

# BNP Paribas Fortis Industrial Plan

December 1<sup>st</sup>, 2009, Brussels



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world

# Strategic Rationale and Synergies

Jean-Laurent Bonnafé  
December 1<sup>st</sup>, 2009, Brussels



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world

# Presentation Overview



## 1. Strategic Rationale of the Acquisition

---

## 2. Synergies and Restructuring Costs

---

## 3. Integration Process



# Presentation Overview



## 1. Strategic Rationale of the Acquisition

---

## 2. Synergies and Restructuring Costs

---

## 3. Integration Process



# Fortis Bank Profile (1/2)



## Transaction scope

- 75% control of BNP Paribas Fortis (ex-Fortis Bank)
- 66%\* control of BGL BNP Paribas (ex-BGL)
- 25% stake in AG Insurance (ex-Fortis Insurance Belgium)

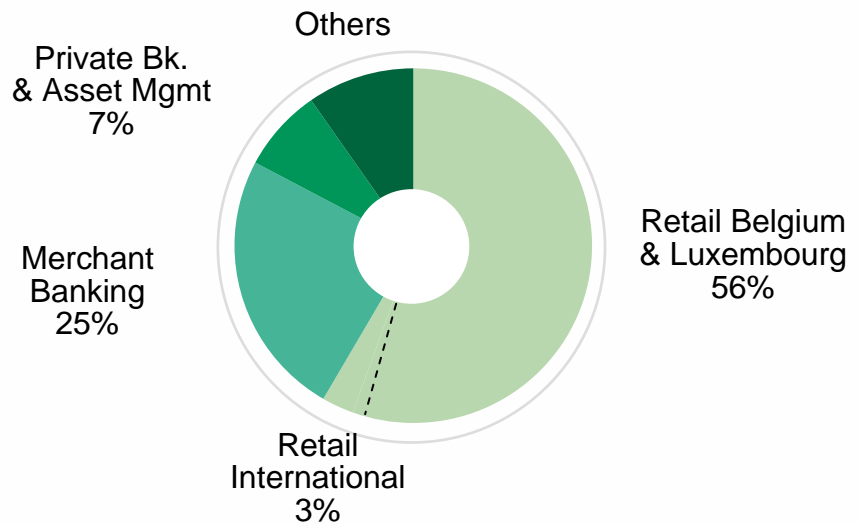
## Leading Retail Bank in Belgium and Luxembourg

- 1,100 branches and 3.9mn customers, in 2 wealthy countries
- Leading market positions: #1 in retail deposits and #2 in consumer loans
- Strong liquidity profile: L/D ratio; 109% for Fortis Bank as a whole

## Poland & Turkey

- Established positions in countries with large domestic and foreign trade markets

Deposits: €147bn  
(in % as at 30.09.09)



**High quality domestic retail franchises**

\* 50% through BNP Paribas Fortis and 16% directly



**BNP PARIBAS  
FORTIS**

The bank for a changing world

Strategic Rationale and Synergies | 01.12.09 |

4

# Fortis Bank Profile (2/2)



## Asset Management, Private Banking and Securities Services

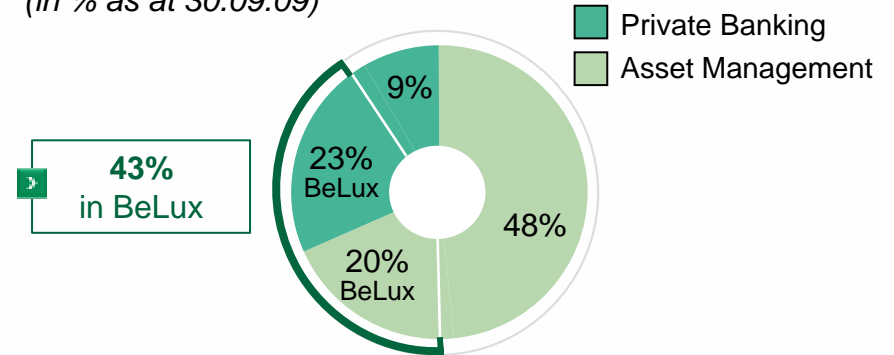
- Fortis Investments client base and teams
- Private Banking footprint
- BGL leading position in Luxembourg for Securities Services

## Merchant Banking

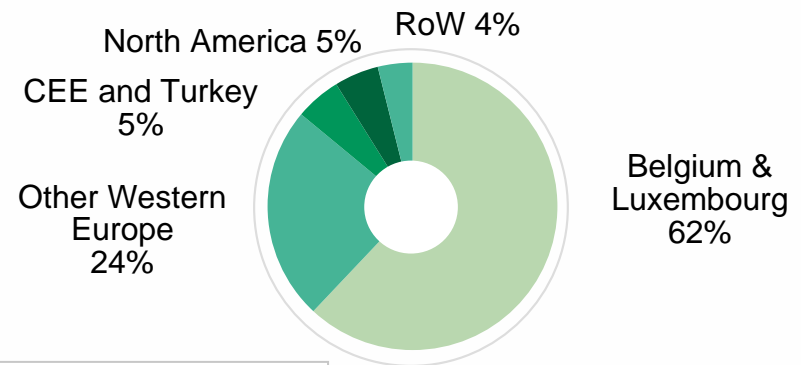
- #1 in Belgium, focused on
  - Financing: Structured Finance, Trade Finance, Leasing, Energy, Transportation
  - Capital Markets: Fixed Income (rates, forex), Equity (cash and derivatives), Corporate Finance, Commodities
- European Business Centres network

**Strong BeLux client base**

➤ **Assets under Management: €238bn**  
(in % as at 30.09.09)



➤ **Loan Portfolio: €160bn**  
(in % as at 30.09.09)



# Strategic Rationale for BNP Paribas



## Extend domestic and European retail presence

- Roll out BNP Paribas' integrated business model in BeLux
- Strengthen Group's position in its domestic franchises
- Poland and Turkey: complement Group's footprint

## Quantum leap in Asset Gathering

- Enter top 5 position in European Asset Management
- Become #1 Private Bank in the Eurozone (#7 Worldwide)
- Reach #1 position in Luxembourg for Custody and Fund Services

## CIB franchises reinforced

- Leverage Belgian corporate client base and CIB products
- Combine European network for Corporate & Transaction Banking
- Merge activities in US, UK & Asia

**> Fully consistent with BNP Paribas' development strategy**





# BNP Paribas Fortis Strategy for the Future\*



## Secure BNP Paribas Fortis

Stabilise funding  
Reduce most risky activities  
Exit non strategic activities and geographies

## Refocus BNP Paribas Fortis on core businesses

Leader in two domestic markets at the heart of Europe: Belgium and Luxembourg

Establish BNP Paribas Fortis as the #1 Belgian Bank with an international dimension

- Set up Corporate and Transaction Banking Europe (CTBE) network
- Provide access to global CIB offer and network

Capitalise on future growth platforms: Poland and Turkey

Create European or global Competence Centres,  
to support the enlarged BNP Paribas Group

## Join forces with BNP Paribas

Create European leaders in Asset Management and Leasing

*\*The integration plan will be gradually implemented, which will include the information, consultation and / or approval of different stakeholders. These may include, among others, governance bodies (e.g., the Boards of Directors), the social bodies (e.g., unions or employees representatives) and regulators (e.g., CB, CBFA or CSSF).*





# BNP Paribas Fortis Scope Changes\*



## Secure BNP Paribas Fortis

- Risks from structured assets strongly reduced
- Sale of UK, US and Asian activities to BNP Paribas
- Sale of French and Italian retail businesses to BNP Paribas and BNL Spa

## Refocus BNP Paribas Fortis on core businesses

- Sale of BNP Paribas Belgium and Luxembourg to BNP Paribas Fortis and BGL BNP Paribas
- Creation of #1 Private Bank in Luxembourg

## Join forces with BNP Paribas

- Fortis Investments merged with BNP Paribas Investment Partners: 33% held by BNP Paribas Fortis
- Leasing merged with BNP Paribas Lease Group: 33% held by BNP Paribas Fortis

## > Scope changes enabling implementation of the industrial plan

*\* The integration plan will be gradually implemented, which will include the information, consultation and / or approval of different stakeholders. These may include, among others, governance bodies (e.g., the Boards of Directors), the social bodies (e.g., unions or employees representatives) and regulators (e.g., CB, CBFA or CSSF).*



# BNP Paribas Fortis New Ambitions



## Retail Banking

- Improve client satisfaction by facilitating access to products and services (fully integrated multi-channel approach, improved network and CRM tools)

## Private Banking

- Strengthen coverage of clients with improved segmentation, proximity and product and service offering

## Corporate & Public Bank

- Focus on serving the local and international needs of clients (domestic banking products and CIB skills)



**Become the core banking partner for all clients' needs**



# Competence Centres in Belgium

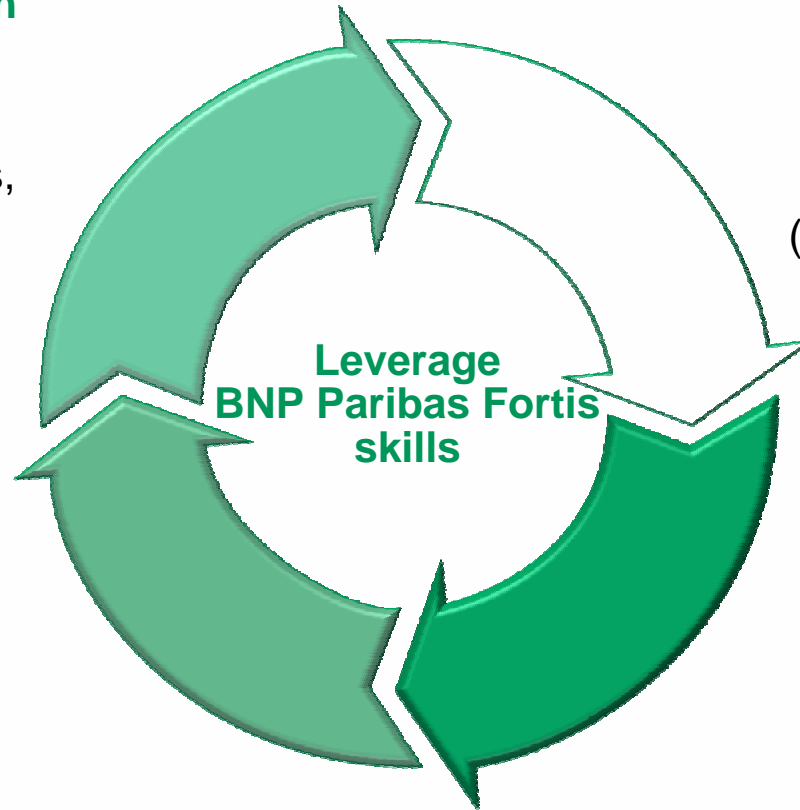


## Corporate & Transaction Banking Europe

Leader for services, outside domestic markets, to European Corporate clients of the Group

## Trade Services

Part of cross-border trade organisation  
Manage business and product development, pilot middle-office



## Global Factoring

A European leader with BNP Paribas Factor  
Group-wide steering (rebuild Factoring in Belgium, support country entities)

## Global Cash Management

Group-wide responsibility on strategy, investments, product development and marketing

**Strong set up in Belgium, supporting the enlarged BNP Paribas Group**



# Presentation Overview

1. Strategic Rationale of the Acquisition

---

**2. Synergies and Restructuring Costs**

---

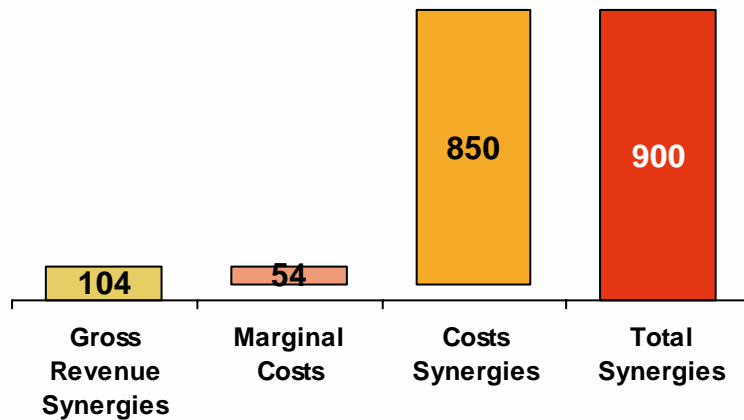
3. Integration Process



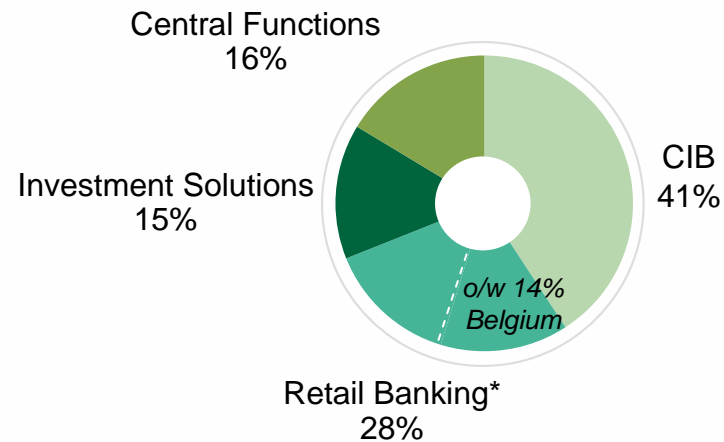
# Synergies



## ➤ Synergies - 2012 (impact on Gross Operating Income - €mn)



## ➤ Synergies by business line - 2012 (impact on Gross Operating Income - €mn)



- Cost synergies: €850mn with contribution from all businesses
- Net revenue synergies: €50mn
- Full annual effect by 2012 (12% by 2009, 25% by 2010 and 65% by 2011)

➤ **Total synergies significantly increased to €900mn**

\* Including Belgium, France, Italy, Luxembourg, Poland, Personal Finance and Leasing / Excluding Turkey



**BNP PARIBAS**  
**FORTIS**

The bank for a changing world

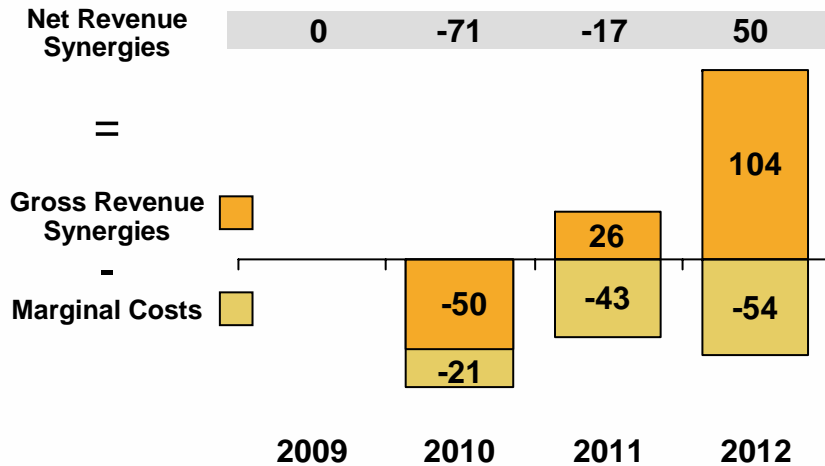
Strategic Rationale and Synergies | 01.12.09 |

12

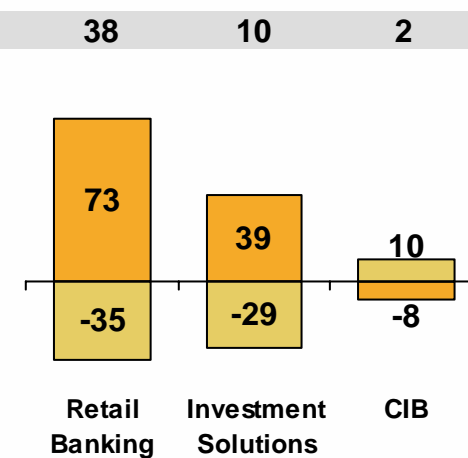
# Net Revenue Synergies



➤ Cumulative net revenue synergies\*  
(impact on Gross Operating Income - €mn)



➤ Net revenue synergies by business - 2012  
(impact on Gross Operating Income - €mn)



- Not material in comparison with revenue base
- Generated mainly by the new multi-channel model implemented in Retail Banking Belgium
- Gross synergies progressively offset client attrition and marginal investment costs

➤ **Net revenue synergies delivered within 3 years**

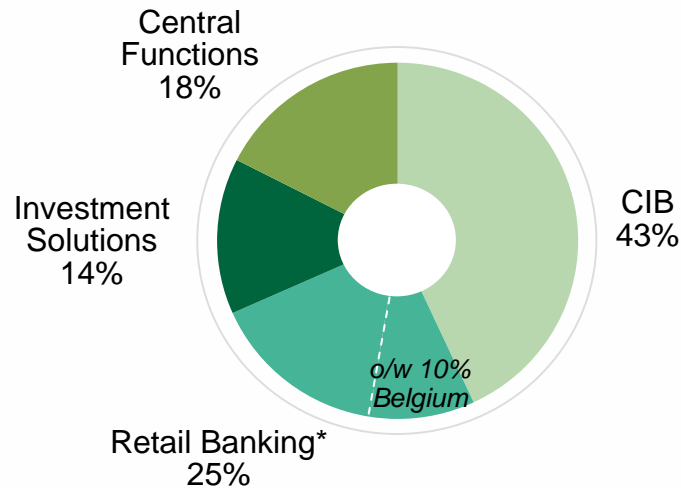
\* Net revenue synergies = Gross revenue synergies - Marginal costs



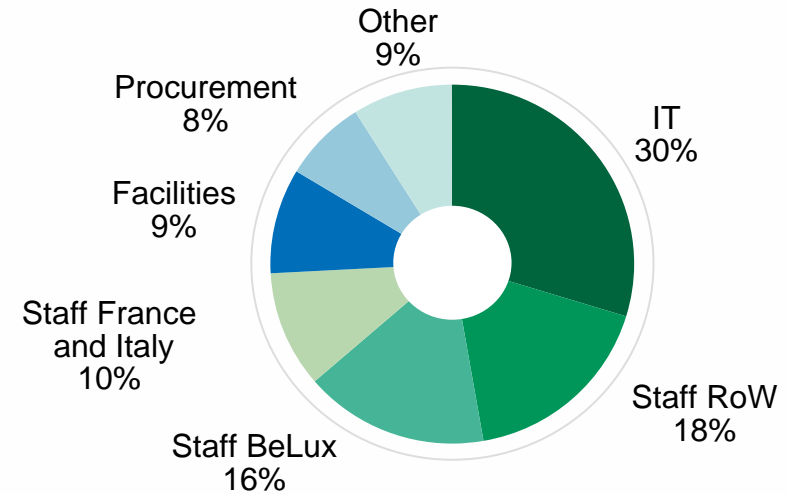
# Cost Synergies (1/2)



➤ Cost synergies by business - 2012



➤ Cost synergies by nature - 2012



- Cost synergies: €850mn, 16% of the acquired 2008 cost base\*\*
- Achieved through staff right-sizing and efficiency gains in IT, Facility and Procurement

➤ **Cost synergies close to in-market merger levels**

\* Including Belgium, France, Italy, Luxembourg, Poland, Personal Finance and Leasing / Excluding Turkey  
 \*\* €5.4bn underlying 2008 cost base, as disclosed in Fortis Bank press release (14.04.09)

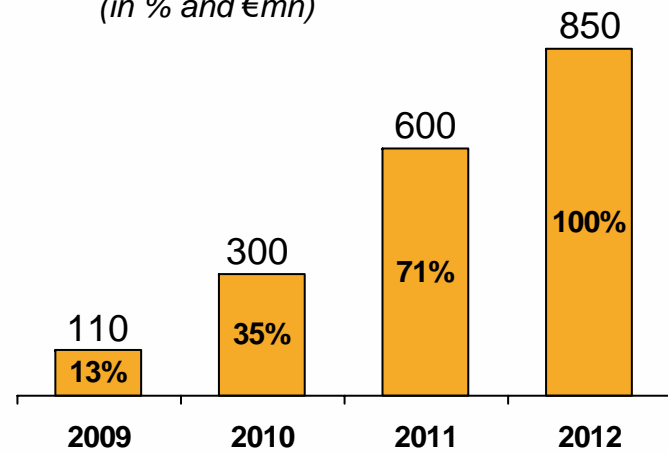




# Cost Synergies (2/2)



➤ Cumulative Cost Synergies  
(in % and €mn)



- 2009 synergies around €110mn
- Quick wins achieved through procurement gains and efficiency measures
  - e.g. contracts re-negotiation, support functions integration, temporary & external staff expenses reduction, discontinuation of projects...

**> Substantial synergies already delivered in 2009**



# Main Cost Efficiency Measures



## Organisation

- Rationalise and centralise functions (finance, risk, audit, ALM etc.)
- Align credit and risk management with Group standards
- Create steering and shared services centres

## Human Resources

- HR plan agreed upon by all stakeholders
- Staff reduction mainly through natural turnover and voluntary departures
- Mobility centre set up across the Group

## IT & Operations

- Build best-in-class industrial organisation thanks to critical mass in operations
- Optimise IT infrastructures
- Leverage platforms

## Facility & Procurement

- Upgrade network (Retail branches, Private Banking and Business Centres)
- Optimise corporate buildings occupation
- Consolidate purchasing volumes/contracts



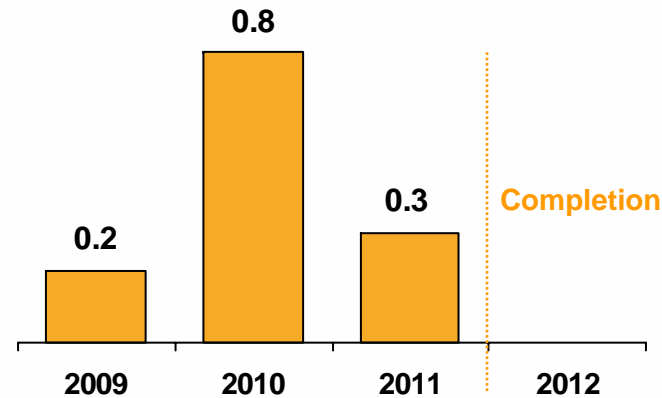
**Improved flexibility and efficiency strongly support businesses development**



# Restructuring Costs



➤ Restructuring Costs: €1.3bn  
(*impact on Gross Operating Income - €bn*)



- €1.3bn restructuring costs to generate €900mn of recurring annual synergies from 2012 onwards
- Booked in BNP Paribas “Other activities” as operating expenses (quarterly disclosure)

➤ **Restructuring costs supporting over 1,000 projects**



# Presentation Overview



1. Strategic Rationale of the Acquisition

---

2. Synergies and Restructuring Costs

---

**3. Integration Process**



# Progress to Date



- New governance established
  - Executives appointed
  - Refined business segmentation
  - Integrated Risk Management
- Risk profile lowered
  - Reduced risk exposure (control of RWAs – credit and market risk)
- Liquidity risk and funding fully returned to normal
- Commercial franchise restored
  - Recovery in net customer asset inflows in retail networks
  - Stabilisation of Assets under Management
  - Successful rebranding and commercial campaigns
- Operational efficiency measures enforced



**Clients and stakeholders' trust already regained**



# Next Steps



## ■ Entering the execution phase ...

- Implement and monitor of over 1,000 integration projects
- Launch new integrated business models
- Communicate on new offerings from BNP Paribas franchises
- Adjust perimeters through structuring operations, in agreement with stakeholders and regulators
- Keep market informed of progress

## ■ ... with a clear strategy and strong expertise

- Expertise and track record in integration projects
- Support from all stakeholders



**Proven integration skills  
enabling strong commitments to be made**



# Retail and Private Banking Belgium

Peter Vandekerckhove  
December 1<sup>st</sup>, 2009, Brussels



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world



# Presentation Overview



- 1. Market and Franchise Overview**

---
- 2. Master Plan**

---
- 3. Customer Satisfaction**

---
- 4. Integration and Synergies**

---
- 5. Conclusion**



# Presentation Overview



## 1. Market and Franchise Overview

---

## 2. Master Plan

---

## 3. Customer Satisfaction

---

## 4. Integration and Synergies

---

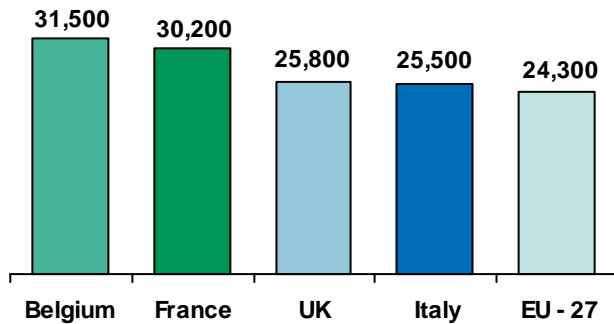
## 5. Conclusion



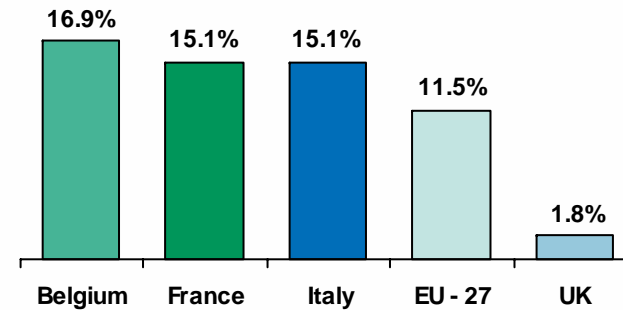
# Belgian Retail Market



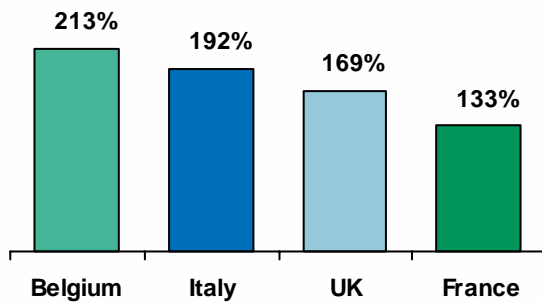
➤ GDP per capita<sup>(1)</sup>  
(in €)



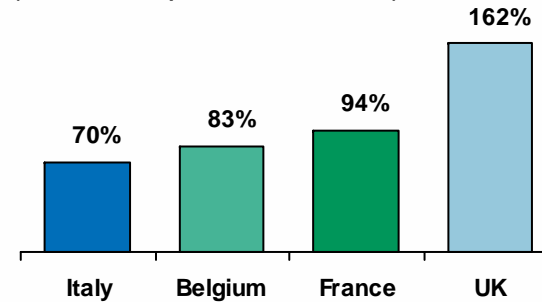
➤ Gross savings rate<sup>(1)</sup>  
(in % of gross disposable income)



➤ Households' net financial wealth<sup>(1)</sup>  
(in % of GDP)



➤ Household financial liabilities<sup>(1)</sup>  
(in % of disposable income)



➤ **A wealthy and sound retail market**

(1) Source: Eurostat



# Retail & Private Belgium



- Leading universal retail bank
  - 3 complementary brands
  - 3 segments
  - 4 product lines (Daily Banking, Save & Invest, Lending, Protecting)
- Leader across all distribution channels
  - Largest branch and ATM network (2,900)
  - Online banking (1.3mn users) and Phone banking
- Proven track record of profitability and cost control
- Focus project: launched in 2007 to prepare the Retail Bank for the future
  - Complete restructuring of the network according to socio - economic criteria
  - New customer segmentation

Network		
1,042 branches * & 13 private banking centres	650 sale points 50/50 JV	322 branches independent agents
Customers: 3.6mn		
<b>Individuals</b>	<b>Professional &amp; Small Business</b>	
3,230,000	415,000	
Loans: €43bn		
<b>Mortgages</b>	<b>Loans to Individuals and P&amp;S</b>	
€29bn	€14bn	
Deposits**: €69bn		
<b>Current Accounts</b>	<b>Saving accounts</b>	<b>Term – deposits**</b>
€14bn	€41bn	€14bn
Off balance sheet: €55bn		
<b>Life Insurance</b>	<b>Mutual Funds</b>	
€20bn	€35bn	

**#1 in Belgium**

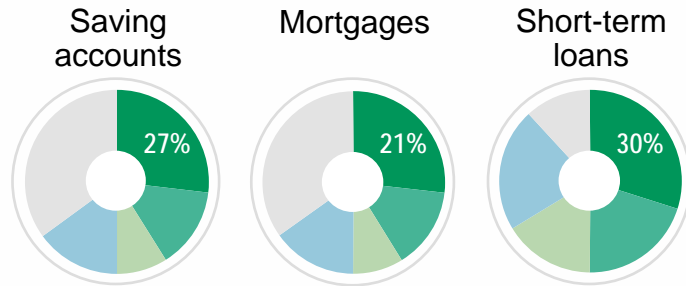
*All figures as at 30.09.09; \*of which 262 SEA independent agents; \*\*of which €8bn in Saving Certificates (Bons de Caisse/Kasbons), classified as Debt Certificates*



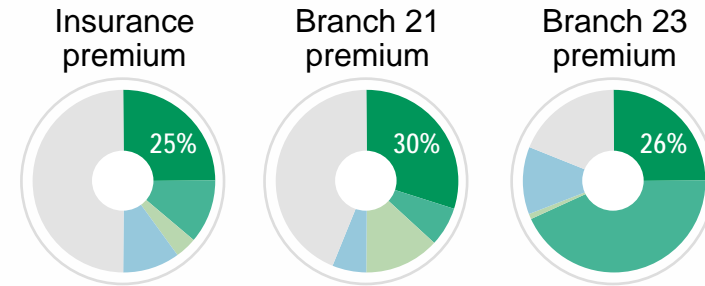
# Retail & Private Belgium



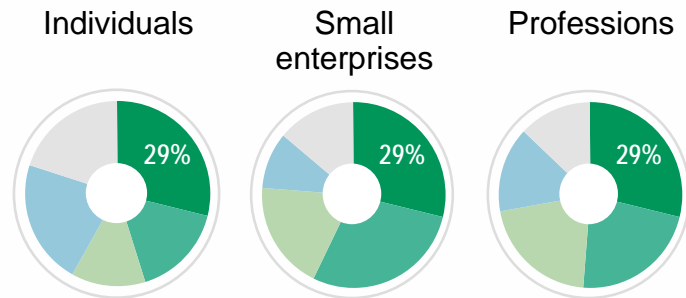
## Banking products\*



## Insurance products\*



## Customer segments\*



Long tradition in bankinsurance

Long term partnership with AG Insurance till 2020, leveraging RPB distribution power



**> History of market leadership in a highly concentrated market**

\* Source : 2Q08 BNP Paribas Fortis research



**BNP PARIBAS  
FORTIS**

The bank for a changing world

# Presentation Overview



1. Market and Franchise Overview

---

**2. Master Plan**

---

3. Customer Satisfaction

---

4. Integration and Synergies

---

5. Conclusion



# Master Plan



- Meeting customer expectations by being a bank that:
  - Listens
  - Is accessible
  - Is transparent
  - Is a partner
  - Is engaged towards the community

- Creating one domestic bank
- Leveraging a fully integrated multichannel experience by investing substantially in
  - Customer Relationship Management
  - All channels including branches
- Investing to reposition the #1 private bank



**➤ Reposition the Bank and invest to maximise customer satisfaction and share of wallet**





# One Domestic Bank



- Applying the BNP Paribas organisation and segmentation model
  - Bringing Retail, Private, Commercial, Corporate and Public closer together
  - Eliminating barriers between businesses
- Creating in a Belgian bank
  - Serving all Belgian customers
  - Operating under a strong common brand
  - Keeping Belgian decision centres
- Establishing seamless cooperation and optimal service delivery for customers
  - Providing business leaders with one bank for their private and their business needs
  - Combining the proximity of the retail network with the expert skills and international access of the corporate bank

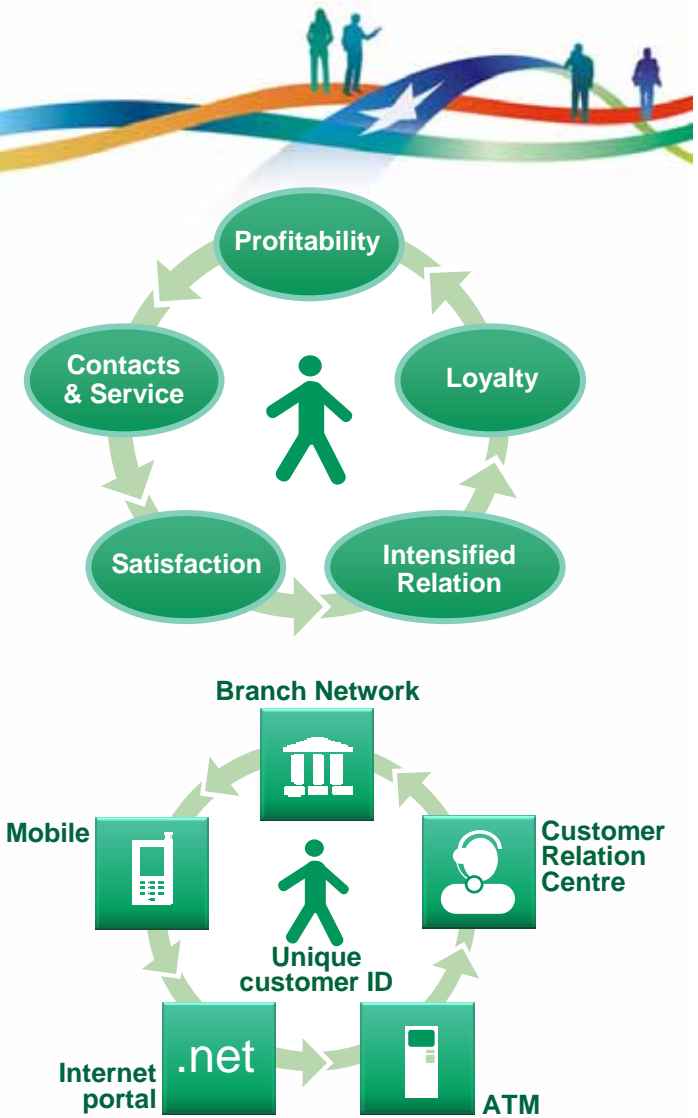


**> Be the unique partner for customers' needs**



# Customer Relationship Management

- Leverage BNP Paribas' state-of-the-art CRM platform and capabilities, resulting from a decade of investments
- Link up all channels via the CRM platform creating a real multichannel experience
  - Deploy all systems across all channels
  - Improve quality and timeliness of customer data
- Improve customer contact model based on better understanding of customer needs
  - Facilitate customer-to-bank contacts
  - Multiply bank initiated contacts
  - Improve customer satisfaction through all channels



**➤ Multiply contacts to raise customer loyalty and sales**



# Distribution Channels



- Invest in strengthening and improving channel's qualities and functionalities
  - Leverage the new Multichannel CRM platform to improve branch and contact centre workstation
  - Roll out advanced functionalities onto ATMs
  - Revamp online banking platform
  - Optimise use of telephony across branches and Contact Centre



- Increase the pace of network modernisation, started 2 years ago
  - Convert traditional branches to Quick Cash Services concept with improved ATM equipment
  - Test and implement new branch concepts
  - Further strengthen collaboration with franchisees such as Fintro

**> Increase accessibility and quality of service**



# Private Bank (1/2)



## ■ Creating a new Private Bank

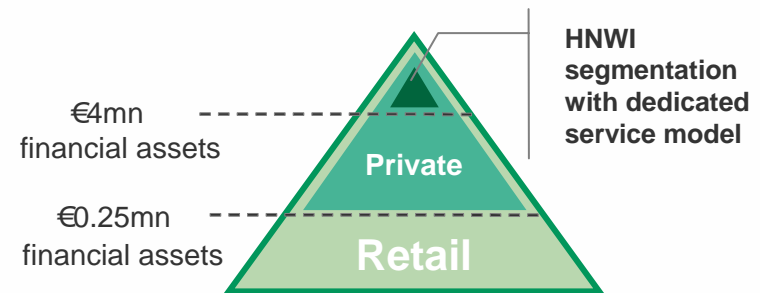
- Upgrading customer service through embedded cooperation between Retail Banking and Private Banking
- Providing customers with choice
- Creating an all inclusive approach with Private Banking officers taking care of customers' needs

## ■ Improving segmentation

- Serving individual customers starting from €250k, creating a larger customer base to invest for
- Appointing dedicated Officers to serve new High Net Worth Individual segment



## ▶ New model



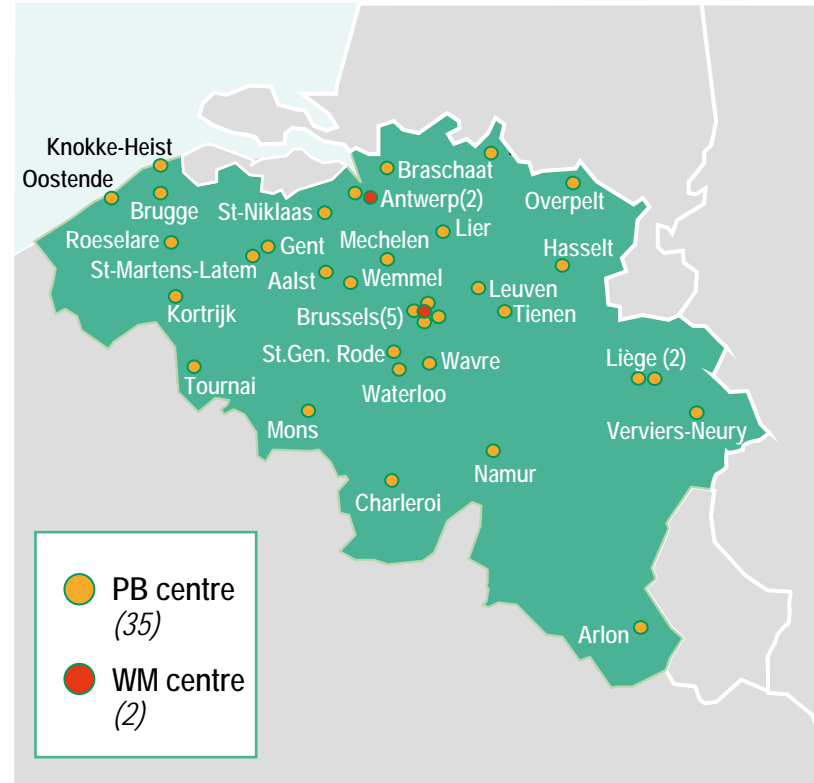
▶ **Roll out successful BNP Paribas Private Banking Model**



# Private Bank (2/2)



- Increase proximity to customers through an expanded network to reach 35 Private Banking Centres
- Offer more specialised expert teams and a wider offering in high end products
- Invest significantly in extra staff and training for sales, sales support and expert teams



Key competitors (# PB Centres)					
(19)	(15)	(10)	(9)	(8)	(7)

**> An upgraded Private Bank**



# Presentation Overview



1. Market and Franchise Overview

---

2. Master Plan

---

**3. Customer Satisfaction**

---

4. Integration and Synergies

---

5. Conclusion



# Customer Satisfaction



## Create one domestic bank

- Create single local access point for all services
- Combine proximity and expertise

## Fully apply multichannel model

- Use customer intelligence to maximise personalisation of each contact in every channel
- Distribute expertise better across all channels
- Improve accessibility to the channel of choice

## Improve distribution Channels

- Improve quality and speed of overall branch and channels experience
- Increase advisor time and quality

## Enhance private bank

- Leverage global expertise
- Continue self evident exclusivity and discretion
- Add extra proximity



**Invest to improve customer satisfaction**





# Presentation Overview



1. Market and Franchise

---

2. Master Plan

---

3. Customer Satisfaction

---

**4. Integration and Synergies**

---

5. Conclusion



# Integration Plan



## ■ First steps

- Started rebranding immediately
- Refocus and motivate staff
- Initiated customer communication and close contact events
- Launched commercial campaigns
- Built the integration plan

## ■ Next steps

- Launch new Private Bank on 10 December
- Enforce new Retail and Private Banking organisation from January 1<sup>st</sup>, 2010
- Implement all other integration projects



**Customer trust restored**



**BNP PARIBAS  
FORTIS**

The bank for a changing world

Retail and Private Banking Belgium | 01.12.09 |

37

# Synergies (1/2)




- Investing to free up time
  - Building CRM platform
  - Improving channels
  - Optimising branches
  - Raising quality of support
- Enhance back office efficiency



- Freeing up people, generating **cost synergies**
- Cost synergies in IT and operations



- Improving service
  - Raising sales
  - Increased share of wallet
- 
- **Revenue Synergies**



- **Reinvest** freed up people
  - In commercial time at branches in targeted markets
  - In multi-channel servicing
  - In specialists and support
  - In private bank experts and support
- **Invest** in Private Bank Centres

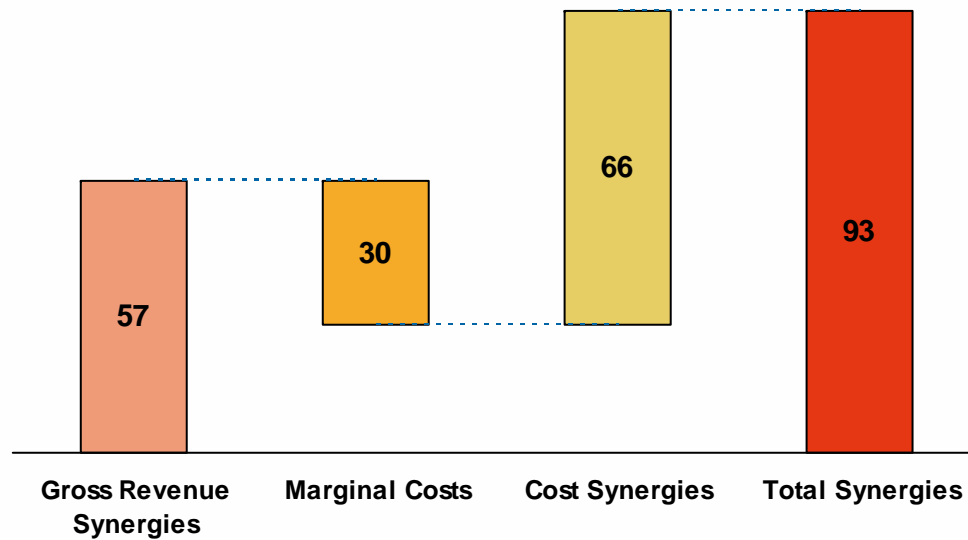
**> Invest to free up people to then generate revenue synergies**



# Synergies (2/2)



## > Total 2012 Retail & Private Belgium Synergies *(impact on Gross Operating Income; in €mn)*



> **Committed to delivering €93mn total synergies by 2012**



# Presentation Overview



1. Market and Franchise Overview

---

2. Master Plan

---

3. Customer Satisfaction

---

4. Integration and Synergies

---

**5. Conclusion**



# Conclusion



**Combining a solid franchise  
with extensive multichannel experience**



**Enhance segmentation to create seamless service  
delivery and increased customer satisfaction**



**Reinvest synergies and invest  
in one domestic bank to outperform**



# Corporate and Public Bank Belgium

Max Jadot  
December 1<sup>st</sup>, 2009, Brussels



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world

# Presentation Overview



- 1. Main Features of the Market and the Franchise**

---
- 2. Corporate & Public Bank Belgium Strategy**

---
- 3. Conclusion**





# Presentation Overview



## 1. Main Features of the Market and the Franchise

---

## 2. Corporate & Public Bank Belgium Strategy

---

## 3. Conclusion



# Corporate & Public Bank Market



## Export oriented economy



- World's 15th largest trading nation
- International trade makes up for over 80% of GDP\*
- Antwerp, 2<sup>nd</sup> European port

## Comprehensive sector range



- Trade, Logistics, Manufacturing & Services Industries
- Public sector makes up a large part of the economy
- Strong presence of international institutions
- Large network of internationally recognised schools & universities

## Pronounced entrepreneurial spirit



- Diversified corporate landscape
- Very dense network of small businesses & midcaps
- Increasing M&A and ECM opportunities



## Highly attractive Belgian Market

\* Over the period 2003-2008, OECD Library (13.11.09)



**BNP PARIBAS**  
**FORTIS**

The bank for a changing world

# Corporate & Public Bank Franchise



3Q09 figures	Corporate Banking	Commercial Banking	Public Banking	TOTAL
<b>Target clients</b>	Company turnover > €250mn	Comp. turnover between €7.5mn and €250mn	Public institutions & Local authorities	
<b># of clients</b>	457	34,100*	1,300*	
<b>Coverage</b>	1 central team 46 RMs	24 Business Centres 209 RMs	1 central team 18 RMs	
<b>Market share</b>	Leader	Leader	Challenger	
<b>Outstanding Loans</b>	€8.0bn**	€11.2bn	€8.5bn	
<b>Deposits</b>	€2.8bn**	€5.8bn	€4.8bn	

**> Well established, strong & diversified franchise**

\* Figure prior to all client transfers that will take place between Retail & CPBB in 2010  
 \*\* Excluding BNP Paribas CIB Belgian Branch & institutional clients; including Real Estate & Energy



# Presentation Overview



1. Main Features of the Market and the Franchise

---

**2. Corporate & Public Bank Belgium Strategy**

---

3. Conclusion



# Strategy Overview



## Leverage Proximity

- Established customer trust
- High network density
- Considered as core banker

### Boost Product Cross-Selling

- Strengthened core banking skills
- Proven BNP Paribas' CIB business solutions
- Private Banking cross-fertilisation

### Increase International Reach

- BNP Paribas domestic markets
- CTBE, CEE and Mediterranean retail networks
- BNP Paribas network outside Europe



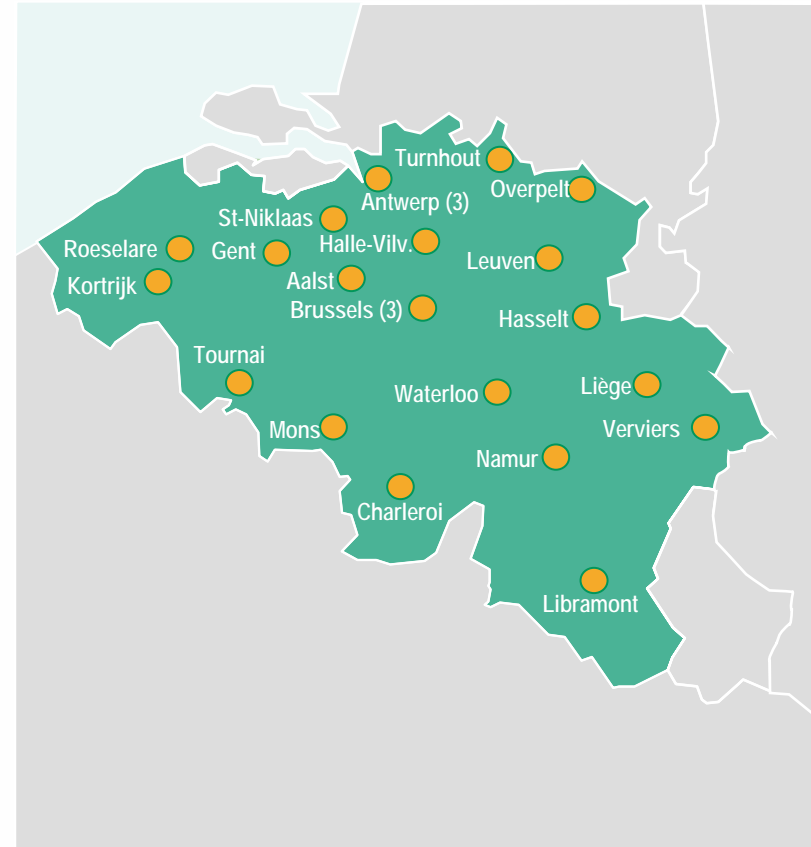
**Combine proximity and local decision-making power with leading skills and extended reach**



# Client Proximity



- Re-allocate clients based on location and sophistication of banking needs
  - Transfer smaller relationships from Corporate and Public Bank Belgium to Retail Banking Belgium
  - Transfer larger and more sophisticated relationships to Corporate and Public Bank Belgium from Retail Banking Belgium
  - Closer focus on client banking needs
- Reinforce sales & skills presence for midcaps
  - Train existing staff and organise selective recruitments
- Unify commercial management for all Belgian business clients
  - Large Corporates: manage from Belgium
  - Midcaps: increase local credit delegation



**> Decision-takers' preferred bank**



# Cross-Selling (1/2)



## Cash Management

- Regain natural market share of 30%
- Create dedicated Cash Management Officers
- Develop dedicated products & specific middle office

## Trade Services

- Increase local sales force
- Leverage 100 international Trade Centres to boost offer to Belgian clients
- Introduce Supply Chain Management products

## Corporate & Structured Lending

- Embed local credit specialists hierarchically in sales network
- Increase volume by focused actions
- Set up dedicated Corporate Acquisition Finance team

## Factoring & Leasing

- Launch activities of BNP Paribas Fortis-Factor
- Implement BNP Paribas Leasing servicing model
- Set up Fleet Management with Arval



**Maximise cross-selling with comprehensive product offering**





# Cross-Selling (2/2)



## Corporate & Investment Banking

- Offer full range of Capital Markets products: interest rates & forex hedging, Equity Capital Markets, Debt Capital Markets etc.
- Respond to rising M&A opportunities
- Finance development needs

## Asset Management

- Capitalise on combined Fortis Investments and BNP Paribas Investment Partner top 5 ranking
- Meet short, medium and long-term investment needs of corporate and public clients

## Private Banking

- Approach both the business and its owner
- Reintroduce common sales objectives
- Leverage Private Banking's new proximity strategy

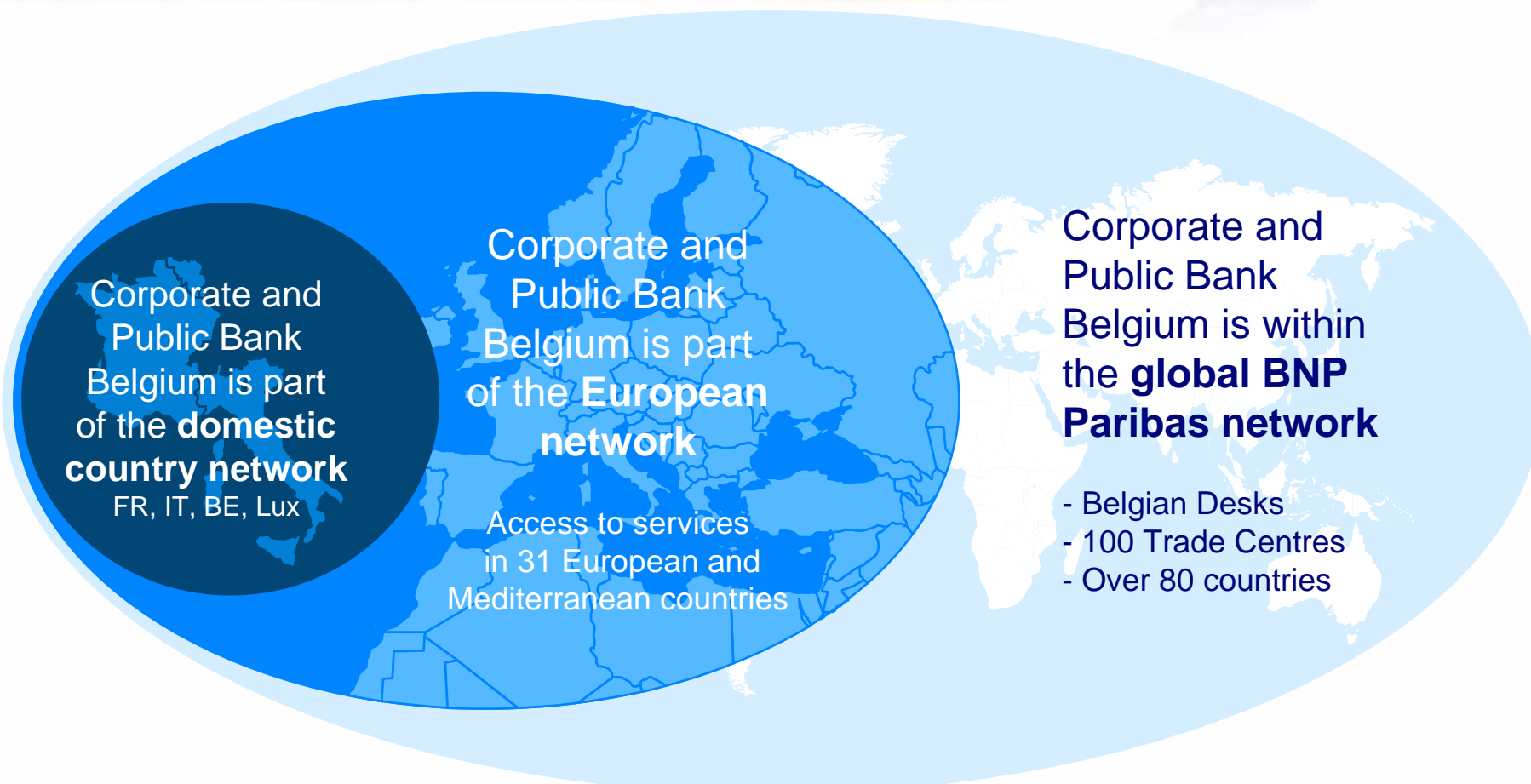


**Achieve maximum recognition in the market**





# International Reach



**> A unique international business banking reach**



# Public Sector Strategy



Focus on existing clients, leverage proximity & partnership



- Increase dedicated sales force
- Invest in products and distribution network
- Leverage the retail network to better serve small clients

Selective positioning in growing low-risk markets



- Focus on the investments of “Interlocals” & government bodies
- Lead “Healthcare” sector
- Lead “Academy and higher education” sector

Increase Level of Service & Product offering



- Cross sell on top of lending
- Bring specific CIB offering to high potential clients
- Enrich Public-Private Partnership offering with Project Finance know-how

**> Become a challenger, on a selective basis, in a growing market with low risk**



# Presentation Overview



1. Main Features of the Market and the Franchise

---

2. Corporate & Public Bank Belgium Strategy

---

**3. Conclusion**







# Sales and Marketing Drive



## Successful launch of new campaigns



## Collaboration between CPBB & CIB up and running

<p>SEPTEMBER 2009</p>  <p><b>Deceuninck NV</b> Senior Multicurrency Term &amp; Revolving Facilities Agreement €157,046,992</p> <p>Coordinator, Bookrunner, Facility Agent &amp; Security Agent</p>	<p>OCTOBER 2009</p>  <p><b>UCB</b> Institutional Convertible Bond, Oct. 2015 Retail Bond Issue, Nov. 2014 €750,000,000</p> <p>Joint Bookrunner</p>
<p>JUNE 2009</p>  <p><b>D'leteren</b> Securitization Programme Renewal €310,000,000</p> <p>Underwriter</p>	<p>OCTOBER 2009</p>  <p><b>Etex Group</b> Syndicated refinancing €500,000,000</p> <p>Agent</p>



**Committed to the Belgian economy**



**BNP PARIBAS  
FORTIS**

The bank for a changing world

Corporate and Public Bank Belgium | 01.12.09 |

55

# Integration Plan



## Already done: Key projects started

- New business model defined
- Ongoing servicing of large corporates (former Fortis & BNP Paribas)
- Rebranding to BNP Paribas Fortis
- Commercial link up with other countries & businesses
- BNP Paribas Fortis is back in the market:
  - Increased client visits
  - Customer Days organised
  - “€1bn in loans” and “Partner in all circumstances” campaigns

## Next steps: Launch full industrial plan

- Further improve client satisfaction
  - Optimise coverage and segmentation
  - Broaden product offering and access to international network
- Finalise set-up
  - Sales entities (GTS, Factoring, ... )
  - Supporting entities
- Upgrade servicing and client assistance
  - Reinforce dedicated Middle Office
  - Launch new CRM system

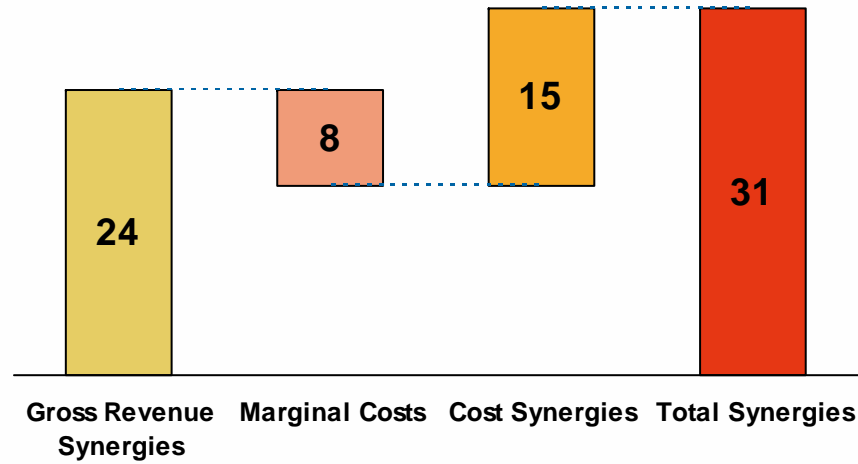
**> Share ambitions with customers & teams**



# Synergies



➤ Total 2012 Corporate and Public Bank synergies  
(impact on Gross Operating Income; in €mn)



➤ **Committed to delivering €31mn total synergies by 2012**



# Conclusion



**> Reinforce proximity and decision power**

**> Leverage BNP Paribas' geographical reach and products**

**> Achieve maximum recognition in the market**





# BNP Paribas Retail Banking

Jean Laurent Bonnafé  
December 1<sup>st</sup>, 2009, Brussels



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world



# Presentation Overview



## 1. Key Retail Franchises

---

## 2. Integrated Business Model

---

## 3. Additional Growth Levers in Emerging Markets

---

## 4. Conclusion



# Presentation Overview



## 1. Key Retail Franchises

---

## 2. Integrated Business Model

---

## 3. Additional Growth Levers in Emerging Markets

---

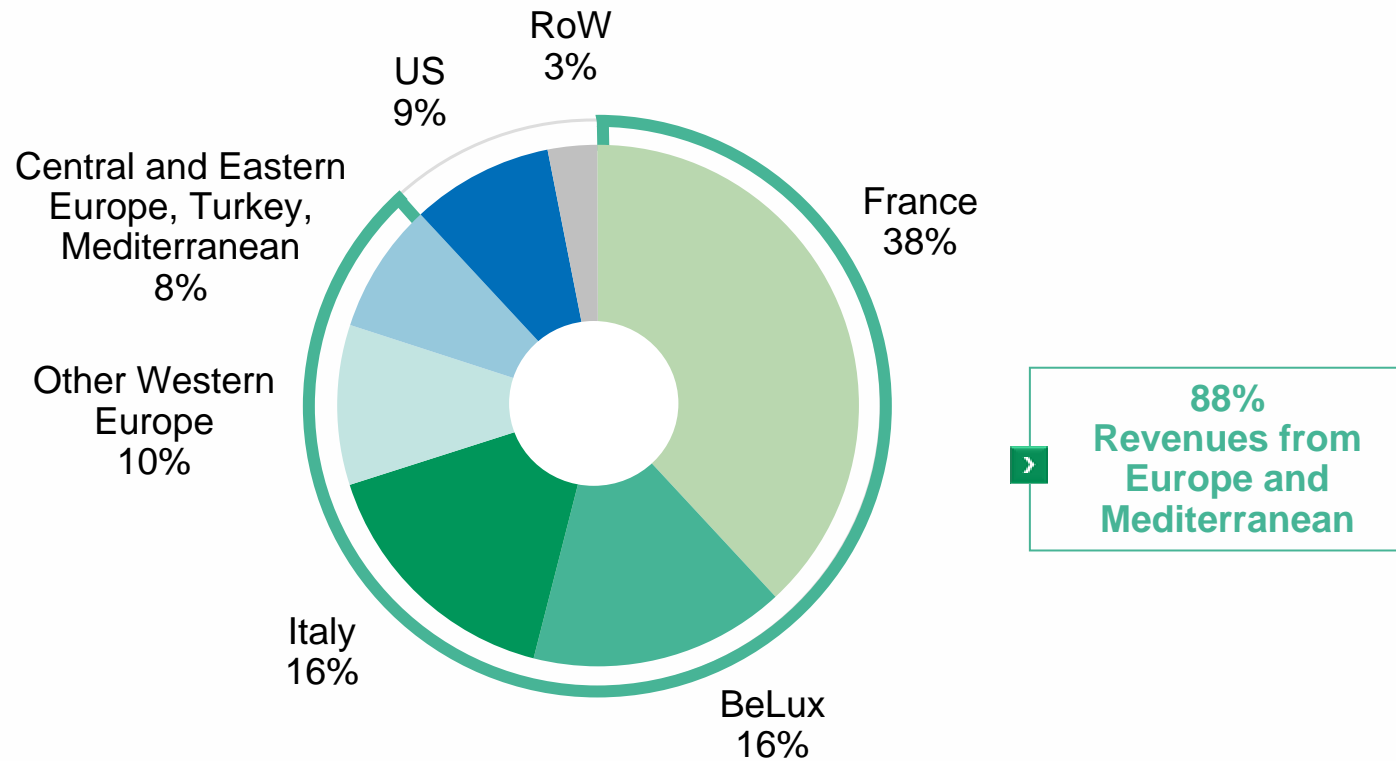
## 4. Conclusion



# Retail Banking



➤ 9M09 Revenues annualised: €23bn



➤ **Focus investments and industrial efforts on Europe and Mediterranean countries**



# Four Domestic Markets



**One of the wealthiest and safest areas in Europe**

**Targeting affluent clients in urban areas mainly  
Reaching a large wallet share per customer**



**3.6mn** retail clients/entrepreneurs  
**94,000** private clients <sup>(1)</sup>  
**35,850** corporates <sup>(2)</sup>  
**0.5mn** Personal Finance clients



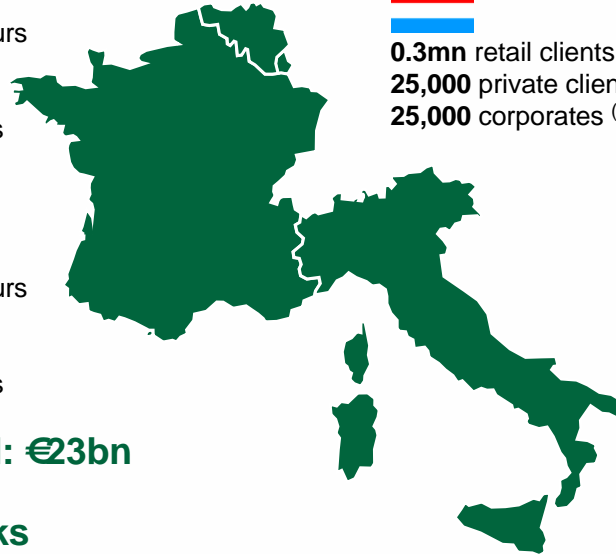
**0.3mn** retail clients  
**25,000** private clients <sup>(1)</sup>  
**25,000** corporates <sup>(2)</sup>



**7.1mn** retail clients/entrepreneurs  
**o/w 125,000** private clients <sup>(1)</sup>  
**22,000** corporates <sup>(2)</sup>  
**2.7mn** Personal Finance clients



**2.6mn** retail clients/entrepreneurs  
**14,000** private clients <sup>(1)</sup>  
**44,000** corporates <sup>(2)</sup>  
**2.4mn** Personal Finance clients



**9M09 revenues annualised: €23bn**  
**Clients: 19mn**  
**o/w 14mn in Retail networks**  
**Inhabitants: 135mn**

**> 10% average market share  
in domestic markets**

**> #1 by deposits  
in the Eurozone**

*(1) Number of households for France, Italy and Luxembourg ; number of individual clients for Belgium  
(2) Corporates with turnover above €10mn for France, above €2mn to €5mn for Belgium and Italy; and all corporates for Lux.*



# Presentation Overview



1. Key Retail Franchises

---

**2. Integrated Business Model**

---

3. Additional Growth Levers in Emerging Markets

---

4. Conclusion



# Specific Business Model



	Individuals & small businesses	Private Banking	Corporates		
Client intelligence	Multichannel Relationship Management	Tailor made solutions Referral process	Business Centres Trade Centres Geographical Desks		
Products	Cards Consumer credit Mortgage Real Estate Savings products Insurance	Wealth Planning Financial Advisory Real Estate Financing Discretionary portfolio Investment products Insurance	<table border="1"> <tr> <th>Commercial Banking</th> </tr> <tr> <td>Cards Cash Management Trade Finance Factoring Leasing / Fleet Mgt Structured Finance Capital Markets</td> </tr> </table>	Commercial Banking	Cards Cash Management Trade Finance Factoring Leasing / Fleet Mgt Structured Finance Capital Markets
Commercial Banking					
Cards Cash Management Trade Finance Factoring Leasing / Fleet Mgt Structured Finance Capital Markets					
Industrialisation	Mutualised costs and best practices : Platforms / Purchasing / IT				

➤ **New retail banking organisation since 01.01.09 aimed at rolling out closely integrated production and distribution model**

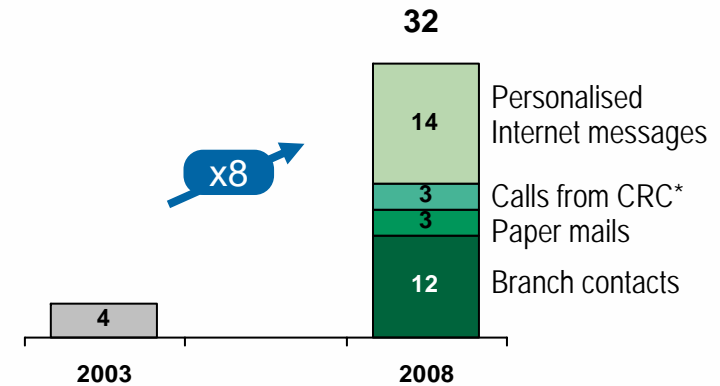


# Multichannel Model

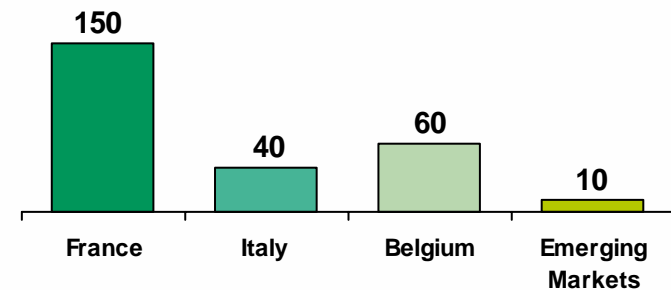


- Single multichannel model already deployed in France and Italy
  - 10mn clients covered
  - Bank-initiated contacts up 8x in France since 2003 and 5x in Italy since 2007
- Key competitive advantage
  - Best-of-breed information systems
  - Proven commercial outperformance
  - Strong effect on client satisfaction: +9 pts in client recommendation in France from 2004 to 2008
- Implementation in Belgium and Luxembourg by 2011
- Multichannel model roll-out cost brought down to €10mn per emerging market retail network
  - ie: Ukraine (2009/2010), Morocco (2010/2011)

## Bank-initiated contacts in France (in mn)



## Multichannel roll-out cost (in €mn)



**➤ Best-in-class CRM tools now being rolled out at marginal cost**

\* Customer Relationship Centre





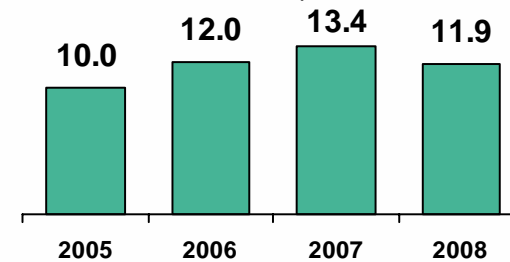
# Private Banking



- Strong leadership position in domestic markets: #1 in Eurozone\*, #1 in France\*
- Unique model fully integrated into retail banking networks
  - Important and seamless referral process
  - Efficient client segmentation
  - All-inclusive approach to customer needs from advisory services to daily banking
- Extensive product and service range
  - Best-in-class wealth planning services
  - Innovative and tailor made offering (open architecture etc.)
- Low cost/income ratio
  - Mutualisation of operating costs and CRM tools with the retail network
- Staged roll-out planned: Belgium, US, Mediterranean

## Referrals from French Retail Banking

(in thousand customers)

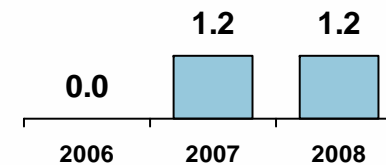


% of French PB customer base for 2008

9.6%

## Referrals from BNL bc

(in thousand customers)



% of Italian PB customer base for 2008

8.7%

**Leverage retail banking customer base through a successful private banking model**

\* By AuM



**BNP PARIBAS  
FORTIS**

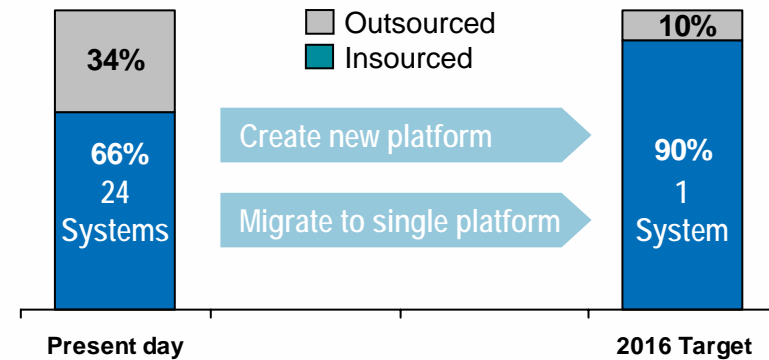
The bank for a changing world

# Card Processing

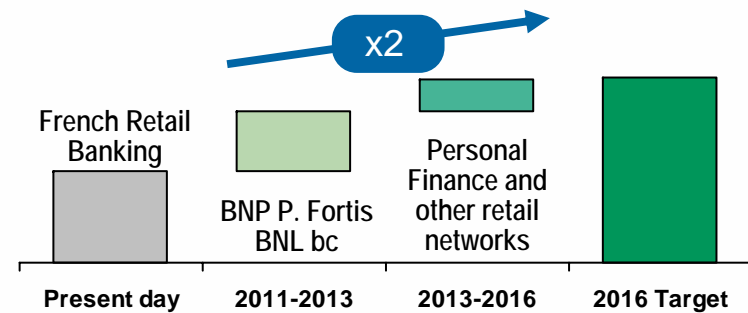


- Build a single pan-European processing platform
  - Leverage existing BNP Paribas/Natixis-Banques Populaires platform and key BNP Paribas Fortis expertise on cards
  - Avoid future costs by only having to adapt one platform (SEPA, etc.)
- Maintain expertise in-house to preserve competitive edge
  - Reduce outsourcing
  - Accelerate time-to-market of new products and new technologies
- Raise volumes to reduce costs
  - BNP Paribas Fortis and BNL bc to migrate onto the platform by 2013
  - Doubling of volumes generates a 30% drop in processing costs

## Processing platforms



## Processing volumes (based on present day volumes)



**➤ Build a leading European card processor in a fast growing market**



# Cash Management



- European leader in Cash Management with revenues of €1bn in 2008
- Unparalleled pan-European Cash Management offering
  - Reduced number of pan-European players
- State-of-the-art technology
  - Best-in-class solutions brought together
  - Fortis SEPA direct debit hub already integrated in the global offer
- Fully leverage extended network
  - Provide Cash Management services to large corporates and midcaps in 31 countries
  - Build global offer beyond Europe and Mediterranean: India, China, Gulf region and the US
- Create a Global Cash Management Centre in Brussels

**> Gain market across Europe & Mediterranean**



# Leasing and Factoring



## Equipment leasing

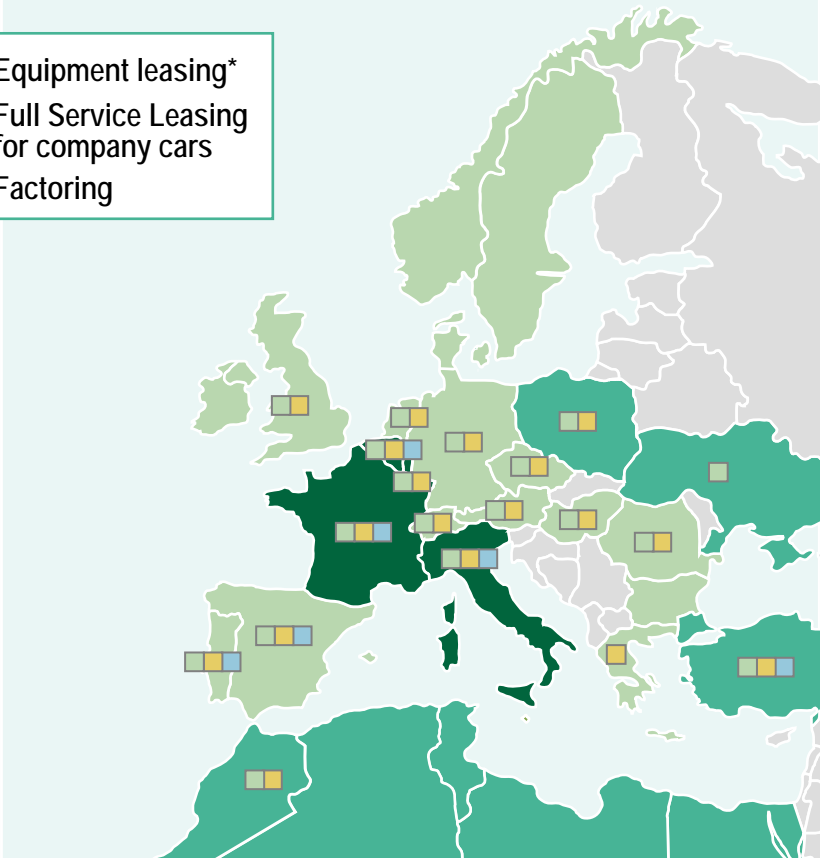
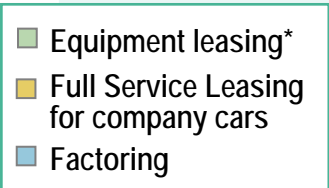
- #1 in Europe
- €33.5bn outstandings as at 30.06.09

## Full service leasing for company cars

- #1 in France, #1 in Italy, #2 in Europe
- €7.7bn average outstandings as at 30.09.09

## Factoring

- #2 in Italy, #4 in France, #4 in Turkey
- €29bn purchased turnover as at 30.09.09
- New company set up in Belgium
- European Competence Centre to be located in Brussels



**> Key element in the global product offer**

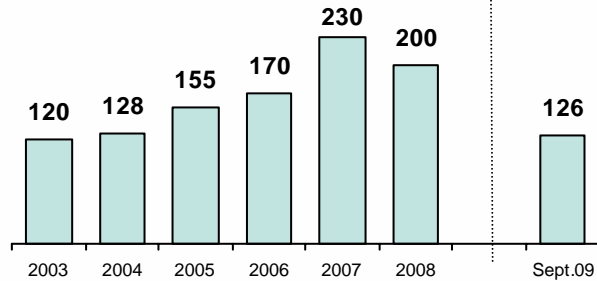
\* BPLG + Fortis Lease



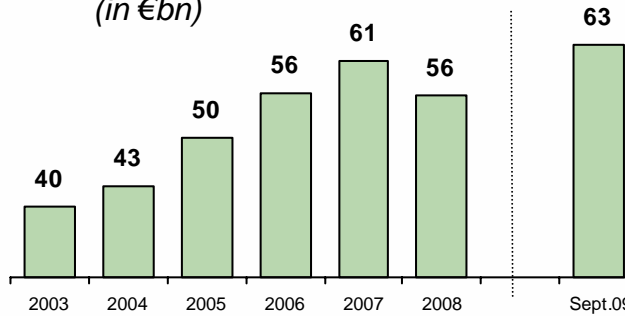
# France (1/2)



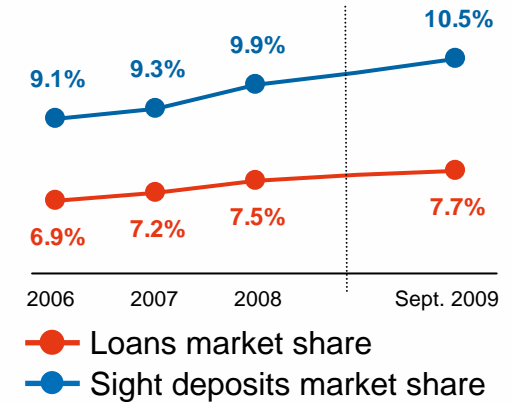
➤ **Individuals**  
Increase in the number of individual accounts  
(in thousand)



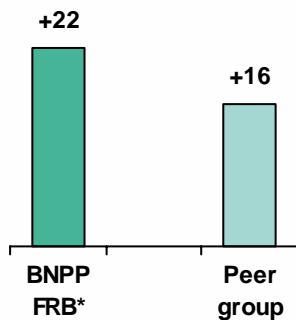
➤ **Private banking**  
Assets under Management  
(in €bn)



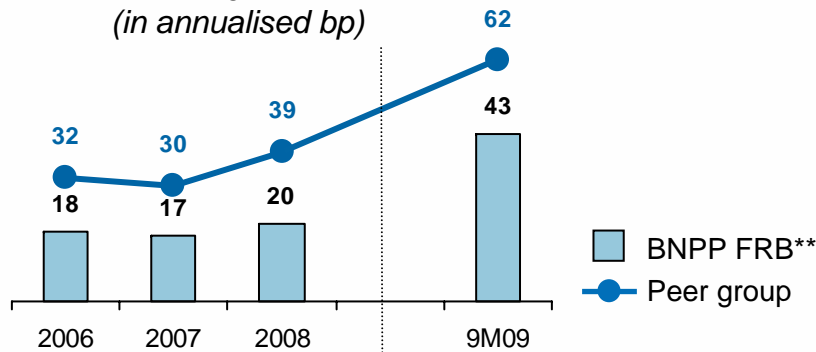
➤ **Corporate Market Share**



➤ **Peers outperformance**  
2003-08 Retail revenue growth  
(in %)



➤ **Cost of Risk**  
/Risk-weighted assets under Basel I  
(in annualised bp)



➤ **Market share gains with lower risk profile**

\* Including 100% of French Private Banking; \*\* including 2/3 of French Private Banking



# France (2/2)



## Fortis France

- Integrate Fortis France
  - €200mn revenues
  - 50K individual clients and 20K professionals, entrepreneurs and corporates
  - €50mn of synergies per year from 2012

## French Overseas Territories

- Transfer French overseas territories businesses to French Retail Banking\*
  - Approximately €200mn in revenues

## 3 New Projects

- Launch 3 new projects representing revenues of €200mn by 2013
  - Insurance: establish BNP Paribas as an undisputable player in protection and property and casualty insurance
  - *Maison des Entrepreneurs*: improve commercial efficiency on the entrepreneurs and SME market
  - Internet: become the Best Online Bank by 2012



## Top 3 in France in pre-tax income over the cycle

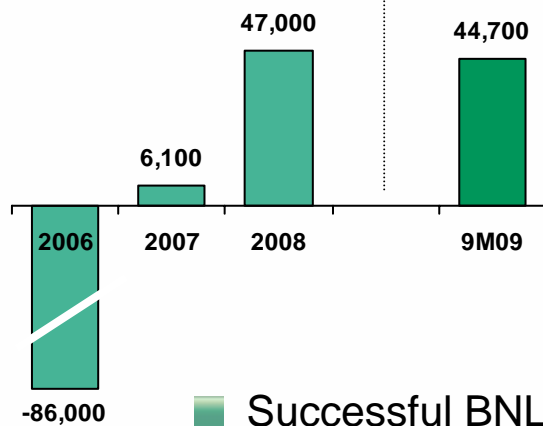
*\* Submitted to personnel representatives for review on November 13. These organisations are expected to respond by December 10. Only after this process has been completed can the reorganisation be implemented.*



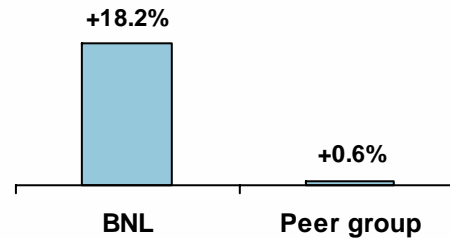
# Italy (1/2)



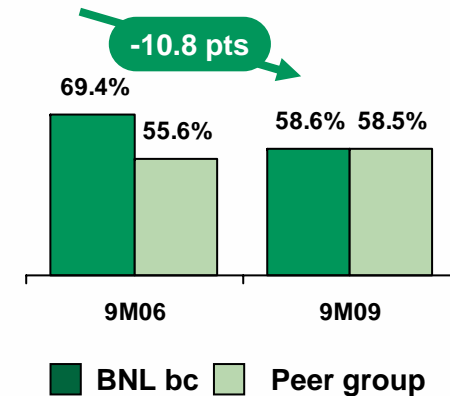
➤ Increase in the number of individual accounts



➤ Revenue evolution vs peers over the 2006-9M09 period



➤ Cost/income ratio\*



- Successful BNL industrial plan: €550mn synergies realised vs €400mn announced at inception
- Strong outperformance vs its peers in revenues
- Global efficiency gap closed: cost/income ratio down by 10 percent points vs peer average, despite investments realised, notably in the network

➤ **Successful integration despite adverse market environment**

\* Including 100% of Italian Private Banking



# Italy (2/2)



## A further step forward in a domestic market

### Fortis Italy

- €30mn in revenues
- 580 individual clients, 2,000 corporates
- €17mn synergies per year from 2012

### Personal Finance

- Strong synergies expected following Findomestic acquisition
- UCB fully integrated into BNL bc, to become a leader in mortgage partnerships

### Non life insurance

- Acquisition of majority stake in UBI Assicurazioni in partnership with Fortis Insurance Intl.
- Long term exclusive distribution partnership with UBI Banca
- Access to 4mn UBI clients and 2.5mn BNL bc clients

### Branch Network

- Reach 1,000 BNL bc branches by 2012
- Open 50 to 70 branches per year

### CIB

- Move one step further in coverage and cross-selling and become Top 3 Corporate bank in Italy

Reach €170mn total synergies by 2012\*

**➤ BNP Paribas now top 5 banking group in Italy**

\* Restructuring costs €250mn



**BNP PARIBAS  
FORTIS**

The bank for a changing world

Retail Banking | 01.12.09 |

74



# Personal Finance Eurozone



- European leader in consumer credit
  - Reduced competition from major US players
- Profitable throughout the crisis
  - Reacted strongly to the rise in cost of risk
  - Break-even point brought down
- New projects launched
  - Italy: realise synergies between Findomestic and BNL bc
  - Spain: shift business model to lower risk revenue sources
  - Portugal: become #1 after the take over of LaSer's subsidiary
- Increase synergies with branch banking networks
  - Belgium: leverage new customer base
  - France: enlarge offering to savings and insurance products
  - Germany: Dresdner partnership extension to Commerzbank signed
- Mortgages: focus on innovation and niches
  - Variable rates, cross-border transactions, private banking


## ➤ New networks

**Belgium**

**BNP PARIBAS**  
**FORTIS**

Access to  
3.2mn  
customers

**Germany**

**COMMERZBANK**

Access to  
11mn  
customers

**➤ Boost return on equity**

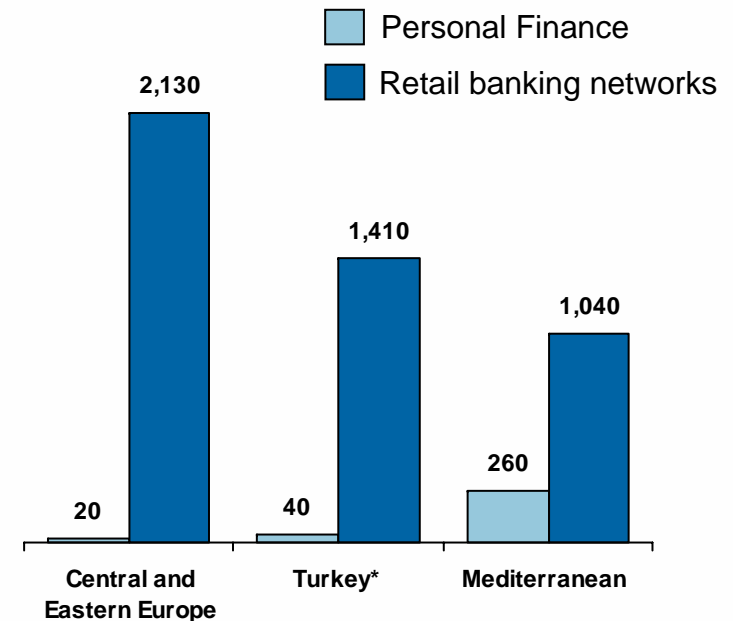


# Personal Finance Outside of the Eurozone



- Operate as a business unit within existing retail banking networks
  - Merge Personal Finance subsidiaries into retail banks
  - Launch Business Unit directly within the retail banks for new countries
  - Roll out through Central and Eastern Europe and Mediterranean
  
- Increase revenues and lower costs
  - Funding: access to local currency deposit base
  - Revenues: access to large customer bases
  - Costs: mutualise platforms
  - Risk: better customer knowledge

▶ Individual customer base  
*in thousand as at 30.09.09*



▶ **New business model launched**

\* *TEB*



# Presentation Overview



1. Key Retail Franchises

---

2. Integrated Business Model

---

**3. Additional Growth Levers in Emerging Markets**

---

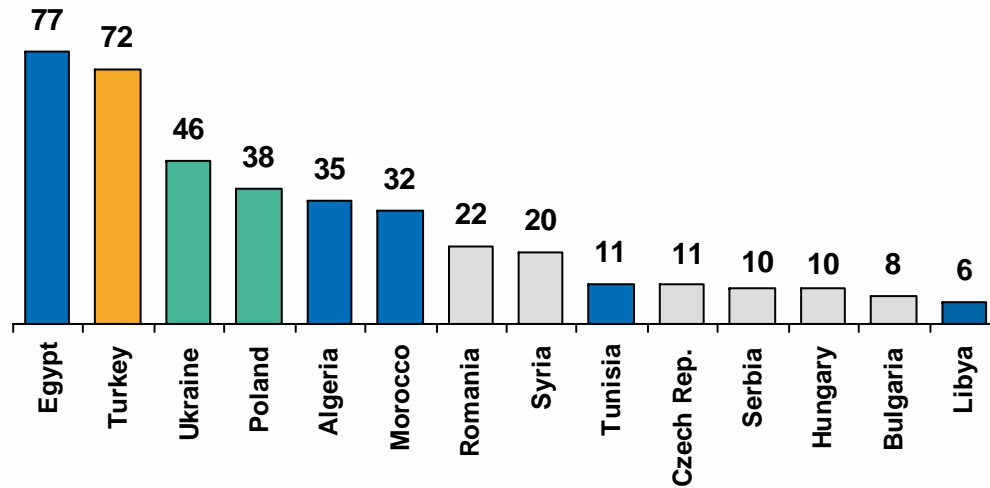
4. Conclusion



# Neighbouring Emerging Countries

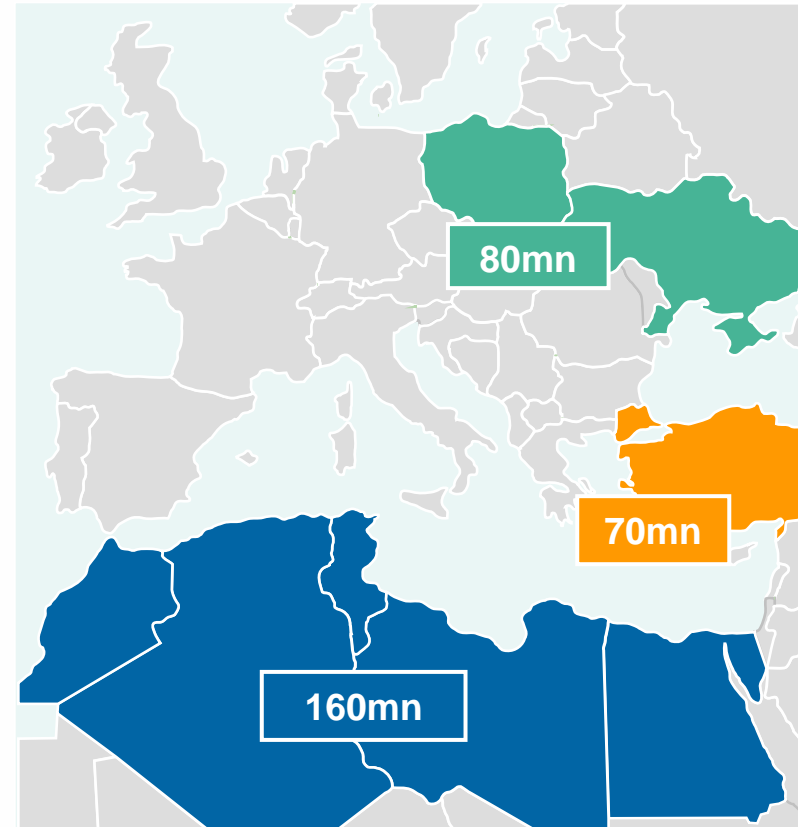


## Population (in mn)



## New retail organisation

- Creation of an integrated operating entity for Emerging Markets
- Tailored around 3 regions: Central and Eastern Europe, Turkey and Mediterranean



**➤ Focused development on 3 densely populated regions**

Source: IMF, January 2009



**BNP PARIBAS  
FORTIS**

The bank for a changing world

# Model Roll-Out



	CENTRAL AND EASTERN EUROPE (2 countries)	TURKEY	MEDITERRANEAN (5 countries)
<b>RETAIL</b>	<ul style="list-style-type: none"> <li>TRADE FINANCE</li> <li>CASH MANAGEMENT</li> <li>LEASING</li> <li>PERSONAL FINANCE</li> <li>FLEET MANAGEMENT</li> <li>MULTICHANNEL DISTRIBUTION MODEL</li> </ul>	<ul style="list-style-type: none"> <li>TRADE FINANCE</li> <li>CASH MANAGEMENT</li> <li>LEASING</li> <li>PERSONAL FINANCE</li> <li>FLEET MANAGEMENT</li> <li>MULTICHANNEL DISTRIBUTION MODEL</li> </ul>	<ul style="list-style-type: none"> <li>TRADE FINANCE</li> <li>CASH MANAGEMENT</li> <li>LEASING</li> <li>PERSONAL FINANCE</li> <li>FLEET MANAGEMENT</li> <li>MULTICHANNEL DISTRIBUTION MODEL</li> </ul>
<b>IS</b>	<ul style="list-style-type: none"> <li>INSURANCE JV</li> <li>PRIVATE BANKING</li> <li>ASSET MANAGEMENT</li> </ul>	<ul style="list-style-type: none"> <li>INSURANCE JV</li> <li>PRIVATE BANKING</li> <li>ASSET MANAGEMENT</li> </ul>	<ul style="list-style-type: none"> <li>INSURANCE JV</li> <li>PRIVATE BANKING</li> <li>ASSET MANAGEMENT</li> </ul>
<b>CIB</b>	<ul style="list-style-type: none"> <li>STRUCTURED FINANCE</li> <li>FIXED INCOME</li> </ul>	<ul style="list-style-type: none"> <li>STRUCTURED FINANCE</li> <li>FIXED INCOME</li> </ul>	<ul style="list-style-type: none"> <li>STRUCTURED FINANCE</li> <li>FIXED INCOME</li> </ul>

**➤ Integrated model roll-out facilitated by new organisation**

Projects in planning phase



# Turkey



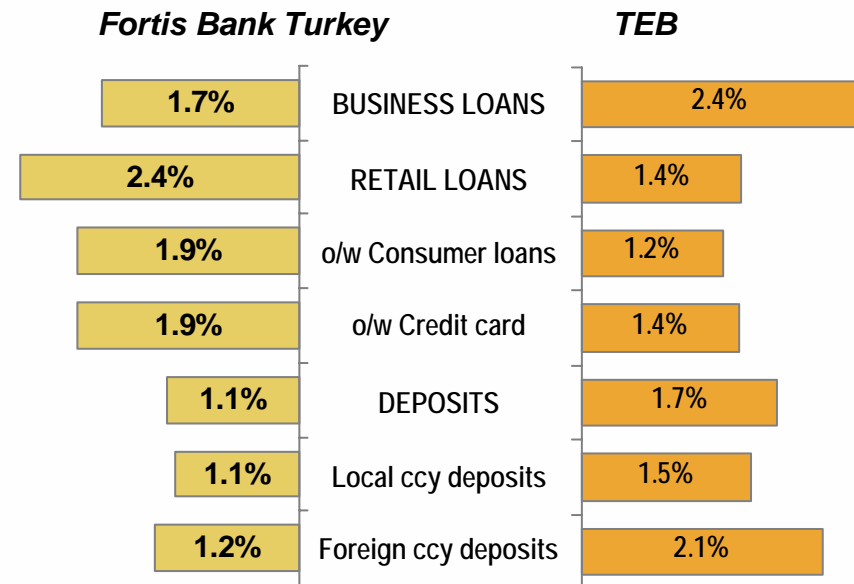
## ■ An attractive banking market

- Sizeable population: 72mn inhabitants
- Significant growth potential: GDP/capita of €6,100, 2.8% expected GDP growth for 2010\*
- Strong economic links with other BNP Paribas markets: Western Europe, Central and Eastern Europe & Mediterranean

## ■ Strong potential for Fortis and TEB

- Roll-out of the commercial platforms and BNP Paribas expertise
- Cross-selling opportunities with CIB and Investment Solutions

## ➤ Markets shares (June 2009)



➤ **A major market for BNP Paribas**

\* Source: Eurostat 2009



# Poland



## ■ Create a Universal bank in Poland

- Fortis Bank Poland and Dominet Bank merged in August 2009
- 400,000 customers
- 259 branches, 8 Business Centres

## ■ Focus on risk management and efficiency improvements arising from the merger

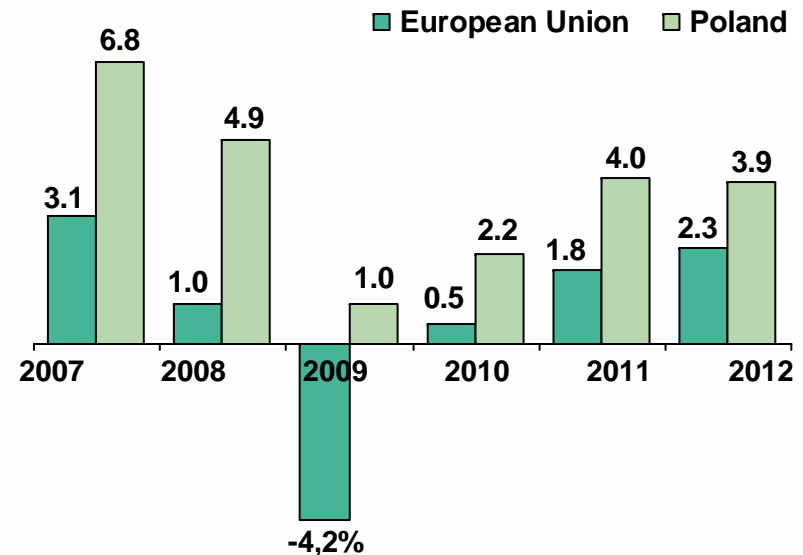
## ■ Deliver synergies from stand alone project: €25mn by 2010

- 16% of 2010 combined cost base

## ■ Launch integration plan with BNP Paribas

- Enhance service offering for Corporates
- Start up new Personal Finance business unit within the Retail bank
- Reorganise the risk function
- Mutualise support and operational functions

## ➤ GDP annual growth\* in %



**A platform for future growth**

\* Source: IMF database October 2009



**BNP PARIBAS  
FORTIS**

The bank for a changing world

Retail Banking | 01.12.09 |

81



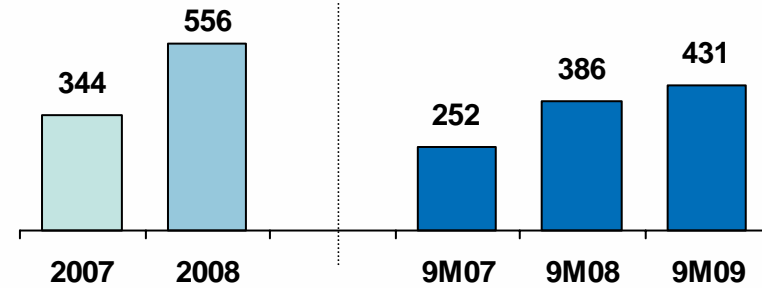
# The Mediterranean



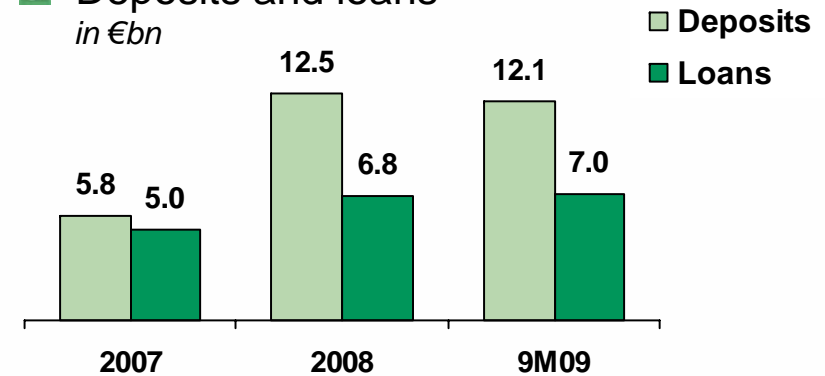
	Branches	Clients
Morocco	252	420,000
Algeria	49	85,000
Tunisia	107	215,000
Libya	48	220,000
Egypt	61	140,000

- Leveraging the growth potential of the region with further branch openings:
  - +23 branches target by the end of 2009
  - +40 new branches planned for 2010
- Cross-selling with Investment Solutions and CIB

➤ Revenues\*  
in €mn



➤ Deposits and loans\*  
in €bn



**A significant presence**

\* 2007: acquisition of Sahara Bank, consolidation in 2008



# Presentation Overview



1. Key Retail Franchises

---

2. Integrated Business Model

---

3. Additional Growth Levers in Emerging Markets

---

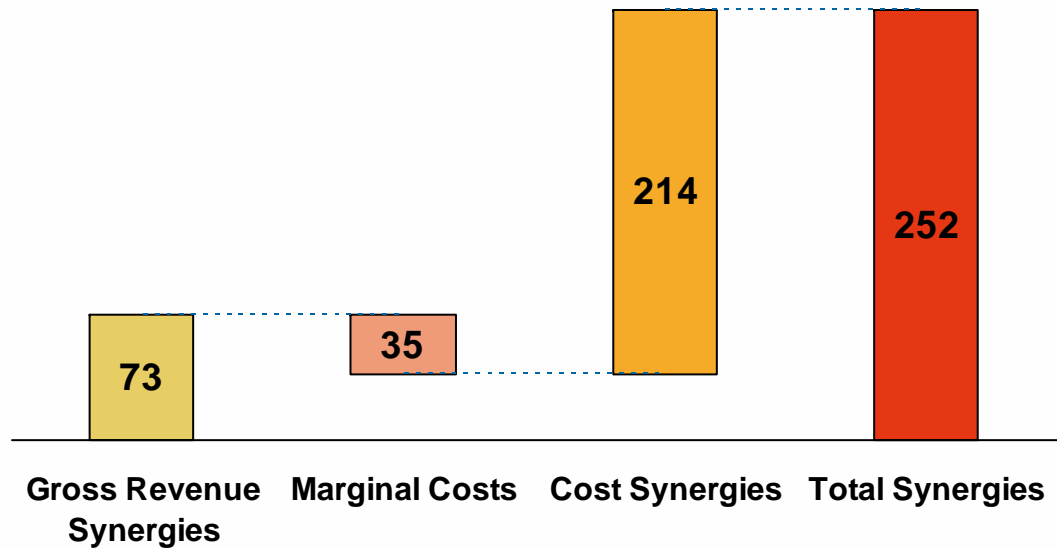
**4. Conclusion**



# Synergies



## > Total 2012 Retail synergies (impact on Gross Operating Income; in €mn)



> **Committed to delivering €252mn total synergies by 2012**



# Conclusion



**> Fortis: a catalyst to the BNP Paribas' Retail Banking project**

**> Roll-out of the integrated model into Belgium and Luxembourg to generate out performance**

**> Further future growth to come from Eastern Europe, Mediterranean and Turkey**



# Corporate and Investment Banking

Alain Papiasse  
December 1<sup>st</sup>, 2009, Brussels



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world

# Presentation Overview



## 1. Reinforced by Fortis Integration

---

## 2. Stronger after the Crisis

---

## 3. Growth Strategy

---

## 4. Conclusion



# Presentation Overview



## 1. Reinforced by Fortis Integration

---

## 2. Stronger after the Crisis

---

## 3. Growth Strategy

---

## 4. Conclusion





# Fortis Merchant Banking Overview



## Established franchise in selected areas

- Structured Finance: global niche player with Export and Project Finance expertise, top tier bank in Commodities in Asia
- Energy & Commodities: Top 5 bank globally in renewable financing

## International network centred around several activities

- Corporate Banking: a pan-European network of Business Centres for mid-caps
- Global Markets: Fixed Income franchise present in Forex, Rates and Credit; limited Equities franchise

- Business heavily impacted by the crisis
  - Difficult market environment
  - Weakened businesses due to separation from Fortis Bank Nederland
  - Important funding needs and high capital consumption



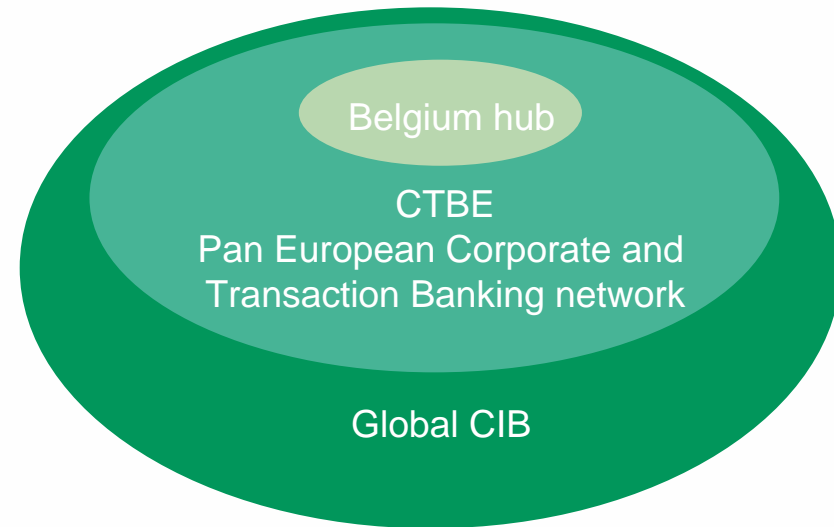
**A business model altered by the crisis**



# Industrial Road Map



- **Belgium:** set up a strong hub in Brussels
  - Serving all Belgian clients with CIB global product offer
  - Acting as a Competence Centre for the rest of CIB
- **Across Europe:** create a wider and deeper set-up for corporate and transaction banking
  - Leveraging both BNP Paribas Fortis and BNP Paribas networks
- **Outside Europe:** full integration of BNP Paribas Fortis activities into BNP Paribas CIB



**BNP Paribas Fortis to become a strong component of the global CIB set up**



# BNP Paribas Fortis CIB Hub in Belgium



## Refocused capital markets & investment banking platforms

- Market risks: refocused on client-driven business and implementation of BNP Paribas risk management
- Fixed Income: centred on flow products to serve Belgian and Corporate & Transaction Banking Europe's clients
- Equities and Corporate Finance: strengthened client activities, focusing on Belgian clients

## European structured finance hub

- Serving Benelux, Northern Central Europe (including Greece) and Turkey for Corporate Acquisition Finance, Export Finance and Project Finance
- Managing Public-Private Partnership financing for Europe, leveraging BNP Paribas Fortis expertise

## Global Competence Centres in Brussels

- Trade Finance: Competence Centre for product development, including design, technical and marketing support
- Cash Management: global Competence Centre based in Brussels



**Offer CIB global reach and products to BNP Paribas Fortis Belgian clients**



# Corporate & Transaction Banking Europe (CTBE)

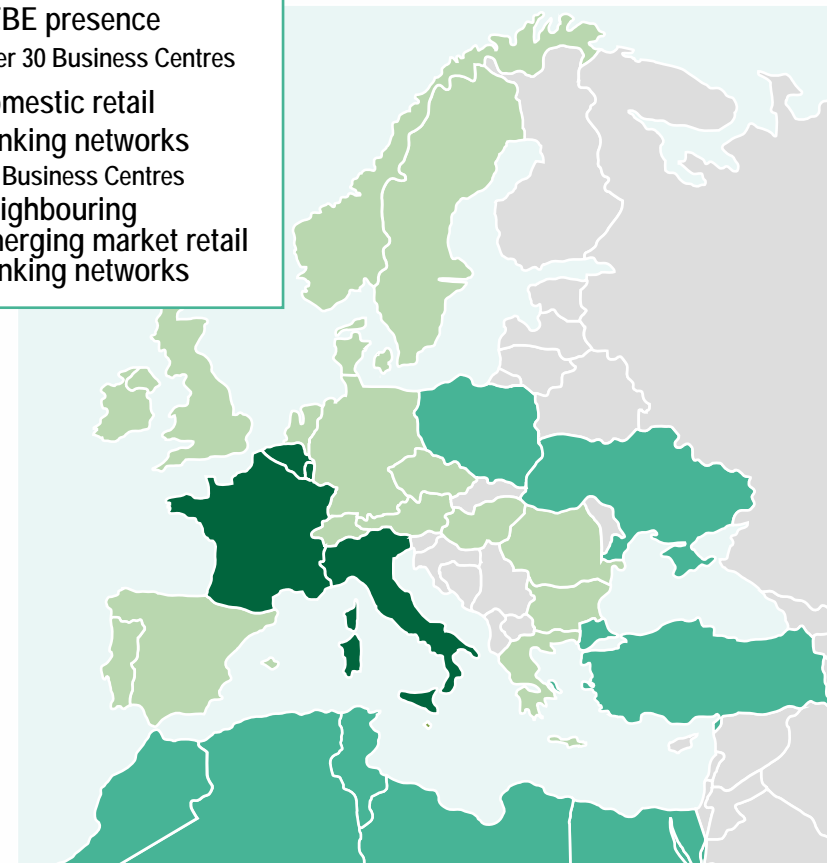


- Leverage both BNP Paribas CIB and BNP Paribas Fortis networks
  - Present in 16 European countries with over 30 Business Centres
  - Complementary to Business Centres in domestic markets and Mediterranean networks

- Serve subsidiaries of domestic market and CIB clients, as well as selected local clients

- Offer daily banking products and leverage CIB offering

- Part of CIB
  - Competence Centre based in Brussels



**A unique pan-European network for corporates**



**BNP PARIBAS  
FORTIS**

The bank for a changing world

Corporate and Investment Banking | 01.12.09 |

92

# Asia and North America



- Full integration of Fortis activities in Asia and North America into BNP Paribas\*
- Reduced risk profile
  - Exit of complex exotic activities
  - Improved liquidity profile
- Reinforce and accelerate development of selected CIB global franchises leveraging Fortis historical strengths
  - Commodities: combination of product complementarities with the addition of physical trading activities in the US



**Outside Europe, a full integration of Fortis Merchant Banking into BNP Paribas CIB**

*\* Restructuring perimeter excluding some assets to stay within Fortis Bank  
Subject to regulatory approval and work council agreement*



**BNP PARIBAS  
FORTIS**

The bank for a changing world

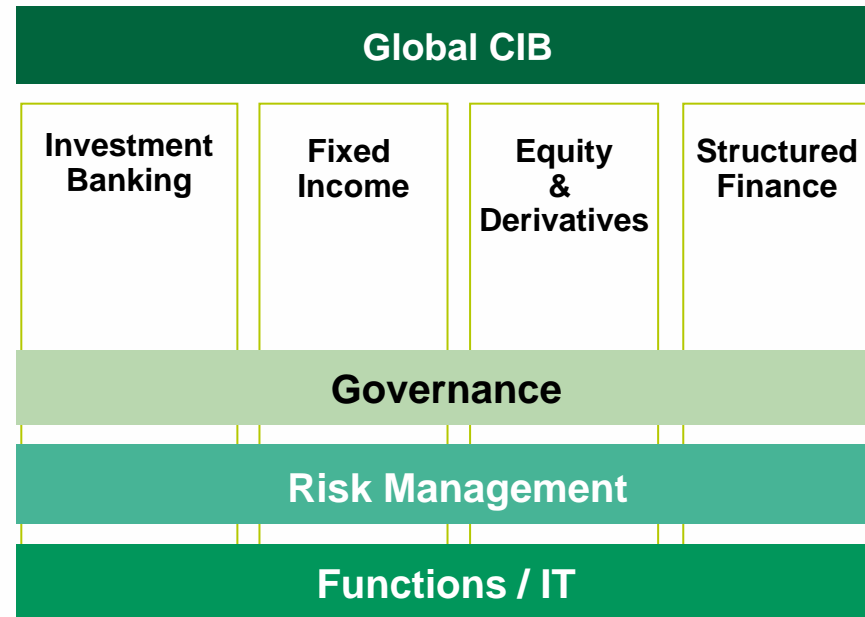
Corporate and Investment Banking | 01.12.09 |

93

# An Integrated Global CIB



- Business lines and coverage merged across BNP Paribas CIB and Fortis Merchant Banking\*
- Single Governance and Risk management
- Shared functions across all business lines
  - Key driver of the integration
- Common IT systems
  - Migration to BNP Paribas systems across all CIB
  - Increased efficiency while optimising investment costs



**> Unified and reinforced CIB**

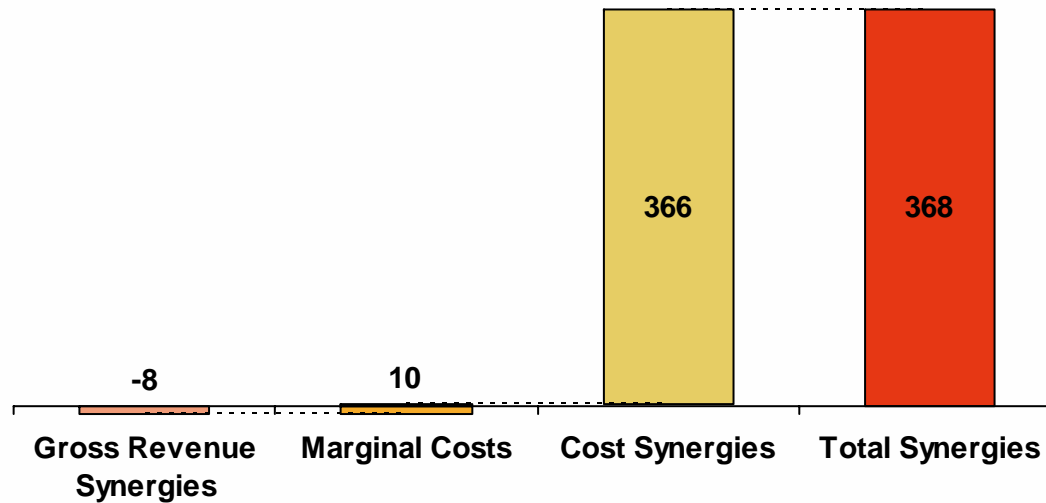
\* Subject to regulatory approval and work council agreements



# Synergies



## ➤ Total 2012 CIB Synergies in €mn



➤ **Committed to delivering €368mn total synergies by 2012**





# RWA Synergies



## ► CIB: RWA reduction in €bn



- RWA target net reduction by end 2012: -€30bn
  - O/w €15bn already achieved

► **Provide extra flexibility to reallocate capital to higher return opportunities**



# Presentation Overview



1. Reinforced by Fortis Integration

---

**2. Stronger after the Crisis**

---

3. Growth Strategy

---

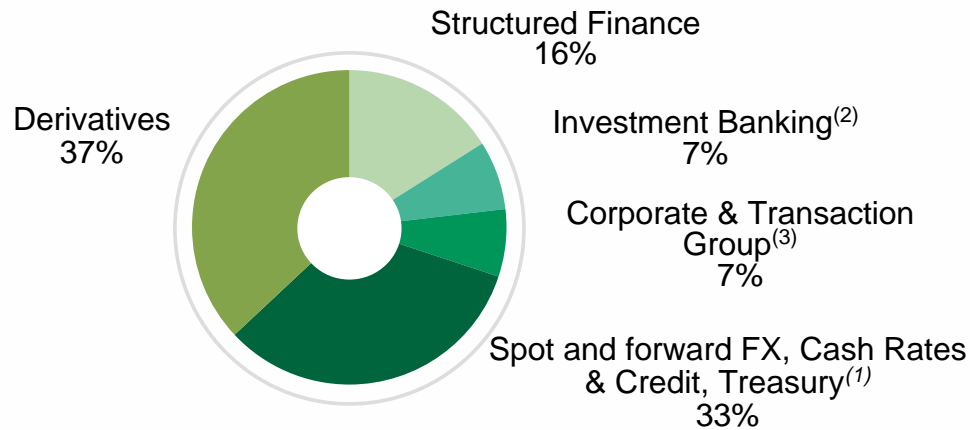
4. Conclusion



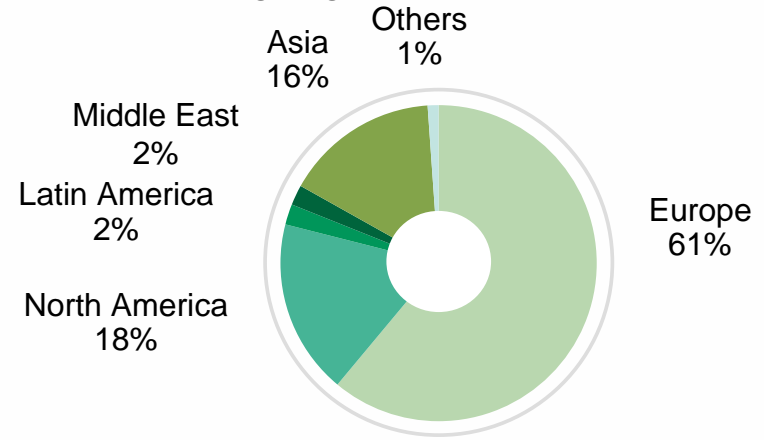
# CIB Business Model (1/3)



## CIB business mix (9M09)



## CIB geographic mix (9M09)



### Diversified business mix

- Strong financing platform with steady contribution to revenues
- Rebalanced product mix within capital markets with an increased weight of flow products

### Global reach with a European focus

- Solid revenue base in Europe with two new domestic markets
- Strong momentum in Asia and Latin America through joint development with Investment Solutions

**European leader with diversified business mix and global reach**

*All figures Excluding BNP Paribas Fortis*

*(1) + Asia cash equities; (2) Investment Banking: ECM, DCM, M&A, Securitisation;*

*(3) Corporate & Transaction Group: vanilla lending, Cash Management, and Global Trade Services*



**BNP PARIBAS  
FORTIS**

The bank for a changing world

Corporate and Investment Banking | 01.12.09 |

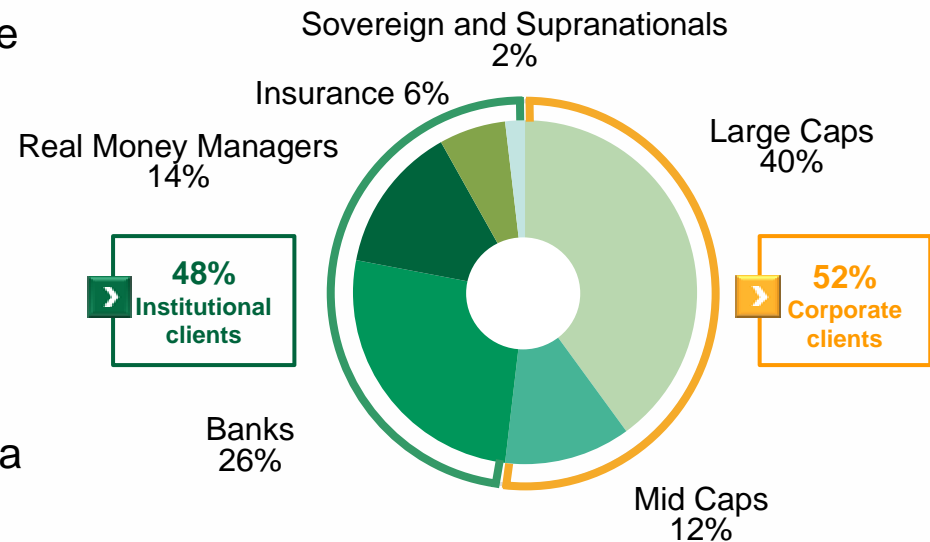
98

# CIB Business Model (2/3)



- Strong corporate client base: 52% of client revenues
  - Large Caps: reinforced coverage for large corporate clients offering the full set-up of CIB products
  - Mid Caps: Commercial and Transaction Banking set-up to be reinforced through BNP Paribas Fortis in Europe
  
- Growing franchise with institutional clients: 48% of client revenues
  - BNP Paribas increasingly recognised as a core bank for Financial Institutions, thanks to its resilience and strong rating
  - Growing franchise with Real Money Managers client segment

## ▶ CIB client revenues (9M09\*)



**▶ A client-centric business model**

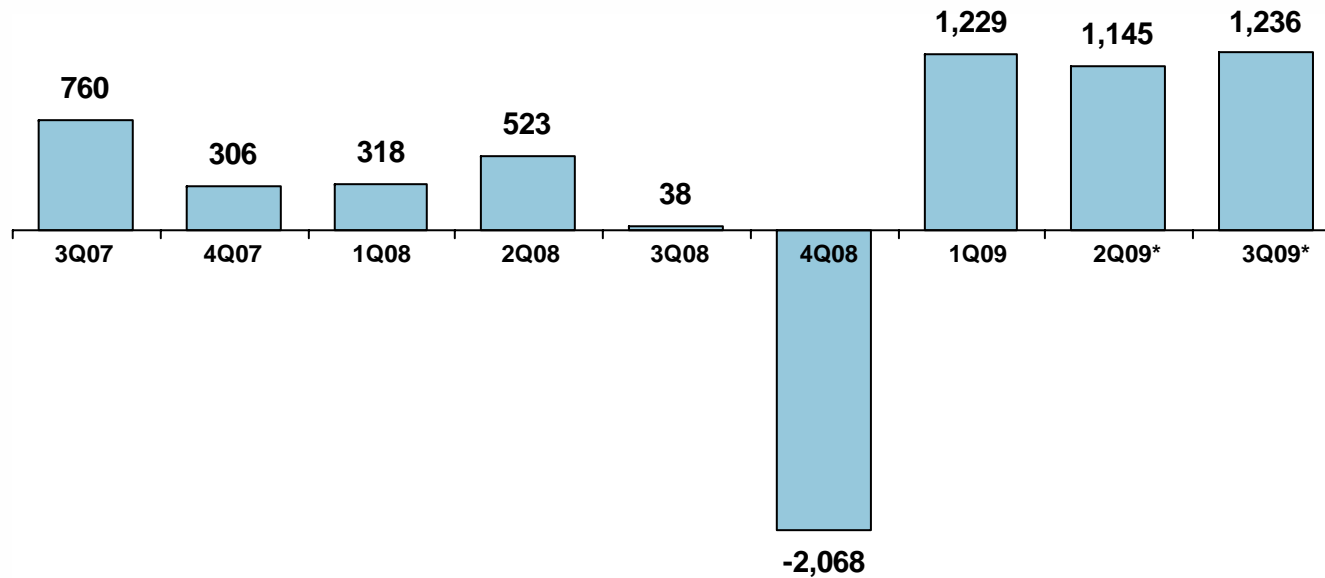
\* Figures excluding BNP Paribas Fortis contribution



# CIB Business Model (3/3)



► CIB quarterly Pre-Tax Income since mid-2007  
in €mn



**A robust and resilient business model which emerged stronger out of the crisis**

*\* Figures excluding BNP Paribas Fortis contribution*



**BNP PARIBAS  
FORTIS**

The bank for a changing world

# Presentation Overview



1. Reinforced by Fortis Integration

---

2. Stronger after the Crisis

---

**3. Growth Strategy**

---

4. Conclusion



# CIB Ambitions in Europe



## Franchise

- Global leadership in financing businesses
- European powerhouse in capital markets and derivatives
- Dynamic Advisory franchise in Europe
- With Fortis, reinforced European leadership with the addition of two domestic markets

## Ambitions

- Consolidate leading position in Group Core market
  - Confirm leading position in euro-denominated Corporate Bonds and financing businesses
  - Reinforce Advisory businesses in core European countries
  - Keep on strengthening Structured Finance and Global Equity and Derivatives positions
  - Fully leverage new strengths in Commercial Banking
  - Fully roll out Group integrated business model



## Consolidate leadership



# CIB Ambitions in North America



## Franchise

- Established franchise with a strong leadership in E&C financing
  - Well established leader in the US E&C banking market
  - Successful integration and development of US Prime Brokerage activities
  - Strong market share gains in Fixed Income North American activities
  - Reinforcement through Fortis in selected areas (Commodities)

## Ambitions

- Increase distribution capabilities for market activities and build out a strong Investment Banking platform
  - Increase distribution capabilities for Fixed Income and Equity Derivatives and build out real money franchise taking advantage of strong rating and talents
  - Grow market share in Prime Brokerage moving up to be a top tier provider
  - Build out a strong Investment Banking platform in the US, leveraging the established E&C franchise



**Selective growth strategy**





# CIB Ambitions in Asia



## Franchise

- Strong and long established CIB presence with distinctive strengths
  - Three powerful regional platforms in Hong Kong, Singapore and Japan
  - Strong corporate client franchise and growing presence with institutionals
  - Recognised know-how and leading positions in Energy and Commodity Finance, Export and Project Finance and in Derivatives
  - Significant reinforcement from Fortis in Commodities and Transportation

## Ambitions

- Be among the market leaders in structured finance and in Fixed Income and enlarge product offer in capital markets business
  - Be among top 6 Fixed Income players in Asia
  - Continue to lead the market in Structured Finance
  - Scale up investment banking business (M&A, ECM, DCM) and capital markets
  - Enlarge client base in flow business
  - Build up franchise and increase distribution capacity for institutional investors



**Capture fast growth**



# Presentation Overview



1. Reinforced by Fortis Integration

---

2. Stronger after the Crisis

---

3. Growth Strategy

---

**4. Conclusion**



# Conclusion



**> Integration of Fortis Merchant Banking: join forces for stronger positions, especially in Europe**

**> Resilient business model and necessary flexibility to take on the challenges of a new regulatory environment**

**> Increasing attractiveness and growing market share across businesses, preparing to capture new opportunities**



# Investment Solutions

Jacques d'Estais  
December 1<sup>st</sup>, 2009, Brussels



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world

# Presentation Overview

## 1. A Transforming Transaction

---

## 2. Integration Plan

---

## 3. New Ambitions



# Presentation Overview



## 1. A Transforming Transaction

---

## 2. Integration Plan

---

## 3. New Ambitions



# Scope of Transaction



## Fortis Investments

- €163bn AuM, resulting from the merger between ABN Amro Fortis Investment
- Present in 34 countries
- Over 2,000 FTE

## Wealth Management

- €45bn AuM from Fortis Private Banking
- €30bn AuM from Fortis and BGL retail networks
- 310 Relationship Managers

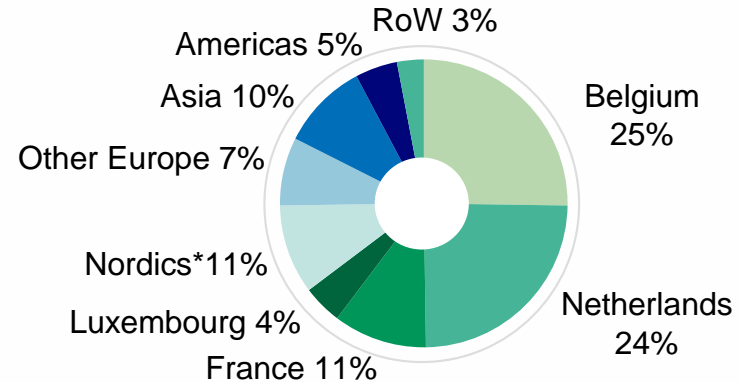
## Securities Services

- Custody and fund administration business in Luxembourg

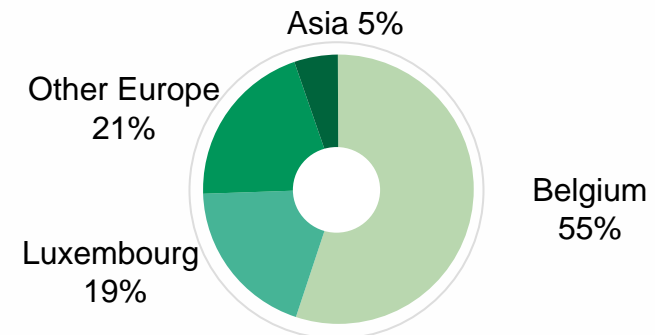
## Insurance

- Strategic partnership with AG Insurance Belgium: acquisition of 25% share of AG Insurance Belgium

## 3Q09 Fortis Investments AuM



## 3Q09 Wealth Management AuM (Fortis+BGL)



**Significant contribution to Investment Solutions**

\* Nordics: Denmark, Finland, Norway, Sweden



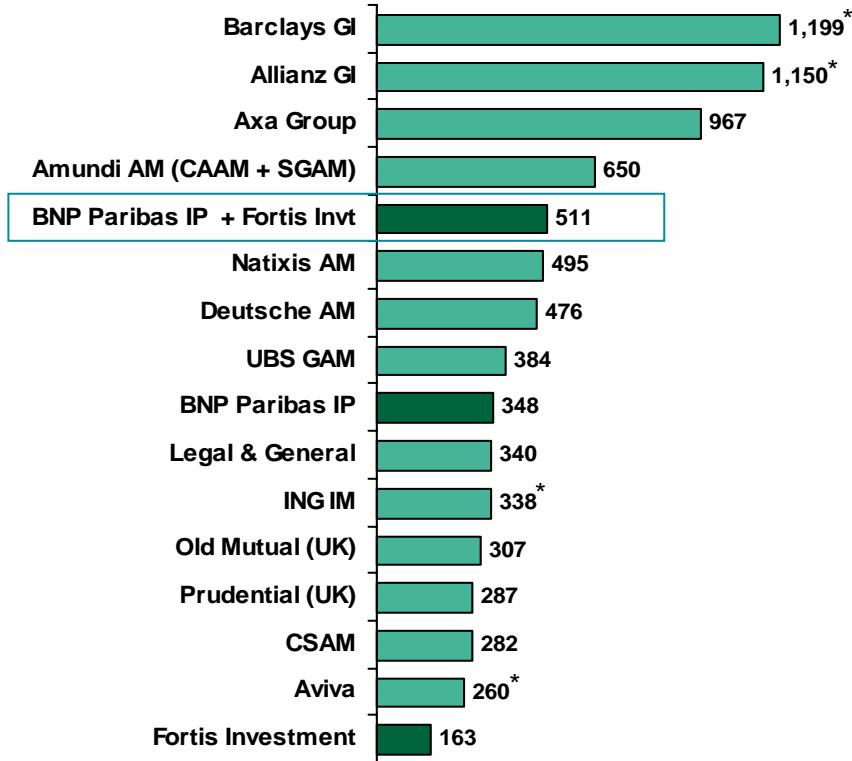
**BNP PARIBAS  
FORTIS**

The bank for a changing world

# Rankings

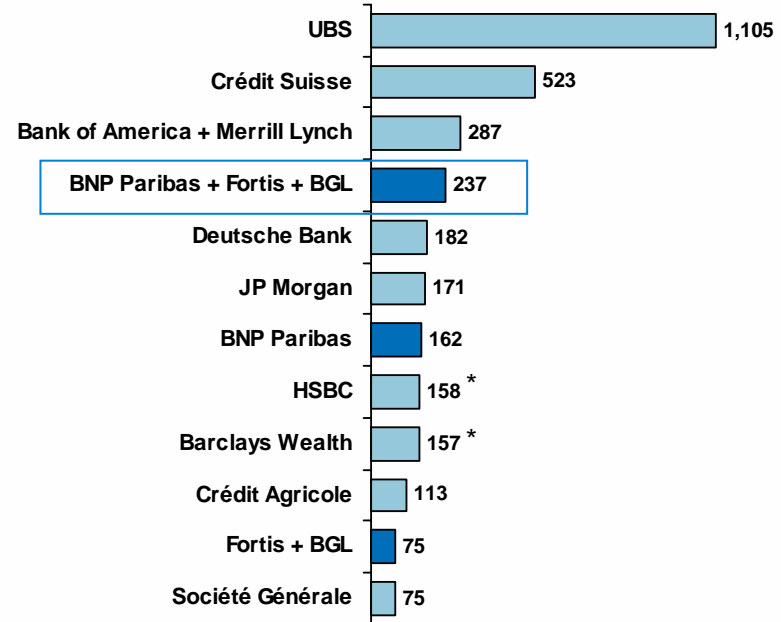


## ➤ Asset Management (including assets under advisory)



➤ **Creating # 5 European Asset Manager**

## ➤ Wealth Management



➤ **Creating # 1 Private Bank in the Eurozone**

Source: Company reports; ranked by AuM in €bn as of 30.09.09, \* As of 30.06.09



**BNP PARIBAS  
FORTIS**

The bank for a changing world



# Presentation Overview

1. A Transforming Transaction

---

**2. Integration Plan**

---

3. New Ambitions



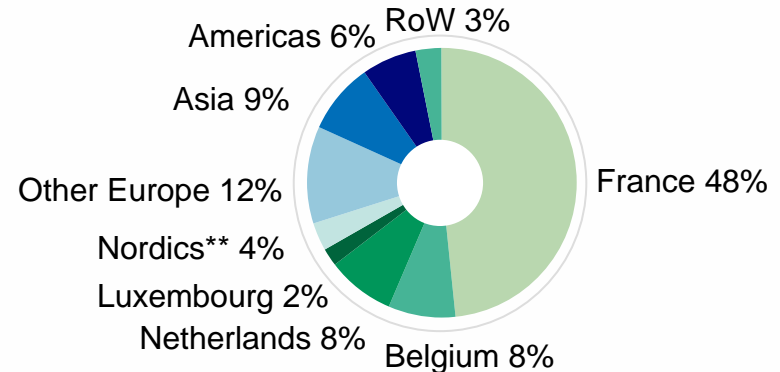
# Asset Management



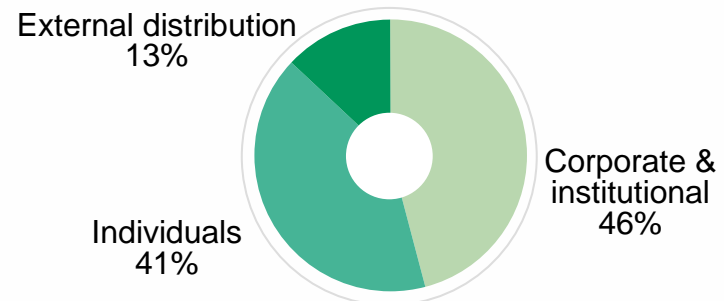
- A combined entity with low level of goodwill
- Creation of a top Asset Manager by combining the strengths of both AM companies
  - Access to the distribution in 4 domestic retail networks
  - New dimension in Asia
  - Significant cost synergies in IT & Operations
  - Very strong base for further growth
- Build a powerful organisation
  - Combining BNP Paribas model with integrated investment teams and Fortis model with geographical focus
  - Maintaining BNP Paribas Investment Partners as the overall umbrella brand

## 3Q09 Assets under Management

Total: €511bn\*



## 3Q09 Breakdown of assets per customer segment



**> A turning point for a core activity**

\* Including Assets under advisory (€83mn); \*\* Nordics: Denmark, Finland, Norway, Sweden

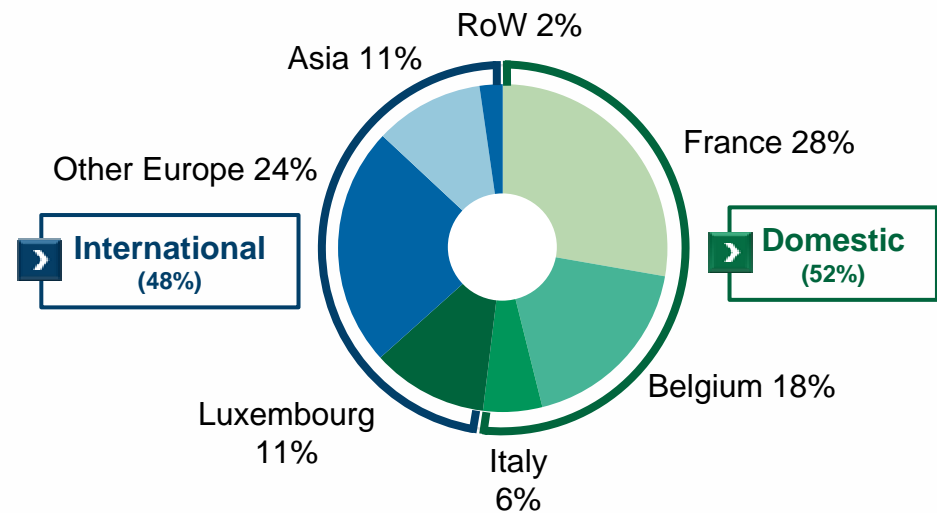


# Wealth Management



- Belgium, France, Italy: replication of the internal JV business model with retail networks (AuM: €123bn)
- Luxembourg: key Group centre for international clients and #1 player with 10% market share (AuM: €27bn)
- Other countries: reinforced international position, especially in Asian markets (Hong Kong and Singapore)
- Significant cross-selling opportunities with both CIB & Corporate and Transaction Banking Europe

➤ 3Q09 Assets under Management  
Total: €37bn



➤ **Well positioned global player**



# Securities Services



- Create a leader in Luxembourg
- Create a Competence Centre in funds servicing with a reinforced platform in Luxembourg
- Reinforce BNP Paribas Securities Services platform and network
  - Migrate BGL Securities Services clients (€72bn AuC) to BNP Paribas Securities Services
  - Re-insource all BGL external local custody (€12bn AuC)
  - Enlarge Securities Services offer in Belgium
- Become the reference provider for Group Asset Management
  - Support the integration of Fortis Investments and Investment Partners and enlarge scope of services provided (middle-office outsourcing)
  - Expand the services provided in the US and in Asia

## Rankings in Luxembourg

#1	Corporate Trust Activity
#1	Fund Administration
#2	Custody

 **Luxembourg to become Securities Services largest set-up outside France**

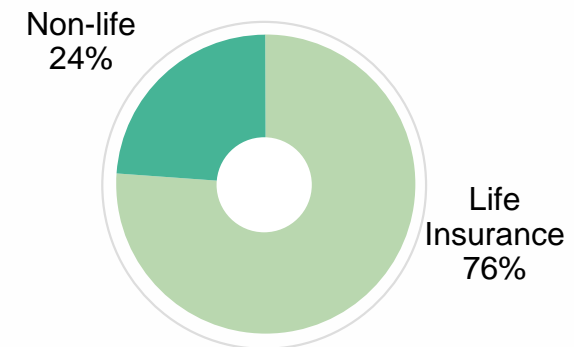


# Insurance



- Strategic partnership with AG Insurance
- Pursue cooperation in Belgium
  - Continue distribution of AG Insurance products through BNP Paribas Fortis retail network
  - Leverage BNP Insurance expertise to enlarge product offering (e.g. new insurance protection products)
- Continue joint initiatives with a view to develop business in new areas
  - Joint acquisition of 50% stake (25/25%) of UBI Assicurazioni (Italy) in 3Q09

## AG Insurance Gross Inflows (2008)



AG Insurance  
#1 in Belgium  
22% market share



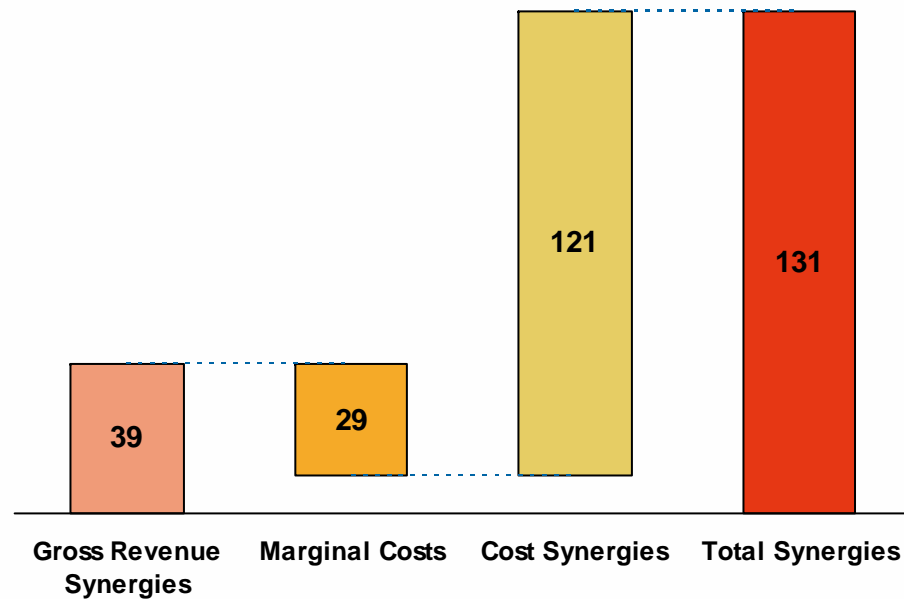
**Broader product offering,  
distribution channels and geographies**



# Committed to Delivering Synergies



➤ Total 2012 Investment Solutions synergies  
(impact on gross operating income; in €mn)



➤ **Committed to delivering €131mn total synergies by 2012**



# Presentation Overview



1. A Transforming Transaction

---

2. Integration Plan

---

**3. New Ambitions**



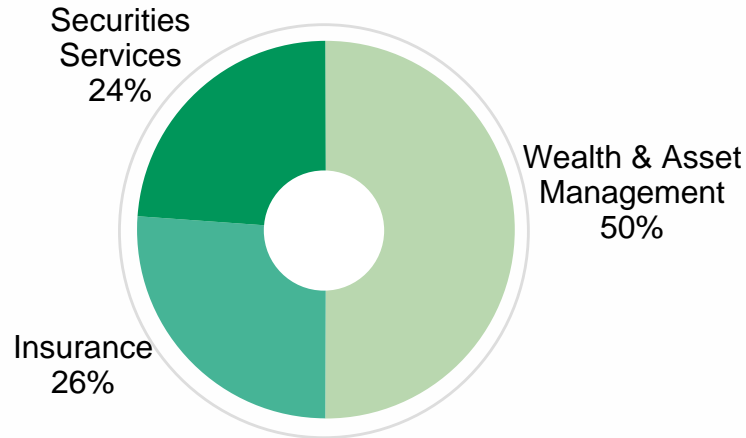
**BNP PARIBAS**  
**FORTIS**

The bank for a changing world

# Business Mix

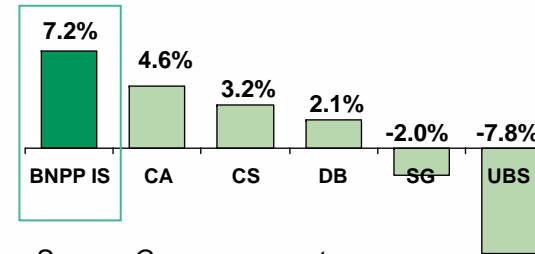


## ▶ Asset Gathering activities: Revenues\* (9M09)



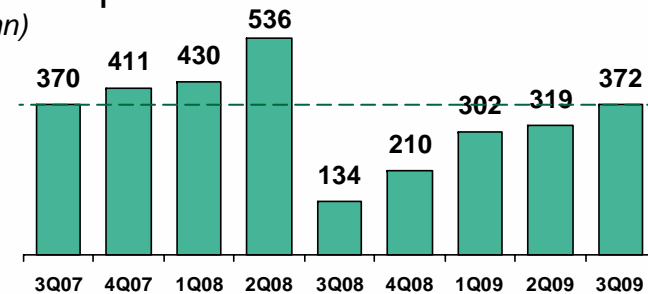
- Assets under Management: €577bn\*
- Assets under Custody: €3,868bn\*
- Staff: 26,000 FTE\*

## ▶ Annualised net asset inflows\* (9M09, % of AuM)



Source: Company reports

## ▶ Pre-tax profit\* (€mn)



■ Continuously profitable, strong rebound

**▶ Proven resilience in a challenging environment**

\* As at 30.09.09 excluding BNP Paribas Fortis



**BNP PARIBAS  
FORTIS**

The bank for a changing world



# Challenges and Opportunities



- Asset gathering industry under pressure due to current economic environment
  - Evolution of client demand towards more secured products
  - Evolution of regulatory constraints (G20, Solvency II, ...)
  - Need for economies of scale to compensate lower margins leads to industry consolidation
- Market trends still remain positive in the long term
  - Favourable demographic trends: emergence of a middle-class in many countries with fast-growing populations, pressure due to ageing populations and deficits in public pension and health schemes
  - Growing need for protection and insurance products
  - Institutional investors becoming more powerful
- Flight to quality: stronger position for BNP Paribas



**Attractive long-term prospects**



**BNP PARIBAS**  
**FORTIS**

The bank for a changing world

# Development Priorities



- Leverage retail networks to enlarge Investment Solutions presence
- Grow in major and most promising asset-gathering markets
- Strengthen relationship with institutional clients, external partners, and non-banking distribution channels, notably thanks to Fortis
- Promote joint projects with CIB

**> A Growth engine for the Group**



# Ambitions in Asia



- **Asset Management:** rank top tier pan-Asian Asset manager and gain market share in China, Korea and India
- **Wealth Management:** Top tier player in the region through 3 main centres (Hong Kong, Singapore and India)
- **Securities Services:** become a significant player in all major Asian Pacific markets
- **Insurance:** develop BNP Paribas business model in Japan, Korea, Taiwan and China
- **Personal Investors:** become a significant distributor of investment products for affluent clients in India and South-East Asia
- **Joint opportunities with CIB:** reinforce the Financial Institutions client franchise and expand client reach and product offering



**> Expand Investment Solutions set-up in Asian markets**



# Conclusion



**Fortis: a major opportunity  
for Investment Solutions**



**A resilient business model  
enabling market share gains throughout the crisis**



**A platform tailored for growth  
supported by attractive market prospects**



# Risk Profile & Liquidity, Financial Strength & Solvency

Georges Chodron de Courcel / Philippe Bordenave  
December 1<sup>st</sup>, 2009, Brussels



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world

# Presentation Overview



## 1. Risk Profile and Liquidity Management

---

## 2. Financial Strength and Solvency

---

## 3. Conclusion



# Presentation Overview



## 1. Risk Profile and Liquidity Management

---

## 2. Financial Strength and Solvency

---

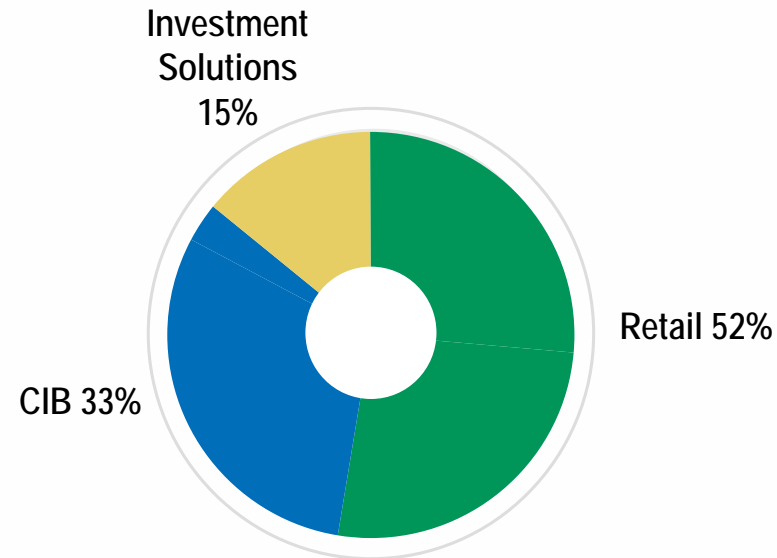
## 3. Conclusion



# Capital Allocation



➤ New Group pro forma allocated equity to operational business lines\*



➤ **Risk balance between businesses maintained after Fortis acquisition**

\* 9M09



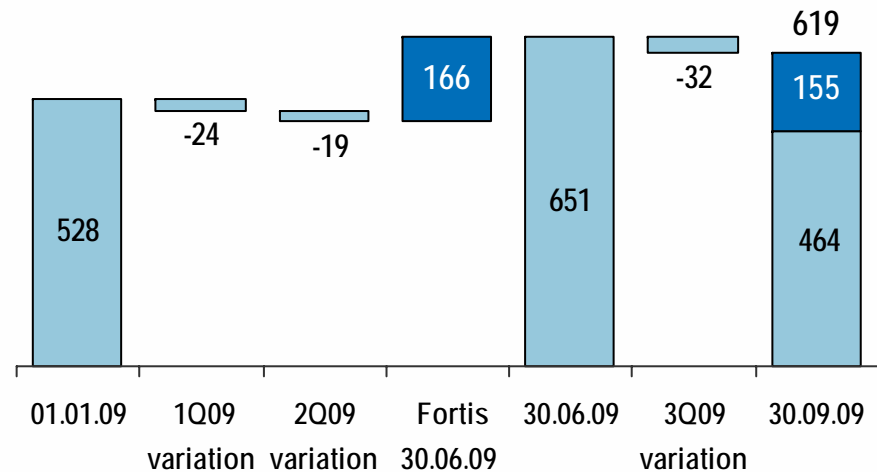


# RWA Management

## ➤ Risk-weighted assets in €bn

### ■ Flexibility in RWA management

- €24bn reduction achieved as early as 1Q09 vs €20bn 2009 target
- New reductions in 2Q09 (€19bn) and 3Q09 (€32bn)



### ■ €42bn RWA savings due to Fortis integration, mainly in CIB

- €30bn CIB net RWA synergies by 2012, of which €15bn already achieved since first consolidation
- €12bn RWA attrition from structured portfolios to be expected over time

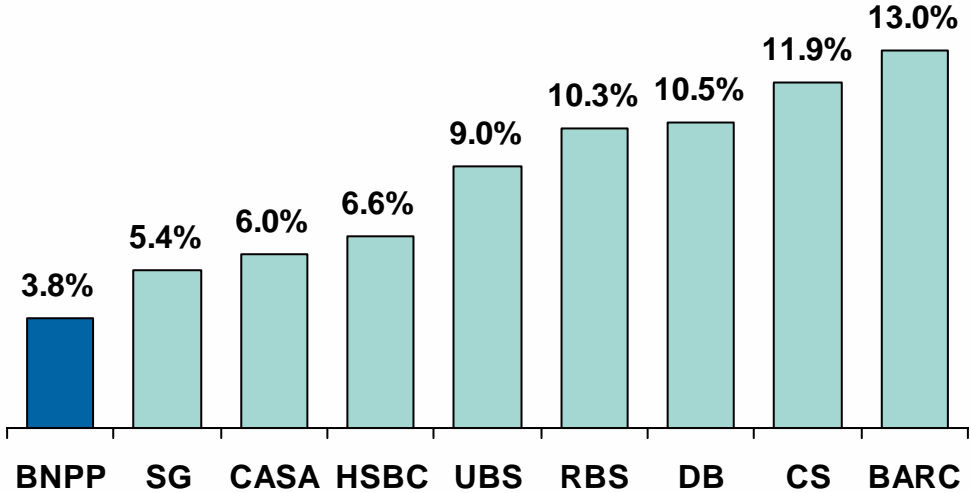
➤ **Proven ability to manage capital**



# Market RWAs



➤ Market RWAs to total Group RWAs  
As at 30.06.09



➤ **Limited share of market RWAs**

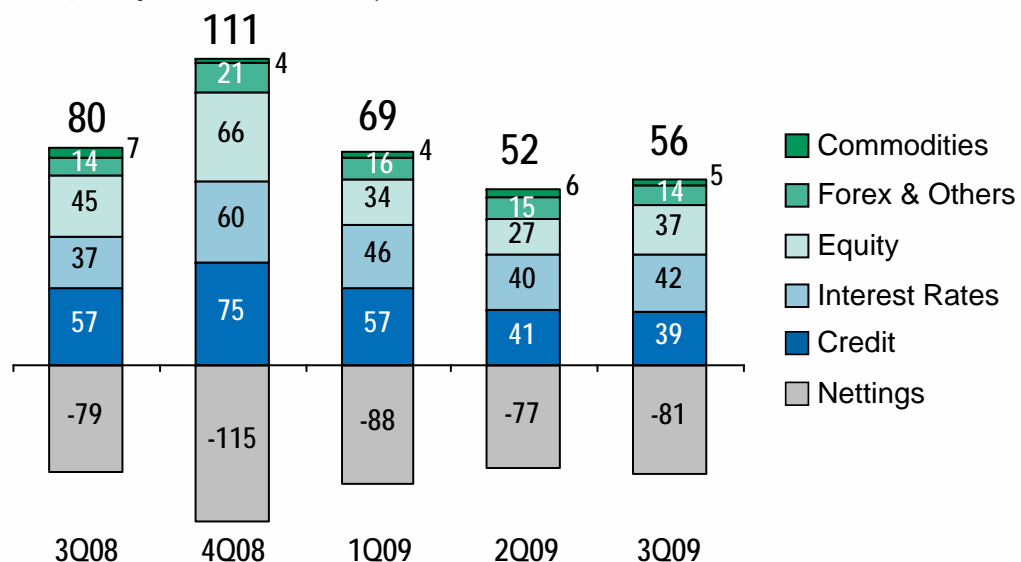
Source: companies



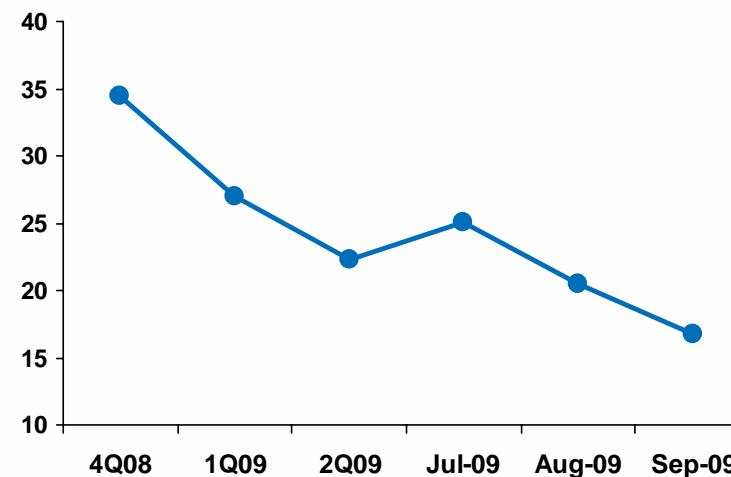
# Market Risks



## BNP Paribas' average VaR (1 day at 99%, in €mn)



## BNP Paribas Fortis' average VaR\* (1 day at 99%, in €mn)



Only 9 days of loss above the VaR since 01.01.07 despite an unprecedented market crisis

Exposures significantly reduced

- Average VaR in 3Q09: -30.0%/3Q08

Fortis VaR also being reduced

**BNP Paribas' VaR model held up well over the crisis**

\* Excluding businesses in a run-down mode



**BNP PARIBAS  
FORTIS**

The bank for a changing world

# BNP Paribas Fortis Risk Management (1/2)



- Most risky structured credit assets ring-fenced (OUT portfolio - RPI)
  - Equity investment in RPI fully written-off, senior loan largely provisioned
  - Limited residual risk
- Better quality structured credit assets well covered (IN portfolio)
  - First loss tranche of €3.5bn largely written down
  - Belgian state guarantee on a second loss tranche of €1.5bn
- Market exposures downsized
  - PPA adjustments to fair value as of 12th May, a low point in the markets
  - Active de-risking of trading activities
- Credit risk: adequate coverage implemented
  - PPA credit risk provisions: €3.2bn\*



## Rationalised risk pockets

*\* Subject to further review within one year following the acquisition*



# BNP Paribas Fortis Risk Management (2/2)



- Risk governance redefined
  - Single, centralised Risk function overseeing all BNP Paribas Fortis businesses worldwide
  - Independent from business management: all risk managers ultimately report to the Chief Risk Officer
  - Double-walled defence: first line in the businesses, second line in Risk function
- New risk organisation already implemented
  - Appointment of the new Chief Risk Officer, member of BNP Paribas Fortis Executive Board
  - Integration within the Group Risk function, to leverage best practices and skills available within the Group
- Ongoing harmonisation with Group governance models, policies, monitoring tools and reporting
  - Group systems deployment planned for market and counterparty risk monitoring

**➤ BNP Paribas stringent risk management rolled out**

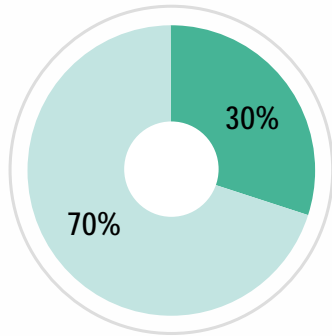


# Liquidity – ST & MLT Funding

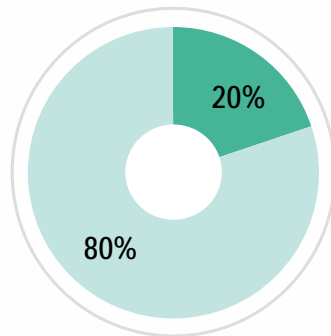


## Short term funding

in % as at 30.06.08



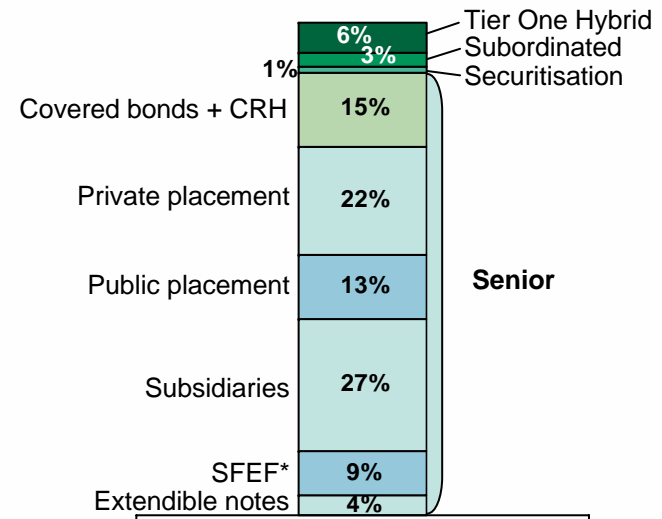
in % as at 30.06.09



□ Clients    ■ Banks

- ST funding: low reliance on interbank money market

## Cumulative MLT issuance by type from 2007 until today



## MLT funding diversified by:

- Type of issue
- Distribution channels
- Type of investors

**A constant diversification strategy for ST & MLT funding**

\* Société de Financement de l'Economie Française



# Liquidity Management



## ■ Best practices in liquidity management

- Funding policy centralised at Group level on all maturities
- Strict in-house liquidity ratios and limits

## ■ One of the lowest CDS spreads of its peer group

## ■ Loan to deposit ratio: 118% as at 30.09.09 vs. 128% as at 31.12.07

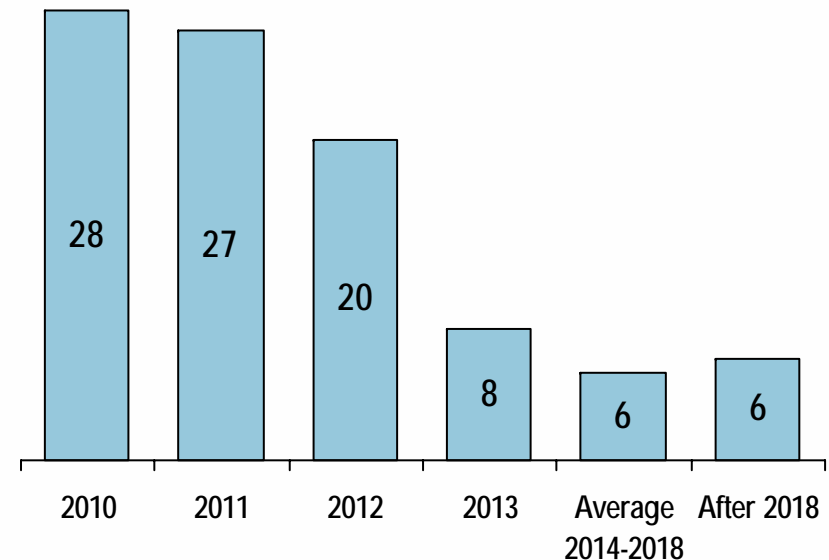
## ■ 2009 MLT issue programme completed

- €38bn

## ■ No upcoming funding hurdle

## ▶ Total MLT debt by expected maturity

As at 30.06.09, in €bn



## Forward-looking liquidity management



# Presentation Overview



1. Risk Profile and Liquidity Management

---

**2. Financial Strength and Solvency**

---

3. Conclusion





# Financial Impacts of the Industrial Project



- Tangible book value\* per share accretion
  - +6.1% (2.2€/share) accretion on the tangible book value per share\* as at 30.09.09  
*(pro forma of the rights issue and repayment of non-voting shares)*
  
- Earnings accretion\*\*
  - Accretive as early as 2010 (excluding restructuring costs)
  - +8.5% (0.5€/share/year) accretion by 2012
  
- Return on invested equity > 20% by 2012
  - Invested equity: capital increase for the acquisition (€6.2bn)



**A value-accretive industrial project**

\* Non revaluated

\*\* BNP Paribas stand alone baseline based on IBES consensus before acquisition (30.03.09)



**BNP PARIBAS  
FORTIS**

The bank for a changing world

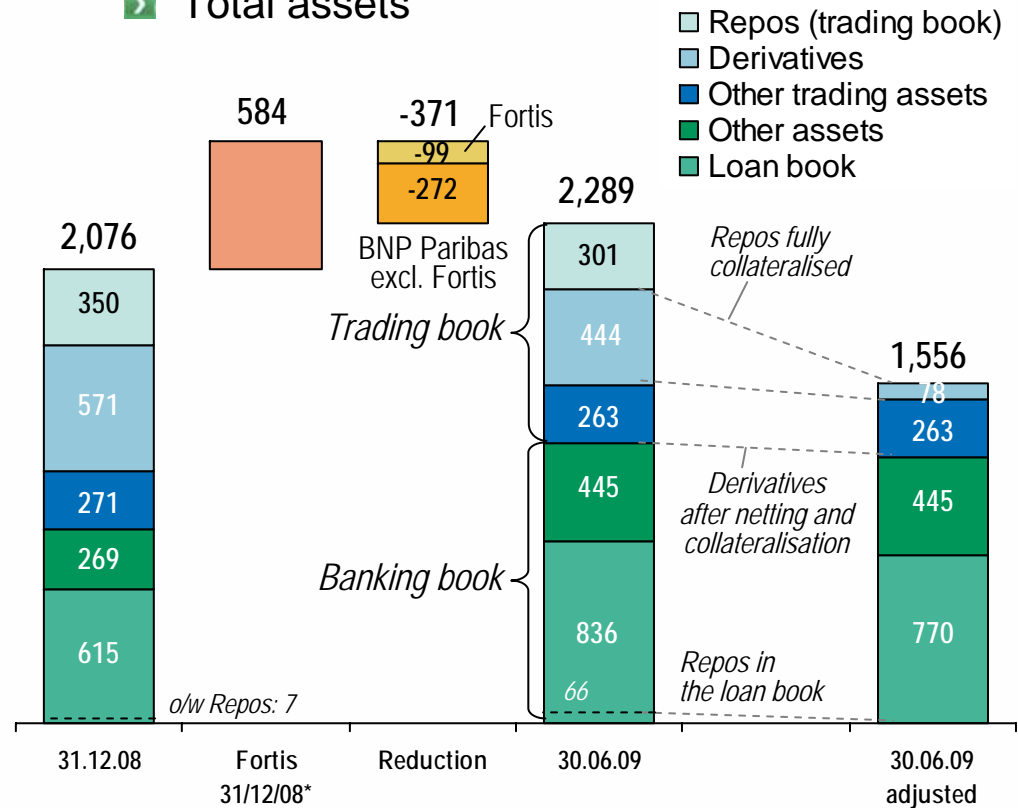
Risk Profile & Liquidity, Financial Strength & Solvency | 01.12.09 | 136

# Balance Sheet



- Size increased by Fortis acquisition
  - Adding €11.3bn in equity Tier 1 capital (o/w €4.3bn minority interests) and €3.1bn in hybrids
- Significant reduction in assets in 1H09
  - -€371bn
- Balance sheet size significantly lower after netting and collateralisation effects: €1,556bn vs €2,289bn
  - Derivatives divided by 6
  - Repos fully collateralised, with haircuts, very low risk
- IFRS not comparable with U.S. GAAP
  - e.g on derivatives positions netting

## Total assets



## Major impact of netting and collateral accounting standards

\* Fortis as at 31.12.08 pro forma of actual PPA as at 12.05.09

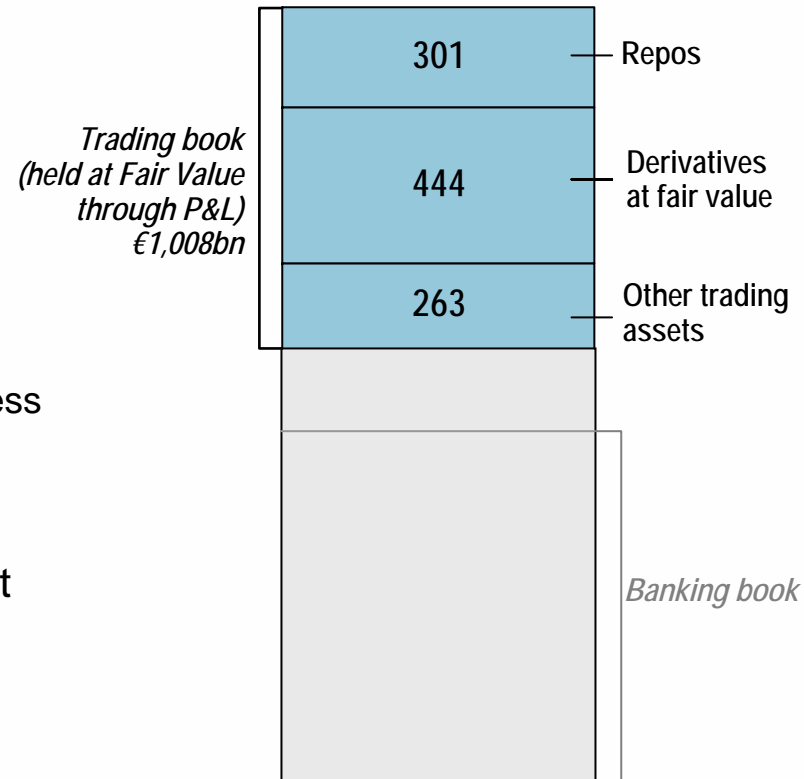


# Balance Sheet: Trading Book



- Close to 50% of balance sheet at fair value through P&L
- Large share of collateralised assets
  - Repos
  - Derivatives positive fair value
- Other trading assets
  - 45% govies, 23% equities
  - Negligible remaining structured credit assets
  - 11% unit-linked contracts of Insurance business (performance borne by policyholders)
- Trading book risks fairly reflected by VaR
- Large inventories of repos and government bonds contribute to liquidity management

▶ Total assets: €2,289bn  
as at 30.06.09, in €bn



▶ **Trading book: liquid and high quality assets**

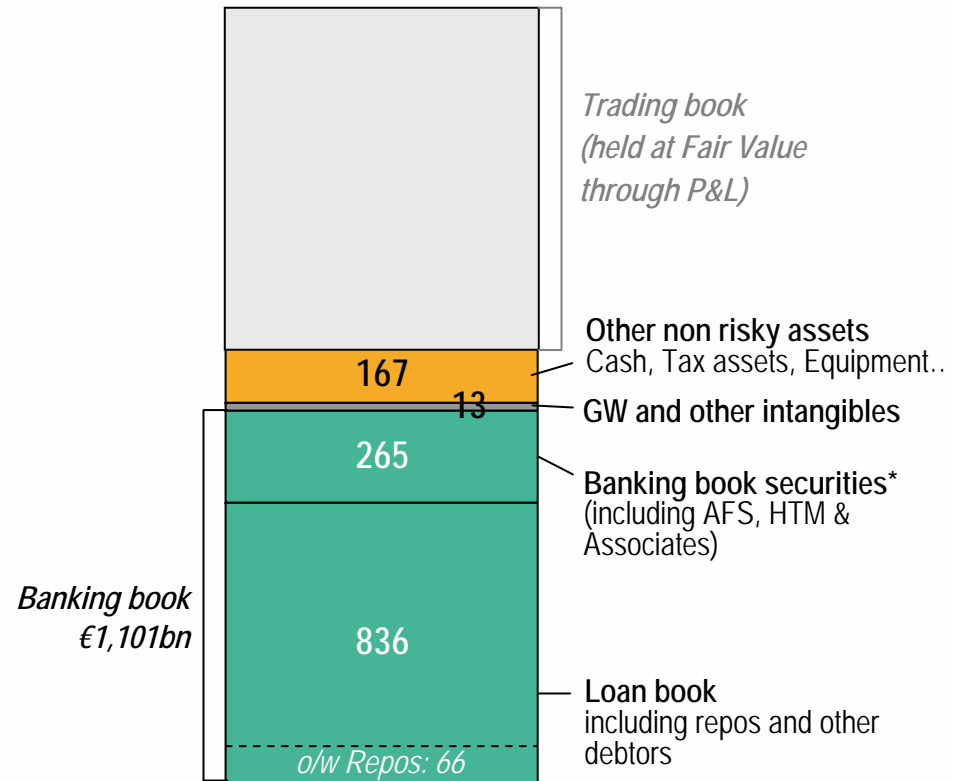


# Balance Sheet: Banking Book



- Goodwill and other intangible assets
  - €11bn goodwill, mostly in OECD countries and on Retail operations
- Banking book securities
  - 56% govies, 8% equities and associates
  - Limited amount of structured credit assets of which IN portfolio with mezzanine tranche guaranteed by the Belgian state
  - 22% General fund of Insurance business (performance mostly borne by policyholders)
- Large inventories of government bonds providing a liquidity buffer
- Reclassified assets
  - Limited to €8.2bn
  - If no restatement had been implemented, pre-tax income would have been only €219mn lower since reclassification

➤ Total assets: €2,289bn  
as at 30.06.09, in €bn



## ➤ Banking book: good asset quality

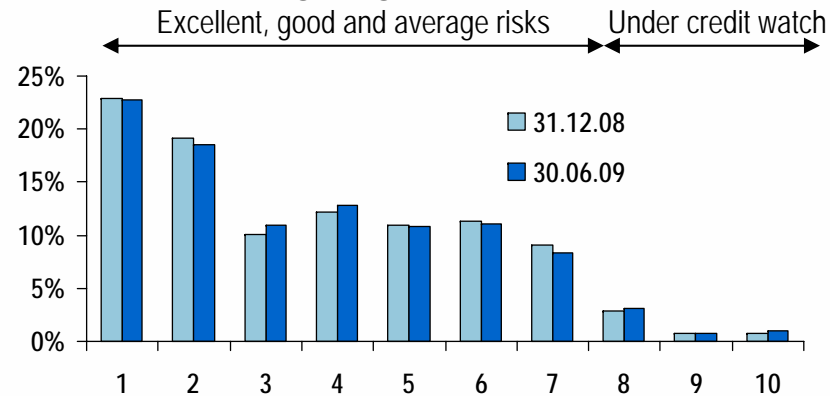
\* Including the structured credit assets reclassified in Loans & Receivables



# Balance Sheet: Loan Book



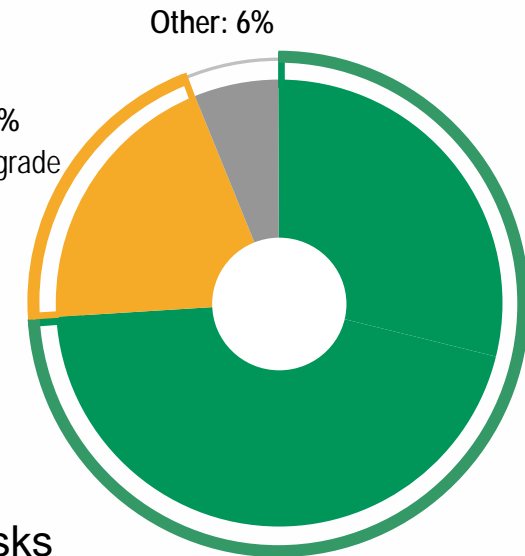
■ BNP Paribas stand-alone loan book: limited rating migration\*



\* Internal IRBA ratings, corporate clients

➤ Loan book\*\*: €836bn, o/w BNP Paribas Fortis: €260bn as at 30.06.09

Credit institutions and sovereigns: 20%  
➔ 92% investment grade



Clients: 74%

■ Fortis loan book

- Adequate provisioning on PPA: €3.2bn\*\*\* for credit risks
- Additional provisions on a portfolio basis in 3Q09: €30mn on shipping, €150mn on European Midcaps



**Good quality loan book, adequately reserved**

\*\* Including €66bn of repos, but excluding structured credit assets booked in Loans & Receivables

\*\*\* Subject to further review within one year following the acquisition



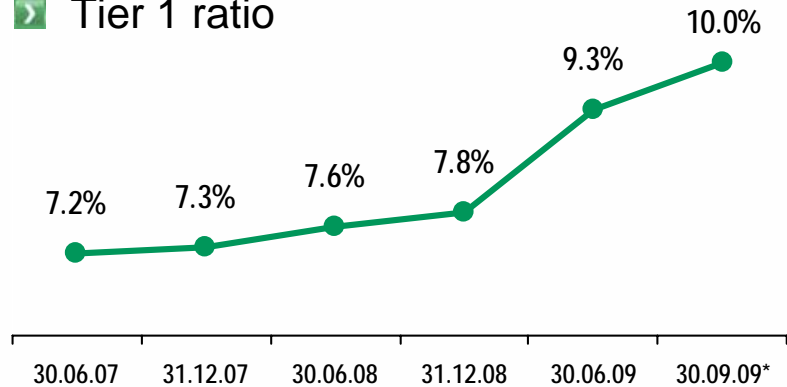
**BNP PARIBAS  
FORTIS**

The bank for a changing world

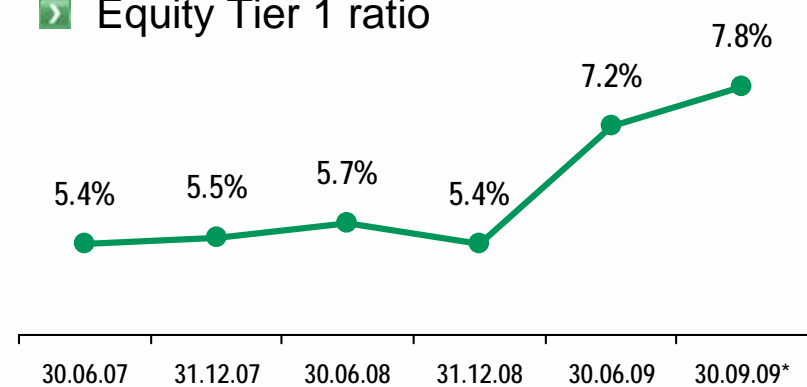
# Solvency



## ➤ Tier 1 ratio



## ➤ Equity Tier 1 ratio



### ■ A business model allowing a Tier 1 ratio lower than most peers

- One of the most diversified business mix in the industry
- A stringent risk management culture
- High and resilient earnings generation capacity confirmed throughout the crisis

### ■ S&P Risk Adjusted Capital ratio (7.2%) above peers average\*\*

### ■ Much lower dilution than average peers during the crisis

- Rights issue: only 10% new shares

**➤ Very comfortable Tier 1 level given the business model**

\* Pro forma of the rights issue and repayment of non-voting shares; \*\* as at 30.06.09, BNP Paribas ranked in the 2nd quintile



**BNP PARIBAS**  
**FORTIS**

The bank for a changing world

# Presentation Overview



1. Risk Profile and Liquidity Management

---

2. Financial Strength and Solvency

---

**3. Conclusion**



# Conclusion



- > Stringent risk policy combined with an active capital and liquidity management**
- > Financial impact of Fortis acquisition in line with BNP Paribas strict acquisition criteria**
- > Sound balance sheet and comfortable solvency**





# Keeping Ahead

Baudouin PROT  
December 1<sup>st</sup>, 2009, Brussels



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world

# Presentation Overview



- 1. Well Positioned to Continue to Outperform**

---
- 2. Strategy Going Forward**

---
- 3. Conclusion**



# Presentation Overview



## 1. Well Positioned to Continue to Outperform

---

## 2. Strategy Going Forward

---

## 3. Conclusion



# Fast Changing Environment



## ➤ Economic environment

### Summer 2007 – Early 2009

- Unprecedented financial crisis

### 2009

- New trends  
Looking forward
  - Markets: renewed momentum
  - Economy: nascent recovery
  - Banking sector: G20 reforms

## ➤ BNP Paribas

### ■ Outperformer in difficult times

- Better resilience of net results
- Cumulated net income 3Q07-4Q08: €6.0bn
- Market share gains
- Fortis acquisition

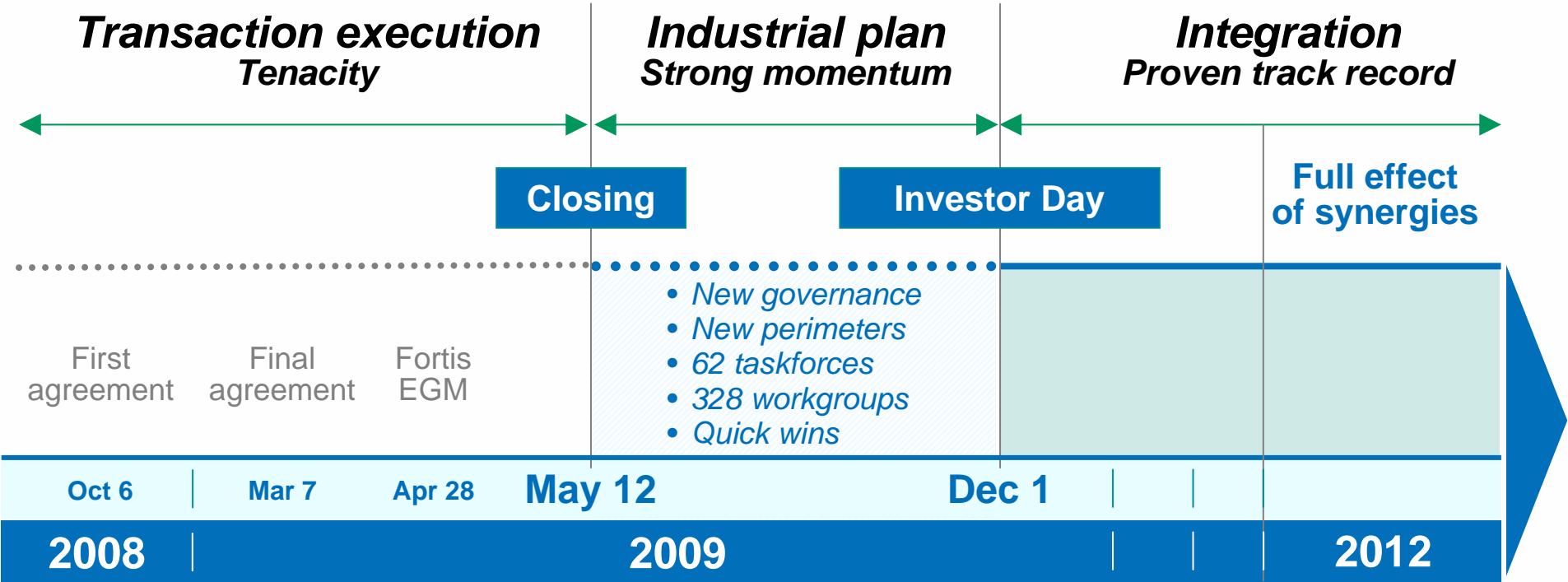
### ■ Keeping ahead

- High earnings generation capacity confirmed: €4.5bn net income 9M09
- Strong financial position
- Successful €4.3bn rights issue
- Powerful levers of value creation

➤ **Well positioned to continue to outperform**



# Fortis Acquisition



**> Strong momentum and proven track record**

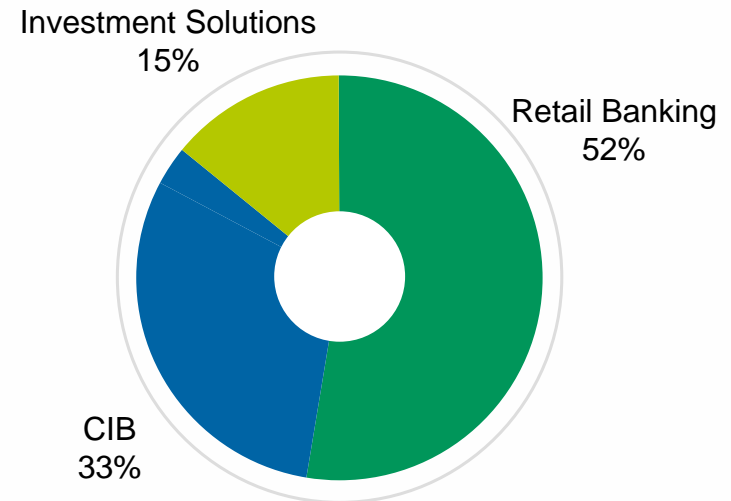


# Business Model



- Remarkably stable business-mix since Group's creation
- Constant commitment to the Group's key values and management principles
  - Client-focused
  - Group values geared towards development and innovation: Ambition, Commitment, Creativity, Responsiveness
  - Stringent risk management culture
  - Financial discipline and value creative acquisition policy
- Keeping ahead in adapting the Group to its new environment and its new dimension
  - Responsiveness throughout the crisis
  - Organisational changes
  - Increased internationalisation (68% of staff outside France)

➤ Allocated equity to operational businesses  
*Pro forma as at 30.09.09*



**➤ A track record of growth and value creation**



# Corporate Social Responsibility



- Commitment to dialogue, fairness, transparency and accountability with stakeholders
- Commitment to finance local economies in the four domestic markets
- Commitment to apply G20 guidelines
- Commitment to social and environmental responsibility
  - Recognition from SRI rating agencies: included in the main SRI indices\*
  - Examples of actions: environmental certification of the French retail branches, diversity label, microfinance, “Projet Banlieues”, projects supported by BNP Paribas Foundation...



**Highest standards of citizenship and social responsibility**

*\* DJSI World, DJSI Stoxx, ASPI Eurozone, FTSE4Good Global 100, FTSE4Good Europe 50, and FTSE4Good Environmental Leaders Europe 40.*



**BNP PARIBAS**  
**FORTIS**

The bank for a changing world

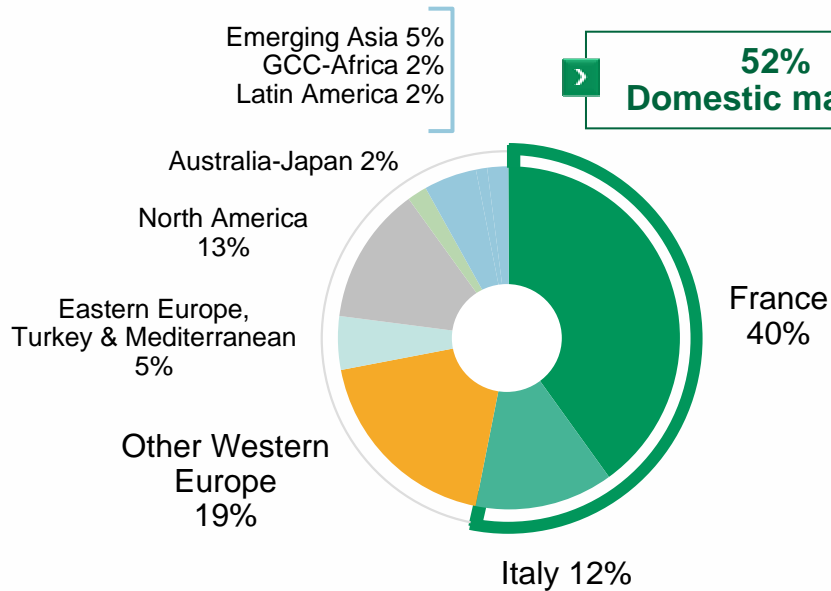
Keeping Ahead | 01.12.09 | 150

# Geographic Mix



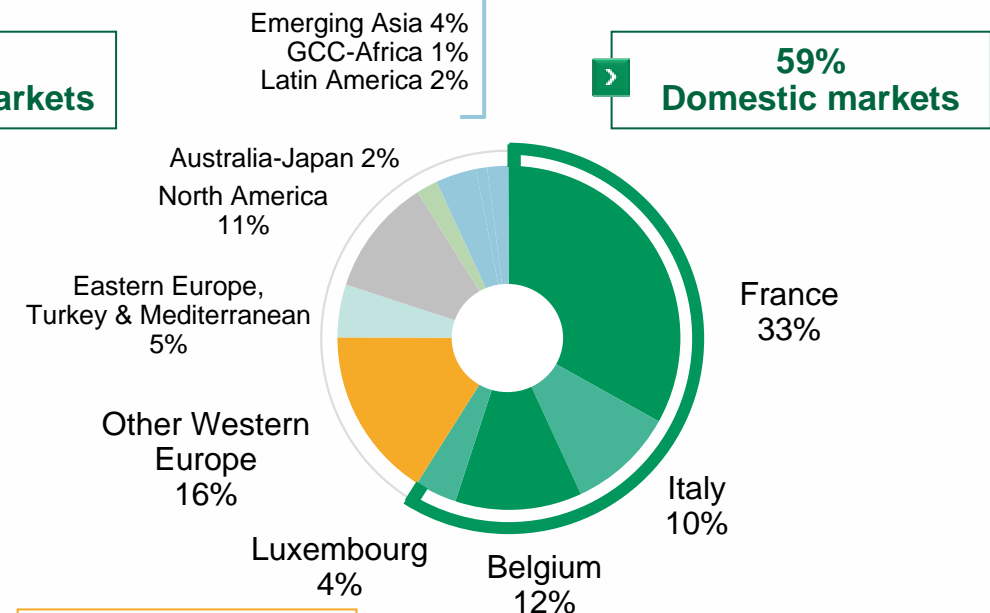
➤ Group revenues: €26.5bn\*  
9M09 excluding Fortis

➤ Group revenues: €33.1bn\*  
9M09 including Fortis (pro forma)



➤ **52%**  
Domestic markets

➤ **71%**  
Western Europe



➤ **59%**  
Domestic markets

➤ **75%**  
Western Europe

➤ **Increased share in domestic markets,  
selected exposure to high growth neighbouring markets**

\* Total revenues include « other activities », breakdown by geography based only on operating divisions revenues



# Presentation Overview



1. Well Positioned to Continue to Outperform

---

**2. Strategy Going Forward**

---

3. Conclusion



# Europe and Mediterranean



% Group revenues

**59%**

**Domestic markets**  
Belgium, France, Italy, Luxembourg

Full deployment of the integrated model

**21%**

**Other markets**

Systematic and progressive roll-out of the integrated model

**Retail**

#1 in Personal Finance  
#1 in Equipment Solutions

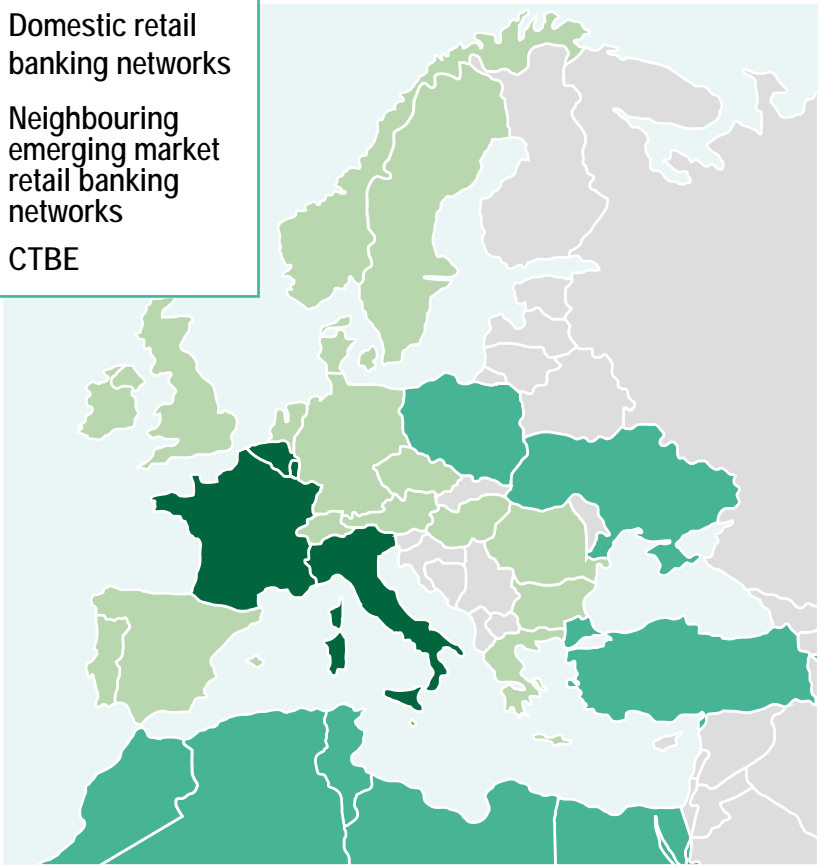
**CIB**

Leadership positions in capital markets and financing businesses

**Investment Solutions**

# 1 Private Bank in the Eurozone  
# 5 Asset Manager in Europe  
# 1 in Securities Services in Europe

- Domestic retail banking networks
- Neighbouring emerging market retail banking networks
- CTBE



**Lever leadership positions**



# USA

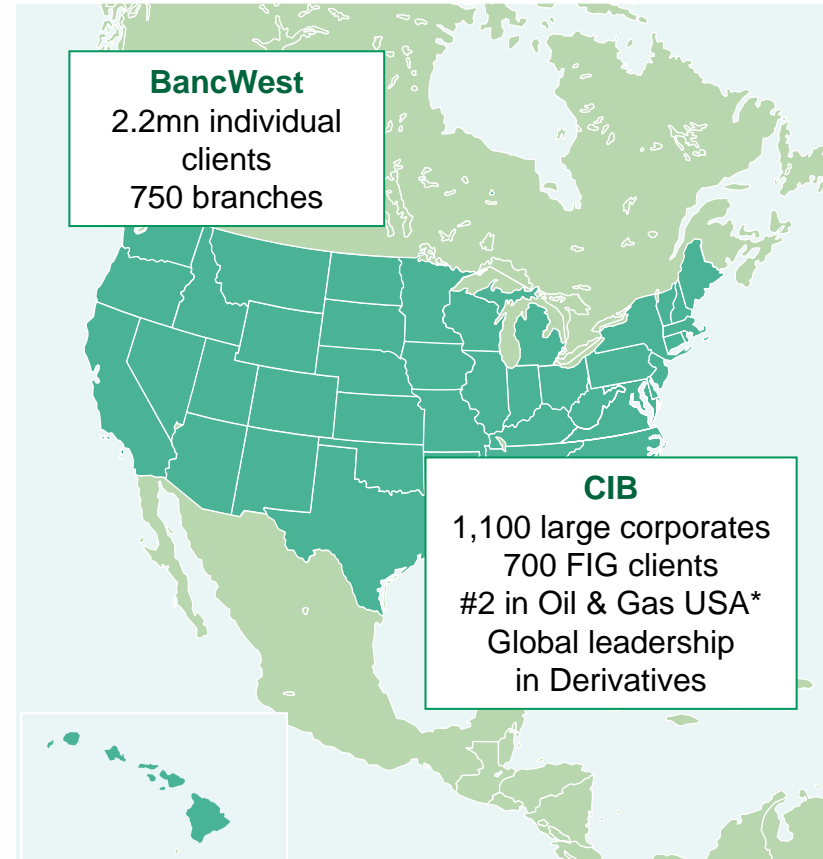


% Group revenues

**11%**

- **BancWest**
  - Hands-on management through the crisis (cost-saving plan, risk management)
  - Pursue the network modernisation and leverage the Group's know-how

- **CIB**
  - A central hub to serve global clients
  - Selective development in businesses where BNP Paribas has a competitive advantage (Energy & Commodities Finance, Derivatives)



## > Selective development in the US

\* #2 US Oil & Gas Bookrunner-H1 2009 Thomson Reuters



# Asia



% Group revenues\*

6%

- 150 years old BNP Paribas presence
- Significant Fortis add-ons: Asset Management, Wealth Management, Fixed Income, Commodities
- An ambitious growth strategy, focused on CIB and Investment Solutions
  - Capital Markets: reach top 6 position in Fixed Income and develop the EQD franchise
  - Structured Finance: continue to lead the market
  - Asset Management: rank top tier pan-Asian Asset manager
  - Wealth Management: reach a top tier position, from 3 main centres (Hong Kong, Singapore and India)
  - Securities Services: expand the Asian footprint



**Capture fast growth in Asia**

\* 4% in emerging Asia, 2% in Australia-Japan



**BNP PARIBAS  
FORTIS**

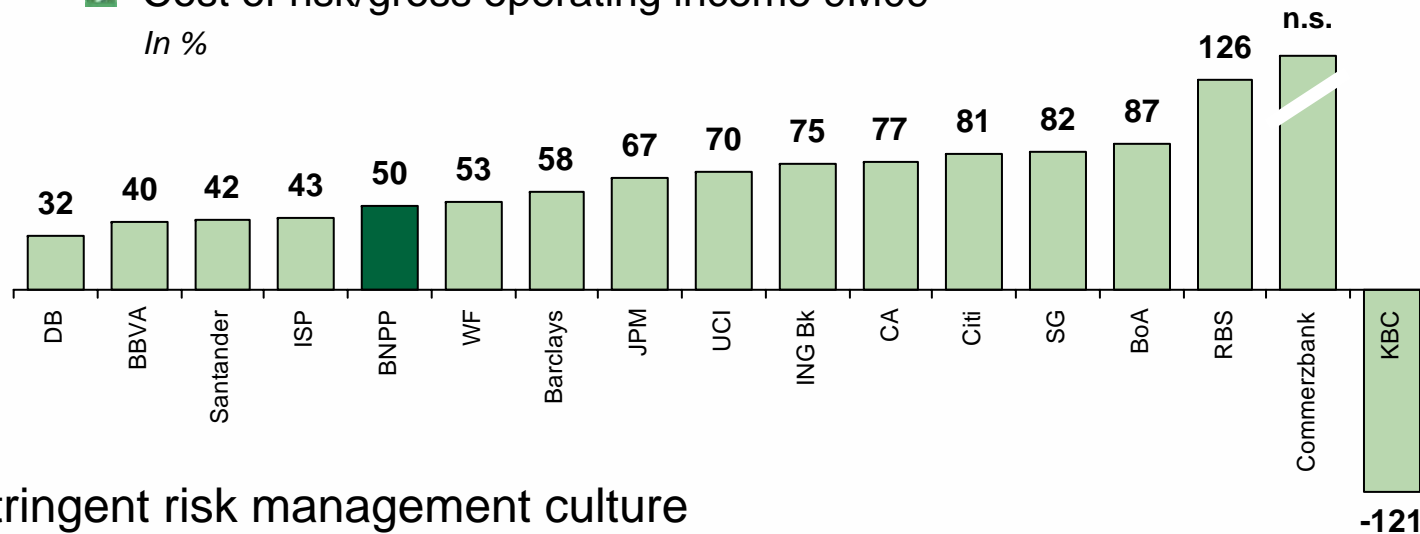
The bank for a changing world

Keeping Ahead | 01.12.09 | 155

# Risk Management Culture



▶ Cost of risk/gross operating income 9M09  
In %



## ■ Stringent risk management culture

- Best practices on risk management and governance throughout the cycle
- Quick adaptation to the crisis: average VaR level reduced by 30% 3Q09/3Q08

## ■ High “absorption” capacity

- Cost of Risk/Gross Operating income ratio at 50% despite the global recession



**A competitive edge throughout the cycle**

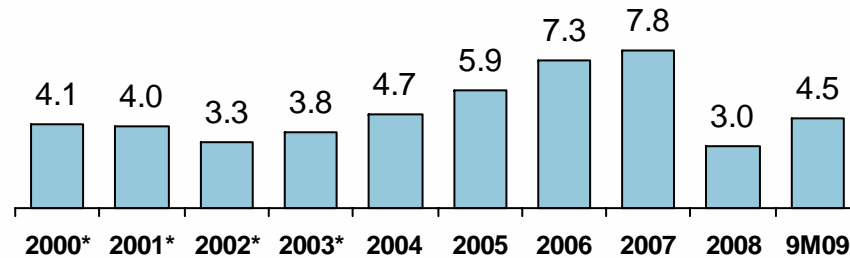


# Earnings Generation Capacity



■ High and resilient earnings generation capacity, further enhanced by Fortis acquisition

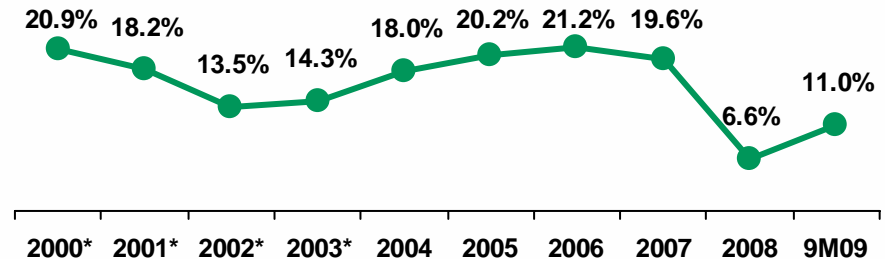
▶ Net result  
In €bn



■ Attention paid to the risk/return ratio across the cycle

- Strong track record of value creation
- One of the most resilient banks throughout the crisis

▶ ROE



▶ Remarkably resilient profitability

\* French GAAP



# Solvency



Very comfortable Tier 1 level: 10.0%\*

- +220bp since 31.12.08

High organic Tier 1 generation

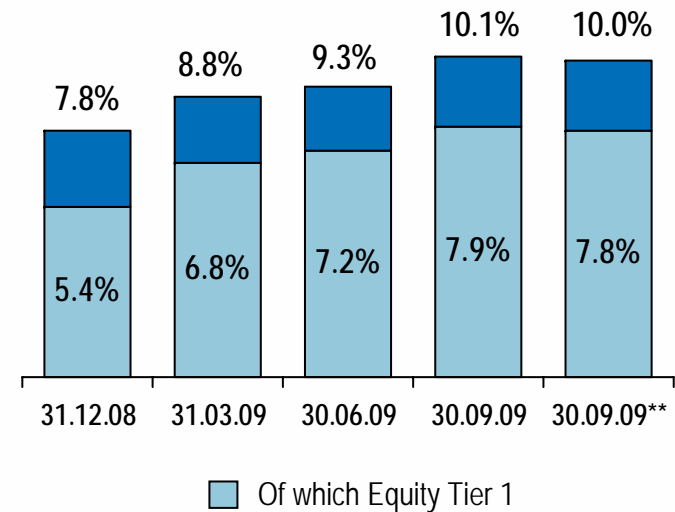
- +170bp since 31.12.08\*

Dilution limited to 10% despite an unprecedented financial crisis

Flexibility to optimise the use of future generated capital

- Business development
- Shareholders
- New regulations

## Ratio Tier 1



**Ready for organic growth in the new regulatory environment**

\* After distribution assumption for 2009

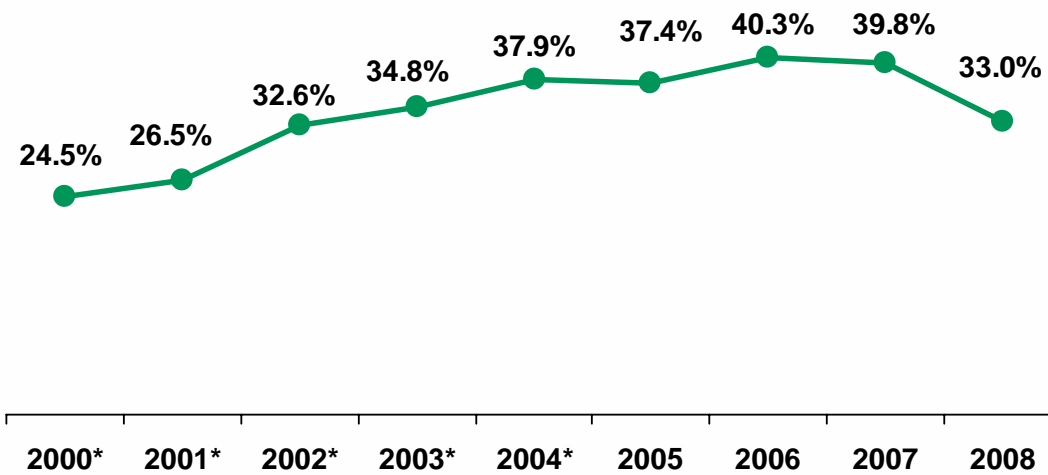
\*\* Pro forma figure that includes non-voting shares repayment and capital increase



# Dividend Policy



## ▶ Dividend payout ratio



**A sustainable dividend distribution policy**

\* French GAAP



**BNP PARIBAS  
FORTIS**

The bank for a changing world



# Presentation Overview



1. Well Positioned to Continue to Outperform

---

2. Strategy Going Forward

---

**3. Conclusion**



# Conclusion



**Fortis industrial plan:  
the best project for all stakeholders**



**Strengthened European set-up: a unique  
customer base served by European platforms**



**Well positioned for growth  
and value creation in the new environment**



# Appendices



**BNP PARIBAS**  
**FORTIS**

| The bank for a changing world

# Future Divisional Reporting



## > BNP Paribas Fortis

Retail Banking BeLux <i>(including Corporate Banking and 2/3 of Private Banking)</i> Neighbouring Emerging Markets (Poland, Turkey)
GBM Structured Finance Corporate Banking <i>(excl. BeLux)</i> Corporate & Transactions Banking in Europe
Fortis Investments Fortis Private Banking <i>(incl. 1/3 of Belgian Private Banking)</i> Securities Services (BGL2S) 25% in AG Insurance
IN portfolio Banking Book PPA amortisation Restructuring costs



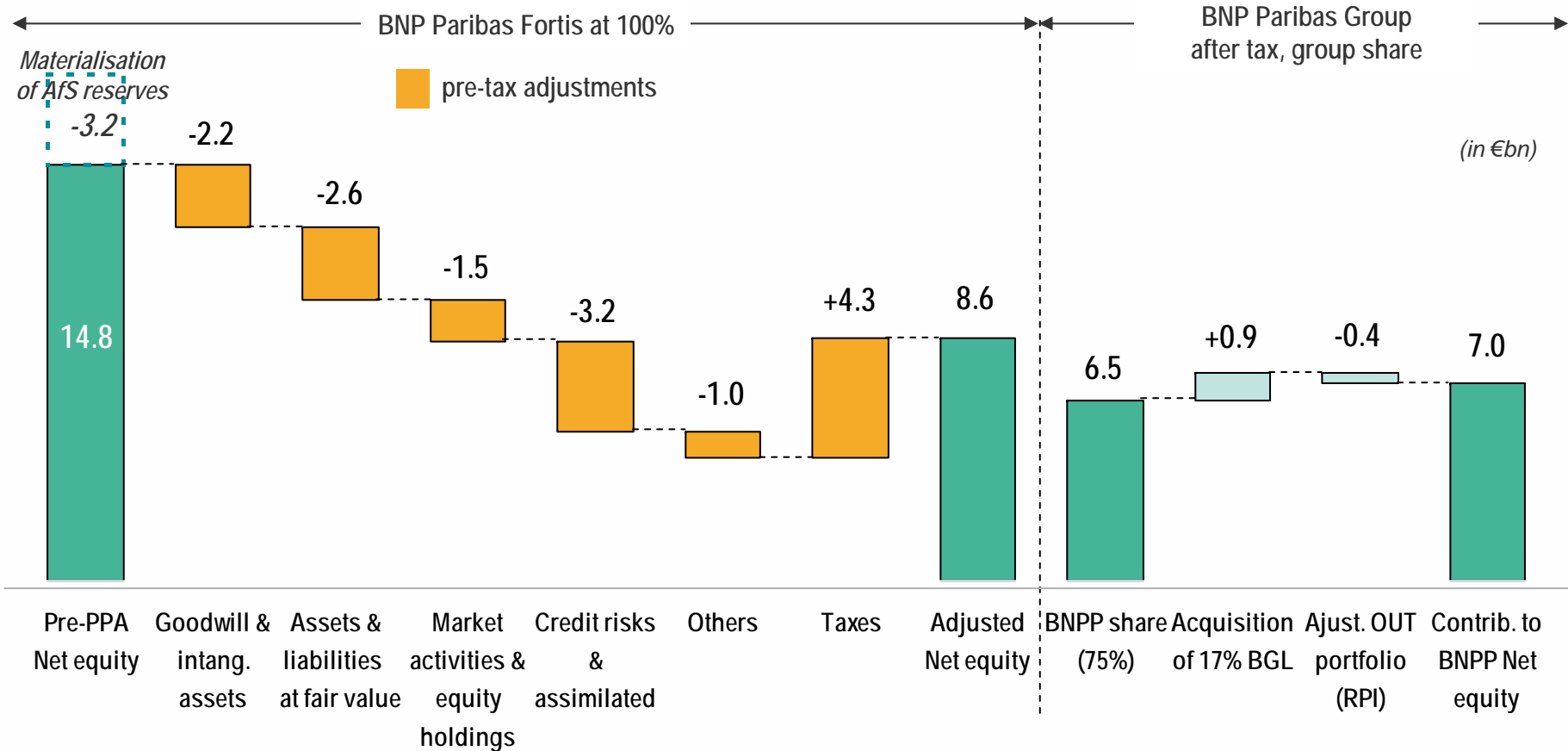
## > BNP Paribas Group

Retail Banking
CIB
Investment Solutions
Corporate centre

**> Restatements starting in 1Q10**



# Adjustments to the Opening Balance Sheet



➔ **€7.0bn contribution to equity:**  
**€6.2bn capital increase, €0.8bn\* in badwill**

\* Subject to any additional adjustments that may occur within a 1-year period after the acquisition (IFRS 3)



# Disclaimer



*Figures included in this presentation are unaudited.*

*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.*

*The information contained in this presentation as it relates to parties other than BNP Paribas or derived from external sources has not been independently verified and no representation or warranty expressed or implied is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of, the information or opinions contained herein. None of BNP Paribas or its representatives shall have any liability whatsoever in negligence or otherwise for any loss however arising from any use of this presentation or its contents or otherwise arising in connection with this presentation or any other information or material discussed.*



# Disclaimer



*The integration of BNP Paribas, BNP Paribas Fortis and BGL BNP Paribas is an ongoing process. This document provides an overview of the status of the integration plan at the end of Phase II, as presented to the Board of Directors of Fortis Bank SA/NV.*

*During the next phase, the integration plan will be gradually implemented, which will include the information, consultation and/or approval of the various stakeholders (to the extent not yet completed). The stakeholders in this case may include, among others, the governance bodies (e.g., the Boards of Directors), the social bodies (e.g., unions or employees representatives) and regulators (e.g., CB, CBFA or CSSF).*

*Both the information and consultation of these stakeholders and the work conducted in the next phase may affect the integration plan and the components presented in this document.*

*The master document of the communication on the industrial plan is in English. All other documents are translations. Please refer to the master document for any interpretations.*

*The elements and propositions included in this document are only work hypothesis. Any decision which could have an impact on the current organisational structure will be taken in accordance with applicable law and in compliance with social procedures in place.*

