

SUPPLEMENT NO. 2 TO THE BASE PROSPECTUS DATED MAY 13, 2015 AS SUPPLEMENTED BY THE PROSPECTUS SUPPLEMENT DATED MAY 4, 2016 AND THE PROSPECTUS SUPPLEMENT NO.1 DATED DECEMBER 9, 2016



BNP PARIBAS

Up to U.S.\$30,000,000,000

BNP PARIBAS

(as Issuer)

3(a)2, 144A and Reg. S Notes

3(a)(2) Notes Guaranteed by

BNP PARIBAS, NEW YORK BRANCH

Supplement No. 2

to the Base Prospectus dated May 13, 2015

as supplemented by the Prospectus Supplement dated May 4, 2016

and the Prospectus Supplement No.1 dated December 9, 2016

This prospectus supplement (the “**Prospectus Supplement**”) should be read in conjunction with the base prospectus dated May 13, 2015, as amended by the prospectus supplement dated May 4, 2016 and the prospectus supplement No.1 dated December 9, 2016 (together, the “**Base Prospectus**”), prepared in connection with the \$30,000,000,000 U.S. Medium-Term Note Program of BNP Paribas. All capitalized terms not defined herein shall have the meanings given to them in the Base Prospectus.

This Prospectus Supplement has been prepared for the purposes of incorporating by reference certain documents into the prospectus supplement dated May 4, 2016 and updating the section entitled “Table of Capitalization and Medium-To-Long Term Indebtedness” of the prospectus supplement dated May 4, 2016.

The provisions of this Prospectus Supplement supersede those of the Base Prospectus in the event and to the extent of any inconsistency.

Prospectus Supplement dated February 21, 2017

DOCUMENTS DEEMED TO BE INCORPORATED BY REFERENCE

The following documents shall be deemed incorporated by reference into the prospectus supplement dated May 4, 2016, in each case as published on the Bank's website at <https://invest.bnpparibas.com/en/results> (except for item (iv) which will be available at <https://invest.bnpparibas.com/en/results> until it is replaced by the Bank's audited consolidated financial statements for the year ended December 31, 2016 as from the date of their publication by the Bank at <https://invest.bnpparibas.com/en/results> and item (v) which will be available on a stand-alone basis at <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> until its incorporation into the English version of the Bank's 2016 Registration Document, which, upon its publication by the Bank, will also be available at <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports>):

- (i) the English version of the press release entitled "2016 Full Year Results" dated as of February 7, 2017;
- (ii) the English version of the slide presentation entitled "BNP Paribas 2016 Full Year Results" dated as of February 7, 2017;
- (iii) the English version of the spreadsheet entitled "Fourth Quarter 2016 Results" (Quarterly Series) dated as of February 7, 2017;
- (iv) the English version of the Bank's unaudited consolidated financial statements for the year ended December 31, 2016 dated as of February 7, 2017; and
- (v) the English version of the document entitled "Risk factors" dated as of February 7, 2017.

Notwithstanding the foregoing, the quantitative financial projections, targets or objectives included in certain of the foregoing documents, in particular as set out below, shall not be deemed incorporated into the prospectus supplement dated May 4, 2016:

- (i) in the English version of the press release entitled "2016 Full Year Results" dated as of February 7, 2017:
 - page 2, fifth paragraph: average annual growth of net income target;
 - page 4, ninth paragraph: average annual growth of net income target and return on equity target;
 - page 20, third paragraph: annual revenue growth target and return on equity target;
 - page 20, fourth paragraph: annual average growth of net income target;
 - page 21, first paragraph: average annual revenue growth, cost/income ratio target and return on equity target of Domestic Markets;
 - page 21, second paragraph: average annual revenue growth, cost/income ratio target and return on equity target of International Financial Services;

- page 21, third paragraph: average annual revenue growth, cost/income ratio target and return on equity target of Corporate and Institutional Banking;
- (ii) in the English version of the slide presentation entitled “BNP Paribas 2015 Full Year Results” dated as of February 5, 2016:
- slide 47: main financial targets (revenues, cost/income ratio and RONE);
 - slide 49: main financial targets (revenues, cost/income ratio and RONE);
 - slide 51: main financial targets (revenues, cost/income ratio and RONE);
 - slide 52: group’s 2020 business development cost/income ratio, return on equity, dividend growth, pay-out ratio and net income targets;

Unless otherwise explicitly incorporated by reference into the prospectus supplement dated May 4, 2016 pursuant to this prospectus supplement, the information contained on the website of the Bank shall not be deemed incorporated by reference into the prospectus supplement dated May 4, 2016.

TABLE OF CAPITALIZATION AND MEDIUM-TO-LONG TERM INDEBTEDNESS

The following table sets forth the consolidated capitalization and medium-to-long term indebtedness of the Group as of December 31, 2016 and December 31, 2015.

Except as set forth in this section, there has been no material change in the capitalization of the Group since December 31, 2016.

<i>(in millions of euros)</i>	<u>As of December 31, 2016</u> <i>(unaudited)</i>	<u>As of December 31, 2015</u> <i>(audited)</i>
Medium- and Long-Term Debt (of which the unexpired term to maturity is more than one year)¹		
Debt securities at fair value through profit or loss	36,215	34,889
<i>Senior Preferred</i>	36,215	34,889
<i>Senior Non-Preferred</i>	-	-
Other debt securities	58,205	65,756
Subordinated debt	12,341	12,070
Total Medium- and Long-Term Debt	106,761	112,715
Shareholders' Equity and Equivalent		
Issued capital ²	2,494	2,493
Additional paid-in capital	24,454	24,404
Preferred shares and equivalent instruments ³	8,430	7,855
Retained earnings	55,754	51,906
Unrealized or deferred gains and losses attributable to Shareholders	6,169	6,736
Undated participating subordinated notes ⁴	222	222
Undated subordinated FRNs ⁵	1,789	1,811
Total Shareholders' Equity and Equivalent	99,312	95,427
Minority interests	4,431	3,719
Total Capitalization and Medium-to-Long Term Indebtedness	210,504	211,861

Notes:

1) Medium- and long-term debt does not include the following items: interbank items and customer term deposits. All medium- and long-term senior debt of the Issuer ranks equally with deposits. The subordinated debt of the Issuer is subordinated to all other debt with the exception of undated participating subordinated notes (*titres participatifs*). The Issuer and its subsidiaries issue medium- to long-term debt on a continuous basis, particularly through private placements in France and abroad.

Euro against foreign currency as at December 31, 2014, CAD = 1.405, GBP = 0.777, CHF = 1.203, HKD = 9.385, JPY = 145.079, USD = 1.210

Euro against foreign currency as at December 31, 2015, CAD = 1.503, GBP = 0.738, CHF = 1.086, HKD = 8.425, JPY = 130.642, USD = 1.087

Euro against foreign currency as at December 31, 2016, CAD = 1.415, GBP = 0.855, CHF = 1.072, HKD = 8.170, JPY = 122.984, USD = 1.053

2) At December 31, 2016, the Issuer's share capital stood at €2,494,005,306 divided into 1,247,002,653 shares with a par value of €2 each. The Issuer's share capital was modified following a reduction in capital through the cancellation of 65,000 treasury shares on December 16, 2016.

3) In October 2005, BNP Paribas issued \$400 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 6.25% per annum. As from October 17, 2011, BNP Paribas may redeem the notes at par on each interest payment date.

In October 2005, BNP Paribas issued €1 billion of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 4.875% per annum. As from October 17, 2011, BNP Paribas may redeem the notes at par on each interest payment date.

In April 2006, BNP Paribas issued €750 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 4.73% per annum from and including April 12, 2006 to but excluding April 12, 2016, payable annually in arrears on a non-cumulative basis on April 12 of each year, commencing on April 12, 2007, and thereafter at a floating rate equal to three-month EURIBOR plus a margin equal to 1.69% per annum, payable quarterly in arrears on January 12, April 12, July 12 and October 12 of each year commencing on July 12, 2016. In the fourth quarter of 2011, the Issuer launched a cash tender offer for these notes. Following completion of this tender offer, €549 million of the notes remain outstanding. On April 12, 2016, BNP Paribas redeemed the remaining outstanding notes of this issue for a total amount of €549 million at the first call date. These notes paid a 4.73% fixed-rate coupon.

Also in April 2006, BNP Paribas issued £450 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 5.945% per annum from and including April 19, 2006 to but excluding April 19, 2016, payable annually in arrears on a non-cumulative basis on April 19 of each year, commencing on April 19, 2007, and thereafter at a floating rate equal to three-month GBP LIBOR plus a margin equal to 1.13% per annum, payable quarterly in arrears on January 19, April 19, July 19 and October 19 of each year commencing on July 19, 2016. On April 19, 2016, BNP Paribas redeemed these undated deeply subordinated non-cumulative notes for a total amount of £450 million at the first call date. These notes paid a 5.945% fixed-rate coupon.

In July 2006, BNP Paribas issued €150 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 5.45% per annum from and including July 13, 2006 to but excluding July 13, 2026, payable annually in arrears on a non-cumulative basis on July 13, 2007, and thereafter at a floating rate equal to three-month EURIBOR plus a margin equal to 1.92% per annum, payable quarterly in arrears on January 13, April 13, July 13 and October 13 of each year commencing on October 13, 2026.

Also in July 2006, BNP Paribas issued £325 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 5.954% per annum from and including July 13, 2006 to but excluding July 13, 2016, payable annually in arrears on a non-cumulative basis on July 13 of each year, commencing on July 13, 2007, and thereafter at a floating rate equal to three-month GBP LIBOR plus a margin equal to 1.81% per annum, payable quarterly in arrears on January 13, April 13, July 13 and October 13 of each year commencing on October 13, 2016. In the fourth quarter of 2011, the Issuer launched a cash tender offer for these notes. Following completion of this tender offer, £163 million of the notes remain outstanding. On July 13, 2016, BNP Paribas redeemed the remaining outstanding notes of this issue for a total amount of £163 million at the first call date. These notes paid a 5.954% fixed-rate coupon.

In April 2007, BNP Paribas issued €750 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 5.019% per annum from and including April 13, 2007 to but excluding April 13, 2017, payable annually in arrears on a non-cumulative basis on April 13 of each year, commencing on April 13, 2008, and thereafter at a floating rate equal to three-month EURIBOR plus a margin equal to 1.72% per annum, payable quarterly in arrears on January 13, April 13, July 13 and October 13 of each year commencing on July 13, 2017. In the fourth quarter of 2011, the Bank launched a cash tender offer for these notes. Following completion of this tender offer, €638 million of the notes remain outstanding.

In June 2007, BNP Paribas issued \$600 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 6.500% payable quarterly in arrears for a period of five years. As from June 2012, BNP Paribas may redeem the notes at par on each interest payment date.

In June 2007, BNP Paribas issued \$1,100 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 7.195% payable semi-annually for a period of thirty years. Thereafter, BNP Paribas may

redeem the notes at par on each interest payment date and until redeemed the notes will pay interest indexed to three-month USD LIBOR plus a margin equal to 1.29% per annum.

In October 2007, BNP Paribas issued £200 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 7.436% per annum for a period of ten years. Thereafter, BNP Paribas may redeem the notes at par on each interest payment date and until redeemed the notes will pay interest indexed to three-month GBP LIBOR plus a margin equal to 1.85% per annum.

In June 2008, BNP Paribas issued €500 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 7.781% per annum for a period of ten years. Thereafter, BNP Paribas may redeem the notes at par on each interest payment date and until redeemed the notes will pay interest indexed to three-month EURIBOR plus a margin equal to 3.75% per annum.

In September 2008, BNP Paribas issued €100 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 7.57% per annum for a period of ten years. Thereafter, BNP Paribas may redeem the notes at par on each interest payment date and until redeemed the notes will pay interest indexed to three-month EURIBOR plus a margin equal to 3.925% per annum.

In December 2009, BNP Paribas issued €2 million of undated deeply subordinated non-cumulative notes. They bear interest at a floating rate equal to three-month EURIBOR plus a margin equal to 3.75% per annum, payable quarterly in arrears for a period of ten years. As from December 2019, BNP Paribas may redeem the notes at par on each interest payment date and until redeemed the notes will pay interest indexed to three-month EURIBOR plus a margin equal to 4.75% per annum.

In December 2009, BNP Paribas issued €17 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 7.028% per annum for a period of ten years. As from December 2019, BNP Paribas may redeem the notes at par on each interest payment date and until redeemed the notes will pay interest indexed to three-month EURIBOR plus a margin equal to 4.75% per annum.

In December 2009, BNP Paribas issued \$70 million of undated deeply subordinated non-cumulative notes. They bear interest at a floating rate equal to three-month USD LIBOR plus a margin equal to 3.750% per annum, payable quarterly in arrears for a period of ten years. As from December 2019, BNP Paribas may redeem the notes at par on each interest payment date and until redeemed the notes will pay interest indexed to three-month USD LIBOR plus a margin equal to 4.75% per annum.

In December 2009, BNP Paribas issued \$0.5 million of undated deeply subordinated non-cumulative notes. They bear interest at a fixed rate of 7.384% per annum for a period of ten years. As from December 2019, BNP Paribas may redeem the notes at par on each interest payment date and until redeemed the notes will pay interest indexed to three-month USD LIBOR plus a margin equal to 4.75% per annum.

On June 17, 2015, BNP Paribas issued Perpetual Fixed Rate Resettable Additional Tier 1 Notes for an amount of EUR 750 million, which pay a 6.125% fixed rate coupon. The notes are redeemable after seven years. If not, a five-year euro swap rate coupon will be paid half-yearly plus a margin equal to 5.230%.

On August 19, 2015, BNP Paribas issued Perpetual Fixed Rate Resettable Additional Tier 1 Notes for an amount of USD 1,500 million which pay a 7.375% fixed-rate coupon. The notes are redeemable after ten years. If not, a five-year dollar swap rate coupon will be paid half-yearly plus a margin equal to 5.150%.

On March 30, 2016, BNP Paribas issued Perpetual Fixed Rate Resettable Additional Tier 1 Notes for an amount of USD 1,500 million which pay a 7.625% fixed-rate coupon. The notes are redeemable after five years. If not, a five-year dollar swap rate coupon will be paid half-yearly plus a margin equal to 6.314%.

On December 14, 2016, BNP Paribas issued Perpetual Fixed Rate Resettable Additional Tier 1 Notes for an amount of USD 750 million which pay a 6.750% fixed-rate coupon. The notes are redeemable after five years and 3 months. If not, a five-year dollar swap rate coupon will be paid half-yearly plus a margin equal to 4.916%.

4) Undated participating subordinated notes issued by BNP SA in September 1984 for a total amount of €337 million are redeemable only in the event of the liquidation of the Issuer, but may be redeemed in accordance with the terms specified in the French law of January 3, 1983. Under this option, 32,000 of the 2,212,761 notes originally issued were redeemed and subsequently cancelled in 2012. Payment of interest is obligatory, but the

Board of Directors may postpone interest payments if the Ordinary General Meeting of shareholders held to approve the financial statements notes that there is no income available for distribution.

5) Subordinated debt comprises an issue of Convertible And Subordinated Hybrid Equity-linked Securities (CASHES) made by Fortis Bank SA/NV (now acting in Belgium under the commercial name BNP Paribas Fortis) in December 2007, for a nominal amount of €3 billion and a market value of €780 million at December 31, 2014. They bear interest at a floating rate equal to three-month EURIBOR plus a margin equal to 2% paid quarterly in arrears. The CASHES are undated but may be exchanged for Ageas (previously Fortis SA/NV) shares at the holder's sole discretion at a price per Ageas share of €239.40. However, as of 19 December 2014, the CASHES are subject to automatic exchange into Ageas shares if the price of Ageas shares is equal to or higher than €359.10 for twenty consecutive trading days. The principal amount will never be redeemed in cash. The rights of CASHES holders are limited to the Ageas shares held by BNP Paribas Fortis and pledged to them.

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

On May 7, 2015, BNP Paribas and Ageas reached a new agreement which allows BNP Paribas to purchase outstanding CASHES subject to the condition that these are converted into Ageas shares, leading to a proportional settlement of the RPN. The agreement between Ageas and BNP Paribas will expire by year-end 2016.

On July 24, 2015, BNP Paribas obtained a prior agreement from the European Central Bank permitting it to purchase outstanding CASHES up to a nominal amount of €200 million. During the first half of 2016, BNP Paribas used such agreement to purchase €164 million outstanding CASHES, of which €124 million were converted into Ageas shares.

On July 8, 2016, BNP Paribas obtained a new agreement from the European Central Bank which superseded the prior agreement permitting it to purchase outstanding CASHES up to a nominal amount of €200 million.

As at 31 December 2016, the subordinated liability is eligible to Tier 1 capital for EUR 162 million (considering both the transitional period and this agreement).

On January 25, 2012, the Issuer, Ageas and Fortis Bank SA/NV signed an agreement concerning partial settlement of the RPN and RPN(i) (by means of the acquisition of CASHES by the Bank through a tender offer and their subsequent exchange for the underlying Fortis Units) and the redemption by Fortis Bank SA/NV of the outstanding Redeemable Perpetual Cumulative Coupon Debt Securities (ISIN BE0117584202) issued by Fortis Bank SA/NV in 2001 for a nominal amount of €1,000 million (recognized as debt at amortized cost), of which Ageas held €953 million. The parties agreed that the Issuer would launch a cash offer for the CASHES, and that, in a second step, the Bank would convert the CASHES acquired into underlying Fortis Units, with an undertaking not to sell them for a period of six months. The Issuer would further receive a compensation from Ageas and Fortis Bank, and the RPN and RPN (i) mechanism would automatically cease to apply proportionally to the CASHES converted. The Issuer announced on January 31, 2012 that the offer had closed on January 30 with a success rate of 63% at a price of 47.5% of the principal amount per CASHES. As a result, on February 2, 2012, the Issuer acquired 7,553 CASHES, which it exchanged for 78,874,241 Fortis Units on February 6, 2012.

As at 31 December, 2016, the remaining subordinated debt included €514 million of undated floating-rate subordinated notes (TSDIs) and €1,113 million of other undated subordinated notes.



BNP PARIBAS