banking tax in 2016 (-€13m in 4Q16) and contribution to the deposit guarantee fund & to the support fund for borrowers in 2015 (-€31m in 4Q15)*

International Financial Services
Europe-Mediterranean - Volumes and Risks

Average outstandings (€bn)	Outstandings 4Q16	%Var/4Q15 historical	%Var/4Q15 at constant scope and exchange rates	%Var/3Q16 historical	%Var/3Q16 at constant scope and exchange rates	Outstandings 2016	%Var/2015 historical	%Var/2015 at constant scope and exchange rates
LOANS	38.1	-1.3%	+4.7%	-1.6%	+1.4%	38.3	-1.1%	+5.5%
DEPOSITS	35.5	+5.5%	+11.3%	+0.2%	+3.0%	34.9	+3.5%	+9.8%

Geographic distribution of 4Q16 outstanding loans



Cost of risk/outstandings

Annualised cost of risk / outstandings as at beginning of period	4Q15	1Q16	2Q16	3Q16	4Q16
Turkey	1.28%	1.20%	1.29%	1.82%	1.77%
Ukraine	2.51%	1.40%	0.59%	4.62%	-2.12%
Poland	0.43%	0.42%	0.67%	0.44%	0.77%
Others	1.09%	1.30%	0.40%	0.89%	1.47%
Europe-Mediterranean	**1.01%**	**1.00%**	**0.89%**	**1.29%**	**1.29%**

TEB: a solid and well capitalised bank

- 14.4% solvency ratio* as at 31.12.16
- Largely self financed
- 1.1% of the Group's commitments**
- Limited exposure to Turkish government bonds
- 1.9 % of the Group's pre-tax income

** Capital Adequacy Ratio (CAR); ** Gross commitments, on and off balance sheet, unweighted*

International Financial Services
BancWest - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**795**	**735**	**+8.2%**	**728**	**+9.1%**	**2,984**	**2,834**	**+5.3%**
Operating Expenses and Dep.	-521	-481	+8.2%	-501	+3.9%	-2,038	-1,882	+8.3%
Gross Operating Income	**274**	**253**	**+8.2%**	**227**	**+20.6%**	**947**	**952**	**-0.5%**
Cost of Risk	-23	4	n.s.	-14	+60.3%	-85	-50	+69.9%
Operating Income	**251**	**257**	**-2.5%**	**213**	**+18.0%**	**862**	**902**	**-4.4%**
Non Operating Items	4	2	+86.1%	1	n.s.	16	31	-48.6%
Pre-Tax Income	**255**	**260**	**-1.7%**	**214**	**+19.5%**	**878**	**933**	**-5.9%**
Income Attributable to Wealth and Asset Management	-5	-3	+69.5%	-4	+26.0%	-15	-10	+52.1%
Pre-Tax Income of BANCWEST	**251**	**257**	**-2.5%**	**210**	**+19.4%**	**862**	**923**	**-6.6%**
Cost/Income	65.5%	65.6%	-0.1 pt	68.8%	-3.3 pt	68.3%	66.4%	+1.9 pt
Allocated Equity (€bn)						6.3	6.3	+1.0%

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

- Limited USD vs. EUR* foreign exchange effect: +1.6% vs. 4Q15, +3.6% vs. 3Q16, ~stable vs. 2015
- Revenues: +6.5%** vs. 4Q15
  - Effect of the increase in volumes
- Operating expenses: +6.5%** vs. 4Q15
  - +5.3%** excluding the increase in regulatory costs*** and non recurring costs related to the IPO of First Hawaiian Bank
  - Strengthening of the commercial set up
- Pre-tax income: -4.1%** vs. 4Q15

** Average rates; ** At constant scope and exchange rates; *** CCAR and Intermediate Holding Company*

International Financial Services
BancWest - Volumes

Average outstandings (€bn)	Outstandings	%Var/4Q15		%Var/3Q16		Outstandings	%Var/2015	
	4Q16	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates	2016	historical	at constant scope and exchange rates
LOANS	**65.0**	**+11.0%**	**+9.2%**	**+6.3%**	**+2.6%**	**61.1**	**+8.8%**	**+8.5%**
Individual Customers	28.6	+8.2%	+6.5%	+6.7%	+3.0%	27.0	+5.6%	+5.3%
Incl. Mortgages	11.5	+9.4%	+7.6%	+6.5%	+2.8%	10.8	+4.3%	+4.0%
Incl. Consumer Lending	17.1	+7.4%	+5.7%	+6.8%	+3.1%	16.2	+6.5%	+6.2%
Commercial Real Estate	17.8	+13.4%	+11.6%	+4.6%	+1.0%	16.8	+12.9%	+12.6%
Corporate Loans	18.5	+13.1%	+11.3%	+7.3%	+3.6%	17.3	+10.2%	+9.8%
DEPOSITS AND SAVINGS	**69.6**	**+11.8%**	**+10.0%**	**+6.6%**	**+2.9%**	**64.6**	**+8.3%**	**+7.9%**
Deposits Excl. Jumbo CDs	58.7	+9.2%	+7.5%	+5.9%	+2.3%	55.2	+7.8%	+7.5%

- Loans: +9.2%* vs. 4Q15
  - Increase in individual and corporate loans
- Deposits: +10.0%* vs. 4Q15
  - Good growth in current and savings accounts

** At constant scope and exchange rates*

International Financial Services
Insurance and WAM* - Business

	31.12.16	31.12.15	%Var/ 31.12.15	30.09.16	%Var/ 30.09.16
Assets under management (€bn)	**1,010**	**954**	**+5.8%**	**1,004**	**+0.6%**
Asset Management	416	390	+6.7%	413	+0.7%
Wealth Management	344	327	+5.0%	341	+0.7%
Real Estate Services	24	22	+9.5%	23	+5.5%
Insurance	226	215	+5.1%	227	-0.4%

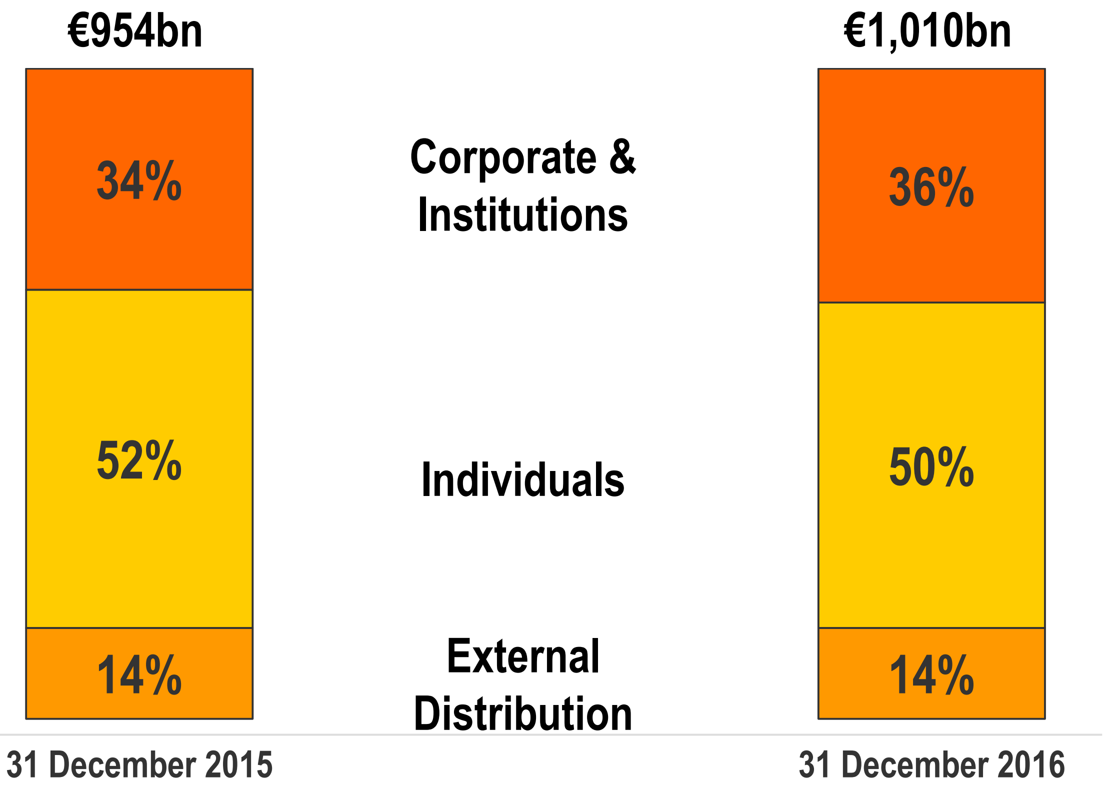
	4Q16	4Q15	%Var/ 4Q15	3Q16	%Var/ 3Q16
Net asset flows (€bn)	**2.0**	**15.3**	**-87.0%**	**17.3**	**-88.6%**
Asset Management	-2.7	11.9	n.s.	13.6	n.s.
Wealth Management	3.6	1.9	+90.2%	2.3	+57.2%
Real Estate Services	0.3	0.5	-43.7%	0.3	+15.1%
Insurance	0.8	0.9	-7.0%	1.2	-28.9%

- In 4Q16
  - Positive net asset flows (+€2.0bn) driven by Wealth Managament
  - Slightly positive performance effect (+€0.4bn)
  - Largely positive foreign exchange effect (+€12.6bn)

** Wealth and Asset Management*

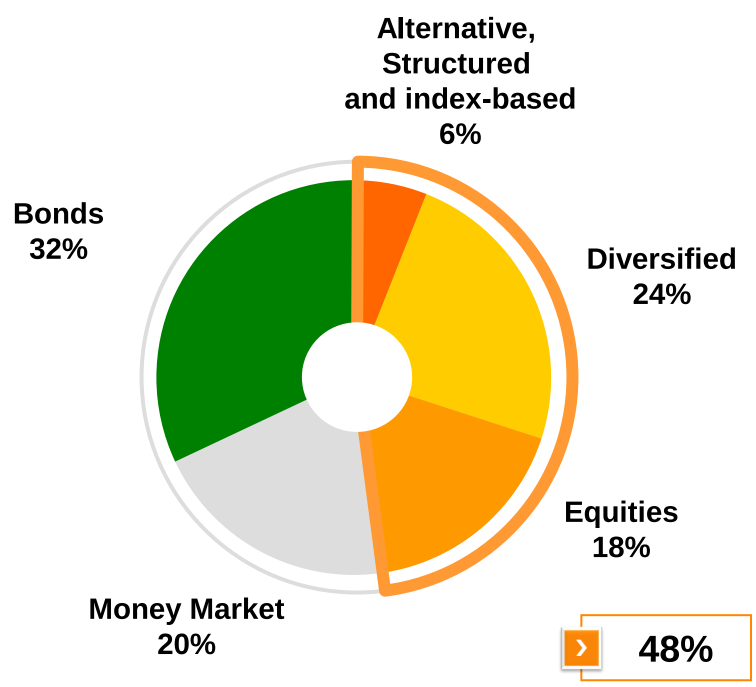
International Financial Services - Insurance & WAM
Breakdown of Assets by Customer Segment

Breakdown of assets by customer segment



International Financial Services - Asset Management
Breakdown of Managed Assets

31.12.16



€416bn

International Financial Services
Insurance - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**636**	**604**	**+5.3%**	**679**	**-6.3%**	**2,382**	**2,320**	**+2.7%**
Operating Expenses and Dep.	-315	-302	+4.4%	-299	+5.5%	-1,201	-1,156	+3.8%
Gross Operating Income	**321**	**302**	**+6.3%**	**380**	**-15.6%**	**1,181**	**1,164**	**+1.5%**
Cost of Risk	-1	-4	-73.7%	3	n.s.	2	-5	n.s.
Operating Income	**320**	**298**	**+7.3%**	**383**	**-16.5%**	**1,183**	**1,158**	**+2.1%**
Share of Earnings of Equity-Method Entities	36	40	-9.7%	44	-17.9%	189	170	+10.9%
Other Non Operating Items	0	-1	-67.1%	0	n.s.	-3	1	n.s.
Pre-Tax Income	**356**	**337**	**+5.4%**	**427**	**-16.7%**	**1,369**	**1,329**	**+3.0%**
Cost/Income	49.6%	50.0%	-0.4 pt	44.0%	+5.6 pt	50.4%	49.8%	+0.6 pt
Allocated Equity (€bn)						7.5	7.4	+1.3%

- Technical reserves: +4.9% vs. 4Q15
- Revenues: +5.3% vs. 4Q15
  - Increase in particular of the protection business in Europe
- Operating expenses: +4.4% vs. 4Q15
  - As a result of business development and higher regulatory costs

International Financial Services
Wealth and Asset Management - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**794**	**789**	**+0.5%**	**718**	**+10.6%**	**2,977**	**3,012**	**-1.2%**
Operating Expenses and Dep.	-626	-605	+3.3%	-572	+9.5%	-2,341	-2,308	+1.4%
Gross Operating Income	**168**	**184**	**-8.7%**	**146**	**+14.9%**	**636**	**704**	**-9.7%**
Cost of Risk	-5	-7	-21.3%	3	n.s.	3	-25	n.s.
Operating Income	**163**	**177**	**-8.3%**	**149**	**+9.3%**	**639**	**679**	**-5.9%**
Share of Earnings of Equity-Method Entities	13	11	+25.3%	12	+13.2%	46	43	+7.3%
Other Non Operating Items	0	-3	-100.0%	0	-99.3%	0	3	n.s.
Pre-Tax Income	**176**	**185**	**-5.0%**	**161**	**+9.7%**	**685**	**725**	**-5.4%**
Cost/Income	78.8%	76.7%	+2.1 pt	79.6%	-0.8 pt	78.6%	76.6%	+2.0 pt
Allocated Equity (€bn)						2.1	2.2	-3.9%

- Revenues: +0.5% vs. 4Q15
  - Slight increase driven by Wealth Management
- Operating expenses: +3.3% vs. 4Q15
  - +2.3% vs. 4Q15 excluding the impact of one exceptional item*
  - Increase related in particular to the development of Wealth Management

** Restructuring costs (-€7m)*

Corporate and Institutional Banking - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**2,821**	**2,612**	**+8.0%**	**2,905**	**-2.9%**	**11,469**	**11,506**	**-0.3%**
Operating Expenses and Dep.	-1,914	-1,976	-3.2%	-2,022	-5.4%	-8,309	-8,458	-1.8%
Gross Operating Income	**907**	**636**	**+42.6%**	**883**	**+2.7%**	**3,160**	**3,049**	**+3.6%**
Cost of Risk	-70	-63	+11.4%	-74	-5.7%	-217	-212	+2.3%
Operating Income	**837**	**574**	**+46.0%**	**809**	**+3.5%**	**2,943**	**2,836**	**+3.8%**
Share of Earnings of Equity-Method Entities	9	10	-17.9%	2	n.s.	20	34	-39.8%
Other Non Operating Items	-5	-27	-80.7%	1	n.s.	-1	127	n.s.
Pre-Tax Income	**841**	**558**	**+50.8%**	**812**	**+3.6%**	**2,962**	**2,997**	**-1.2%**
Cost/Income	67.8%	75.6%	-7.8 pt	69.6%	-1.8 pt	72.4%	73.5%	-1.1 pt
Allocated Equity (€bn)						22.2	21.6	+2.8%

- Revenues: +8.0% vs. 4Q15
  - Strong growth at Global Markets (+21.9%), good growth at Securities Services (+7.6%) and decrease at Corporate Banking (-4.9%) compared to a good 4Q15
- Operating expenses: -3.2% vs. 4Q15
  - Effect of the cost saving measures
  - Very good cost control despite business growth

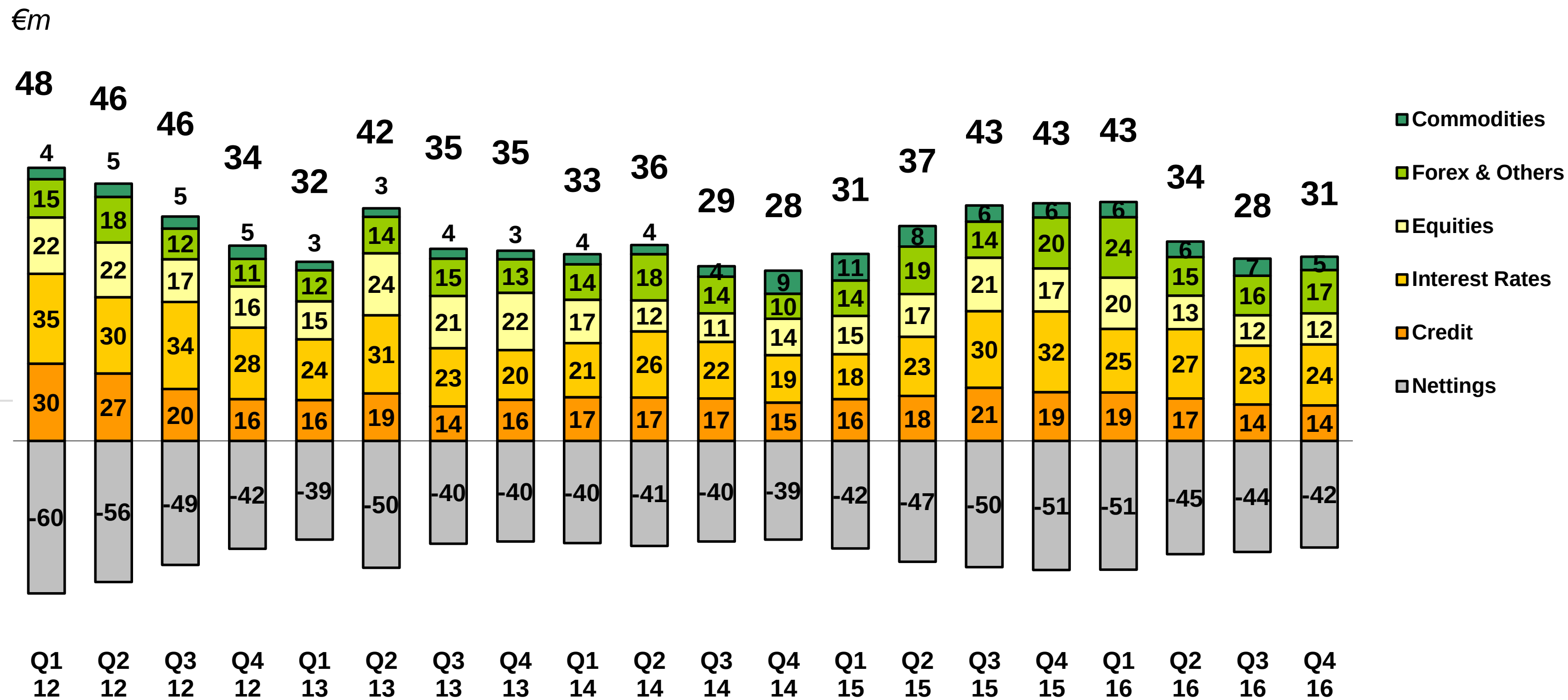
Corporate and Institutional Banking
Global Markets - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**1,284**	**1,053**	**+21.9%**	**1,490**	**-13.8%**	**5,650**	**5,710**	**-1.1%**
incl. FICC	838	682	+22.9%	1,082	-22.6%	3,860	3,507	+10.0%
incl. Equity & Prime Services	446	371	+20.2%	408	+9.4%	1,791	2,203	-18.7%
Operating Expenses and Dep.	-967	-980	-1.3%	-1,065	-9.2%	-4,355	-4,504	-3.3%
Gross Operating Income	**317**	**73**	**n.s.**	**425**	**-25.5%**	**1,295**	**1,206**	**+7.4%**
Cost of Risk	44	4	n.s.	5	n.s.	72	-80	n.s.
Operating Income	**361**	**77**	**n.s.**	**430**	**-16.0%**	**1,367**	**1,125**	**+21.5%**
Share of Earnings of Equity-Method Entities	-3	6	n.s.	5	n.s.	8	17	-51.4%
Other Non Operating Items	-8	-12	-33.2%	0	n.s.	-3	-15	-77.3%
Pre-Tax Income	**350**	**72**	**n.s.**	**435**	**-19.5%**	**1,372**	**1,127**	**+21.7%**
Cost/Income	75.3%	93.0%	-17.7 pt	71.4%	+3.9 pt	77.1%	78.9%	-1.8 pt
Allocated Equity (€bn)						9.0	9.5	-5.1%

- Revenues: +21.9% vs. 4Q15
  - Positive environment this quarter, robust client business
  - Very good growth of FICC driven by rates, credit and bond issues
  - Strong rise of Equity & Prime Services, good volumes growth
- Operating expenses: -1.3% vs. 4Q15
  - Positive effect of cost saving measures
  - Good cost control despite business growth
- Cost of risk: positive impact of net write-backs this quarter

Corporate and Institutional Banking
Market Risks - 4Q16

Average 99% 1-day interval VaR



- VaR still at a very low level this quarter*
  - One backtesting event this quarter (“hypothetical” loss** greater than VaR)
  - Reminder: only 15 days of losses greater than VaR since 01.01.2007, *i.e.* less than 2 per year over a long period including the financial crisis, which confirms the soundness of the internal VaR calculation model (1 day, 99%)

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

Corporate and Institutional Banking
Corporate Banking - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**1,071**	**1,126**	**-4.9%**	**958**	**+11.8%**	**3,994**	**4,007**	**-0.3%**
Operating Expenses and Dep.	-567	-606	-6.5%	-591	-4.0%	-2,451	-2,470	-0.8%
Gross Operating Income	**504**	**520**	**-3.1%**	**368**	**+37.1%**	**1,544**	**1,536**	**+0.5%**
Cost of Risk	-115	-69	+67.1%	-79	+46.2%	-292	-138	n.s.
Operating Income	**388**	**451**	**-13.8%**	**289**	**+34.6%**	**1,251**	**1,398**	**-10.5%**
Non Operating Items	14	-10	n.s.	-3	n.s.	13	159	-91.7%
Pre-Tax Income	**402**	**441**	**-8.7%**	**286**	**+40.9%**	**1,265**	**1,558**	**-18.8%**
Cost/Income	52.9%	53.8%	-0.9 pt	61.6%	-8.7 pt	61.4%	61.7%	-0.3 pt
Allocated Equity (€bn)						12.4	11.4	+8.7%

- Revenues: -4.9% vs. 4Q15
  - Decrease in Europe and in North America compared to a very good level in 4Q15 in which significant transactions had been booked, growth in Asia Pacific region
- Operating expenses: -6.5% vs. 4Q15
  - Effect of the cost saving measures
- Cost of risk
  - Impact of a specific file this quarter

Corporate and Institutional Banking Securities Services - 4Q16

€m	4Q16	4Q15	4Q16 / 4Q15	3Q16	4Q16 / 3Q16	2016	2015	2016 / 2015
Revenues	**466**	**433**	**+7.6%**	**457**	**+1.9%**	**1,824**	**1,790**	**+1.9%**
Operating Expenses and Dep.	-380	-390	-2.6%	-367	+3.5%	-1,503	-1,483	+1.3%
Gross Operating Income	**86**	**43**	**n.s.**	**90**	**-4.6%**	**321**	**307**	**+4.8%**
Cost of Risk	2	3	-35.6%	0	n.s.	3	6	-46.5%
Operating Income	**87**	**45**	**+93.3%**	**90**	**-3.0%**	**324**	**312**	**+3.8%**
Non Operating Items	1	0	n.s.	1	-11.4%	1	-1	n.s.
Pre-Tax Income	**88**	**45**	**+94.7%**	**91**	**-3.1%**	**325**	**312**	**+4.4%**
Cost/Income	81.6%	90.1%	-8.5 pt	80.3%	+1.3 pt	82.4%	82.9%	-0.5 pt
Allocated Equity (€bn)						0.8	0.7	+13.1%

	31.12.16	31.12.15	%Var/ 31.12.15	30.09.16	%Var/ 30.09.16
Securities Services					
Assets under custody (€bn)	8,610	8,068	+6.7%	8,521	+1.0%
Assets under administration (€bn)	1,962	1,848	+6.2%	1,934	+1.5%
	4Q16	**4Q15**	**4Q16/4Q15**	**3Q16**	**4Q16/3Q16**
Number of transactions (million)	21.8	18.9	+15.2%	20.4	+6.9%

- Revenues: +7.6% vs. 4Q15
  - In connection with the growth in outstandings and transaction volumes
- Operating expenses: -2.6% vs. 4Q15
  - Effect of the cost saving measures

Corporate and Institutional Banking Transactions - 4Q16

DANONE	**France / USA: Danone** In the context of the USD 12.5bn planned acquisition of WhiteWave Foods: - Bookrunner, MLA and Underwriter of the USD 13.1bn bridge-to-bond - Joint Global Coordinator of EUR 6.2bn and USD 5.5bn bond issues *July & October 2016*
SCOR The Art & Science of Risk	**France: SCOR** EUR 300m 3-year Contingent Capital Equity Line Sole Structurer and Sole Underwriter *December 2016*
SIEMENS	**Germany / USA: Siemens** USD 4.5bn planned acquisition of **Mentor Graphics Corp.** Financial Advisor *November 2016*
ups	**USA: UPS** EUR 500m 12-year senior unsecured bond issue Active Bookrunner *October 2016*

ICBC 工银租赁	**China: ICBC Financial Leasing Company Limited** USD 1.4bn dual-tranche bond issuance, 1st bond mandate from a Chinese Bank's on-shore leasing company Joint Global Coordinator / Joint Bookrunner / Joint Lead Manager *October 2016*
MINISTRY OF FINANCE	**Saudi Arabia: The Kingdom of Saudi Arabia** USD 17.5bn multi-tranche inaugural issuance Joint Bookrunner and Joint Lead Manager *October 2016*
GEOX	**Italy**: **Geox** EUR 70m Supplier Finance Programme, to support Geox's supplier base and to optimize its payment terms. *November 2016*
CNP assurances	**France: CNP Assurances** EUR 1bn Tier 3 bond, maturity 2022 First EUR insurance Tier 3 ever and First publicly placed Awarded Insurance "Deal of the year" by Global Capital Sole Structuring Advisor and Joint Bookrunner *October 2016*

Corporate and Institutional Banking
Ranking and Awards - 2016

- **World's Best Bank 2016** *(Euromoney, September 2016)*

- **Global Markets:**
  - Euro Bond House of the Year, Europe IG Corporate Bond House of the Year *(IFR Awards, December 2016)*
  - #1 All bonds in EUR and #1 Corporate bonds in EUR *(Dealogic, 2016)*
  - #9 All International bonds All Currencies *(Dealogic, 2016)*
  - Equity Derivatives House of the Year *(IFR Awards, December 2016)*
  - Institutional Structurer of the Year, Retail Structurer of the Year *(Structured Products Awards Europe, 2016)*

- **Securities Services:**
  - Best Provider of ESG Investor Services *(Global Custodian Industry Leaders Awards, 2016)*

- **Corporate Banking:**
  - #1 EMEA Syndicated Loan Bookrunner by volume and number of deals *(Dealogic, 2016)*
  - Aviation House of the Year (*Global Transport Finance, 2016*)
  - Global Best Trade Finance Bank *(Global Finance World's Best Trade Finance Providers, 2017)*
  - Global Bank of the Year for Financial Supply Chain Management *(TMI Awards for Innovation & Excellence, 2016)*
  - #1 EMEA Equity-Linked Bookrunner by number of deals and # 2 by volume *(Dealogic, 2016)*
  - #8 Global Equity-Linked and #10 EMEA All ECM Bookrunner by volume *(Dealogic, 2016)*

IFR AWARDS 2016 · THOMSON REUTERS · dealogic · TRADE FINANCE PROVIDER AWARD • 2017 GLOBAL FINANCE · Global Transport Finance 2016 GTF AWARDS WINNER · tmi AWARDS 2016 FOR INNOVATION & EXCELLENCE · Structured products EUROPE AWARDS 2016

Corporate Centre - 4Q16

€m	4Q16	4Q15	3Q16	2016	2015
Revenues	**70**	**151**	**-45**	**1,294**	**910**
Operating Expenses and Dep.	-330	-381	-381	-1,189	-1,336
Incl. Restructuring and Transformation Costs	-154	-286	-253	-561	-793
Gross Operating income	**-260**	**-230**	**-426**	**105**	**-426**
Cost of Risk	-56	-24	13	-39	-51
Costs related to the comprehensive settlement with US authorities	0	-100	0	0	-100
Operating Income	**-316**	**-354**	**-413**	**66**	**-577**
Share of Earnings of Equity-Method Entities	13	5	22	83	46
Other non operating items	-136	-622	0	-204	-125
Pre-Tax Income	**-440**	**-970**	**-391**	**-55**	**-656**

- Revenues
  - Own Credit Adjustment (OCA)* and own credit risk included in derivatives (DVA)*: -€18m (+€160m in 4Q15)
  - Good contribution of Principal Investments
- Operating expenses
  - Restructuring costs of the acquisitions (LaSer, Bank BGZ, DAB Bank, GE LLD): -€48m (-€54m in 4Q15)
  - CIB transformation costs: -€98m (€0m in 4Q15)
  - Exceptional restructuring costs: -€7m (€0m in 4Q15)
  - Reminder: Simple & Efficient transformation costs: €0m (-€232m in 4Q15)
- Other non operating elements
  - Goodwill impairments: -€127m, full goodwill impairment of BGZ (-€993m in 4Q15, of which -€917m due to full goodwill impairment of BNL bc)
  - Reminder: sale of the stake in Klépierre-Corio in 4Q15: +€352m

* *Fair value takes into account any change in value attributable to issuer risk relating to the BNP Paribas Group. It is the replacement value of instruments, calculated by discounting the expected liabilities' profile, stemming from derivatives or securities issued by the Bank, using a discount rate corresponding to that of a similar instrument that could be issued by the BNP Paribas Group at the closing date*

Corporate Centre - 2016

- Revenues
  - Capital gain on the sale of Visa Europe shares: +€597m
  - Own Credit Adjustment (OCA)* and own credit risk included in derivatives (DVA)*: -€59m (+€314m in 2015)
  - Very good contribution of Principal Investments
- Operating expenses
  - Restructuring costs related to the acquisitions (LaSer, Bank BGZ, DAB Bank and GE LLD): -€159m (-€171m in 2015)
  - CIB transformation costs: -€395m (€0m in 2015)
  - Exceptional restructuring costs: -€7m (€0m in 2015)
  - Reminder: Simple & Efficient transformation costs: €0m (-€622m in 2015)
- Other non operating items
  - Goodwill impairments of subsidiaries' shares: -€181m, of which -€127m for the full goodwill impairment of BGZ (-€993m in 2015, of which -€917m for the full goodwill impairment of BNL bc)
  - 2015 reminders:
    - Sale of the stake in Klépierre-Corio: +€716m
    - Dilution capital gain due to the merger between Klépierre and Corio: +€123m
    - Capital gain from the sale of a non-core investment: +€20m (€74m at CIB-Corporate Banking)

** Fair value takes into account any change in value attributable to issuer risk relating to the BNP Paribas Group. It is the replacement value of instruments, calculated by discounting the expected liabilities' profile, stemming from derivatives or securities issued by the Bank, using a discount rate corresponding to that of a similar instrument that could be issued by the BNP Paribas Group at the closing date*

Appendix

Number of Shares and Earnings per Share

Number of Shares

in millions	31-Dec-16	31-Dec-15
Number of Shares (end of period)	1,247	1,246
Number of Shares excluding Treasury Shares (end of period)	1,246	1,245
Average number of Shares outstanding excluding Treasury Shares	1,244	1,243

Earnings per Share

in millions	2016	2015
Average number of Shares outstanding excluding Treasury Shares	**1,244**	**1,243**
Net income attributable to equity holders	7,702	6,694
Remuneration net of tax of Undated Super Subordinated Notes	-357	-282
Exchange rate effect on reimbursed Undated Super Subordinated Notes	125	-27
Net income attributable to equity holders, after remuneration and exchange rate effect on Undated Super Subordinated Notes	**7,470**	**6,385**
Net Earnings per Share (EPS) in euros	**6.00**	**5.14**

Capital Ratios, Book Value per Share and Permanent Shareholders' Equity

Capital Ratios

	31-Dec-16	31-Dec-15
Total Capital Ratio (a)	14.5%	13.6%
Tier 1 Ratio (a)	12.9%	12.2%
Common equity Tier 1 ratio (a)	11.6%	11.0%

(a) Basel 3 (CRD4), taking into consideration CRR transitory provisions (but with full deduction of goodwill), on risk-weighted assets of €630 bn as at 31.12.15 and of €638 bn as at 31.12.16. Subject to the provisions of article 26.2 of (EU) regulation n° 575/2013. As at 31.12.16, the capital surplus of the financial conglomerate was estimated at €33.5bn

Book Value per Share

in millions of euros	31-Dec-16	31-Dec-15	
Shareholders' Equity Group share	**100,665**	**96,269**	(1)
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	6,169	6,736	
of which Undated Super Subordinated Notes	8,430	7,855	(2)
of which remuneration net of tax payable to holders of Undated Super Subordinated Notes	91	99	(3)
Net Book Value (a)	**92,144**	**88,315**	(1)-(2)-(3)
Goodwill and intangibles	13,218	13,421	
Tangible Net Book Value (a)	**78,926**	**74,894**	
Number of Shares excluding Treasury Shares (end of period) in millions	**1,246**	**1,245**	
Book Value per Share (euros)	**73.9**	**70.9**	
of which book value per share excluding valuation reserve (euros)	***69.0***	***65.5***	
Net Tangible Book Value per Share (euros)	**63.3**	**60.2**	

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

Permanent Shareholders' Equity Group share, not revaluated

in millions of euros	31-Dec-16	31-Dec-15	
Net Book Value	**92,144**	**88,315**	(1)
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	6,169	6,736	(2)
of which proposed distribution of dividends	3,364	2,875	(3)
Permanent shareholders' equity, not revaluated (a)	**82,611**	**78,704**	(1)-(2)-(3)
Tangible permanent shareholders' equity, not revaluated (a)	**69,393**	**65,283**	

(a) Excluding Undated Super Subordinated Notes, remuneration net of tax payable to holders of Undated Super Subordinated Notes and after proposed distribution of dividends

Return on Equity

Calculation of Return on Equity

in millions of euros	31-Dec-16	31-Dec-15
Net income Group share	**7,702**	**6,694**
Remuneration net of tax of Undated Super Subordinated Notes	-357	-282
Exchange rate effect on reimbursed Undated Super Subordinated Notes	125	-27
Net income Group share used for the calculation of ROE / ROTE	**7,470**	**6,385**
Exceptional items (after tax) (a)	-100	-644
Average permanent shareholders' equity, not revaluated (b)	**80,657**	**76,772**
Return on Equity	**9.3%**	**8.3%**
Return on Equity excluding exceptional items	**9.4%**	**9.2%**
Average tangible permanent shareholders' equity, not revaluated (c)	**67,338**	**63,298**
Return on Tangible Equity	**11.1%**	**10.1%**
Return on Tangible Equity excluding exceptional items	**11.2%**	**11.1%**

a) See slides 5 of FY 2016 results and of FY 2015 results
b) Average Permanent shareholders' equity: average of beginning of the year and end of the period, including notably net income excluding exceptional items.
(Permanent Shareholders' equity = Shareholders' equity attributable to shareholders - changes in assets and liabilities recognised directly in equity - Undated Super Subordinated Notes - remuneration net of tax payable to holders of Undated Super Subordinated Notes - proposed distribution of dividends)
c) Average Tangible permanent shareholders' equity: average of beginning of the year and end of the period including notably net income excluding exceptional items.
(Tangible permanent shareholders' equity = permanent shareholders' equity - goodwill - intangible assets)

A Solid Financial Structure

Doubtful loans/gross outstandings

	31-Dec-16	31-Dec-15
Doubtful loans (a) / Loans (b)	3.8%	4.0%

(a) Doubtful loans to customers and credit institutions excluding repos, netted of guarantees

(b) Gross outstanding loans to customers and credit institutions excluding repos

Coverage ratio

€bn	31-Dec-16	31-Dec-15
Doubtful loans (a)	31.2	30.7
Allowance for loan losses (b)	27.8	26.9
Coverage ratio	89%	88%

(a) Gross doubtful loans, balance sheet and off-balance sheet, netted of guarantees and collaterals

(b) Specific and on a portfolio basis

Immediately available liquidity reserve

€bn	31-Dec-16	31-Dec-15
Immediately available liquidity reserve (counterbalancing capacity) (a)	305	266

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

Ratio Common Equity Tier 1

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

€bn	31-Dec-16	30-Sep-16	31-Dec-15
Consolidated Equity	**105.2**	**103.2**	**100.1**
Undated super subordinated notes	-8.4	-7.7	-7.9
Proposed distribution of dividends	-3.4**	-2.7	-2.9
Regulatory adjustments on equity***	-1.8	-2.9	-2.8
Regulatory adjustments on minority interests	-2.6	-2.4	-2.1
Goodwill and intangible assets	-13.4	-13.2	-13.5
Deferred tax assets related to tax loss carry forwards	-0.9	-0.9	-1.0
Other regulatory adjustments	-1.1	-1.1	-1.0
Common Equity Tier One capital	**73.6**	**72.2**	**68.9**
Risk-weighted assets	**641**	**633**	**634**
Common Equity Tier 1 Ratio	**11.5%**	**11.4%**	**10.9%**

** CRD4, taking into account all the rules of the CRD4 with no transitory provisions. Subject to the provisions of article 26.2 of (EU) regulation n°575/2013; ** Subject to the approval of AGM of 23 May 2017; *** Including Prudent Valuation Adjustment*

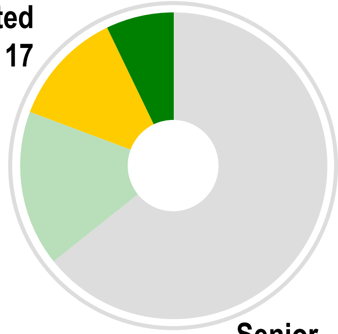
Wholesale Medium/Long-Term Funding 2016 Programme

2016: €25bn MLT funding programme completed

- Additional Tier 1: €2.0bn issued*
  - $750m issued on 7 December 2016, perpetual Non Call 5.25, 6.75% coupon, over $5bn order book, 364 investors
  - Reminder: $1.5bn AT1 issued on 23 March 2016, perpetual Non Call 5, 7.625% coupon , 325 investors
- Tier 2: €4.5bn issued*
  - Mid-swap +198 bp on average, average maturity of 10.3 years**
- Senior debt: €18.5bn issued*
  - Average maturity of 5.8 years, mid-swap +51 bp on average
  - Of which €6.8bn of senior unsecured debt eligible to the 2.5% MREL allowance as at 01.01.2019
  - Of which €500m issued in covered bond at 7 years, mid-swap -10 bp by BNP Paribas Fortis in October 2016
  - Of which €500m inaugural issuance of green bond at 5.5 years, mid-swap +40 pb, in November 2016

Wholesale MLT funding structure breakdown: €139bn as at 31.12.16

(excluding TLTRO)



2016 issuance programme completed at favourable conditions

** As at 31 December 2016; ** Including the Tier 2 prefunding of €750m issued in November 2015; *** Debt qualified prudentially as Tier 1 booked as subordinated debt or as equity*

Wholesale Medium/Long-Term Funding 2017 Programme

2017: €25bn MLT funding programme

- Of which issues of capital instruments to be carried out with a total target objective of 3% by 2020*
- Of which non-preferred senior debt: €10bn (€2.7bn already completed as at 3 January 2017)
  - Inaugural issue of $1.75bn in non-preferred senior debt, maturity of 7 years, T + 160 bp, order book of over $5.5bn
  - Inaugural issue of €1.0bn in non-preferred senior debt, maturity of 6.75 years, mid-swap + 92 bp, order book of over €2.6bn
- Remaining part of the programme to be completed with structured products and, to a lesser extent, with covered bonds

Evolution of existing Tier 1 and Tier 2 debt (outstanding as at 01.01.17; eligible or admitted to grandfathering)**

in €bn	01.01.17	01.01.2018	01.01.2019
AT 1	9	8	7
T2	13	12	12

Success of both inaugural issues of non-preferred senior debt

** Subject to market conditions; ** Evolution taking into account prudential amortisation of instruments outstanding as at 01.01.17, excluding future issuances, assuming callable institutional instruments are called at the first call date*

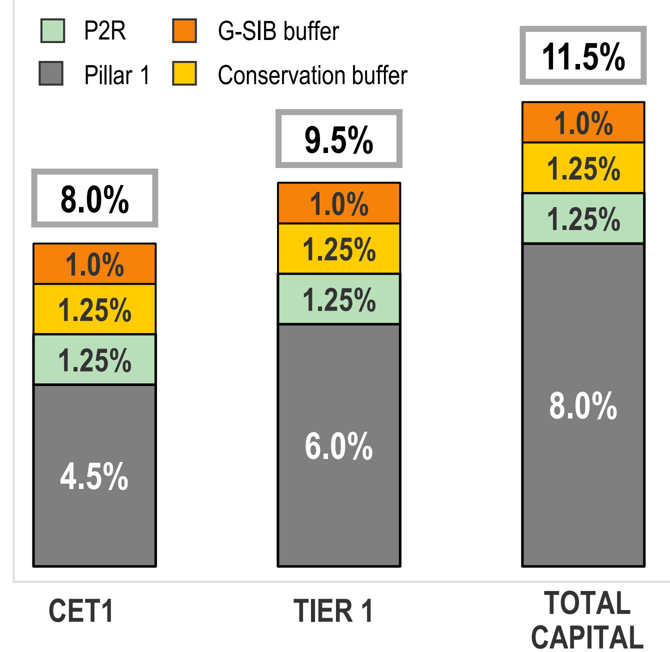
Distance to Maximum Distributable Amount Restrictions

- Reminder: since 2016 SREP, Pillar 2 is composed of:
  - "Pillar 2 Requirement " (public), applicable to CET1, Tier 1 and Total Capital ratios
  - "Pillar 2 Guidance" (non public), non applicable for distributable amount restrictions (MDA - Maximum Distributable Amount*)

- 2017 Capital requirements:
  - CET1: 8.0%
  - Tier 1: 9.5%
  - Total Capital: 11.5%

- Distance as at 01.01.17 to Maximum Distributable Amount* restrictions equal to the lowest of the 3 calculated amounts: €19.1bn

Capital requirements as at 01.01.17



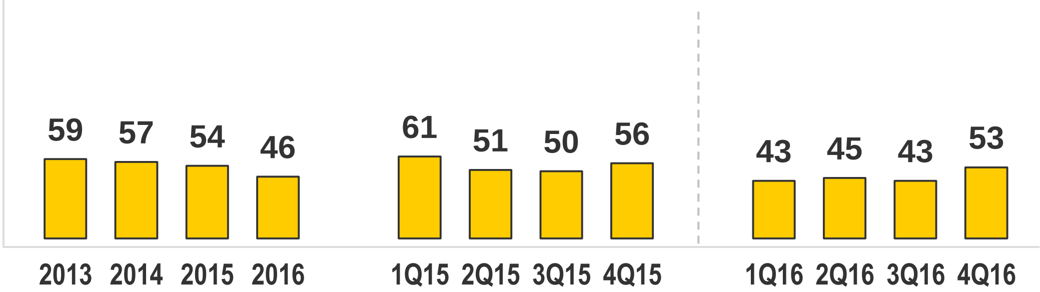
	CET1	TIER 1	TOTAL CAPITAL
Phased in ratios of BNP Paribas as at 31.12.2016	11.6%	12.9%	14.5%
Distance** as at 01.01.17 to Maximum Distributable Amount* restrictions	3.6% €23.0bn	3.4% €21.5bn	3.0% €19.1bn

** As defined by the Art. 141 of CRD4; ** Calculated on the basis of RWA of €638bn (phased in)*

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

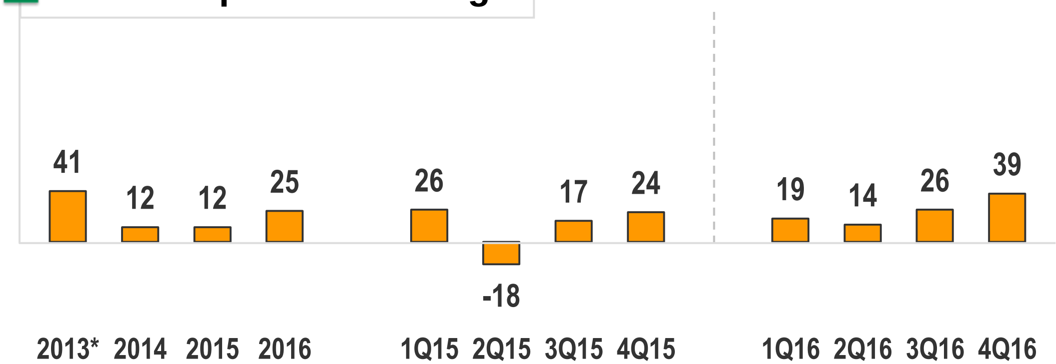
Cost of risk/Customer loans at the beginning of the period (in annualised bp)

Group



- Cost of risk: €950m
  - +€186m vs. 3Q16
  - -€18m vs. 4Q15
- Decrease in the cost of risk vs. 4Q15

CIB - Corporate Banking

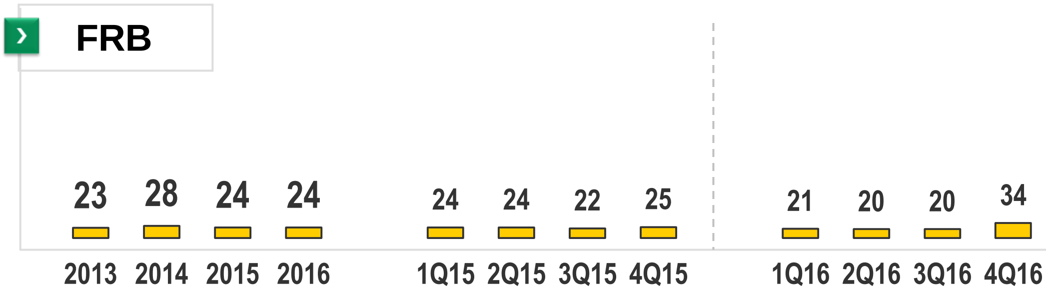


- Cost of risk: €115m
  - +€37m vs. 3Q16
  - +€46m vs. 4Q15
- Cost of risk still low
  - Impact of a specific file

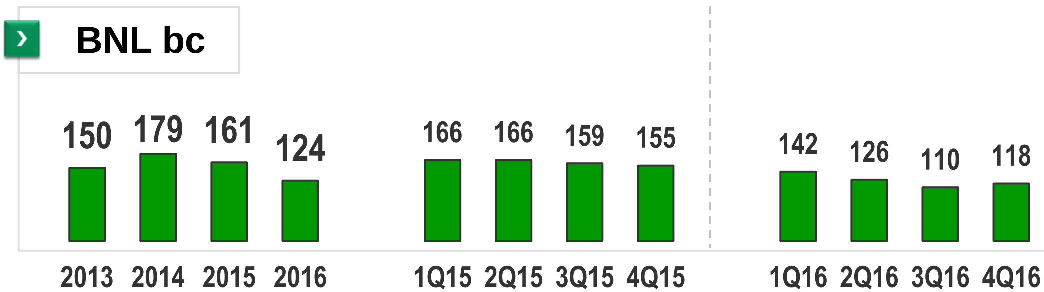
** Restated*

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

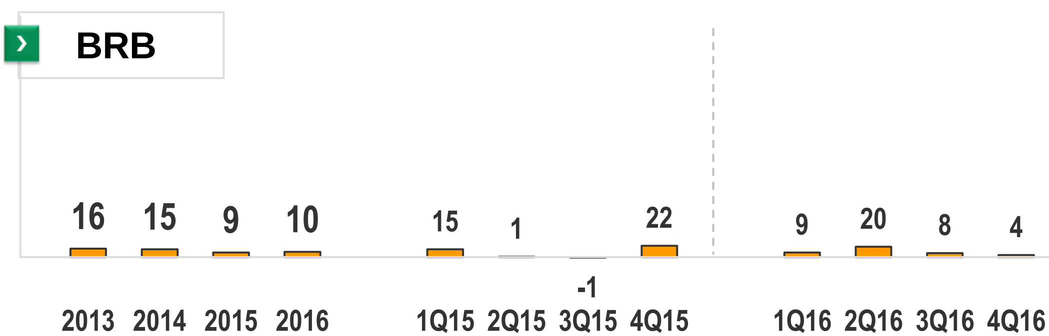
Cost of risk/Customer loans at the beginning of the period (in annualised bp)



- Cost of risk: €124m
  - +€53m vs. 3Q16
  - +€37m vs. 4Q15
- Cost of risk still low
  - Impact of a specific file



- Cost of risk: €229m
  - +€14m vs. 3Q16
  - -€72m vs. 4Q15
- Continued decrease in the cost of risk

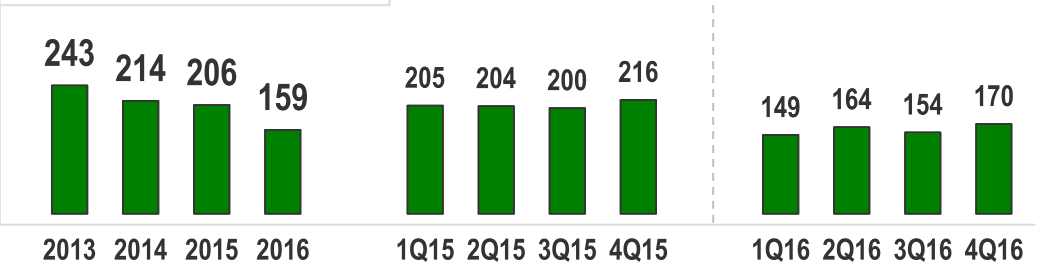


- Cost of risk: €9m
  - -€10m vs. 3Q16
  - -€43m vs. 4Q15
- Very low cost of risk

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

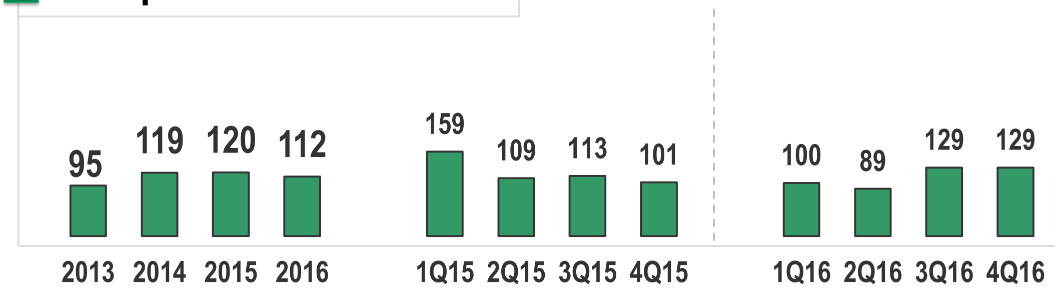
Cost of risk/Customer loans at the beginning of the period (in annualised bp)

Personal Finance



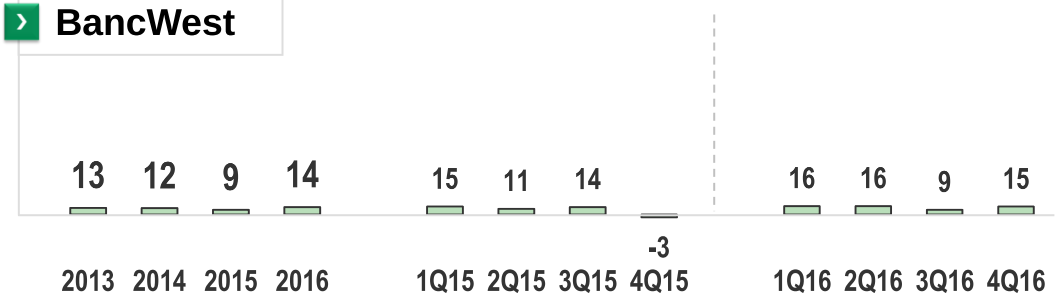
- Cost of risk: €269m
  - +€29m vs. 3Q16
  - -€39m vs. 4Q15
- Sharp decline in the cost of risk vs. 4Q15
  - Effect of low interest rates and the growing positioning on products with a better risk profile (car loans in particular)

Europe-Mediterranean



- Cost of risk: €127m
  - Stable vs. 3Q16
  - +€31m vs. 4Q15
- Rise in the cost of risk in Turkey (~stable vs. 3Q16)

BancWest



- Cost of risk: €23m
  - +€9m vs. 3Q16
  - +€27m vs. 4Q15
- Cost of risk still low

Cost of Risk on Outstandings (1/2)

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

	2013	2014	1Q15	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016
Domestic Markets*												
Loan outstandings as of the beg. of the quarter (€bn)	340.5	335.2	338.4	338.3	341.5	338.4	339.2	341.4	341.1	347.2	348.0	344.4
Cost of risk (€m)	1,848	2,074	490	433	419	471	1,812	399	388	329	399	1,515
Cost of risk (in annualised bp)	54	62	58	51	49	56	53	47	46	38	46	44
FRB*												
Loan outstandings as of the beg. of the quarter (€bn)	147.1	143.4	145.6	145.2	146.1	142.1	144.7	142.9	142.0	145.4	146.8	144.3
Cost of risk (€m)	343	402	89	87	79	88	343	73	72	72	124	342
Cost of risk (in annualised bp)	23	28	24	24	22	25	24	21	20	20	34	24
BNL bc*												
Loan outstandings as of the beg. of the quarter (€bn)	80.1	78.1	77.5	76.8	77.6	77.6	77.4	77.3	76.9	78.1	77.4	77.4
Cost of risk (€m)	1,205	1,398	321	318	309	300	1,248	274	242	215	229	959
Cost of risk (in annualised bp)	150	179	166	166	159	155	161	142	126	110	118	124
BRB*												
Loan outstandings as of the beg. of the quarter (€bn)	87.7	88.4	90.1	90.8	92.0	93.0	91.5	95.0	96.1	97.4	97.1	96.4
Cost of risk (€m)	142	131	34	2	-2	52	85	21	49	19	9	98
Cost of risk (in annualised bp)	16	15	15	1	-1	22	9	9	20	8	4	10

**With Private Banking at 100%*

Cost of Risk on Outstandings (2/2)

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

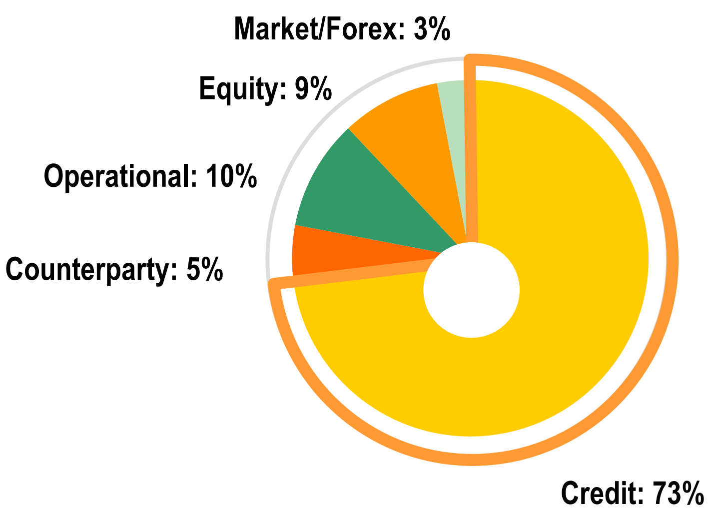
	2013	2014	1Q15	2Q15	3Q15	4Q15	2015	1Q16	2Q16	3Q16	4Q16	2016
BancWest*												
Loan outstandings as of the beg. of the quarter (€bn)	41.8	43.3	50.5	57.1	55.7	56.8	55.0	60.1	58.0	61.1	61.8	60.3
Cost of risk (€m)	54	50	19	16	19	-4	50	25	23	14	23	85
Cost of risk (in annualised bp)	13	12	15	11	14	-3	9	16	16	9	15	14
Europe-Mediterranean*												
Loan outstandings as of the beg. of the quarter (€bn)	28.5	30.0	37.6	40.0	39.6	38.0	38.8	38.6	39.0	39.5	39.3	39.1
Cost of risk (€m)	272	357	150	109	112	96	466	96	87	127	127	437
Cost of risk (in annualised bp)	95	119	159	109	113	101	120	100	89	129	129	112
Personal Finance												
Loan outstandings as of the beg. of the quarter (€bn)	45.2	51.3	56.9	56.5	57.4	57.1	57.0	59.4	60.6	62.3	63.4	61.4
Cost of risk (€m)	1,098	1,095	292	288	287	309	1,176	221	248	240	269	979
Cost of risk (in annualised bp)	243	214	205	204	200	216	206	149	164	154	170	159
CIB - Corporate Banking												
Loan outstandings as of the beg. of the quarter (€bn)	106.0	105.3	113.6	118.8	118.7	114.9	116.5	117.9	118.2	120.4	118.3	118.7
Cost of risk (€m)	437	131	73	-55	50	69	138	55	42	79	115	292
Cost of risk (in annualised bp)	41	12	26	-18	17	24	12	19	14	26	39	25
Group**												
Loan outstandings as of the beg. of the quarter (€bn)	644.5	647.2	682.0	709.9	710.9	692.7	698.9	703.2	702.2	717.5	716.1	709.8
Cost of risk (€m)	3,801	3,705	1,044	903	882	968	3,797	757	791	764	950	3,262
Cost of risk (in annualised bp)	59	57	61	51	50	56	54	43	45	43	53	46

** With Private Banking at 100%; ** Including cost of risk of market activities, Investment Solutions (until end 2014), International Financial Services and Corporate Centre*

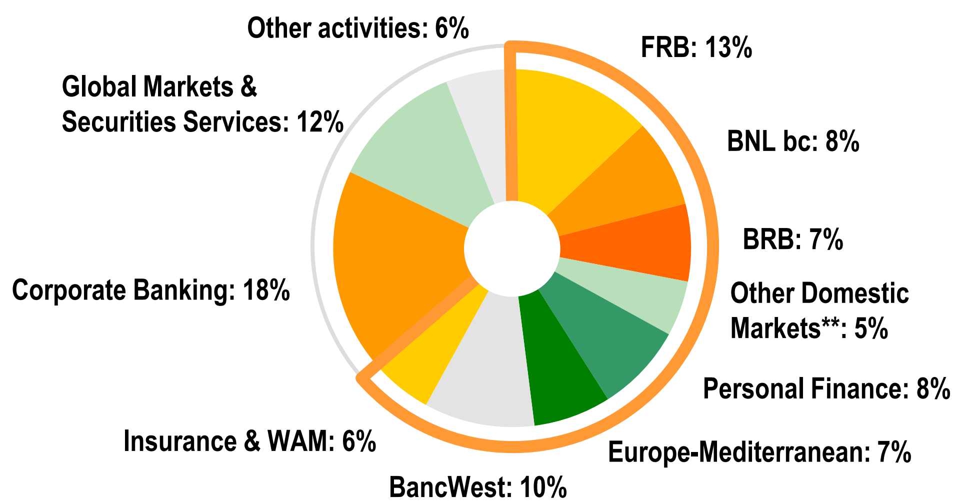
Basel 3* Risk-Weighted Assets

- Basel 3* risk-weighted assets: €641bn (€634bn as at 31.12.15)
  - Increase in particular of risk-weighted assets related to credit risk and counterparty risks

Basel 3* risk weighted assets by type of risk as at 31.12.2016



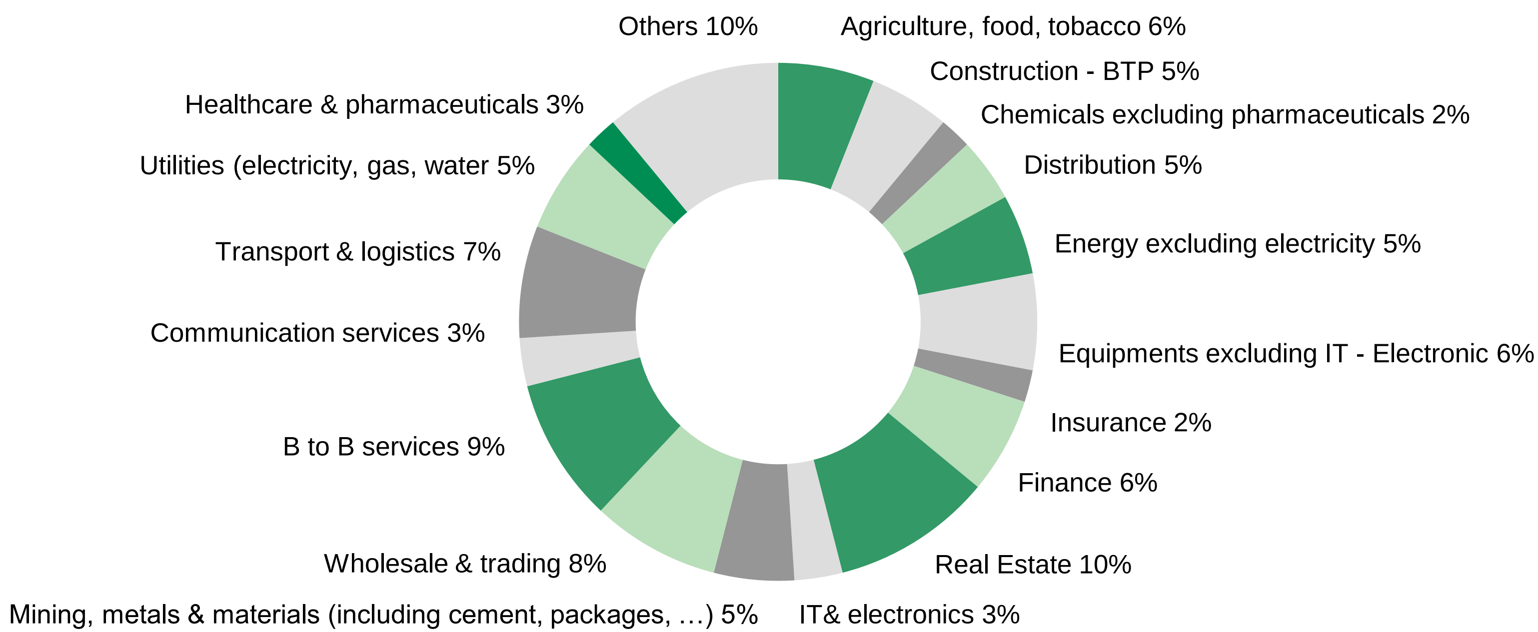
Basel 3* risk-weighted assets by business as at 31.12.2016



Retail Banking and Services: 64%

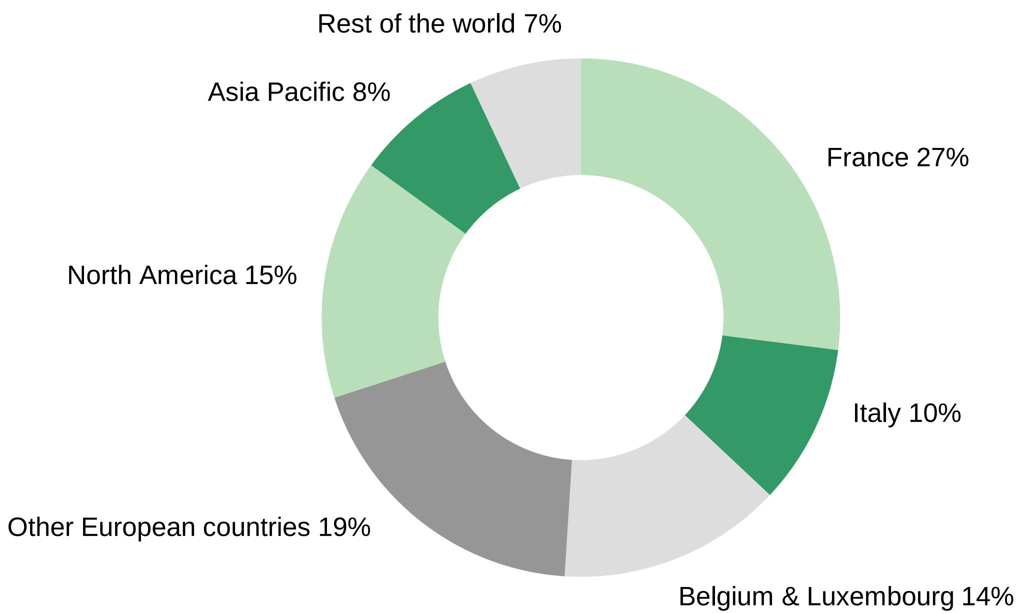
* CRD4; ** Including Luxembourg

Breakdown of Commitments by Industry (Corporate Asset Class)



Total gross commitments on and off-balance sheet, unweighted (corporate asset class) = €621bn as at 31.12.2016

Breakdown of Commitments by Region



Total gross commitments on and off balance sheet, unweighted = €1,438bn as at 31.12.2016

AMENDMENTS TO THE PROGRAMME SUMMARY AND PRO FORMA ISSUE SPECIFIC SUMMARY OF THE PROGRAMME

1. The "Programme Summary" on pages 5 to 37 of the Base Prospectus is amended as follows:

(a) Element B.12 is amended by the deletion of the table entitled "**Comparative Annual Financial Data – In millions of EUR**" immediately above the heading "**Comparative Interim Financial Data for the six-month period ended 30 June 2016 – In millions of EUR**" and its replacement with the following:

Comparative Annual Financial Data– In millions of EUR		
	31/12/2016 (unaudited)	**31/12/2015 (audited)**
Revenues	43,411	42,938
Cost of Risk	(3,262)	(3,797)
Net income, Group share	7,702	6,694
	31/12/2016	**31/12/2015**
Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.5%	10.9%
	31/12/2016 (unaudited)	**31/12/2015 (audited)**
Total consolidated balance sheet	2,076,959	1,994,193
Consolidated loans and receivables due from customers	712,233	682,497
Consolidated items due to customers	765,953	700,309
Shareholders' equity (Group share)	100,665	96,269

(b) Element B.13 is deleted in its entirety and replaced with the following:

B.13	Events impacting the Issuer's solvency	Not applicable, as at 8 February 2017 and to the best of the Issuer's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since 30 June 2016.

(c) In Element C.8, the definition of "**MREL/TLAC Disqualification Event**" under the subheading "***Substitution and Variation***" is deleted in its entirety and replaced with the following:

""**MREL/TLAC Disqualification Event**" means the determination by the Issuer, that as a result of a change in French and/or EU laws or regulations becoming effective on or after the Issue Date of a Series of Senior Non Preferred Notes, which change was not reasonably foreseeable by the Issuer as at the Issue Date of the Series, it is likely that all or part of the aggregate outstanding nominal amount of such Series of Notes will be excluded from the eligible liabilities available to meet the MREL/TLAC Requirements (however called or defined by then applicable regulations) if the Issuer is then subject to such requirements, provided that a MREL/TLAC Disqualification Event shall not occur where such Series of Notes is excluded on the basis (1) that the remaining maturity of such Notes is less than any period prescribed by any applicable eligibility criteria under the MREL/TLAC Requirements, or (2) of any applicable limits on the amount of eligible liabilities to meet the MREL/TLAC Requirements."

(d) Element D.2 is deleted in its entirety and replaced with the following:

D.2	Key risks regarding the Issuer	Potential investors should have sufficient knowledge and experience in capital markets transactions and should be able to correctly assess the risks associated with Notes. Certain risk factors may affect the Issuer's ability to fulfil its obligations under the Notes, some of which are beyond its control. An investment in Notes presents certain risks that should be taken into account before any investment decision is made. In particular, the Issuer, together with the BNPP Group is exposed to the risks associated with its activities, as described below: As defined in the 2015 Registration Document and Annual Financial Report, eleven main categories of risk are inherent in BNPP's activities: (1) *Credit Risk* − Credit risk is the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment; (2) *Counterparty Credit Risk* − Counterparty credit risk is the credit risk embedded in payment or transactions between counterparties. Those transactions include bilateral contracts such as over-the-counter (OTC) derivatives contracts which potentially expose the Bank to the risk of counterparty default, as well as contracts settled through clearing houses. The amount of this risk may vary over time in line with changing market parameters which then impacts the replacement value of the relevant transactions or portfolio*;* (3) *Securitisation* − Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranched, having the following characteristics*:*

- payments made in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;

- the subordination of tranches determines the distribution of losses during the life of the risk transfer.

Any commitment (including derivatives and liquidity lines) granted to a securitisation operation must be treated as a securitisation exposure. Most of these commitments are held in the prudential banking book;

(4) *Market Risk* − Market risk is the risk of incurring a loss of value due to adverse trends in market prices or parameters, whether directly observable or not.

Observable market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether listed or obtained by reference to a similar asset), prices of derivatives, and other parameters that can be directly inferred from them, such as interest rates, credit spreads, volatilities and implied correlations or other similar parameters.

Non-observable factors are those based on working assumptions such as parameters contained in models or based on statistical or economic analyses, non-ascertainable in the market.

In fixed income trading books, credit instruments are valued on the basis of bond yields and credit spreads, which represent market parameters in the same way as interest rates or foreign exchange rates. The credit risk arising on the issuer of the debt instrument is therefore a component of market risk known as issuer risk.

Liquidity is an important component of market risk. In times of limited or no liquidity, instruments or goods may not be tradable or may not be tradable at their estimated value. This may arise, for example, due to low transaction volumes, legal restrictions or a strong imbalance between demand and supply for certain assets.

The market risk related to banking activities encompasses the risk of loss on equity holdings on the one hand, and the interest rate and foreign exchange risks stemming from banking intermediation activities on the other hand;

(5) *Operational Risk* − Operational risk is the risk of incurring a loss due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Management of operational risk is based on an analysis of the "cause – event – effect" chain.

Internal processes giving rise to operational risk may involve employees and/or IT systems. External events include, but are not limited to floods, fire, earthquakes and terrorist attacks. Credit or market events such as default or fluctuations in value do not fall within the scope of operational risk.

Operational risk encompasses fraud, human resources risks, legal risks, non-compliance risks, tax risks, information system risks, conduct risks (risks related to the provision of inappropriate financial services), risk related to failures in operating processes, including loan procedures or model risks, as well as any potential financial implications resulting from the management of reputation risks;

(6) *Compliance and Reputation Risk* − Compliance risk as defined in French regulations as the risk of legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage that a bank may suffer as a result of failure to comply with national or European laws and regulations, codes of conduct and standards of good practice applicable to banking and financial activities, or instructions given by an executive body, particularly in application of guidelines issued by a supervisory body.

By definition, this risk is a sub-category of operational risk. However, as certain implications of compliance risk involve more than a purely financial loss and may actually damage the institution's reputation, the Bank treats compliance risk separately.

Reputation risk is the risk of damaging the trust placed in a corporation by its customers, counterparties, suppliers, employees, shareholders, supervisors and any other stakeholder whose trust is an essential condition for the corporation to carry out its day-to-day operations.

Reputation risk is primarily contingent on all the other risks borne by the Bank;

(7) *Concentration Risk* − Concentration risk and its corollary, diversification effects, are embedded within each risk, especially for credit, market and operational risks using the correlation parameters taken into account by the corresponding risk models.

It is assessed at consolidated Group level and at financial conglomerate level;

(8) *Banking Book Interest Rate Risk* − Banking book interest rate risk is the risk of incurring losses as a result of mismatches in interest rates, maturities and nature between assets and liabilities. For banking activities, this risk arises in non-trading portfolios and primarily relates to global interest rate risk*;*

(9) *Strategic and Business Risks* − Strategic risk is the risk that the Bank's share price may fall because of its strategic decisions.

Business risk is the risk of incurring an operating loss due to a change in the economic environment leading to a decline in revenue coupled with insufficient cost-elasticity.

These two types of risk are monitored by the Board of directors;

(10) *Liquidity Risk* − In accordance with regulations, the liquidity risk is defined as the risk that a bank will be unable to honour its commitments or unwind or settle a position due to the situation on the market or idiosyncratic factors, within a given time frame and at a reasonable price or cost; and

(11) *Insurance Subscription Risk* − Insurance subscription risk corresponds to the risk of a financial loss caused by an adverse trend in insurance claims. Depending on the type of insurance business (life, personal risk or annuities), this risk may be statistical, macroeconomic or behavioural, or may be related to public health issues or natural disasters. It is not the main risk factor arising in the life insurance business, where financial risks are predominant.

(a) Difficult market and economic conditions have had and may continue to have a material adverse effect on the operating environment for financial institutions and hence on the Bank’s financial condition, results of operations and cost of risk.

(b) The United Kingdom's referendum to leave the European Union may lead to significant uncertainty, volatility and disruption in European and broader financial and economic markets and hence may adversely affect BNPP's operating environment.

(c) Due to the geographic scope of its activities, BNPP may be vulnerable to country or regional-specific political, macroeconomic and financial environments or circumstances.

(d) BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors.

(e) Significant interest rate changes could adversely affect BNPP's revenues or profitability.

(f) The prolonged low interest rate environment carries inherent systemic risks, and an exit from such environment also carries risks.

(g) The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.

(h) BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility.

(i) BNPP may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.

(j) Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.

(k) Laws and regulations adopted in recent years, particularly in response to the global financial crisis may materially impact BNPP and the financial and economic environment in which it operates.

(l) BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates.

(m) BNPP may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations,

		and may also incur losses in related (or unrelated) litigation with private parties. (n) There are risks related to the implementation of BNPP's strategic plans. (o) BNPP may experience difficulties integrating acquired companies and may be unable to realize the benefits expected from its acquisitions. (p) Intense competition by banking and non-banking operators could adversely affect BNPP's revenues and profitability. (q) A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPP's results of operations and financial condition. (r) BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses. (s) BNPP's hedging strategies may not prevent losses. (t) Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an impact on its net income and shareholders' equity. (u) The expected changes in accounting principles relating to financial instruments may have an impact on BNPP's balance sheet and regulatory capital ratios and result in additional costs. (v) BNPP's competitive position could be harmed if its reputation is damaged. (w) An interruption in or a breach of BNPP's information systems may result in material losses of client or customer information, damage to BNPP's reputation and lead to financial losses. (x) Unforeseen external events may disrupt BNPP's operations and cause substantial losses and additional costs.

2. The "Pro Forma Issue Specific Summary of the Programme" on pages 76 to 109 of the Base Prospectus is amended as follows:

(a) Element B.12 is amended by the deletion of the table entitled "**Comparative Annual Financial Data – In millions of EUR**" immediately above the heading "**Comparative Interim Financial Data for the six-month period ended 30 June 2016 – In millions of EUR**" and its replacement with the following:

Comparative Annual Financial Data– In millions of EUR		
	31/12/2016 (unaudited)	**31/12/2015 (audited)**
Revenues	43,411	42,938
Cost of Risk	(3,262)	(3,797)
Net income, Group share	7,702	6,694
	31/12/2016	**31/12/2015**
Common equity Tier 1 ratio (Basel 3 fully loaded, CRD4)	11.5%	10.9%
	31/12/2016 (unaudited)	**31/12/2015 (audited)**
Total consolidated balance sheet	2,076,959	1,994,193
Consolidated loans and receivables due from customers	712,233	682,497
Consolidated items due to customers	765,953	700,309
Shareholders' equity (Group share)	100,665	96,269

(b) Element B.13 is deleted in its entirety and replaced with the following:

B.13	Events impacting the Issuer's solvency	[Not applicable, as at 8 February 2017 and to the best of the Issuer's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency since 30 June 2016.] [*Specify any recent events which are to a material extent relevant to the evaluation of the Issuer's solvency.*]

(C) Element D.2 is deleted in its entirety and replaced with the following:

D.2	Key risks regarding the Issuer	[Potential investors should have sufficient knowledge and experience in capital markets transactions and should be able to correctly assess the risks associated with Notes. Certain risk factors may affect the Issuer's ability to fulfil its obligations under the Notes, some of which are beyond its control. An investment in Notes presents certain risks that should be taken into account before any investment decision is made. In particular, the Issuer, together with the BNPP Group is exposed to the risks associated with its activities, as described below:]

As defined in the 2015 Registration Document and Annual Financial Report, eleven main categories of risk are inherent in BNPP's activities:

(1) *Credit Risk* − Credit risk is the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms. The probability of default and the expected recovery on the loan or receivable in the event of default are key components of the credit quality assessment;

(2) *Counterparty Credit Risk* − Counterparty credit risk is the credit risk embedded in payment or transactions between counterparties. Those transactions include bilateral contracts such as over-the-counter (OTC) derivatives contracts which potentially expose the Bank to the risk of counterparty default, as well as contracts settled through clearing houses. The amount of this risk may vary over time in line with changing market parameters which then impacts the replacement value of the relevant transactions or portfolio*;*

(3) *Securitisation* − Securitisation means a transaction or scheme, whereby the credit risk associated with an exposure or pool of exposures is tranched, having the following characteristics*:*

- payments made in the transaction or scheme are dependent upon the performance of the exposure or pool of exposures;

- the subordination of tranches determines the distribution of losses during the life of the risk transfer.

Any commitment (including derivatives and liquidity lines) granted to a securitisation operation must be treated as a securitisation exposure. Most of these commitments are held in the prudential banking book;

(4) *Market Risk* − Market risk is the risk of incurring a loss of value due to adverse trends in market prices or parameters, whether directly observable or not.

Observable market parameters include, but are not limited to, exchange rates, prices of securities and commodities (whether listed or obtained by reference to a similar asset), prices of derivatives, and other parameters that can be directly inferred from them, such as interest rates, credit spreads, volatilities and implied correlations or other similar parameters.

Non-observable factors are those based on working assumptions such as parameters contained in models or based on statistical or economic analyses, non-ascertainable in the market.

In fixed income trading books, credit instruments are valued on the basis of bond yields and credit spreads, which represent market parameters in the same way as interest rates or foreign exchange rates. The credit risk arising on the issuer of the debt instrument is therefore a component of market risk known as issuer risk.

Liquidity is an important component of market risk. In times of limited or no liquidity, instruments or goods may not be tradable or may not be tradable at their estimated value. This may arise, for example, due to low transaction volumes, legal restrictions or a strong imbalance between demand and supply for certain assets.

The market risk related to banking activities encompasses the risk of loss on equity holdings on the one hand, and the interest rate and foreign exchange risks stemming from banking intermediation activities on the other hand;

(5) *Operational Risk* − Operational risk is the risk of incurring a loss due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Management of operational risk is based on an analysis of the "cause – event – effect" chain.

Internal processes giving rise to operational risk may involve employees and/or IT systems. External events include, but are not limited to floods, fire, earthquakes and terrorist attacks. Credit or market events such as default or fluctuations in value do not fall within the scope of operational risk.

Operational risk encompasses fraud, human resources risks, legal risks, non-compliance risks, tax risks, information system risks, conduct risks (risks related to the provision of inappropriate financial services), risk related to failures in operating processes, including loan procedures or model risks, as well as any potential financial implications resulting from the management of reputation risks;

(6) *Compliance and Reputation Risk* − Compliance risk as defined in French regulations as the risk of

legal, administrative or disciplinary sanctions, of significant financial loss or reputational damage that a bank may suffer as a result of failure to comply with national or European laws and regulations, codes of conduct and standards of good practice applicable to banking and financial activities, or instructions given by an executive body, particularly in application of guidelines issued by a supervisory body.

By definition, this risk is a sub-category of operational risk. However, as certain implications of compliance risk involve more than a purely financial loss and may actually damage the institution's reputation, the Bank treats compliance risk separately.

Reputation risk is the risk of damaging the trust placed in a corporation by its customers, counterparties, suppliers, employees, shareholders, supervisors and any other stakeholder whose trust is an essential condition for the corporation to carry out its day-to-day operations.

Reputation risk is primarily contingent on all the other risks borne by the Bank;

(7) *Concentration Risk* − Concentration risk and its corollary, diversification effects, are embedded within each risk, especially for credit, market and operational risks using the correlation parameters taken into account by the corresponding risk models.

It is assessed at consolidated Group level and at financial conglomerate level;

(8) *Banking Book Interest Rate Risk* − Banking book interest rate risk is the risk of incurring losses as a result of mismatches in interest rates, maturities and nature between assets and liabilities. For banking activities, this risk arises in non-trading portfolios and primarily relates to global interest rate risk*;*

(9) *Strategic and Business Risks* − Strategic risk is the risk that the Bank's share price may fall because of its strategic decisions.

Business risk is the risk of incurring an operating loss due to a change in the economic environment leading to a decline in revenue coupled with insufficient cost-elasticity.

These two types of risk are monitored by the Board of directors;

(10) *Liquidity Risk* − In accordance with regulations, the liquidity risk is defined as the risk that a bank will be unable to honour its commitments or unwind or settle a position due to the situation on the market or idiosyncratic factors, within a given time frame and at a reasonable price or cost; and

(11) *Insurance Subscription Risk* − Insurance subscription risk corresponds to the risk of a financial loss caused by an adverse trend in insurance claims. Depending on the type of insurance business (life, personal risk or annuities), this risk may be statistical, macroeconomic or behavioural, or may be related to public health issues or natural disasters. It is not the main risk factor arising in the life insurance business, where financial risks are predominant.

(a) Difficult market and economic conditions have had and may continue to have a material adverse effect on the operating environment for financial institutions and hence on the Bank’s financial condition, results of operations and cost of risk.

(b) The United Kingdom’s referendum to leave the European Union may lead to significant uncertainty, volatility and disruption in European and broader financial and economic markets and hence may adversely affect BNPP’s operating environment.

(c) Due to the geographic scope of its activities, BNPP may be vulnerable to country or regional-specific political, macroeconomic and financial environments or circumstances.

(d) BNPP's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors.

(e) Significant interest rate changes could adversely affect BNPP's revenues or profitability.

(f) The prolonged low interest rate environment carries inherent systemic risks, and an exit from such environment also carries risks.

(g) The soundness and conduct of other financial institutions and market participants could adversely affect BNPP.

		(h) BNPP may incur significant losses on its trading and investment activities due to market fluctuations and volatility. (i) BNPP may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns. (j) Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses. (k) Laws and regulations adopted in recent years, particularly in response to the global financial crisis may materially impact BNPP and the financial and economic environment in which it operates. (l) BNPP is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates. (m) BNPP may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties. (n) There are risks related to the implementation of BNPP's strategic plans. (o) BNPP may experience difficulties integrating acquired companies and may be unable to realize the benefits expected from its acquisitions. (p) Intense competition by banking and non-banking operators could adversely affect BNPP's revenues and profitability. (q) A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect BNPP's results of operations and financial condition. (r) BNPP's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses. (s) BNPP's hedging strategies may not prevent losses. (t) Adjustments to the carrying value of BNPP's securities and derivatives portfolios and BNPP's own debt could have an impact on its net income

		and shareholders' equity. (u) The expected changes in accounting principles relating to financial instruments may have an impact on BNPP's balance sheet and regulatory capital ratios and result in additional costs. (v) BNPP's competitive position could be harmed if its reputation is damaged. (w) An interruption in or a breach of BNPP's information systems may result in material losses of client or customer information, damage to BNPP's reputation and lead to financial losses. (x) Unforeseen external events may disrupt BNPP's operations and cause substantial losses and additional costs.

AMENDMENTS TO THE PROGRAMME SUMMARY (IN FRENCH) AND TO THE PRO FORMA ISSUE SPECIFIC SUMMARY OF THE PROGRAMME (IN FRENCH)

1. Le "Résumé du Programme" figurant aux pages 38 à 75 du Prospectus de Base est modifié comme suit:

   (a) L'Elément B.12 est modifié par la suppression du tableau intitulé "**Données Financières Annuelles Comparées – En millions d'EUR**" placé immédiatement au-dessus de l'intitulé "**Données Financières Intermédiaires Comparées pour la période de 6 mois se terminant le 30 juin 2016 – En millions d'EUR**" et est remplacé par le tableau suivant :

Données Financières Annuelles Comparées – En millions d'EUR		
	31/12/2016 (non auditées)	**31/12/2015 (auditées)**
Produit Net Bancaire	43.411	42.938
Coût du Risque	(3.262)	(3.797)
Résultat Net, part du Groupe	7.702	6.694
	31/12/2016	**31/12/2015**
Ratio Common equity Tier 1 (Bâle 3 pleinement applicable, CRD4)	11,5%	10,9%
	31/12/2016 (non auditées)	**31/12/2015 (auditées)**
Total du bilan consolidé	2.076.959	1.994.193
Total des prêts et créances sur la clientèle	712.233	682.497
Total des dettes envers la clientèle	765.953	700.309
Capitaux Propres (part du Groupe)	100.665	96.269

   (b) L'Elément B.13 est intégralement supprimé et remplacé par ce qui suit :

B.13	Evénements impactant la solvabilité de l'Emetteur	Sans objet, au 8 février 2017 et à la connaissance de l'Emetteur, il ne s'est produit aucun événement récent qui présente un intérêt significatif pour l'évaluation de la solvabilité de l'Emetteur depuis le 30 juin 2016.

   (c) Dans l'Elément C.8, la définition de "**Cas d'Inéligibilité MREL/TLAC**" placée sous le sous-titre "***Substitution et Modification***" est intégralement supprimée et remplacée par ce qui suit :

""**Cas d'Inéligibilité MREL/TLAC**" désigne la détermination par l'Emetteur, qu'à la suite d'un changement dans les législations et réglementations françaises et/ou européennes devenu effectif à compter de la Date d'Emission d'une Souche d'Obligations Senior Non Préférées concernée, ce changement ne devant pas avoir pu être raisonnablement anticipé par l'Emetteur à la Date d'Emission de cette Souche, il est probable que tout ou partie du montant nominal total de cette Souche d'Obligations sera exclu des engagements éligibles pour remplir les Exigences MREL/TLAC (quel que soit le nom ou la définition qui leur est donné par la règlementation alors applicable) si l'Emetteur est alors soumis à ces exigences, étant entendu qu'un Cas d'Inéligibilité MREL/TLAC ne se produira pas lorsque ladite Souche d'Obligations est exclue (1) car la maturité restante des Obligations est inférieure à la durée requise par les critères d'éligibilité des Exigences MREL/TLAC applicables ou (2) sur la base des limites applicables au montant d'engagements éligibles pour remplir les Exigences MREL/TLAC."

(d) L'Elément D.2 est intégralement supprimé et remplacé par ce qui suit :

D.2	Principaux risques propres à l'Emetteur	Les investisseurs potentiels devraient avoir une expérience et une connaissance suffisantes concernant les transactions réalisées sur les marchés de capitaux et devraient être en mesure d'évaluer correctement les risques liés aux Obligations. Certains facteurs de risque peuvent affecter la capacité de l'Emetteur à remplir ses obligations en vertu des Obligations, dont certains sont au-delà de sa maîtrise. Un investissement dans les Obligations présente certains risques qui devraient être pris en compte avant qu'une décision d'investissement ne soit prise. Plus particulièrement, l'Emetteur, ensemble avec le Groupe BNPP, est exposé aux risques inhérents à ses activités, tels que décrits ci-dessous : Onze principaux risques, tels que définis dans le document de référence et rapport financier annuel 2015, sont inhérents aux activités de BNPP : (1) *Risque de crédit* – le risque de crédit est la probabilité que l'emprunteur de la banque ou une contrepartie ne remplisse pas ses obligations conformément aux conditions convenues. L'évaluation de cette probabilité de défaut et le taux de recouvrement du prêt ou de la créance en cas de défaut sont des éléments essentiels de l'évaluation de la qualité de crédit ; (2) *Risque de crédit de la contrepartie* − Le risque de crédit de la contrepartie est la manifestation du risque de crédit à l'occasion d'opérations de paiement ou de transactions entre des contreparties. Ces opérations comprennent les contrats financiers bilatéraux, c'est-à-dire de gré à gré (over-the-counter – OTC) qui peuvent exposer la Banque au risque de défaut de sa contrepartie, ainsi que les contrats compensés auprès d'une chambre de compensation. Le montant de ce risque varie au cours du temps avec l'évolution des paramètres de marché affectant la valeur potentielle future des

transactions ou portefeuilles concernés ;

(3) *Titrisation* – La Titrisation est une opération ou un montage par lequel le risque de crédit associé à une exposition ou à un ensemble d'expositions est subdivisé en tranches, et qui présente les caractéristiques suivantes :

- les paiements effectués dans le cadre de l'opération ou du montage dépendent de la performance de l'exposition ou de l'ensemble d'expositions d'origine ;
- la subordination des tranches détermine la répartition des pertes pendant la durée du transfert de risque.

Tout engagement pris dans le cadre d'une structure de titrisation (y compris les dérivés et les lignes de liquidité) est considéré comme une exposition de titrisation. L'essentiel de ces engagements est en portefeuille bancaire prudentiel ;

(4) Risque de marché – Le risque de marché est le risque de perte de valeur provoqué par une évolution défavorable des prix ou des paramètres de marché, que ces derniers soient directement observables ou non.

Les paramètres de marché observables sont, sans que cette liste soit exhaustive, les taux de change, les cours des valeurs mobilières et des matières premières négociables (que le prix soit directement coté ou obtenu par référence à un actif similaire), le prix de dérivés ainsi que tous les paramètres qui peuvent être induits de ceux-là, comme les taux d'intérêt, les marges de crédit, les volatilités ou les corrélations implicites ou d'autres paramètres similaires.

Les paramètres non observables sont ceux fondés sur des hypothèses de travail comme les paramètres contenus dans les modèles ou basés sur des analyses statistiques ou économiques qui ne sont pas vérifiables sur le marché.

Dans les portefeuilles de négoce obligataire, les instruments de crédit sont valorisés sur la base des taux obligataires et des marges de crédit, lesquels sont considérés comme des paramètres de marché au même titre que les taux d'intérêt ou les taux de change. Le risque sur le crédit de l'émetteur de l'instrument est ainsi un composant du risque de marché, appelé risque émetteur.

L'absence de liquidité est un facteur important de risque de marché. En cas de restriction ou de disparition de la liquidité, un instrument ou un actif marchand peut ne pas être négociable ou ne pas l'être à sa valeur estimée, par exemple du fait d'une réduction du nombre de transactions, de contraintes juridiques ou encore d'un fort déséquilibre de l'offre et de la demande de certains actifs.

Le risque relatif aux activités bancaires recouvre le risque de perte sur les participations en actions d'une part, et le risque de taux et de change relatifs aux activités d'intermédiation bancaire d'autre part ;

(5) *Risque opérationnel* – Le risque opérationnel est le risque de perte résultant de processus internes défaillants ou inadéquats ou d'événements externes, qu'ils soient de nature délibérée, accidentelle ou naturelle. Sa gestion repose sur l'analyse de l'enchaînement cause – événement – effet.

Les processus internes sont notamment ceux impliquant le personnel et les systèmes informatiques. Les inondations, les incendies, les tremblements de terre, les attaques terroristes sont des exemples d'événements externes. Les événements de crédit ou de marché comme les défauts ou les changements de valeur n'entrent pas dans le champ d'analyse du risque opérationnel.

Le risque opérationnel recouvre la fraude, les risques en lien avec les ressources humaines, les risques juridiques, les risques de non-conformité, les risques fiscaux, les risques liés aux systèmes d'information, la fourniture de services financiers inappropriés (conduct risk), les risques de défaillance des processus opérationnels y compris les processus de crédit, ou l'utilisation d'un modèle (risque de modèle), ainsi que les conséquences pécuniaires éventuelles liées à la gestion du risque de réputation ;

(6) *Risque de non-conformité et de réputation* – Le risque de non-conformité est défini dans la réglementation française comme le risque de sanction judiciaire, administrative ou disciplinaire, de perte financière significative ou d'atteinte à la réputation, qui naît du non-respect de dispositions propres aux activités bancaires et financières, qu'elles soient de nature législative ou réglementaire, nationales ou européennes directement applicables ou qu'il s'agisse de normes professionnelles et déontologiques, ou d'instructions de l'organe exécutif prises, notamment, en application des orientations de l'organe de surveillance.

Par définition, ce risque est un sous-ensemble du risque opérationnel. Cependant, certains impacts liés au risque de non-conformité peuvent représenter davantage qu'une pure perte de valeur économique et peuvent nuire à la réputation de l'établissement. C'est pour cette raison que la Banque traite le risque de non-conformité en tant que tel.

Le risque de réputation est le risque d'atteinte à la confiance que portent à l'entreprise ses clients, ses contreparties, ses fournisseurs, ses collaborateurs, ses actionnaires, ses superviseurs ou tout autre tiers dont la confiance, à quelque titre que ce soit, est une condition nécessaire à la poursuite normale de l'activité.

Le risque de réputation est essentiellement un risque contingent à tous les autres risques encourus par la Banque ;

(7) *Risque de concentration* – Le risque de concentration et son corollaire, les effets de diversification, sont intégrés au sein de chaque risque notamment en ce qui concerne le risque de crédit, le risque de marché et le risque opérationnel via les paramètres de corrélation pris en compte par les modèles traitant de ces risques.

Le risque de concentration est apprécié au niveau du Groupe consolidé et du conglomérat financier qu'il représente ;

(8) *Risque de taux de portefeuille bancaire* – Le risque de taux du portefeuille bancaire est le risque de perte de résultats lié aux décalages de taux, d'échéance et de nature entre les actifs et passifs. Pour les activités bancaires, ce risque s'analyse hors du portefeuille de négociation et recouvre essentiellement ce qui est appelé le risque global de taux ;

(9) *Risque stratégique et risque lié à l'activité* – Le risque stratégique est le risque que des choix stratégiques de la Banque se traduisent par une baisse du cours de son action.

Le risque lié à l'activité correspond au risque de perte d'exploitation résultant d'un changement d'environnement économique entraînant une baisse des recettes, conjugué à une élasticité insuffisante des coûts.

Ces deux types de risque sont suivis par le Conseil d'administration ;

(10) *Risque de liquidité* – Selon la réglementation, le risque de liquidité est défini comme le risque qu'une banque ne puisse pas honorer ses engagements ou dénouer ou compenser une position en raison de la situation du marché ou de facteurs idiosyncratiques, dans un délai déterminé et à un coût raisonnable ; et

(11) *Risque de souscription d'assurance* – Le risque de souscription d'assurance est le risque de perte

		résultant d'une évolution défavorable de la sinistralité des différents engagements d'assurance. Selon l'activité d'assurance (assurance-vie, prévoyance ou rentes), ce risque peut être statistique, macroéconomique, comportemental, lié à la santé publique ou à la survenance de catastrophes. Le risque de souscription d'assurance n'est pas la composante principale des risques liés à l'assurance-vie où les risques financiers sont prédominants. (a) Des conditions macroéconomiques et de marché difficiles ont eu et pourraient continuer à avoir un effet défavorable significatif sur les conditions dans lesquelles évoluent les établissements financiers et en conséquence sur la situation financière, les résultats opérationnels et le coût du risque de la Banque. (b) Le référendum au Royaume-Uni sur la sortie de l'Union européenne pourrait générer des incertitudes significatives, de la volatilité et des changements importants sur les marchés économiques et financiers européens et mondiaux et avoir alors un effet défavorable sur l'environnement dans lequel la Banque évolue. (c) Du fait du périmètre géographique de ses activités, la Banque pourrait être vulnérable aux contextes ou circonstances politiques, macroéconomiques ou financiers d'une région ou d'un pays. (d) L'accès de la Banque au financement et les coûts de ce financement pourraient être affectés de manière défavorable en cas de résurgence des crises financières, de détérioration des conditions économiques, de dégradation de notation, d'accroissement des spreads de crédit des États ou d'autres facteurs. (e) Toute variation significative des taux d'intérêt est susceptible de peser sur les revenus ou sur la rentabilité de la Banque. (f) Un environnement prolongé de taux d'intérêt bas comporte des risques systémiques inhérents et la sortie d'un tel environnement comporte également des risques. (g) La solidité financière et le comportement des autres institutions financières et acteurs du marché pourraient avoir un effet défavorable sur la Banque. (h) Les fluctuations de marché et la volatilité exposent la Banque au risque de pertes substantielles dans le cadre de ses activités de marché et d'investissement. (i) Les revenus tirés des activités de courtage et des activités générant des commissions sont

			potentiellement vulnérables à une baisse des marchés.
		(j)	Une baisse prolongée des marchés peut réduire la liquidité et rendre plus difficile la cession d'actifs. Une telle situation peut engendrer des pertes significatives.
		(k)	Des mesures législatives et réglementaires prises ces dernières années, en particulier en réponse à la crise financière mondiale pourraient affecter de manière substantielle la Banque ainsi que l'environnement financier et économique dans lequel elle opère.
		(l)	La Banque est soumise à une réglementation importante et fluctuante dans les juridictions où elle exerce ses activités.
		(m)	En cas de non-conformité avec les lois et règlements applicables, la Banque pourrait être exposée à des amendes significatives et d'autres sanctions administratives et pénales, et pourrait subir des pertes à la suite d'un contentieux privé, en lien ou non avec ces sanctions.
		(n)	Risques liés à la mise en œuvre des plans stratégiques de la Banque.
		(o)	La Banque pourrait connaître des difficultés relatives à l'intégration des sociétés acquises et pourrait ne pas réaliser les bénéfices attendus de ses acquisitions.
		(p)	Une intensification de la concurrence, par des acteurs bancaires et non bancaires, pourrait peser sur ses revenus et sa rentabilité.
		(q)	Toute augmentation substantielle des provisions ou tout engagement insuffisamment provisionné pourrait peser sur les résultats et sur la situation financière de la Banque.
		(r)	Les politiques, procédures et méthodes de gestion du risque mises en œuvre par la Banque pourraient l'exposer à des risques non identifiés ou imprévus, susceptibles d'occasionner des pertes significatives.
		(s)	Les stratégies de couverture mises en place par la Banque n'écartent pas tout risque de perte.
		(t)	Des ajustements apportés à la valeur comptable des portefeuilles de titres et d'instruments dérivés de la Banque ainsi que de la dette de la Banque pourraient avoir un effet sur son résultat net et sur ses capitaux propres.
		(u)	Le changement attendu des principes comptables relatifs aux instruments financiers pourrait avoir un impact sur le bilan de la Banque ainsi que sur les ratios réglementaires de fonds propres et entraîner

			des coûts supplémentaires.
		(v)	Tout préjudice porté à la réputation de la Banque pourrait nuire à sa compétitivité.
		(w)	Toute interruption ou défaillance des systèmes informatiques de la Banque, pourrait provoquer des pertes significatives d'informations relatives aux clients, nuire à la réputation de la Banque et provoquer des pertes financières.
		(x)	Des événements externes imprévus pourraient provoquer une interruption des activités de la Banque et entraîner des pertes substantielles ainsi que des coûts supplémentaires.

2. Le "Modèle de Résumé du Programme Spécifique à l'Emission en relation avec le Prospectus de Base" figurant aux pages 110 à 148 du Prospectus de Base est modifié comme suit:

(a) L'Elément B.12 est modifié par la suppression du tableau intitulé "**Données Financières Annuelles Comparées – En millions d'EUR**" placé immédiatement au-dessus de l'intitulé "**Données Financières Intermédiaires Comparées pour la période de 6 mois se terminant le 30 juin 2016 – En millions d'EUR**" et est remplacé par le tableau suivant :

Données Financières Annuelles Comparées – En millions d'EUR		
	31/12/2016 (non auditées)	**31/12/2015 (auditées)**
Produit Net Bancaire	43.411	42.938
Coût du Risque	(3.262)	(3.797)
Résultat Net, part du Groupe	7.702	6.694
	31/12/2016	**31/12/2015**
Ratio Common equity Tier 1 (Bâle 3 pleinement applicable, CRD4)	11,5%	10,9%
	31/12/2016 (non auditées)	**31/12/2015 (auditées)**
Total du bilan consolidé	2.076.959	1.994.193
Total des prêts et créances sur la clientèle	712.233	682.497
Total des dettes envers la clientèle	765.953	700.309
Capitaux Propres (part du Groupe)	100.665	96.269

(b) L'Elément B.13 est intégralement supprimé et remplacé par ce qui suit :

B.13	Evénements impactant la solvabilité de l'Emetteur	[Sans objet, au 8 février 2017 et à la connaissance de l'Emetteur, il ne s'est produit aucun événement récent qui présente un intérêt significatif pour l'évaluation de la solvabilité de l'Emetteur depuis le 30 juin 2016.] [*Préciser tout événement récent significatif pertinent pour l'évaluation de la solvabilité de l'Emetteur*.]

(c) L'Elément D.2 est intégralement supprimé et remplacé par ce qui suit :

D.2	Principaux risques propres à l'Emetteur	[Les investisseurs potentiels devraient avoir une expérience et une connaissance suffisantes concernant les transactions réalisées sur les marchés de capitaux et devraient être en mesure d'évaluer correctement les risques liés aux Obligations. Certains facteurs de risque peuvent affecter la capacité de l'Emetteur à remplir ses obligations en vertu des Obligations, dont certains sont au-delà de sa maîtrise. Un investissement dans les Obligations présente certains risques qui devraient être pris en compte avant qu'une décision d'investissement ne soit prise. Plus particulièrement, l'Emetteur, ensemble avec le Groupe BNPP, est exposé aux risques inhérents à ses activités, tels que décrits ci-dessous :] Onze principaux risques, tels que définis dans le document de référence et rapport financier annuel 2015, sont inhérents aux activités de BNPP : (1) *Risque de crédit* – le risque de crédit est la probabilité que l'emprunteur de la banque ou une contrepartie ne remplisse pas ses obligations conformément aux conditions convenues. L'évaluation de cette probabilité de défaut et le taux de recouvrement du prêt ou de la créance en cas de défaut sont des éléments essentiels de l'évaluation de la qualité de crédit ; (2) *Risque de crédit de la contrepartie* − Le risque de crédit de la contrepartie est la manifestation du risque de crédit à l'occasion d'opérations de paiement ou de transactions entre des contreparties. Ces opérations comprennent les contrats financiers bilatéraux, c'est-à-dire de gré à gré (over-the-counter – OTC) qui peuvent exposer la Banque au risque de défaut de sa contrepartie, ainsi que les contrats compensés auprès d'une chambre de compensation. Le montant de ce risque varie au cours du temps avec l'évolution des paramètres de marché affectant la valeur potentielle future des transactions ou portefeuilles concernés ; (3) *Titrisation* – La Titrisation est une opération ou un montage par lequel le risque de crédit associé à une exposition ou à un ensemble d'expositions est subdivisé en tranches, et qui présente les

caractéristiques suivantes :

- les paiements effectués dans le cadre de l'opération ou du montage dépendent de la performance de l'exposition ou de l'ensemble d'expositions d'origine ;
- la subordination des tranches détermine la répartition des pertes pendant la durée du transfert de risque.

Tout engagement pris dans le cadre d'une structure de titrisation (y compris les dérivés et les lignes de liquidité) est considéré comme une exposition de titrisation. L'essentiel de ces engagements est en portefeuille bancaire prudentiel ;

(4) Risque de marché – Le risque de marché est le risque de perte de valeur provoqué par une évolution défavorable des prix ou des paramètres de marché, que ces derniers soient directement observables ou non.

Les paramètres de marché observables sont, sans que cette liste soit exhaustive, les taux de change, les cours des valeurs mobilières et des matières premières négociables (que le prix soit directement coté ou obtenu par référence à un actif similaire), le prix de dérivés ainsi que tous les paramètres qui peuvent être induits de ceux-là, comme les taux d'intérêt, les marges de crédit, les volatilités ou les corrélations implicites ou d'autres paramètres similaires.

Les paramètres non observables sont ceux fondés sur des hypothèses de travail comme les paramètres contenus dans les modèles ou basés sur des analyses statistiques ou économiques qui ne sont pas vérifiables sur le marché.

Dans les portefeuilles de négoce obligataire, les instruments de crédit sont valorisés sur la base des taux obligataires et des marges de crédit, lesquels sont considérés comme des paramètres de marché au même titre que les taux d'intérêt ou les taux de change. Le risque sur le crédit de l'émetteur de l'instrument est ainsi un composant du risque de marché, appelé risque émetteur.

L'absence de liquidité est un facteur important de risque de marché. En cas de restriction ou de disparition de la liquidité, un instrument ou un actif marchand peut ne pas être négociable ou ne pas l'être à sa valeur estimée, par exemple du fait d'une réduction du nombre de transactions, de contraintes juridiques ou encore d'un fort déséquilibre de l'offre et de la demande de certains actifs.

Le risque relatif aux activités bancaires recouvre le risque de perte sur les participations en actions d'une part, et le risque de taux et de change relatifs aux activités d'intermédiation bancaire d'autre part ;

(5) *Risque opérationnel* – Le risque opérationnel est le risque de perte résultant de processus internes défaillants ou inadéquats ou d'événements externes, qu'ils soient de nature délibérée, accidentelle ou naturelle. Sa gestion repose sur l'analyse de l'enchaînement cause – événement – effet.

Les processus internes sont notamment ceux impliquant le personnel et les systèmes informatiques. Les inondations, les incendies, les tremblements de terre, les attaques terroristes sont des exemples d'événements externes. Les événements de crédit ou de marché comme les défauts ou les changements de valeur n'entrent pas dans le champ d'analyse du risque opérationnel.

Le risque opérationnel recouvre la fraude, les risques en lien avec les ressources humaines, les risques juridiques, les risques de non-conformité, les risques fiscaux, les risques liés aux systèmes d'information, la fourniture de services financiers inappropriés (conduct risk), les risques de défaillance des processus opérationnels y compris les processus de crédit, ou l'utilisation d'un modèle (risque de modèle), ainsi que les conséquences pécuniaires éventuelles liées à la gestion du risque de réputation ;

(6) *Risque de non-conformité et de réputation* – Le risque de non-conformité est défini dans la réglementation française comme le risque de sanction judiciaire, administrative ou disciplinaire, de perte financière significative ou d'atteinte à la réputation, qui naît du non-respect de dispositions propres aux activités bancaires et financières, qu'elles soient de nature législative ou réglementaire, nationales ou européennes directement applicables ou qu'il s'agisse de normes professionnelles et déontologiques, ou d'instructions de l'organe exécutif prises, notamment, en application des orientations de l'organe de surveillance.

Par définition, ce risque est un sous-ensemble du risque opérationnel. Cependant, certains impacts liés au risque de non-conformité peuvent représenter davantage qu'une pure perte de valeur économique et peuvent nuire à la réputation de l'établissement. C'est pour cette raison que la Banque traite le risque de non-conformité en tant que tel.

Le risque de réputation est le risque d'atteinte à la confiance que portent à l'entreprise ses clients, ses contreparties, ses fournisseurs, ses collaborateurs, ses actionnaires, ses superviseurs ou tout autre tiers dont la confiance, à quelque titre que ce soit, est une condition nécessaire à la poursuite normale de l'activité.

Le risque de réputation est essentiellement un risque contingent à tous les autres risques encourus par la Banque ;

(7) *Risque de concentration* – Le risque de concentration et son corollaire, les effets de diversification, sont intégrés au sein de chaque risque notamment en ce qui concerne le risque de crédit, le risque de marché et le risque opérationnel via les paramètres de corrélation pris en compte par les modèles traitant de ces risques.

Le risque de concentration est apprécié au niveau du Groupe consolidé et du conglomérat financier qu'il représente ;

(8) *Risque de taux de portefeuille bancaire* – Le risque de taux du portefeuille bancaire est le risque de perte de résultats lié aux décalages de taux, d'échéance et de nature entre les actifs et passifs. Pour les activités bancaires, ce risque s'analyse hors du portefeuille de négociation et recouvre essentiellement ce qui est appelé le risque global de taux ;

(9) *Risque stratégique et risque lié à l'activité* – Le risque stratégique est le risque que des choix stratégiques de la Banque se traduisent par une baisse du cours de son action.

Le risque lié à l'activité correspond au risque de perte d'exploitation résultant d'un changement d'environnement économique entraînant une baisse des recettes, conjugué à une élasticité insuffisante des coûts.

Ces deux types de risque sont suivis par le Conseil d'administration ;

(10) *Risque de liquidité* – Selon la réglementation, le risque de liquidité est défini comme le risque qu'une banque ne puisse pas honorer ses engagements ou dénouer ou compenser une position en raison de la situation du marché ou de facteurs idiosyncratiques, dans un délai déterminé et à un coût raisonnable ; et

(11) *Risque de souscription d'assurance* – Le risque de souscription d'assurance est le risque de perte résultant d'une évolution défavorable de la sinistralité des différents engagements d'assurance. Selon l'activité d'assurance (assurance-vie, prévoyance ou rentes), ce risque peut être statistique, macroéconomique, comportemental, lié

			à la santé publique ou à la survenance de catastrophes. Le risque de souscription d'assurance n'est pas la composante principale des risques liés à l'assurance-vie où les risques financiers sont prédominants.
		(a)	Des conditions macroéconomiques et de marché difficiles ont eu et pourraient continuer à avoir un effet défavorable significatif sur les conditions dans lesquelles évoluent les établissements financiers et en conséquence sur la situation financière, les résultats opérationnels et le coût du risque de la Banque.
		(b)	Le référendum au Royaume-Uni sur la sortie de l'Union européenne pourrait générer des incertitudes significatives, de la volatilité et des changements importants sur les marchés économiques et financiers européens et mondiaux et avoir alors un effet défavorable sur l'environnement dans lequel la Banque évolue.
		(c)	Du fait du périmètre géographique de ses activités, la Banque pourrait être vulnérable aux contextes ou circonstances politiques, macroéconomiques ou financiers d'une région ou d'un pays.
		(d)	L'accès de la Banque au financement et les coûts de ce financement pourraient être affectés de manière défavorable en cas de résurgence des crises financières, de détérioration des conditions économiques, de dégradation de notation, d'accroissement des spreads de crédit des États ou d'autres facteurs.
		(e)	Toute variation significative des taux d'intérêt est susceptible de peser sur les revenus ou sur la rentabilité de la Banque.
		(f)	Un environnement prolongé de taux d'intérêt bas comporte des risques systémiques inhérents et la sortie d'un tel environnement comporte également des risques.
		(g)	La solidité financière et le comportement des autres institutions financières et acteurs du marché pourraient avoir un effet défavorable sur la Banque.
		(h)	Les fluctuations de marché et la volatilité exposent la Banque au risque de pertes substantielles dans le cadre de ses activités de marché et d'investissement.
		(i)	Les revenus tirés des activités de courtage et des activités générant des commissions sont potentiellement vulnérables à une baisse des marchés.
		(j)	Une baisse prolongée des marchés peut réduire la liquidité et rendre plus difficile la cession d'actifs.

Une telle situation peut engendrer des pertes significatives.

(k) Des mesures législatives et réglementaires prises ces dernières années, en particulier en réponse à la crise financière mondiale pourraient affecter de manière substantielle la Banque ainsi que l'environnement financier et économique dans lequel elle opère.

(l) La Banque est soumise à une réglementation importante et fluctuante dans les juridictions où elle exerce ses activités.

(m) En cas de non-conformité avec les lois et règlements applicables, la Banque pourrait être exposée à des amendes significatives et d'autres sanctions administratives et pénales, et pourrait subir des pertes à la suite d'un contentieux privé, en lien ou non avec ces sanctions.

(n) Risques liés à la mise en œuvre des plans stratégiques de la Banque.

(o) La Banque pourrait connaître des difficultés relatives à l'intégration des sociétés acquises et pourrait ne pas réaliser les bénéfices attendus de ses acquisitions.

(p) Une intensification de la concurrence, par des acteurs bancaires et non bancaires, pourrait peser sur ses revenus et sa rentabilité.

(q) Toute augmentation substantielle des provisions ou tout engagement insuffisamment provisionné pourrait peser sur les résultats et sur la situation financière de la Banque.

(r) Les politiques, procédures et méthodes de gestion du risque mises en œuvre par la Banque pourraient l'exposer à des risques non identifiés ou imprévus, susceptibles d'occasionner des pertes significatives.

(s) Les stratégies de couverture mises en place par la Banque n'écartent pas tout risque de perte.

(t) Des ajustements apportés à la valeur comptable des portefeuilles de titres et d'instruments dérivés de la Banque ainsi que de la dette de la Banque pourraient avoir un effet sur son résultat net et sur ses capitaux propres.

(u) Le changement attendu des principes comptables relatifs aux instruments financiers pourrait avoir un impact sur le bilan de la Banque ainsi que sur les ratios réglementaires de fonds propres et entraîner des coûts supplémentaires.

(v) Tout préjudice porté à la réputation de la Banque pourrait nuire à sa compétitivité.

		(w)	Toute interruption ou défaillance des systèmes informatiques de la Banque, pourrait provoquer des pertes significatives d'informations relatives aux clients, nuire à la réputation de la Banque et provoquer des pertes financières.
		(x)	Des événements externes imprévus pourraient provoquer une interruption des activités de la Banque et entraîner des pertes substantielles ainsi que des coûts supplémentaires.

AMENDMENTS TO THE RISK FACTORS

The risk factor entitled "Risks Relating to the Bank and its Industry" and the sub-headings thereunder on pages 149 to 160 of the Base Prospectus are deleted in their entirety and replaced with the following:

"**Risks Relating to the Bank and its Industry**

This section summarises the principal risks that the Bank currently considers itself to face. They are presented in the following categories: risks related to the macroeconomic and market environment, regulatory risks and risks related to the Bank, its strategy, management and operations.

Risks Related To The Macroeconomic And Market Environment

Difficult market and economic conditions have had and may continue to have a material adverse effect on the operating environment for financial institutions and hence on the Bank's financial condition, results of operations and cost of risk.

The Bank's businesses are highly sensitive to changes in financial markets and economic conditions globally and especially in Europe. In recent years, the Bank has been, and may again in the future be, confronted with a significant deterioration of market and economic conditions resulting, among other things, from crises affecting sovereign debt, capital markets, the availability of credit or liquidity, regional or global recessions, sharp fluctuations in commodity prices, currency exchange rates or interest rates, volatility in prices of financial derivatives, inflation or deflation, counterparty restructurings or defaults, corporate or sovereign debt rating downgrades or adverse political and geopolitical events (such as natural disasters, pandemics, societal unrest, geopolitical tensions, acts of terrorism and military conflicts). Such disruptions, which may develop quickly and hence not be fully hedged, could affect the operating environment for financial institutions for short or extended periods and have a material adverse effect on the Bank's financial condition, results of operations or cost of risk. In 2017, the macroeconomic environment could be subject to various specific risks, including geopolitical tensions, political transitions and elections in certain countries creating uncertainties and potentially sharp changes, financial market volatility, slowdowns in certain emerging markets, weak growth in the euro zone, fluctuations in commodity prices and changes in monetary policies.

Moreover, a resurgence of a sovereign debt crisis cannot be ruled out, particularly in a rising interest rate environment with increasing funding costs. In particular, European markets experienced significant disruptions in recent years as a result of concerns regarding the ability of certain countries or institutions in the euro zone to refinance their debt obligations. These disruptions have in certain periods caused tightened credit markets, increased volatility in the exchange rate of the euro against other major currencies, affected the levels of stock market indices and created uncertainty regarding the economic prospects of certain countries in the European Union as well as the quality of bank loans to sovereign debtors in the European Union. The Bank holds and in the future may hold substantial portfolios of sovereign debt and has and may in the future have substantial amounts of loans outstanding to sovereign borrowers; a new sovereign debt crisis could cause it to incur impairment charges or losses on sales. The Bank also participates in the interbank financial market and as a result, is indirectly exposed to risks relating to financial institutions with which it does business. More generally, the sovereign debt crisis had, and could again in the future have, an indirect impact on financial markets and, increasingly, economies, in Europe and worldwide, and more generally on the environment in which the Bank operates.

If economic conditions generally or in Europe in particular were to deteriorate due among other things to concerns over the European economy (in turn triggered by the heightened risk of or even the occurrence of a sovereign default, the failure of a significant financial institution or the exit of a country from the euro zone or the European Union), unforeseeable variations in oil and commodity prices and interest rates, rising inflation or significant fluctuations in foreign exchange rates (in particular rising interest rates or any strengthening of the euro), a continued or increased slowdown of economic growth in emerging countries and China in particular, terrorist attacks or political instability, the resulting market disruptions could have a significant adverse impact on the credit quality of the Bank's customers and financial institution counterparties, on market parameters such as interest rates, foreign exchange rates and stock market indices, and on the Bank's results of operations, liquidity, ability to raise financing on acceptable terms and financial condition.

The United Kingdom's referendum to leave the European Union may lead to significant uncertainty, volatility and disruption in European and broader financial and economic markets and hence may adversely affect the Bank's operating environment.

On 23 June 2016, the United Kingdom held a referendum in which a majority of its voters opted to leave the European Union ("**Brexit**"). The referendum is non-binding, but the British Government has indicated that the United Kingdom will invoke the appropriate procedures to implement Brexit. Once it does so, it will begin negotiations to determine its relationship with the European Union going forward, including regarding trade, financial and legal arrangements. The nature, timing and economic and political effects of Brexit remain highly uncertain and will depend upon the results of future negotiations between the United Kingdom and the European Union, and hence may adversely affect the Bank's operating environment and therefore its results and financial condition.

Due to the geographic scope of its activities, the Bank may be vulnerable to country or regional-specific political, macroeconomic and financial environments or circumstances.

The Bank is exposed to country risk, meaning the risk that economic, financial, political or social conditions of a foreign country, especially a country in which it operates, will affect its financial interests. Recent examples of such country risk include security concerns and political changes in Turkey following the attempted coup in July 2016, and political uncertainty in Italy following the rejection in December 2016 of the referendum on constitutional reform and the resulting change in government. Upcoming elections in France, Germany and The Netherlands in 2017 may also contribute to an environment of political uncertainty. The Bank monitors country risk and takes it into account in the fair value adjustments and cost of risk recorded in its financial statements. However, a significant change in political or macroeconomic environments may require it to record additional charges or to incur losses beyond the amounts previously written down in its financial statements. Moreover, factors specific to a particular country or region in which the Bank operates could create difficult operating conditions, leading to operating losses or asset impairments.

The Bank's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in credit spreads or other factors.

The financial crisis, the euro zone sovereign debt crisis as well as the general macroeconomic environment have at times adversely affected the availability and cost of funding for European banks in recent years. This was due to several factors, including a sharp increase in the perception of bank credit risk due to their exposure to sovereign debt in particular, credit rating downgrades of sovereigns and of banks, and debt market speculation. Many European banks, including the Bank, at various points experienced restricted access to wholesale debt markets and to the interbank market, as well as a general increase in their cost of funding. Accordingly, reliance on direct borrowing from the ECB at times increased substantially. If such adverse credit market conditions were to reappear in the event of prolonged stagnation of growth, deflation, resurgence of the financial crisis, the sovereign debt crisis or new forms of financial crises, factors relating to the financial industry in general or to the Bank in particular, the effect on the liquidity of the European financial sector in general and the Bank in particular could be materially adverse and have a negative impact on the Bank's results of operations and financial condition.

Downgrades in the credit ratings of France or of the Bank may increase the Bank's borrowing cost.

The Bank's cost of obtaining long-term unsecured funding from market investors is also directly related to its credit spreads, which in turn depend to a certain extent on its credit ratings. Increases in credit spreads can significantly increase the Bank's cost of funding. Changes in credit spreads are continuous, market-driven, and subject at times to unpredictable and highly volatile movements. Credit spreads are also influenced by market perceptions of creditworthiness of the Bank.

Significant interest rate changes could adversely affect the Bank's revenues or profitability.

The amount of net interest income earned by the Bank during any given period significantly affects its overall revenues and profitability for that period. Interest rates are affected by many factors beyond the Bank's control, such as the level of inflation and the monetary policies of states, and government decisions relating to regulated savings rates. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in the Bank's net interest income from its lending activities. In addition, maturity mismatches and interest rates rises relating to the Bank's short-term financing may adversely affect the Bank's profitability.

The prolonged low interest rate environment carries inherent systemic risks, and an exit from such environment also carries risks.

Since the 2008-2009 financial crisis, global markets have been characterized by periods of prolonged low interest rates. During such periods, interest rate spreads tend to tighten, and the Bank may be unable to lower interest rates on deposits sufficiently to offset reduced income from lending at lower interest rates. In addition, the Bank is facing an increase in early repayment and refinancing of mortgages and other fixed-rate consumer and corporate loans as clients take advantage of lower borrowing costs. This, along with the issuance of new loans at the low prevailing market interest rates, could result in an overall decrease in the average interest rate of the Bank's portfolio of loans thereby causing a decline in the Bank's net interest income from its lending activities. Moreover, an environment of persistently low interest rates can also have the effect of flattening the yield curve in the market more generally, which could reduce the premium generated by the Bank from its funding activities. Additionally, the prolonged period of low interest rates may have contributed to, and may continue to contribute to, excessive risk-taking by financial market participants such as lengthening maturities of financings and assets held, more lenient lending standards and increased leveraged lending. Certain of the market participants that may have taken or may take additional or excessive risk are of systemic importance, and any unwinding of their positions during periods of market turbulence or stress (and hence reduced liquidity) could have a destabilizing effect on markets and could lead the Bank to record operating losses or asset impairments.

Furthermore, to the extent that central banks, particularly in the United States and the United Kingdom, are expected to increase interest rates in 2017, any sharper than expected change could cause stress in loan portfolios and the Bank's underwriting activity, particularly in relation to non-investment grade lending, possibly leading to an increase in the Bank's cost of risk. In a rising interest rate environment, should the Bank's hedging strategies prove ineffective or provide only a partial hedge, the Bank could incur losses due to higher refinancing costs. More generally, increasing interest rates weigh on consumer debt affordability and corporate profitability and hence potentially on economic growth and our revenues.

The soundness and conduct of other financial institutions and market participants could adversely affect the Bank.

The Bank's ability to engage in financing, investment and derivative transactions could be adversely affected by the soundness of other financial institutions or market participants. Financial institutions are interrelated as a result of trading, clearing, counterparty, funding or other relationships. As a result, defaults, or even rumours or questions about, one or more financial services institutions, or the financial services industry generally, may lead to market-wide liquidity problems and could lead to further losses or defaults. The Bank has exposure to many counterparties in the financial industry, directly and indirectly, including clearing houses, brokers and dealers, commercial banks, investment banks, mutual and alternative investment funds, and other institutional clients with which it regularly executes transactions. The Bank can also be exposed to the risks related to the increasing involvement in the financial sector of players subject to little or no regulations (unregulated funds, trading venues or crowdfunding platforms). The Bank is exposed to credit and counterparty risk in the event of default or financial distress of the Bank's counterparties or clients. This risk could be exacerbated if the collateral held by the Bank cannot be realised upon or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to the Bank or in case of a failure of a significant financial market participant such as a central counterparty. It is worth noting in this respect that regulatory changes requiring mandatory clearing of standardized over-the-counter ("**OTC**") derivatives through central counterparties have resulted in an increase of the exposure of financial market participants to such central counterparties.

In addition, fraud or misconduct by financial market participants can have a material adverse effect on financial institutions due in particular to the interrelated nature of the financial markets. An example is the fraud perpetrated by Bernard Madoff that came to light in 2008, as a result of which numerous financial institutions globally, including the Bank, announced losses or exposure to losses in substantial amounts. Potentially significant additional potential exposure is also possible in the form of litigation and claims in the context of the bankruptcy proceedings of Bernard L. Madoff Investment Services ("**BLMIS**") (a number of which are pending against the Bank), and other potential claims relating to counterparty or client investments made, directly or indirectly, in BLMIS or other entities controlled by Bernard Madoff, or to the receipt of investment proceeds from BLMIS.

There can be no assurance that any losses resulting from the risks summarised above will not materially and adversely affect the Bank's results of operations.

The Bank may incur significant losses on its trading and investment activities due to market fluctuations and volatility.

The Bank maintains trading and investment positions in the debt, currency, commodity and equity markets, and in unlisted securities, real estate and other asset classes, including through derivative contracts. These positions could be adversely affected by extreme volatility in these markets, i.e., the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. Moreover, volatility trends that prove substantially different from the Bank's expectations may lead to losses relating to a broad range of other products that the Bank uses, including swaps, forward and future contracts, options and structured products.

To the extent that the Bank owns assets, or has net long positions, in any of those markets, a market downturn could result in losses from a decline in the value of its positions. Conversely, to the extent that the Bank has sold assets that it does not own, or has net short positions in any of those markets, a market upturn could, in spite of the existing limitation of risks and control systems, expose it to potentially substantial losses as it attempts to cover its net short positions by acquiring assets in a rising market. The Bank may from time to time hold a long position in one asset and a short position in another, in order to hedge transactions with clients and/or from which it expects to gain based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that the Bank did not anticipate or against which it is not hedged, the Bank might realise a loss on those paired positions. Such losses, if significant, could adversely affect the Bank's results and financial condition.

The Bank may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns.

Financial and economic conditions affect the number and size of transactions for which the Bank provides securities underwriting, financial advisory and other investment banking services. The Bank's revenues, which include fees from these services, are directly related to the number and size of the transactions in which it participates and can thus be significantly affected by economic or financial changes that are unfavourable to its Investment Banking business and clients. In addition, because the fees that the Bank charges for managing its clients' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its clients' portfolios or increases the amount of withdrawals would reduce the revenues the Bank receives from its asset management, equity derivatives and private banking businesses. Independently of market changes, below-market performance by the Bank's mutual funds may result in increased withdrawals and reduced inflows, which would reduce the revenues the Bank receives from its asset management business. The Bank experienced some or all of these effects during the sharp market downturns of recent years and could experience them again in future market downturns, which may occur periodically and unexpectedly.

Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses.

In some of the Bank's businesses, protracted market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if the Bank cannot close out deteriorating positions in a timely way. This is particularly true for assets that are intrinsically illiquid. Assets that are not traded on stock exchanges or other public trading markets, such as certain derivative contracts between financial institutions, may have values that the Bank calculates using models rather than publicly-quoted prices. Monitoring the deterioration of prices of assets like these is difficult and could lead to significant losses that the Bank did not anticipate.

Regulatory Risks

Laws and regulations adopted in recent years, particularly in response to the global financial crisis, may materially impact the Bank and the financial and economic environment in which it operates.

Laws and regulations have been enacted in the past few years or could be adopted, in particular in France, Europe and the United States, with a view to introducing a number of changes, some permanent, in the financial environment. The impact of the new measures has changed substantially the environment in which the Bank and other financial institutions operate. The new measures that have been or may be proposed and adopted include more stringent capital and liquidity requirements (particularly for large global banking groups such as the Bank), taxes on financial transactions, restrictions and increased taxes on employee compensation over specified levels, restrictions on certain types of activities considered as speculative undertaken by commercial banks that will be prohibited or need to be ring-fenced in subsidiaries (particularly proprietary trading), restrictions or prohibitions on certain types of financial products or activities, enhanced recovery and resolution regimes, changes to risk-weighting methodologies and the methods of using internal models that could lead to increased capital requirements, increased internal control and reporting requirements with respect to certain activities, more stringent governance and conduct of business rules, more extensive market abuse regulations, measures to improve the transparency and efficiency of financial markets and in particular to regulate high frequency trading, increased regulation of certain types of financial products including mandatory reporting of derivative and securities financing transactions, requirements either to mandatorily clear, or otherwise mitigate risks in relation to, over-the-counter derivative transactions (including through posting of collateral in respect of non-centrally cleared derivatives), and the creation of new and strengthened supervisory bodies. Most of these measures have been adopted and are already applicable to the Bank; the principal such measures are summarized below. Other similar or new measures may be proposed and adopted.

French and European Laws and regulations

In 2013 and 2014, France made significant changes to its legal and regulatory framework applicable to banking institutions. The French banking law of 26 July 2013 on the separation and regulation of banking activities (*Loi de séparation et de régulation des activités bancaires*) and the related implementing decrees and orders specified the required separation between financing operations activities and so-called "speculative" operations that have been, since 1 July 2015, conducted by ring-fenced subsidiaries subject to specific capital and liquidity requirements on a stand-alone basis. This banking law also introduced a mechanism for preventing and resolving banking crises, which is supervised by the French banking regulator ("*Autorité de Contrôle Prudentiel et de Résolution*", "**ACPR**") with expanded powers. In the event of a failure, the law provides for mechanisms such as the power to require banks to adopt structural changes, issue new securities, cancel outstanding equity or subordinated debt securities and convert subordinated debt into equity, and to require the intervention of the French Deposit Guarantee and Resolution Fund ("*Fonds de*

Garantie des Dépôts et de Résolution"). The Ordinance of 20 February 2014 provided in particular for the strengthening of the governance rules within banking institutions, a reinforced and harmonised at the EU level sanctions regime, an extended scope of prudential surveillance with in particular additional prudential requirements, a harmonisation of the rules relating to the approval of credit institutions within the European Union, and an update of the rules relating to the consolidated surveillance and the exchange of information.

At the European level, many of the provisions of the EU Directive and Regulation on prudential requirements "CRD 4/CRR" dated 26 June 2013, implementing the Basel III capital requirements, took effect as of 1 January 2014 and many delegated and implementing acts provided for in the Directive and Regulation CRD 4/CRR were adopted in 2014. The prudential ratio requirements and the designation of the Bank as a systemically important financial institution increased the Bank’s prudential requirements and may limit its ability to extend credit or to hold certain assets, particularly those with longer maturities. In 2011-2012, the Bank implemented an adaptation plan in anticipation of these requirements, including reducing its balance sheet and bolstering its capital. In addition, the Financial Stability Board published on 9 November 2015 the final principles and term sheet regarding total loss absorbing capacity ("**TLAC**"), which will require "G-SIBs" or "Global Systemically Important Banks" (including the Bank) to maintain a significant amount of liabilities and instruments readily available for bail-in, in addition to the Basel III capital requirements, in order to enable authorities to implement an orderly resolution that minimises impacts on financial stability, maintains the continuity of critical functions, and avoids exposing public funds to loss. Given the timing and manner of their adoption, the full impact of TLAC requirements on the Bank cannot be accurately predicted and could cause its financing costs to increase.

Regarding the European "Banking Union", the European Union adopted, in October 2013, a Single Supervisory Mechanism ("**SSM**") under the supervision of the ECB; as a consequence, since November 2014, the Bank, along with all institutions qualified as important in the euro zone, are now under the direct supervision of the ECB, with respect to prudential regulation matters entrusted to the ECB by Council Regulation dated 15 October 2013. Within the SSM, the ECB is, in particular, tasked with carrying out an annual supervisory review and evaluation process ("**SREP**") and stress tests, in connection with which it has powers to require banks to hold capital in excess of minimum capital requirements in order to address specific risks (so-called "Pillar 2" requirements), and more generally to impose additional liquidity requirements and possibly other regulatory measures. Such measures could have an adverse impact on the Bank’s results of operations and financial condition.

In addition to the SSM, the EU Bank Recovery and Resolution Directive of 15 May 2014 ("**BRRD**"), implemented in France by the Ordinance of 20 August 2015 strengthens the tools to prevent and resolve banking crises, in particular, in order to ensure that any losses are borne in priority by banks’ creditors and shareholders and to minimize taxpayers’ exposure to losses and provides for the implementation of resolution funds at the national levels.

Under the BRRD and the Ordinance of 20 August 2015, the ACPR or the Single Resolution Board (the "**SRB**"), which was established by Regulation of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism ("**SRM**") and a Single Resolution Fund ("**SRF**"), may commence resolution proceedings in respect of a banking institution, such as the Bank, with a view to ensure the continuity of critical functions, to avoid the risks of contagion and to recapitalize or restore the viability of the institution.

Resolution powers are to be implemented so that, subject to certain exceptions, losses are borne first by shareholders, then by holders of additional capital instruments qualifying as tier 1 and tier 2 (such as subordinated bonds), then by the holders of senior non preferred debt and finally by the holders of senior preferred debt in accordance with the order of their claims in normal insolvency proceedings.

Resolution authorities have broad powers to implement resolution measures with respect to institutions and groups subject to resolution proceedings, which may include (without limitation): the total or partial sale of the institution's business to a third party or a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, the full or partial write-down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write-down or conversion into equity of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), discontinuing the listing and admission to trading of financial instruments, the dismissal of managers or the appointment of a special manager (*administrateur spécial*).

Certain powers, including the full or partial write-down of capital instruments, the dilution of capital instruments through the issuance of new equity, the full or partial write-down or conversion into equity of additional capital instruments qualifying as tier 1 and tier 2 (such as subordinated bonds), can also be exercised as a precautionary measure, outside of resolution proceedings and/or pursuant to the European Commission's State Aid framework if the institution requires exceptional public financial support.

The implementation of these tools and powers may result in significant structural changes to the relevant financial institutions and their groups (including as a result of asset or business sales or the creation of bridge institutions) and in a partial or total write-down, modification or variation of claims of shareholders and creditors.

Pursuant to the SRM, on 19 December 2014, the Council adopted the proposal for a Council implementing act to calculate the contributions of banks to the SRF, which replaces national resolution funds as from 1 January 2016 and provides for annual contributions to the SRF to be made by banks calculated on the basis of their liabilities, excluding own funds and covered deposits and adjusted for risks. Moreover, the Regulation of the European Commission dated 21 October 2014, adopted pursuant to the BRRD provides for an obligation for banks to have adequate financial resources to ensure the effective application of the resolution tools and powers by the relevant resolution authority. In this context, the resolution authorities, such as the ACPR or the SRB, determined the annual contributions that must be paid to resolution financing arrangements by each banking institution in proportion to its risk profile. As a consequence, contributions to the SRF and to resolution financing arrangements are significant for the Bank and hence weigh on its results of operations.

Moreover, the Directive of 16 April 2014 on deposit guarantee schemes, transposed into French law by the Ordinance of 20 August 2015 created national deposit guarantee schemes. Other proposals for legislative and regulatory reforms could also have an impact if they were enacted into law. Thus, a draft European Parliament Regulation dated 24 November 2015 completed such Directive of 16 April 2014 through a step plan to create a European deposit insurance scheme that will progressively cover all or part of participating national deposit guarantee schemes.

On 23 November 2016, the European Commission issued several legislative proposals proposing to amend a number of key EU banking directives and regulations, including CRD 4/CRR, BRRD and the SRM, the purpose of which is inter alia to reflect more accurately long-term funding risk and excessive leverage, increase the loss-absorption capacity of globally significant institutions, improve the treatment of market risks by increasing the risk sensitivity of the existing rules and increase convergence within the European Union in the area of insolvency law and restructuring proceedings, particularly through the introduction of a moratorium tool. These proposals remain subject to amendments by the Parliament and the Council and are scheduled to be adopted in 2019. It is not yet possible to assess the full impact of these proposals.

Furthermore, a proposal for a Regulation of the European Parliament and of the Council of 29 January 2014 on structural measures improving the resilience of EU credit institutions, as amended on 19 June 2015, would prohibit certain proprietary trading activities by European credit institutions that meet certain criteria (particularly as to size) and require them to conduct certain high-risk trading activities only through subsidiaries.

Finally, new regulations designed to enhance the transparency and soundness of financial markets, such as the so-called "EMIR" Regulation of 4 July 2012 on OTC derivatives, central counterparties and trade repositories and the measures adopted or to be adopted thereunder (including in relation to the Commission delegated Regulation of 4 October 2016 that specifies how margin should be calculated and exchanged in respect of non-cleared OTC derivative contracts), Regulation of 25 November 2015 on transparency of securities financing transactions and Directive and Regulation of 15 May 2014 on markets in financial instruments ("**MiFID 2**") may be a source of additional uncertainty and compliance risk and, more generally, the costs incurred due to the implementation of such regulations may have a negative impact on the profitability of certain activities currently conducted by the Bank and weigh on the Bank's results of operations and financial condition.

U.S Laws and Regulations

Bank regulation in the United States has been substantially changed and expanded in the wake of the financial crisis, including as follows. A final rule issued by the Board of Governors of the U.S. Federal Reserve System (the "**Federal Reserve Board**") imposing enhanced prudential standards on the U.S. operations of large foreign banks required the Bank to designate or create an intermediate holding company ("**IHC**") for its U.S. subsidiaries by 1 July 2016. The Bank's IHC, BNP Paribas USA, Inc., must comply with risk-based and leverage capital requirements, liquidity requirements, long-term debt requirements, supervisory stress testing and capital planning requirements as well as other prudential requirements on a stand-alone basis. In addition, on 4 March 2016, the Federal Reserve Board re-proposed single counterparty credit limits that would apply to both the U.S. IHCs and the combined U.S. operations (including U.S. branch operations) of systemically important foreign banking organizations (such as the Bank). Under proposals that remain under consideration, the IHC and the combined U.S. operations of the Bank may become subject to limits on credit exposures to any single counterparty, and the combined U.S. operations of the Bank may also become subject to an early remediation regime which could be triggered by risk-based capital, leverage, stress tests, liquidity, risk management and market indicators. The Federal Reserve Board has also indicated that it is considering future rulemakings that could apply the U.S. rules implementing the Basel III liquidity coverage ratio and net stable funding ratio to the combined U.S. operations (including U.S. branch operations) of certain large foreign banking organizations. The scope and timing for the implementation of these liquidity requirements as well as additional expected changes to the capital and stress testing requirements and their impact on the Bank is difficult to predict at this point. On 15 December 2016, the Federal Reserve Board issued final rules that implement in the United States the Financial Stability Board's standards for a TLAC framework. The final rules require, among other things, the Bank's U.S. IHC to maintain minimum levels of TLAC, consisting of the IHC's Tier 1 capital plus a minimum amount of long-term debt satisfying certain eligibility criteria, and a related TLAC buffer. The Bank will be subject to these requirements commencing 1 January 2019. The Bank's U.S. IHC will be required to issue this long-term debt internally to any foreign affiliate that is wholly owned, directly or indirectly, by the Bank, for so long as the Bank maintains a single-point-of-entry resolution strategy. The rules also impose limitations on the types and amount of other financial transactions that the Bank's U.S. IHC may engage in. On 23 September 2016, the Federal Reserve Board proposed additional prudential requirements with respect to the physical commodity activities of financial holding companies ("**FHCs**") (such as the Bank), including significantly elevated capital requirements for physical commodity activities (and for investments in merchant banking companies that engage in physical commodity activities) that, according to the Federal Reserve Board, have the potential to expose an FHC to environmental liability. Finally, the "Volcker Rule", adopted by the U.S. regulatory authorities in December 2013, places certain restrictions on the ability of U.S. and non-U.S. banking entities, including the Bank and its affiliates, to engage in proprietary trading and to sponsor or invest in private equity and hedge funds. The Bank was generally required to come into compliance with the Volcker Rule by July 2015, although the Federal Reserve Board has extended the conformance deadline for pre-2014 "legacy" investments in and relationships with private equity funds and hedge funds until 21 July 2017. The Volcker Rule's implementing regulations are highly complex and may be subject to further regulatory interpretation and guidance, and its full impact will not be known with certainty for some time. U.S. regulators have also recently adopted or proposed new rules regulating OTC derivatives activities under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act. In late 2015, the Federal Reserve Board and other U.S. banking regulators finalized margin requirements applicable to uncleared swaps and security-based swaps entered into by swap dealers, major swap participants, security-based swap dealers and major security-based swap participants that are regulated by one of the U.S. banking regulators, including the Bank. These margin requirements, which began a progressive entry into effect in September 2016, will require the Bank to post and collect additional, high-quality collateral for certain transactions, which will increase the costs of uncleared swaps and security-based swaps offered by the Bank to its customers who are "U.S. persons" as defined under the rules which apply globally. The U.S. Commodity Futures Trading Commission also finalized rules in 2016 that will require additional interest rate swaps to be cleared, which are expected to come into effect in phases based on the implementation of parallel clearing requirements in non-U.S. jurisdictions and in any event by October 2018, and has also proposed rules that would apply position limits to certain physical commodity swaps. The U.S. Securities and Exchange Commission also finalized rules in 2015 and 2016 regarding the registration of security-based swap dealers and major security-based swap participants, business conduct and trade acknowledgment and verification requirements for such entities, and obligations relating to transparency and mandatory reporting of security-based swap transactions. Further rules and regulations are expected in 2017 to complete this regulatory framework. The scope and timing for the implementation of these requirements, and therefore their impact on the Bank's swap business, is difficult to predict at this stage.

In sum, extensive legislative and regulatory reform in respect of financial institutions has been enacted in recent years and some remains in progress. It is impossible to accurately predict which additional measures will be adopted or to determine the exact content of such measures and, given the complexity and uncertainty of a number of these measures, their ultimate impact on the Bank. The overall effect of these measures, whether already adopted or in the process of being adopted, has been and may further be to restrict the Bank's ability to allocate and apply capital and funding resources, limit its ability to diversify risk, reduce the availability of certain funding and liquidity resources, increase its funding costs, increase the cost for or reduce the demand for the products and services it offers, result in the obligation to carry out internal reorganizations, structural changes or divestitures, affect its ability to conduct (or impose limitations on) certain types of business as currently conducted, limit its ability to attract and retain talent, and, more generally, affect its competitiveness and profitability, which would in turn have an adverse effect on its business, financial condition, and results of operations.

The Bank is subject to extensive and evolving regulatory regimes in the jurisdictions in which it operates.

The Bank faces the risk of changes in legislation or regulation in all of the countries in which it operates, including, but not limited to, the following:

- monetary, liquidity, interest rate and other policies of central banks and regulatory authorities;
- changes in government or regulatory policy that may significantly influence investor decisions, in particular in the markets in which the Group operates;
- changes in regulatory requirements applicable to the financial industry, such as rules relating to applicable governance, remunerations, capital adequacy and liquidity frameworks, restrictions on activities considered as speculative and recovery and resolution frameworks;
- changes in securities regulations as well as in financial reporting, disclosure and market abuse regulations;
- changes in the regulation of certain types of transactions and investments, such as derivatives and securities financing transactions and money market funds;
- changes in the regulation of market infrastructures, such as trading venues, central counterparties, central securities depositories, and payment and settlement systems;
- changes in tax legislation or the application thereof;
- changes in accounting norms;

- changes in rules and procedures relating to internal controls, risk management and compliance;
- expropriation, nationalisation, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership;

These changes, the scope and implications of which are highly unpredictable, could substantially affect the Bank and have an adverse effect on its business, financial condition and results of operations. Some reforms not aimed specifically at financial institutions, such as measures relating to the funds industry or promoting technological innovation (such as open data projects), could facilitate the entry of new players in the financial services sector or otherwise affect the Bank's business model, competitiveness and profitability, which could in turn affect its financial condition and results of operations.

The Bank may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.

The Bank is exposed to regulatory compliance risk, i.e. the failure to comply fully with the laws, regulations, codes of conduct, professional norms or recommendations applicable to the financial services industry. This risk is exacerbated by the adoption by different countries of multiple and occasionally diverging and even conflicting legal or regulatory requirements. Besides damage to the Bank's reputation and private rights of action (including class actions introduced into French law in 2014), non-compliance could lead to material legal proceedings, fines and expenses (including fines and expenses in excess of recorded provisions), public reprimand, enforced suspension of operations or, in extreme cases, withdrawal by the authorities of operating licenses. This risk is further exacerbated by continuously increasing regulatory scrutiny of financial institutions. Moreover, litigation by private parties against financial institutions has substantially increased in recent years. Accordingly, the Bank faces significant legal risk in its business, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms have substantially increased in recent years and may increase further.

In this respect, on 30 June 2014 the Bank entered into a series of agreements with, and was the subject of several orders issued by, U.S. federal and New York state government agencies and regulatory authorities including the U.S. Department of Justice, the New York County District Attorney's Office, the U.S. Attorney's Office for the Southern District of New York, the Board of Governors of the Federal Reserve System, the Office of Foreign Assets Control of the U.S. Department of the Treasury and the New York State Department of Financial Services, in settlement of investigations into violations of U.S. laws and regulations regarding economic sanctions. The fines and penalties imposed on the Bank as part of this settlement included, among other things, the payment of monetary penalties amounting in the aggregate to $8.97 billion (€6.6 billion), guilty pleas by BNP Paribas S.A., the parent company of the BNP Paribas group, to charges of having violated U.S. federal criminal law (conspiracy to violate the Trading with the Enemy Act and the International Emergency Economic Powers Act) and New York State criminal law (conspiracy and falsifying business records), and the suspension of the New York branch of BNP Paribas for (a) a one-year period (2015) of USD direct clearing focused mainly on the Oil & Gas Energy and Commodity Finance business line in certain locations and (b) a two-year period of U.S. dollar clearing as a correspondent bank for unaffiliated third party banks in New York and London. Following this settlement, the Bank remains subject to increased scrutiny by regulatory authorities (including via the presence within the Bank of an independent consultant) who are monitoring its compliance with a remediation plan agreed with them.

The Bank is currently involved in various litigations and investigations as summarized in Note 8.b "Contingent liabilities: legal proceedings and arbitration" to its 2016 consolidated financial statements. It may become involved in further such matters at any point. No assurance can be given that an adverse outcome in one or more of such matters would not have a material adverse effect on the Bank's operating results for any particular period.

Risks Related to the Bank, its Strategy, Management and Operations

Risks related to the implementation of the Bank's strategic plans.

The Bank has announced a certain number of strategic objectives, in particular in a transformation plan for CIB for the 2016-2019 period presented in February 2016 and a strategic plan for the 2017-2020 period presented on 7 February 2017. These plans contemplate a number of initiatives, including the implementation of new customer pathways, the digital transformation of the Bank, continuing to improve operating efficiency and various business development initiatives.

The plans include a number of financial targets and objectives relating to net banking income, operating costs, net income, capital adequacy ratios and return on equity, among other things. These financial targets and objectives were established primarily for purposes of internal planning and allocation of resources, and are based on a number of assumptions with regard to business and economic conditions.

The Bank's actual results could vary significantly from these targets and objectives for a number of reasons, including the occurrence of one or more of the risk factors described elsewhere in this section.

The Bank may experience difficulties integrating acquired companies and may be unable to realise the benefits expected from its acquisitions.

The Bank makes acquisitions on a regular basis. Integrating acquired businesses is a long and complex process. Successful integration and the realisation of synergies require, among other things, proper coordination of business development and marketing efforts, retention of key members of management, policies for effective recruitment and training as well as the ability to adapt information and computer systems. Any difficulties encountered in combining operations could result in higher integration costs and lower savings or revenues than expected. There will accordingly be uncertainty as to the extent to which anticipated synergies will be achieved and the timing of their realisation. Moreover, the integration of the Bank's existing operations with those of the acquired operations could interfere with the respective businesses and divert management's attention from other aspects of the Bank's business, which could have a negative impact on the business and results of the Bank. In some cases, moreover, disputes relating to acquisitions may have an adverse impact on the integration process or have other adverse consequences, including financial ones.

Although the Bank undertakes an in-depth analysis of the companies it plans to acquire, such analyses often cannot be complete or exhaustive. As a result, the Bank may increase its exposure to doubtful or troubled assets and incur greater risks as a result of its acquisitions, particularly in cases in which it was unable to conduct comprehensive due diligence prior to the acquisition.

Intense competition by banking and non-banking operators could adversely affect the Bank's revenues and profitability.

Competition is intense in all of the Bank's primary business areas in France and the other countries in which it conducts a substantial portion of its business, including other European countries and the United States. Competition in the banking industry could intensify as a result of consolidation in the financial services area or as a result of the presence of new players in the payment and the financing services area or the development of crowdfunding. In particular, competitors subject to less extensive regulatory requirements or to less strict capital requirements (e.g., debt funds, shadow banks), or benefiting from economies of scale, data synergies or technological innovation (e.g., internet and mobile operators, fintechs), could be more competitive. If the Bank is unable to respond to the competitive environment in France or in its other major markets by offering attractive and profitable product and service solutions, it may lose market share in key areas of its business or incur losses on some or all of its activities. In addition, downturns in the economies of its principal markets could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for the Bank and its competitors. It is also possible that the presence in the global marketplace of State-owned financial institutions, or financial institutions benefiting from State guarantees or other similar advantages, or the imposition of more stringent requirements (particularly capital requirements and business restrictions) on large or systemically significant financial institutions, could lead to distortions in competition in a manner adverse to large private-sector institutions such as the Bank.

A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect the Bank's results of operations and financial condition.

In connection with its lending activities, the Bank regularly establishes provisions for loan losses, which are recorded in its profit and loss account under "cost of risk". The Bank's overall level of provisions is based on its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans. Although the Bank seeks to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses substantially in the future as a result of deteriorating economic conditions or other causes. Any significant increase in provisions for loan losses or a significant change in the Bank's estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the related provisions, could have a material adverse effect on the Bank's results of operations and financial condition.

The Bank also establishes provisions for contingencies and charges including in particular provisions for litigations. Any loss arising from a risk that has not already been provisioned or that is greater than the amount of the provision would have a negative impact on the Bank's results of operation and, potentially, its financial condition.

The Bank's risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses.

The Bank has devoted significant resources to developing its risk management policies, procedures and assessment methods and intends to continue to do so in the future. Nonetheless, the Bank's risk management techniques and strategies may not be fully effective in mitigating its risk exposure in all economic and market environments or against all types of risk, particularly risks that the Bank may have failed to identify or anticipate. The Bank's ability to assess the creditworthiness of its customers or to estimate the values of its assets may be impaired if, as a result of market turmoil such as that experienced in recent years, the models and approaches it uses become less predictive of future behaviour, valuations, assumptions or estimates. Some of the Bank's qualitative tools and metrics for managing risk are based on its use of observed historical market behaviour. The Bank applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. The process the Bank uses to estimate losses inherent in its credit exposure or estimate the value of certain assets requires difficult, subjective, and complex judgments, including forecasts of economic conditions and how these economic predictions might impair the ability of its borrowers to repay their loans or impact the value of assets, which may, during periods of market disruption, be incapable of accurate estimation and, in turn, impact the reliability of the process. These tools and metrics may fail to predict future risk exposures, e.g., if the Bank does not anticipate or correctly evaluate certain factors in its statistical models, or upon the occurrence of an event deemed extremely unlikely by the tools and metrics. This would limit the Bank's ability to manage its risks. The Bank's losses could therefore be significantly greater than the historical measures indicate. In addition, the Bank's quantified modelling does not take all risks into account. Its more qualitative approach to managing certain risks could prove insufficient, exposing it to material unanticipated losses.

The Bank's hedging strategies may not prevent losses.

If any of the variety of instruments and strategies that the Bank uses to hedge its exposure to various types of risk in its businesses is not effective, the Bank may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if the Bank holds a long position in an asset, it may hedge that position by taking a short position in another asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, the hedge may only be partial, or the strategies used may not protect against all future risks or may not be fully effective in mitigating the Bank's risk exposure in all market environments or against all types of risk in the future.

Unexpected market developments may also reduce the effectiveness of the Bank's hedging strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in the Bank's reported earnings.

Adjustments to the carrying value of the Bank's securities and derivatives portfolios and the Bank's own debt could have an impact on its net income and shareholders' equity.

The carrying value of the Bank's securities and derivatives portfolios and certain other assets, as well as its own debt, in its balance sheet is adjusted as of each financial statement date. Most of the adjustments are made on the basis of changes in fair value of its assets or its debt during an accounting period, with the changes recorded either in the income statement or directly in shareholders' equity. Changes that are recorded in the income statement, to the extent not offset by opposite changes in the value of other assets, affect its consolidated revenues and, as a result, its net income. All fair value adjustments affect shareholders' equity and, as a result, its capital adequacy ratios. The fact that fair value adjustments are recorded in one accounting period does not mean that further adjustments will not be needed in subsequent periods.

The expected changes in accounting principles relating to financial instruments may have an impact on the Bank's balance sheet and regulatory capital ratios and result in additional costs.

In July 2014, the International Accounting Standards Board published International Financial Reporting Standard 9 ("**IFRS 9**") "Financial Instruments", which is set to replace IAS 39 as from 1 January 2018 after its adoption by the European Union. The standard amends and complements the rules on the classification and measurement of financial instruments. It includes a new impairment model based on expected credit losses ("**ECL**"), while the current model is based on provisions for incurred losses, and new rules on general hedge accounting. The new approach based on ECL could result in substantial additional impairment charges for the Bank and add volatility to its regulatory capital ratios, and the costs incurred by the Bank relating to the implementation of such norms may have a negative impact on its results of operations.

The Bank's competitive position could be harmed if its reputation is damaged.

Considering the highly competitive environment in the financial services industry, a reputation for financial strength and integrity is critical to the Bank's ability to attract and retain customers. The Bank's reputation could be harmed if it fails to adequately promote and market its products and services. The Bank's reputation could also be damaged if, as it increases its client base and the scale of its businesses, the Bank's comprehensive procedures and controls dealing with conflicts of interest fail, or appear to fail, to address conflicts of interest properly. At the same time, the Bank's reputation could be damaged by employee misconduct, fraud or misconduct by market participants to which the Bank is exposed, a decline in, a restatement of, or corrections to its financial results, as well as any adverse legal or regulatory action such as the settlement the Bank entered into in with the U.S. authorities for violations of U.S. laws and regulations regarding economic sanctions. Such risks to reputation have recently increased as a result of the growing use of social networks within the economic sphere. The loss of business that could result from damage to the Bank's reputation could have an adverse effect on its results of operations and financial position.

An interruption in or a breach of the Bank's information systems may result in material losses of client or customer information, damage to the Bank's reputation and lead to financial losses.

As with most other banks, the Bank relies heavily on communications and information systems to conduct its business. This dependency has increased with the spread of mobile and online banking services, and the development of cloud computing. Any failure or interruption or breach in security of these systems could result in failures or interruptions in the Bank's customer relationship management, general ledger, deposit, servicing and/or loan organisation systems. The Bank cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. An increasing number of companies (including financial institutions) have in recent years experienced intrusion attempts or even breaches of their information technology security, some of which have involved sophisticated and highly targeted attacks on their computer networks. Because the techniques used to obtain unauthorised access, disable or degrade service, steal confidential data or sabotage information systems have become more sophisticated, change frequently and often are not recognised until launched against a target, the Bank may be unable to anticipate these techniques or to implement in a timely manner effective and efficient countermeasures. Any failures of or interruptions in the Bank's information systems and any subsequent disclosure of confidential information related to any client, counterpart or employee of the Bank (or any other person) or any intrusion or attack against the Bank’s communication system could have an adverse effect on the Bank's reputation, financial condition and results of operations.

Unforeseen external events may disrupt the Bank’s operations and cause substantial losses and additional costs.

Unforeseen events such as an adverse change in the political, military or diplomatic environments, political and social unrest, severe natural disasters, a pandemic, terrorist attacks, military conflicts or other states of emergency could affect the demand for the products and services offered by the Bank, or lead to an abrupt interruption of the Bank’s operations, in France or abroad, and could cause substantial losses that may not necessarily be covered by an insurance policy. Such losses can relate to property, financial assets, trading positions and key employees. Such unforeseen events could also lead to temporary or longer-term business interruption, additional costs (such as relocation of employees affected) and increase the Bank’s costs (particularly insurance premiums)."

AMENDMENTS TO THE TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES

In relation to the amendments to "Terms and Conditions of the English Law Notes" set out in this section text which, by virtue of this First Supplement, is deleted therefrom is shown with a line through the middle of the deleted text.

The Terms and Conditions of the English Law Notes on pages 229 to 287 of the Base Prospectus are amended as follows:

The definition of "**MREL/TLAC Disqualification Event**" in Condition 5(o) on page 277 of the Base Prospectus is amended as follows:

> "**MREL/TLAC Disqualification Event**" means the determination by the Issuer, that as a result of a change in French and/or EU laws or regulations becoming effective on or after the Issue Date of ~~the first Tranche of~~ a Series of Senior Non Preferred Notes, which change was not reasonably foreseeable by the Issuer as at the Issue Date of ~~the first Tranche of~~ the Series, it is likely that all or part of the aggregate outstanding nominal amount of such Series of Notes will be excluded from the eligible liabilities available to meet the MREL/TLAC Requirements (however called or defined by then applicable regulations) if the Issuer is then subject to such requirements, provided that a MREL/TLAC Disqualification Event shall not occur where such Series of Notes is excluded on the basis (1) that the remaining maturity of such Notes is less than any period prescribed by any applicable eligibility criteria under the MREL/TLAC Requirements, or (2) of any applicable limits on the amount of eligible liabilities to meet the MREL/TLAC Requirements.

AMENDMENTS TO THE TERMS AND CONDITIONS OF THE FRENCH LAW NOTES

In relation to the amendments to "Terms and Conditions of the French Law Notes" set out in this section text which, by virtue of this First Supplement, is deleted therefrom is shown with a line through the middle of the deleted text.

The Terms and Conditions of the French Law Notes on pages 288 to 331 of the Base Prospectus are amended as follows:

The definition of "**MRAL/TLAC Disqualification Event**" in Condition 5(n) on page 322 of the Base Prospectus is amended as follows:

> "**MREL/TLAC Disqualification Event**" means the determination by the Issuer, that as a result of a change in French and/or EU laws or regulations becoming effective on or after the Issue Date of ~~the first Tranche of~~ a Series of Senior Non Preferred Notes, which change was not reasonably foreseeable by the Issuer as at the Issue Date of ~~the first Tranche of~~ the Series, it is likely that all or part of the aggregate outstanding nominal amount of such Series of Notes will be excluded from the eligible liabilities available to meet the MREL/TLAC Requirements (however called or defined by then applicable regulations) if the Issuer is then subject to such requirements, provided that a MREL/TLAC Disqualification Event shall not occur where such Series of Notes is excluded on the basis (1) that the remaining maturity of such Notes is less than any period prescribed by any applicable eligibility criteria under the MREL/TLAC Requirements, or (2) of any applicable limits on the amount of eligible liabilities to meet the MREL/TLAC Requirements.

AMENDMENTS TO THE DESCRIPTION OF BNPP INDICES

In relation to the amendments to the rows in the table under the heading "6. Millennium Indices" starting on page 612 of the Base Prospectus set out in this section text which, by virtue of this First Supplement, is added thereto is shown underlined.

The section "Description of BNPP Indices" on pages 590 to 638 of the Base Prospectus is amended as follows:

(a) the following rows on page 615 of the Base Prospectus under the heading "**6. Millennium Indices**" starting on page 612 of the Base Prospectus are amended as follows:

Index Name	Currency	Cash Kind	Min Exposure	Max Exposure	Target Volatility	Bloomberg Code	Cinergy Code
BNP Paribas Multi-Asset Diversified vol 4 EUR Future Index	EUR	ER	0%	150%	4.00%	BNPIMD4F	MD4FER
BNP Paribas Multi-Asset Diversified vol 2 EUR Future Index	EUR	ER	0%	100%	2.00%	BNPIMD2F	MD2FER
BNP Paribas Multi-Asset Diversified vol 8 USD Fx Hedged Future Index	USD	ER	0%	300%	8.00%	BNPID8UF	D8UFER
BNP Paribas Multi-Asset Diversified vol 4 USD Fx Hedged Future Index	USD	ER	0%	150%	4.00%	BNPID4UF	D4UFER
BNP Paribas Multi-Asset Diversified vol 2 USD Fx Hedged Future Index	USD	ER	0%	100%	2.00%	BNPID2UF	D2UFER
BNP Paribas Multi-Asset Diversified vol 10 EUR Future Index	EUR	ER	0%	300%	10.00%	BNPID10F	D10FER

AMENDMENTS TO THE FORM OF FINAL TERMS AND FORM OF FINAL TERMS FOR EXEMPT NOTES

In relation to the amendments to item 71 (Part A – Contractual Terms) in each of the Form of Final Terms for Notes and the Form of Final Terms for Exempt Notes set out in this section: (i) text which, by virtue of this First Supplement, is added thereto is shown underlined, and (ii) text which, by virtue of this First Supplement, is deleted therefrom is shown with a line drawn through the middle of the deleted text.

1. Item 71 (Part A – Contractual Terms) of the Form of Final Terms for Notes, as set out on pages 645 to 701 of the Base Prospectus is amended as follows:

71.	United States Tax Considerations	[*Insert details*]/[Not applicable]/[The Notes are [not] Specified Securities for the purpose of Section 871(m) of the U.S. Internal Revenue Code of 1986.][Additional information regarding the application of Section 871(m) to the Notes will be available at [*give names and address(es)*]. [The Issuer will arrange for withholding under Section 871(m) to be imposed on any dividend equivalent payment at a rate of 30%.]] *(The Notes will not be Specified Securities if they (i) are issued prior to 1 January 2018~~7~~ and provide a return that differs significantly from the return on an investment in the underlying or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Notes are issued on or after 1 January 2018~~7~~ and reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities, further analysis would be required. If the Notes are Specified Securities, include the "Additional information" sentence and provide the appropriate contact information.)*

2. Item 71 (Part A – Contractual Terms) of the Form of Final Terms for Exempt Notes, as set out on pages 702 to 753 of the Base Prospectus is amended as follows:

71.	United States Tax Considerations	[*Insert details*]/[Not applicable]/[The Notes are [not] Specified Securities for the purpose of Section 871(m) of the U.S. Internal Revenue Code of 1986.] [Additional information regarding the application of Section 871(m) to the Notes will be available at [*give names and address(es)*]. [The Issuer will arrange for withholding under Section 871(m) to be imposed on any dividend equivalent payment at a rate of 30%.]] *(The Notes will not be Specified Securities if they (i) are issued prior to 1 January 2018~~7~~ and provide a return that differs significantly from the return on an investment in the underlying or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Notes are issued on or after 1 January 2018~~7~~ and reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities, further analysis would be required. If the Notes are Specified Securities, include the "Additional information" sentence and provide the appropriate contact information.)*

AMENDMENTS TO THE TAXATION SECTION

In relation to the amendments to the paragraphs under the sub-section "Belgian Income Tax" under the heading "Belgian Taxation" in the Taxation section starting on page 760 and ending on page 763 of the Base Prospectus set out in this section: (i) text which, by the virtue of this First Supplement, is deleted in "Belgian Income Tax" is shown with a line drawn through the middle of the deleted text, and (ii) text which by virtue of this First Supplement is added to "Belgian Income Tax" is shown underlined.

The Belgian Taxation section on pages 760 to 764 of the Base Prospectus is amended as follows:

1. The paragraphs under the sub-section "**Belgian Income Tax**" on pages 760 to 763 of the Base Prospectus are amended as follows:

(a) The second and third paragraphs under the sub-heading "*Belgian resident individual investors*" under the sub-section "**2.** "**Repayment or redemption by the Issuer**" are amended as follows:

Payments of interest on the Structured Notes made through a paying agent in Belgium will in principle be subject to a ~~27~~ 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Structured Notes in their personal income tax return, provided Belgian withholding tax was levied on these interest payments.

Nevertheless, Belgian resident individuals may elect to declare interest on the Structured Notes in their personal income tax return. Also, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return. Interest income which is declared this way will in principle be taxed at a flat rate of ~~27~~ 30 per cent. (or at the relevant progressive personal income tax rate(s), taking into account the taxpayer's other declared income, whichever is more beneficial) and no local surcharges will be due. The Belgian withholding tax levied may be credited against the income tax liability.

(b) The third paragraph under the sub-heading "*Belgian resident corporate investors*" under the sub-section "**2.** "**Repayment or redemption by the Issuer**" is amended as follows:

Interest payments on the Structured Notes made through a paying agent in Belgium are in principle be subject to a ~~27~~ 30 per cent. withholding tax, but can under certain circumstances be exempt from Belgian withholding tax, provided that certain formalities are complied with. For zero or capitalisation bonds, an exemption will only apply if the Belgian company and the Issuer are associated companies within the meaning of article 105, 6° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code of 1992. The withholding tax that has been levied is creditable in accordance with the applicable legal provisions.

(c) The second and third paragraphs under sub-heading "*Other Belgian legal entities*" under the sub-section "**2.** "**Repayment or redemption by the Issuer**" are amended as follows:

Payments of interest on the Structured Notes made through a paying agent in Belgium will in principle be subject to a ~~27~~ 30 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the deduction and payment of the ~~27~~ 30 per cent. withholding tax.

(d) The second and third paragraphs under the sub-heading "*Belgian resident individual investors*) under the sub-section "**4.** "**Other Notes**" are amended as follows:

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a ~~27~~ 30 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). The Belgian withholding tax constitutes the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Notes in their personal income tax return, provided Belgian withholding tax was levied on these interest payments.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent, the interest received (after deduction of any non-Belgian withholding tax) must be declared in the personal income tax return and will be taxed at a flat rate of ~~27~~ 30 per cent.

(e) The fifth paragraph under the sub-heading "*Belgian resident individual investors*" under the sub-section "**4.** "**Other Notes**" is deleted in its entirety.

(f) The second and third paragraphs under the sub-heading "*Other Belgian legal entities*" under the sub-section "**4.** "**Other Notes**" are amended as follows:

Payments of interest on the Notes made through a paying agent in Belgium will in principle be subject to a ~~27~~ 30 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium without the intervention of a Belgian paying agent and without the deduction of Belgian withholding tax, the legal entity itself is responsible for the declaration and payment of the ~~27~~ 30 per cent. withholding tax.

2. The first paragraph under the sub-section "**Tax on stock exchange transactions**" on page 763 of the Base Prospectus is deleted in its entirety and replaced with the following:

"The sale and acquisition of the Notes on the secondary market is subject to the Belgian tax on stock exchange transactions ("*Taxe sur les operations de bourse*/*Taks op de beursverrichtingen*") if (i) executed in Belgium through a professional intermediary, or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium.

The tax is generally due at a rate of 0.09% for Notes, on each sale and acquisition separately, with a maximum of EUR 1,300 per taxable transaction. A separate tax is due by each party to the transaction, and both taxes are collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the ordering private individual or legal entity, unless that individual or entity can demonstrate that the tax has already been paid. Professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian representative for tax purposes, which will liable for the tax on stock exchange transactions in respect of the transactions executed through the professional intermediary."

AMENDMENTS TO THE HIRING INCENTIVES TO RESTORE EMPLOYMENT ACT SECTION

In relation to the amendments to the section titled "Hiring Incentives to Restore Employment Act" set out in this section: (i) text which, by the virtue of this First Supplement, is added thereto, is shown underlined, and (ii) text which, by the virtue of this First Supplement, is deleted therefrom, is shown with a line through the middle of the deleted text.

The "Hiring Incentives to Restore Employment Act" section on page 792 of the Base Prospectus is amended as follows:

The U.S. Hiring Incentives to Restore Employment Act introduced Section 871(m) of the U.S. Internal Revenue Code of 1986 (the "**Code**") which treats a "dividend equivalent" payment as a dividend from sources within the United States. Under Section 871(m), such payments generally would be subject to a 30 per cent. U.S. withholding tax that may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the U.S. Internal Revenue Service (the "**IRS**"). A "**dividend equivalent**" payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) and (ii). Recently published final U.S. Treasury regulations issued under Section 871(m) (<u>together with any amendments or official guidance relating thereto, </u>the **Section 871(m) Regulations**) will, when effective, require withholding on certain non-U.S. holders of Notes with respect to amounts treated as attributable to dividends from certain U.S. securities. Under the Section 871(m) Regulations, only a Note that has an expected economic return sufficiently similar to that of the underlying U.S. security, as determined on the Note's issue date based on tests set forth in the Section 871(m) Regulations, will be subject to the Section 871(m) withholding regime (making such Note a **Specified Security**). The Section 871(m) Regulations provide certain exceptions to this withholding requirement, in particular for instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will generally be required when cash payments are made on a Specified Security or upon the date of maturity, lapse or other disposition by the non-U.S. holder of the Specified Security. If the underlying U.S. security or securities are expected to pay dividends during the term of the Specified Security, withholding generally will still be required even if the Specified Security does not provide for payments explicitly linked to dividends. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld.

The Section 871(m) Regulations generally apply to Specified Securities issued on or after 1 January 2017. If the terms of a Note are subject to a "significant modification" (as defined for U.S. tax purposes), the Note generally would be treated as retired and reissued on the date of such modification for purposes of determining, based on economic conditions in effect at that time, whether such Note is a Specified Security.<u> Similarly, if additional Notes of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Notes out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Notes are Specified Securities as the date of such subsequent sale or issuance. </u> Consequently, a previously grandfathered Note, or otherwise out of scope Note, might become a Specified Security following such modification<u> or further issuance</u>.

The applicable Final Terms will indicate whether the Issuer has determined that Notes are Specified Securities and will specify contact details for obtaining additional information regarding the application of Section 871(m) to such Notes. If Notes are Specified Securities, a non-U.S. holder of such Notes should expect to be subject to withholding in respect of any dividend-paying U.S. securities underlying those Notes. The Issuer's determination is binding on non-U.S. holders of the Notes, but it is not binding on the IRS. The Section 871(m) Regulations require complex calculations to be made with respect to Notes linked to U.S. securities and their application to a specific issue of Notes may be uncertain. Prospective investors should consult their tax advisers regarding the potential application of Section 871(m) to the Notes.

<u>If so specified in the Final Terms, the Issuer will arrange for withholding under Section 871(m) to be imposed on any dividend equivalent payment at a rate of 30 per cent.</u>

AMENDMENTS TO THE GENERAL INFORMATION SECTION

The General Information Section on pages 807 to 811 of the Base Prospectus is amended as follows:

(a) the table under the sub-section "17. Capitalization of BNPP and the BNP Paribas Group" is deleted in its entirety and replaced with the following:

Millions of Euros	**BNP PARIBAS GROUP** 31 December 2015 **(audited)**	**BNP PARIBAS GROUP** 31 December 2016 **(unaudited)**
Medium - and Long-Term Debt of which unexpired term to maturity is more than one year		
Debt securities at fair value through profit or lost	34,889	36,215
Other debt securities	65,756	58,205
Subordinated debt	12,070	12,341
Total Medium - and Long-Term Debt............	**112,715**	**106,761**
Shareholders' Equity and Equivalents		
Issued Capital	2,493	2,494
Additional paid-in capital..................................	24,404	24,454
Preferred shares and equivalent instruments……………..	7,855	8,430
Retained earnings	51,906	55,754
Unrealised or deferred gains and losses attributable to shareholders	6,736	6,169
Undated participating subordinated notes	222	222
Undated Subordinated FRNs..........................	1,811	1,789
Total Shareholders' Equity and Equivalents	**95,427**	**99,312**
Minority Interest...	3,719	4,431

Total Capitalization and Medium to Long Term Indebtedness	**211,861**	**210,504**

(b) by the insertion of a new sub-section immediately beneath the sub-section "18. Events impacting the solvency of BNPP" as follows:

"19. Declaration concerning the unaudited results of BNP Paribas for the periods ending 31 December 2016

The statutory auditors have audited the financial statements of BNP Paribas for the years ended 31 December 2014 and 31 December 2015. They have also reviewed the condensed interim consolidated financial statements of BNP Paribas as of and for the six month period ended 30 June 2016. The French statutory auditors carry out their engagements in accordance with professional standards applicable in France.

In relation to the press release published by BNP Paribas on 7 February 2017 on its 2016 annual results and fourth quarter 2016 results, in application of the paragraph 8.2 of the ANNEX XI to the COMMISSION REGULATION (EC) N° 809/2004, BNPP has made the following statements:

(a) BNP Paribas approves this information;

(b) the statutory auditors have agreed that this information is substantially consistent with the final figures to be published in the next annual audited financial statements;

(c) this financial information has not been audited."

RESPONSIBILITY STATEMENT

I hereby certify, having taken all reasonable care to ensure that such is the case that, to the best of my knowledge, the information contained in this First Supplement is in accordance with the facts and contains no omission likely to affect its import.

BNP Paribas
16 boulevard des Italiens
75009 Paris
France

Represented by Alain Papiasse

in his capacity as Deputy Chief Operating Officer, North America, Corporate and Institutional Banking

Dated 8 February 2017

In accordance with Articles L. 412-1 and L. 621-8 of the French *Code monétaire et financier* and with the General Regulations (*Règlement général*) of the French *Autorité des marchés financiers* ("**AMF**"), in particular Articles 211-1 to 216-1, the AMF has granted to this First Supplement the visa n°17-055 on 8 February 2017. This First Supplement has been prepared by BNP Paribas and its signatories assume responsibility for it. This First Supplement and the Base Prospectus may only be used for the purposes of a financial transaction if completed by Final Terms. In accordance with Article L. 621-8-1-I of the French *Code monétaire et financier*, the *visa* has been granted following an examination by the AMF of "whether the document is complete and comprehensible, and whether the information in it is coherent". The *visa* does not imply that the AMF has verified the accounting and financial data set out in this First Supplement and it does not mean that any financial transactions that may be issued pursuant to the Base Prospectus (as amended by this First Supplement) have been granted approval by the AMF. This *visa* has been granted subject to the publication of Final Terms in accordance with Article 212-32 of the AMF's General Regulations, setting out the terms of the securities being issued.