

BNP PARIBAS

2017-2020 BUSINESS DEVELOPMENT PLAN

INVESTOR DAY
Paris, 20 March 2017



BNP PARIBAS

The bank for a changing world

Agenda

Paris, 20 March 2017

10.00 – 10.45	Welcome coffee and registration
10.45 – 11.00	Introduction Jean-Laurent Bonnafé, Group Chief Executive Officer
11.00 – 11.40	2017-2020 Group Business Development Plan Jean-Laurent Bonnafé, Group Chief Executive Officer
11.40 – 12.10	2017-2020 Financial Plan Philippe Bordenave, Group Chief Operating Officer Lars Machenil, Group Chief Financial Officer
12.10 – 13.00	Domestic Markets Thierry Laborde, Group Deputy Chief Operating Officer Sophie Heller, Chief Operating Officer, Retail Banking & Services
13.00 – 14.15	Buffet lunch
14.15 – 15.00	International Financial Services Jacques d'Estais, Group Deputy Chief Operating Officer
15.00 – 15.45	Corporate and Institutional Banking Yann Gérardin, Head of Corporate & Institutional Banking
15.45 – 16.00	Conclusion
16.00 – 16.45	Q&A session
16.45 – 18.00	Cocktail



BNP PARIBAS

2017-2020 BUSINESS DEVELOPMENT PLAN

Jean-Laurent Bonnafé
Group Chief Executive Officer

INVESTOR DAY
Paris, 20 March 2017



BNP PARIBAS

The bank for a changing world

Introduction



Success of the 2014-2016 Business Development Plan



Leverage the strength of the integrated and diversified business model



An ambitious programme of new customer experience, digital transformation & operating efficiency



A leading bank in Europe with a global reach



**In a changing world
with new technologies, new customer needs & expectations**

Build the bank of the future



Success of the 2014-2016 Business Development Plan

Macro-economic Outlook

Leverage the Strength of the Integrated and Diversified Business Model

An Ambitious Programme of New Customer Experience, Digital Transformation & Operating Efficiency

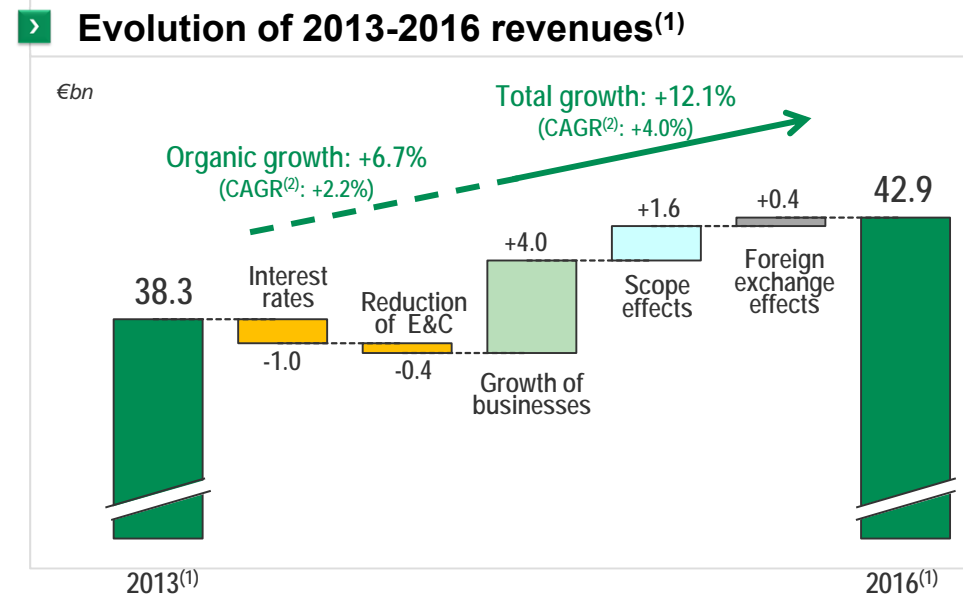
A Leading Bank in Europe with a Global Reach



Success of the 2014-2016 Plan

Good Revenue Growth

- Revenue growth⁽¹⁾: +12.1% vs. 2013
 - Despite a more lacklustre macroeconomic context than expected
- Sustained organic growth⁽¹⁾: +6.7% vs. 2013
 - Good development of the businesses and success of the regional plans
 - Despite the negative impact of low interest rates, in particular on Domestic Markets
 - Impact of the significant reduction of the Energy & Commodities (E&C) business at CIB
- Positive contribution of targeted acquisitions
 - Development of the specialised businesses and retail banking outside the Eurozone: acquisition of DAB Bank (Consors bank!), GE Fleet Services Europe (Arval), 50% of LaSer (Personal Finance) and Bank BGZ (Poland)
 - Acquisitions that generate synergies



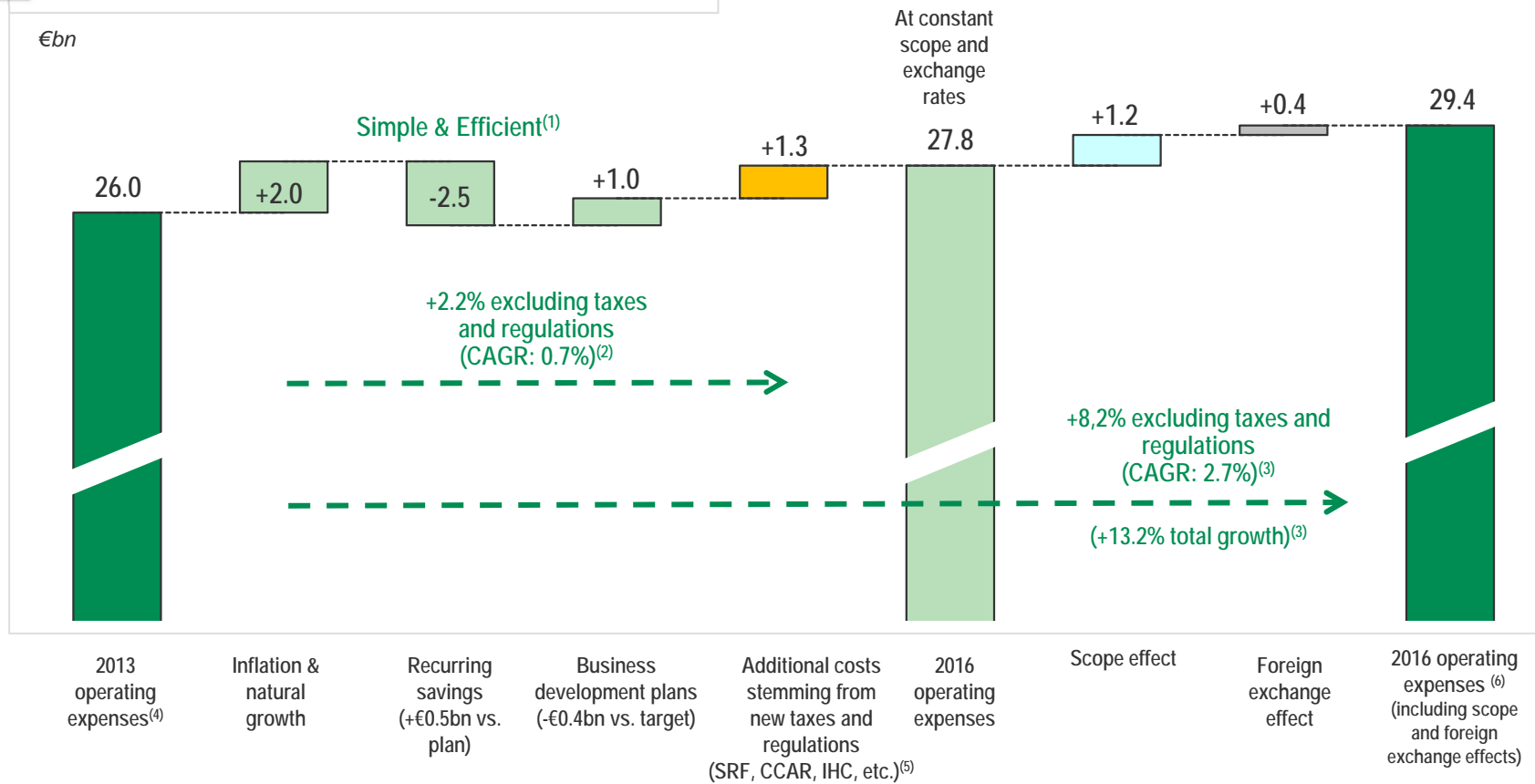
Good revenue growth despite a lacklustre environment

⁽¹⁾ Excluding exceptional elements (+€147m in 2013, +€538m in 2016); ⁽²⁾ Compounded annual growth rate



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

> 2013 - 2016 Operating expenses



> Positive jaws effect excluding new taxes and regulations

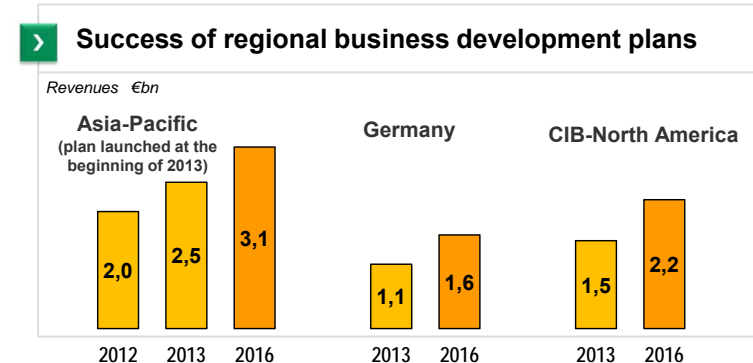
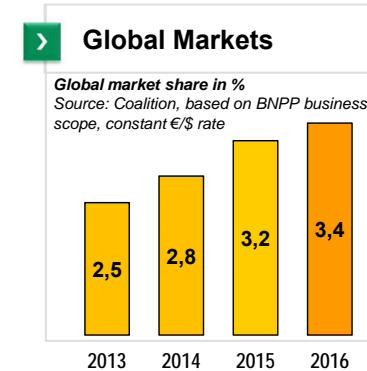
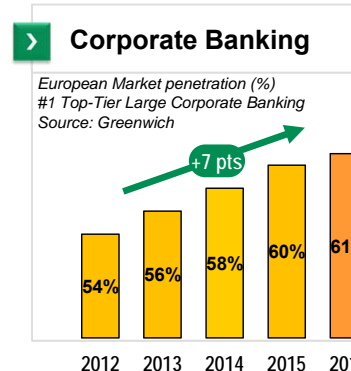
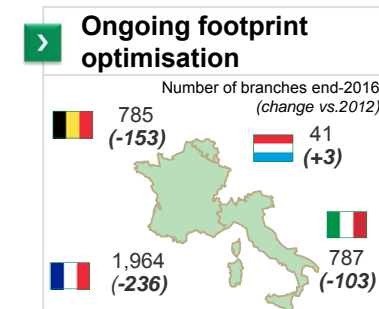
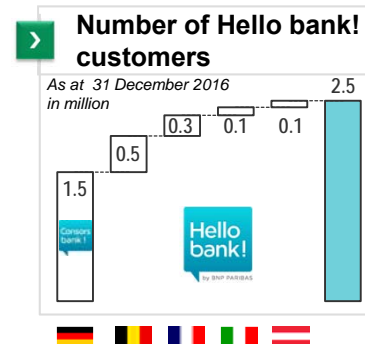
⁽¹⁾ Reminder: €800m in savings in 2013; ⁽²⁾ 2013-2016, at constant scope and exchange rates; ⁽³⁾ 2013-2016, at historical scope and exchange rates; ⁽⁴⁾ Including Simple & Efficient costs: €660m; ⁽⁵⁾ Resolution funds (€508m), Poland/Belgium (€124m); CCAR and IHC (€238m), Compliance (€235m), other taxes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



Success of the 2014-2016 Plan

Progress on all the Major Strategic Priorities

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



Success of the 2014-2016 Plan

Financial Targets Achieved

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

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



Strong income growth

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



Success of the 2014-2016 Business
Development Plan

Macro-economic Outlook

Leverage the Strength of the Integrated and Diversified
Business Model

An Ambitious Programme of New Customer Experience,
Digital Transformation & Operating Efficiency

A Leading Bank in Europe with a Global Reach

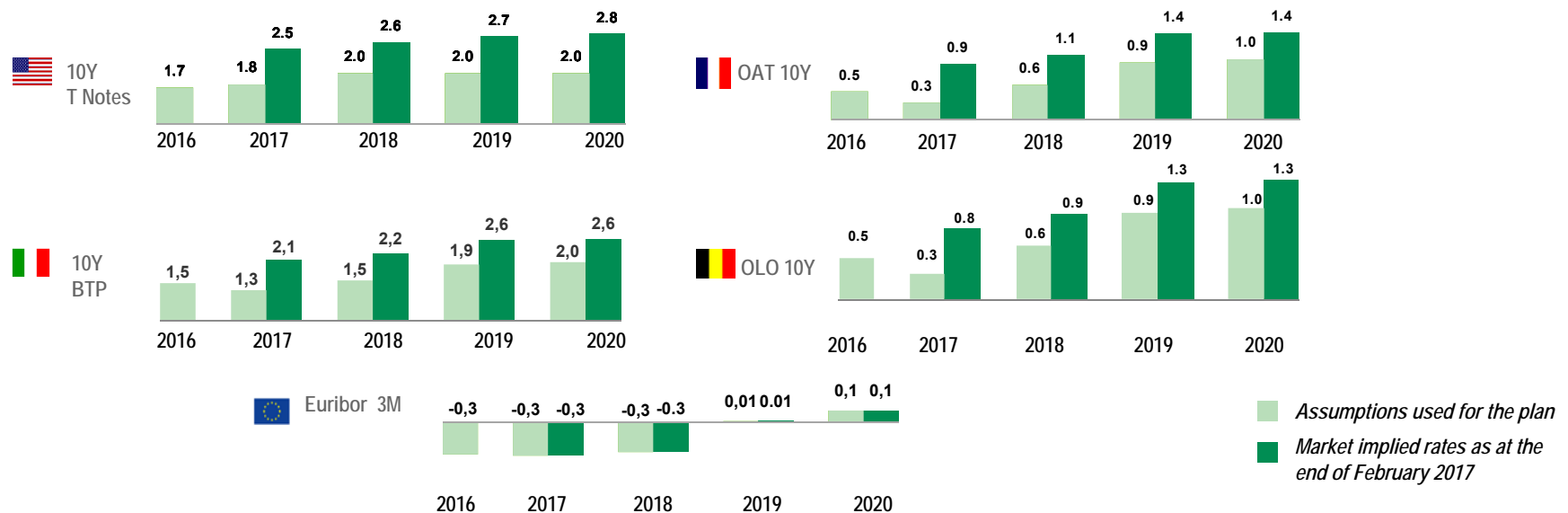


2020 Business Development Plan

A Scenario Based on Conservative Assumptions (1/2)

- Conservative assumptions used for the plan
- Potential upside if current forecast confirmed

> Hypothesis of interest rate evolution used for the plan compared to market implied rates:



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

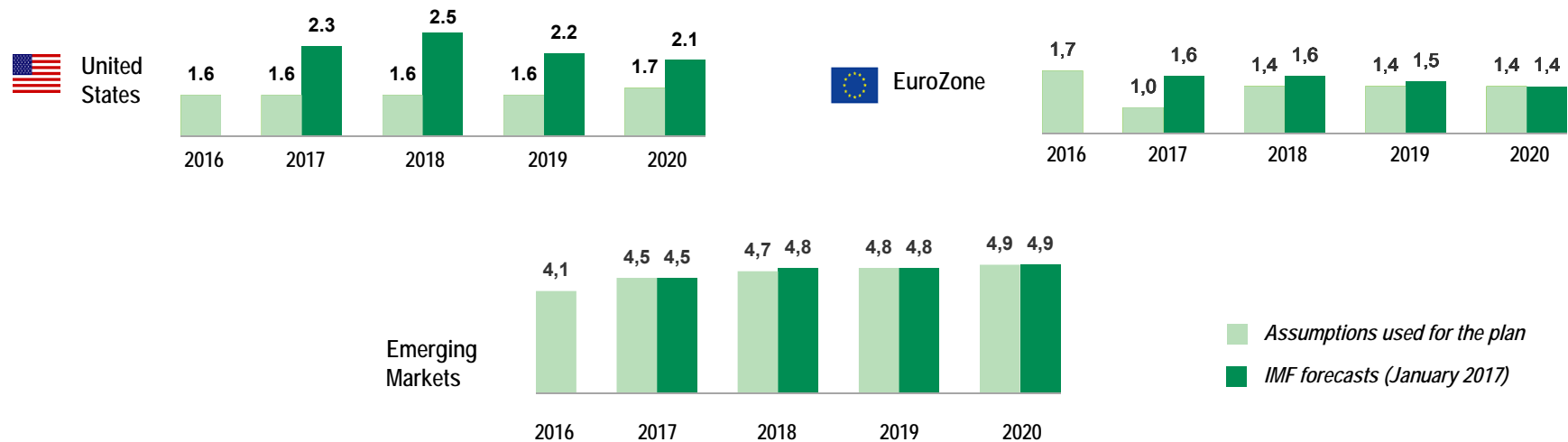


2020 Business Development Plan

A Scenario Based on Conservative Assumptions (2/2)

- Conservative assumptions used for the plan
- Potential upside if current forecast confirmed

> Hypothesis of GDP evolution used for the plan compared to current IMF forecasts :



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



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Development Plan

Macro-economic Outlook

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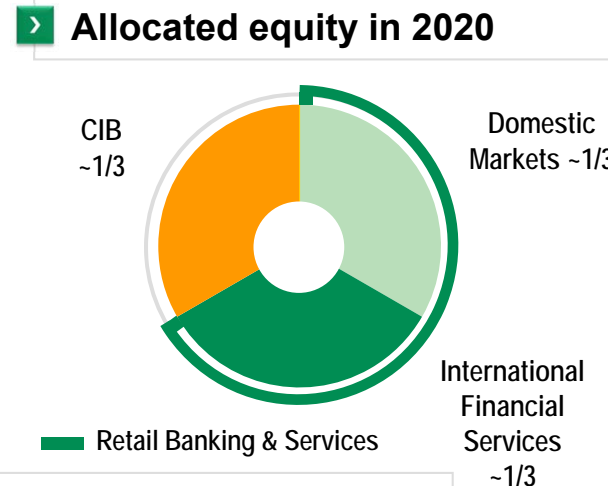
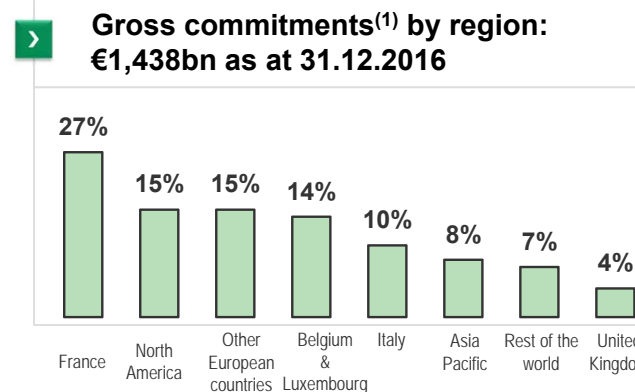
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2020 Business Development Plan: Leverage the Strength of the Integrated and Diversified Business Model

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



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

⁽¹⁾ Gross commitments on and off-balance sheet

Significant cross-businesses cooperation at the Core of the Integrated Model

	Main cooperation revenues (2016) ⁽¹⁾	Contribution to revenues
DM clients	<ul style="list-style-type: none"> ✓ Insurance: ~€1.5bn ✓ Wealth Management: ~€1.6bn⁽²⁾ ✓ Asset Management: ~€0.7bn ✓ CIB & Specialised businesses: ~€1.1bn 	~€4.9bn
IFS clients	<ul style="list-style-type: none"> ✓ Insurance: ~€0.7bn ✓ CIB & other businesses: ~€0.5bn 	~€1.2bn
CIB clients	<ul style="list-style-type: none"> ✓ Retail: ~€1.1bn ✓ Securities Services: ~€1.1bn ✓ Asset Management & Other businesses: ~€0.4bn 	~€2.6bn



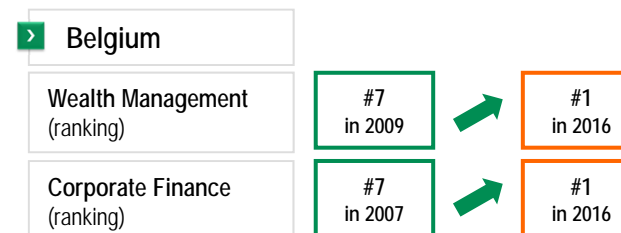
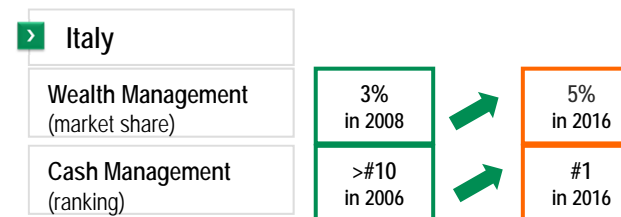
**>€8.7bn of revenues
derived from cross-businesses cooperation**

⁽¹⁾ Management accounting; aggregated revenues booked in client and business entities; ⁽²⁾ 100% JV Private Banking



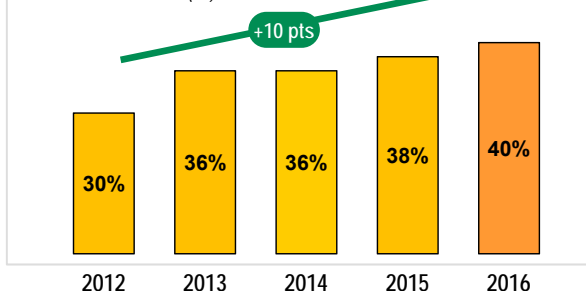
Strong Integration and Broad Product Offering Allowing Market Share Gains

- Strong cooperation between businesses leading to improved market positions
 - Strong development and market share gains following BNL's acquisition in 2006 and Fortis' in 2009
- Roll out of the model in International Retail Banking
 - BancWest's Wealth Management AuM: already \$12.1bn as at 31.12.16 (+70%⁽¹⁾ vs. 2013)
 - TEB's Wealth Management AuM: +86%⁽¹⁾ vs. 2013
- One Bank for Corporates: success confirmed with improved market penetration in 2016
 - #1 for Syndicated Loans⁽²⁾ and #1 European Corporate Banking⁽³⁾
 - #1 European Large Corporate Trade Finance⁽³⁾, #1 for Cash Management in Europe⁽²⁾ and #4 Cash Management Bank Worldwide⁽⁴⁾
 - Improvements also as a leader in several quality ratings (e.g. Euro Bond House of the Year⁽⁵⁾)



European cash management market penetration - 2016

#1 on Top-Tier Large Corporates
Source: Greenwich (%)



**Successful cooperation between businesses
leading to stronger market positions**

⁽¹⁾ Constant exchange rate; ⁽²⁾ Dealogic; ⁽³⁾ Greenwich Share Leaders; ⁽⁴⁾ Euromoney Cash Management Survey; ⁽⁵⁾ IFR 2016



Economies of Scale at the Core of the Model

Significant Contribution to the Simple & Efficient Plan

- Sharing of IT, operations, functions and procurement have generated €750m recurrent savings out of the €3.3bn of Simple & Efficient plan

	Representative examples	Contribution to 2016 S&E Savings
IT	<ul style="list-style-type: none"> ▪ Sourcing ▪ Data Centre / IT productions Systems consolidation ▪ Software optimisation ... 	~€400m
Operations/ Functions	<ul style="list-style-type: none"> ▪ Shared platforms and applications ▪ Cross business premises policy ▪ Regrouping of Functions for all businesses per country ... 	~€190m
Procurement	<ul style="list-style-type: none"> ▪ Massification, Group norms and standards ▪ Bargaining power... 	~€160m
		~€750m

- Also leads to increased security for clients through IT high standards (private cloud, data secrecy, closed IT architecture)

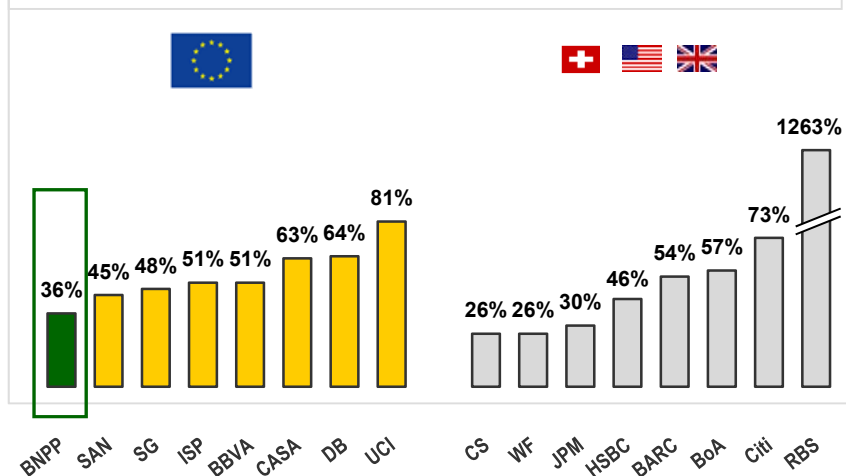


~25% of the total S&E plan linked to mutualization



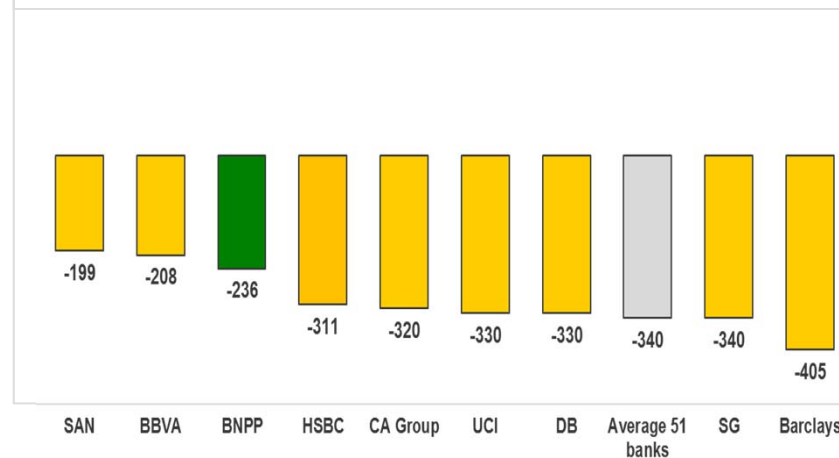
Strong Diversification resulting in low risk Profile and very Good Resilience in Stress Tests ...

Cost of Risk/Gross Operating Income 2008-2016



- Low risk appetite and strong diversification lead to low cost of risk
- One of the lowest CoR/GOI through the cycle

2016 EU Stress Tests Impact of Adverse scenario on CET1 ratio - peer group ⁽¹⁾



- Adverse scenario impact for BNPP was ~100bp lower than the average of the 51 European banks tested



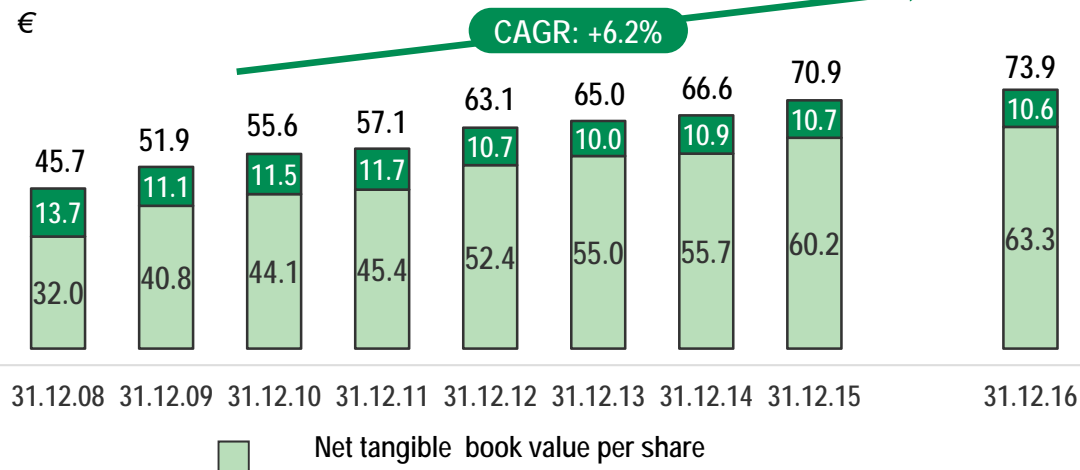
Diversification => lower risk profile

⁽¹⁾ Based on the fully loaded ratio as at 31.12.2015



...Limited Volatility of Earnings and Steady Value Creation for Shareholders

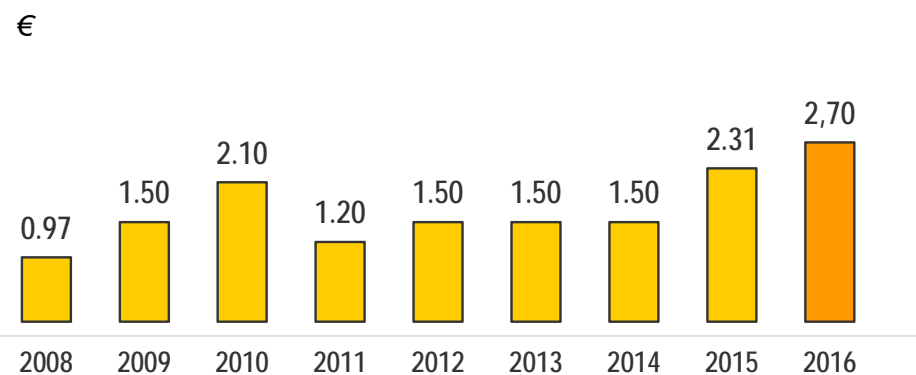
> Net book value per share



> 2016 Net income: €7.7bn

- Return on Equity: 9.3%
- Return on Tangible Equity: 11.1%

> Dividend per share



- Dividend paid on 2016 results: € 2.70 per share
- Fully in cash
- 4.6%⁽¹⁾ dividend yield
- 45% pay-out ratio

⁽¹⁾ Based on the closing price of 31 January 2017 (€59.18)



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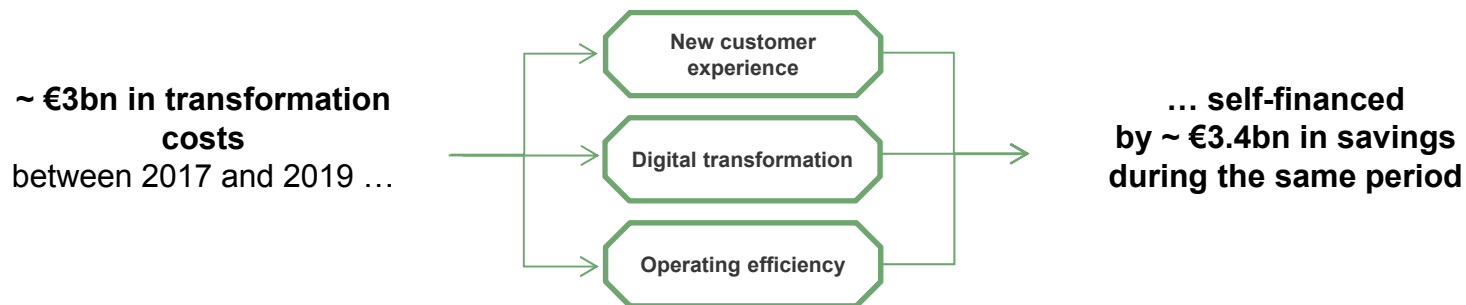
Capitalising on a Broad Range of Digital Initiatives Already Launched in all Business lines

<p>Domestic Markets</p>	<ul style="list-style-type: none"> ■ Domestic networks: launch of dedicated mobile apps to assist with home purchases, payment solutions, prepaid cards,... ■ Wa - Fivory: launch in 2017 jointly with Crédit Mutuel⁽¹⁾ a single universal mobile payment solution combining payment, loyalty programmes and discount offers in partnership in particular with Carrefour, Auchan and Total ■ Arval Active Link: integrated telematics offer for corporate fleet management 		
<p>International Financial Services</p>	<ul style="list-style-type: none"> ■ Personal Finance: rapid expansion of electronic signatures for files' digital processing, cards development (online payment solutions,...) ■ International Retail Banking: strong online banking and mobile app offer (Turkey, Poland), enhanced user experience at BancWest ■ Insurance: 70 digital projects in 2016 to transform services & performances ■ WAM: new digital services (myAdvisory: investments management & financial advice via smartphone; myBioPass: a unique key to access digital banking services) 		
<p>CIB</p>	<ul style="list-style-type: none"> ■ CENTRIC: single digital platform providing corporates with direct and personalised access to BNPP services (> 20 apps) ■ CORTEX: digital platform across all FICC products (corporates & institutionals) ■ SMART Derivatives: « one-stop-shop » web platform for structured products and equity derivatives 		
<p>Tech Labs</p>		<p>Incubators, accelerators & partnerships</p>	

⁽¹⁾ CM11-CIC

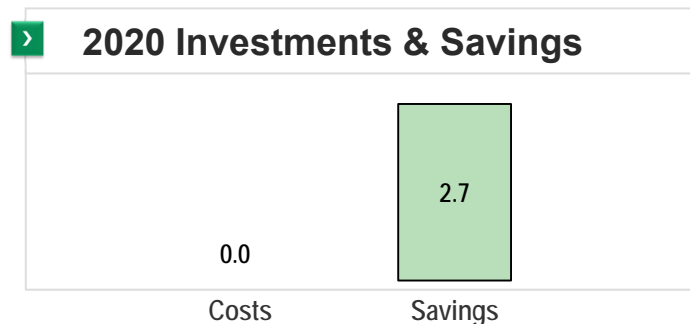
An Ambitious Programme of New Customer Experience, Digital Transformation & Savings

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

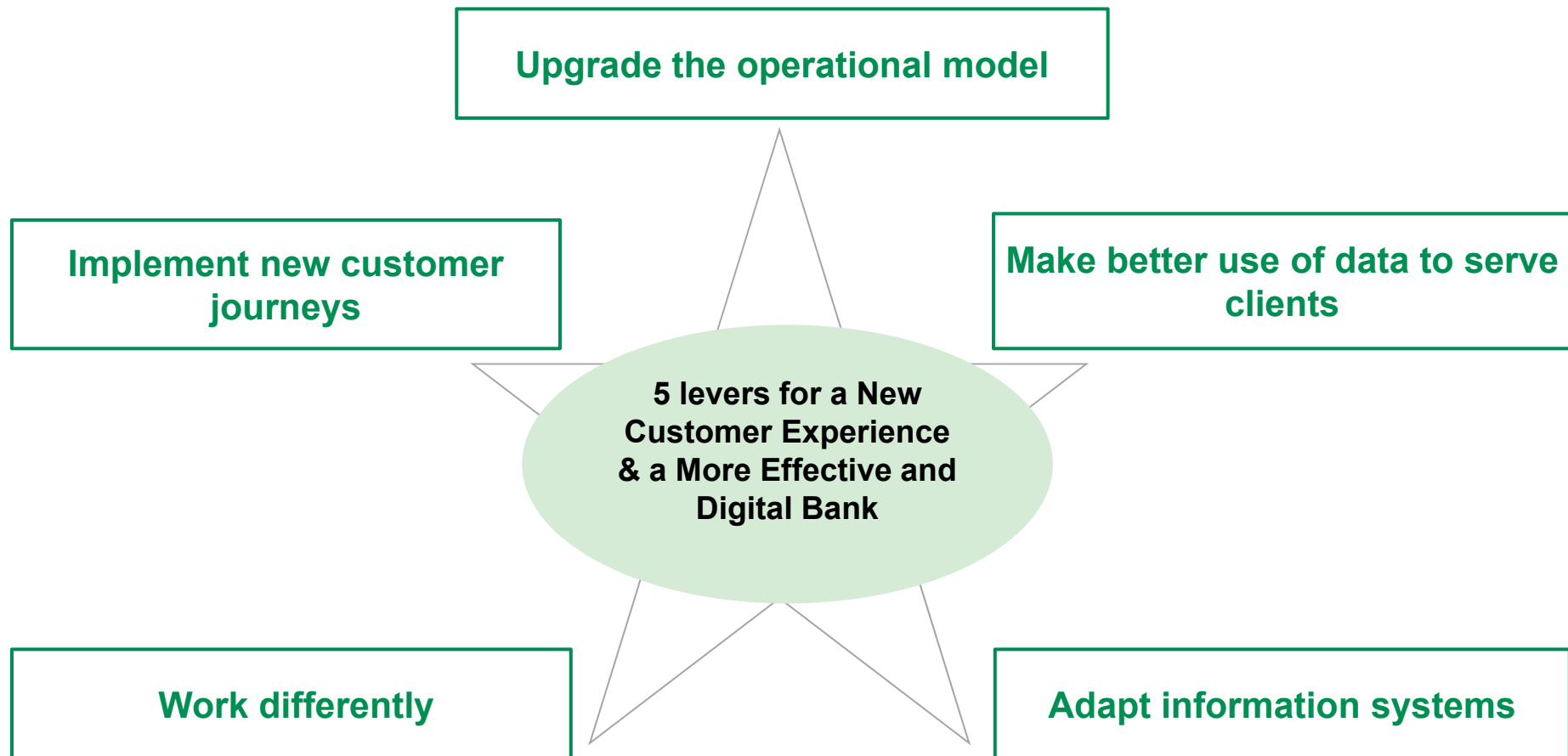


- Generate ~2.7bn in recurrent annual savings starting from 2020

- No transformation costs in 2020



5 Levers for a New Customer Experience and a More Effective & Digital Bank



A Strategy Differentiated by Division (1/2)

► Domestic Markets

► Strengthen the sales & marketing drive in an environment that improves only gradually

- Headwinds (low interest rates, MIFID 2) still in 2017 and 2018
- Strengthen the sales & marketing drive: enhance the attractiveness of the offering and offer new services
- Disciplined growth of risk-weighted assets

► A risk environment that continues to be favourable

- Continued improvement in Italy

► Improve operating efficiency

- Actively continue to adapt the branch networks by 2020
- Transform the operational model and adapt the information systems

French Retail
Belgian Retail
BNL bc
Other DM: Arval, Leasing
Solutions, Personal Investor,
Luxembourg Retail

► International Financial Services

► Strengthen our positions in a context of transformation

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

► Improve operating efficiency

- Streamline and pool processes that support the business units

Personal Finance
Insurance
Wealth & Asset Management
International Retail Banking



A Strategy Differentiated by Division (2/2)

▶ Corporate and Institutional Banking

▶ Extend the transformation plan to 2020

- Continue resources optimization, cost reduction and revenue growth
- Grow the corporate and institutional client franchises
- Continue growing fee businesses
- Continue to leverage well adapted regional positioning and to develop cross-border business

▶ Step up the expansion of the customer base in Europe

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

▶ Improve operating efficiency

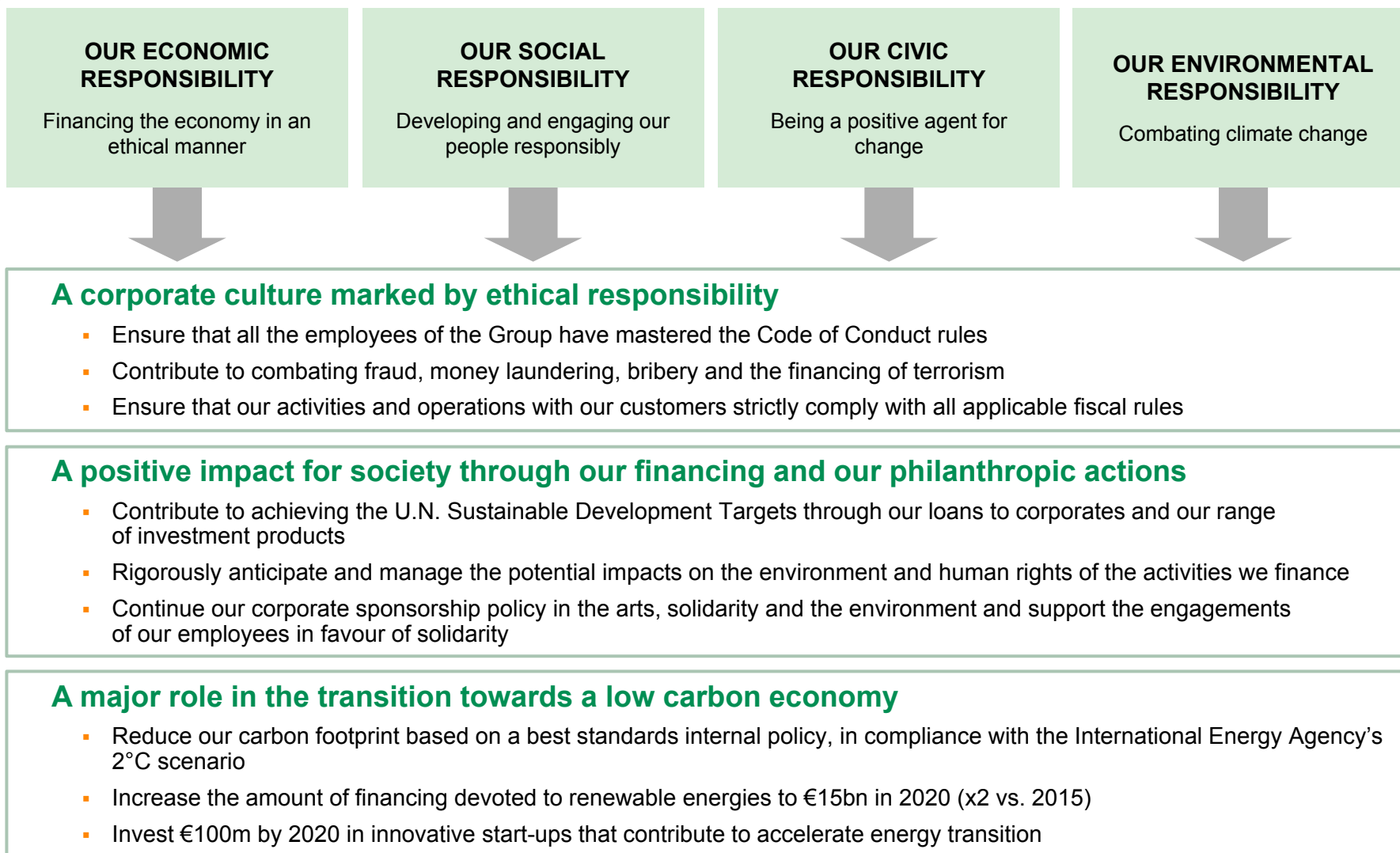
Global Markets
Corporate Banking
Securities Services



In all the business lines, an ambitious programme of new customer experience, digital transformation and savings



An Ambitious Corporate Social Responsibility Policy (CSR)



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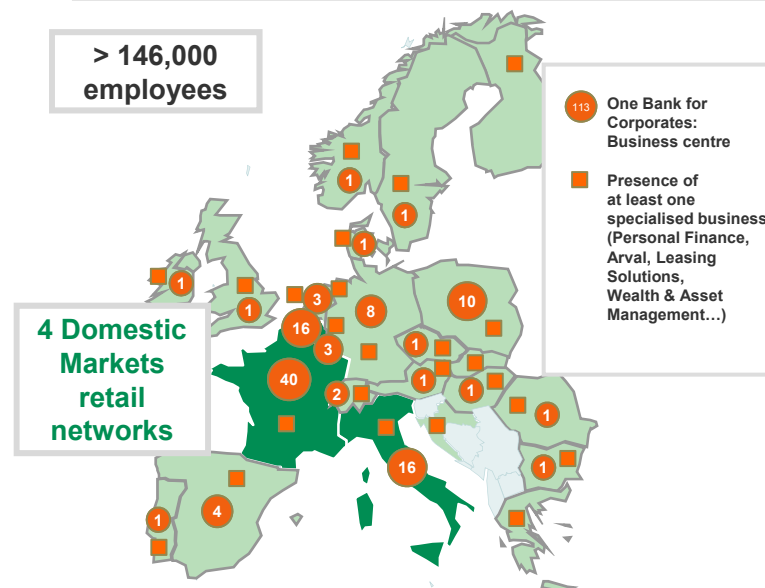
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Continue to Strengthen our Unique Position in Europe (1/2)

- Retail networks in our 4 domestic markets with large customer bases: France, Belgium, Italy and Luxembourg
- Very broad product offering in all European countries fostering cross-selling
- Top positions in all businesses:
 - #1 consumer finance specialist
 - Best Private Bank in Europe for the fifth year⁽¹⁾
 - #1 all bonds in €⁽²⁾, #1 EMEA syndicated loan⁽³⁾
 - #1 in cash management in Europe⁽⁴⁾,
 - #1 European provider in Securities Services⁽⁵⁾...
- Offering seamless financial services across the continent thanks to the “One Bank for Corporates” set-up
- Gain of market shares thanks to good organic growth...
 - Corporate Banking: +7 pts gain in European market penetration among the #1 Top-Tier Large Corporate Banking between 2012 and 2016⁽⁴⁾
 - Wealth Management: now #1 in the Eurozone in terms of client assets
- ... and bolt-on acquisitions in targeted businesses and countries

> A unique position in Europe



> Bolt-on acquisitions in existing businesses in 2014 & 2015

Bank BGZ Poland	Creation of the 7 th largest bank in Poland with ~4% market share
50% of LaSer Europe - France	Reinforcement of Personal Finance leading position in consumer finance
DAB Bank Germany	Consors bank!, a digital bank with already 1.5 million of clients as at end 2016
GE Fleet Services Europe	Arval now #1 in Europe with > 1 m financed vehicles as at end 2016

⁽¹⁾ Private Banker International; ⁽²⁾ Dealogic 2016; ⁽³⁾ Dealogic 2016 by volume and number of deals; ⁽⁴⁾ Greenwich 2016; ⁽⁵⁾ In terms of assets under custody



Continue to Strengthen our Unique Position in Europe (2/2)

- Objective to continue strengthening businesses' leading market positions thanks to organic growth
 - Generating economies of scale and cross-selling
- Specific focus on some targeted countries: Germany, Netherlands, Nordic countries...
 - Client acquisition with a focus on value-adding service offer through cross-business cooperation and cross-border service & product competence
- Continue bolt-on acquisitions in targeted businesses and countries: e.g. recent acquisition of Opel's financing activities⁽¹⁾
 - Acquisition of 50%, together with PSA, of Opel's financing activities
 - Perfect fit with our strategy to strengthen in car loans and in Germany
- Launch of new offers leveraging strong existing client base
 - New digital banks: Hello bank! by Cetelem at Personal Finance



Germany: a broad customer franchise and a target for development

CORPORATE & INSTITUTIONAL BANKING

BNP PARIBAS CORPORATE & INSTITUTIONAL BANKING
Corporate client business, consultancy and capital market transactions

BNP PARIBAS SECURITIES SERVICES
Securities services

RETAIL BANKING & SERVICES

INTERNATIONAL FINANCIAL SERVICES

BNP PARIBAS REAL ESTATE
Transaction, consulting, valuation and management of commercial real estate

BNP PARIBAS WEALTH MANAGEMENT
Wealth management and consultancy

BNP PARIBAS INVESTMENT PARTNERS
Investment and wholesale

BNP PARIBAS CARDIF
Insurance, consultancy on premium and distribution

BNP PARIBAS PERSONAL FINANCE



RETAIL BANKING

ARVAL
Full service leasing and fleet management

BNP PARIBAS FACTOR
Factoring

BNP PARIBAS LEASING SOLUTIONS
Financing, leasing and rental solutions for commercial investments

ConsoBank!
Direct bank, online banking, brokerage and private investment advice

DAB BNP PARIBAS
BNP partner for independent asset manager

BNP PARIBAS LEASING SOLUTIONS
Financing, leasing and rental solutions for commercial investments

Acquisition of 50% of Opel's financing activities⁽¹⁾

- € 9.6bn loan outstandings (YE 2016)
- Presence in 11 countries in Europe
- Acquisition price: €0.45bn (50%)
- 0.8x pro-forma book-value
- Will be fully consolidated

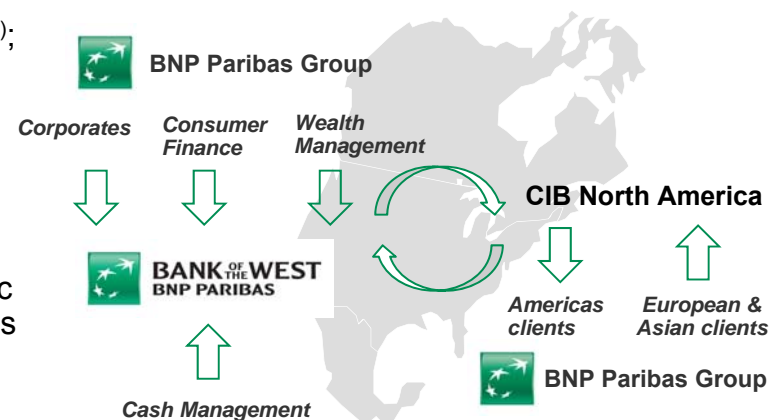
⁽¹⁾ Announced 6 March 2017; transaction expected to close in the fourth quarter of 2017



North America: Continue to Consolidate our Presence in a Major Market

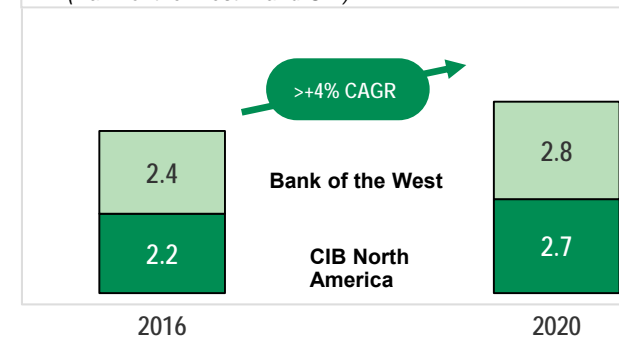
- A sizeable regional platform
 - 16,000 employees, 15% of Group's commitments
 - Strong franchise in retail with BancWest: 611 branches, 81 bc⁽¹⁾; good business drive (loan growth: +7.2% 2013-16 CAGR)
 - Sizeable & diversified CIB franchise dedicated to corporates and institutional clients (4,000 professionals)
 - Creation of the Intermediate Holding Company (IHC): a large commitment and transformation in the U.S.
 - Well-positioned to benefit from generally better macro economic perspectives than in Europe & the increase in U.S. interest rates
- CIB: grab targeted growth opportunities in world #1 market
 - Deliver the Bank's platform to our global Strategic Clients, growing our share of cross-border flows
 - Continue to grow Americas Strategic Client franchise, leveraging the North and Latin American footprint, and targeting clients with cross-border activities
- BancWest: accelerate growth & improve operating efficiency
 - Focus on customer acquisition; rethink customer journeys, utilizing also digital platform for customer acquisition
 - Leverage expertise of other BNP Paribas entities: corporates, retail, consumer finance & wealth management
- Strengthen cooperations between BancWest and CIB
 - Taking advantage of the IHC

Develop connectivity with the Group



Revenues in North America

(Bank of the West⁽²⁾ and CIB)



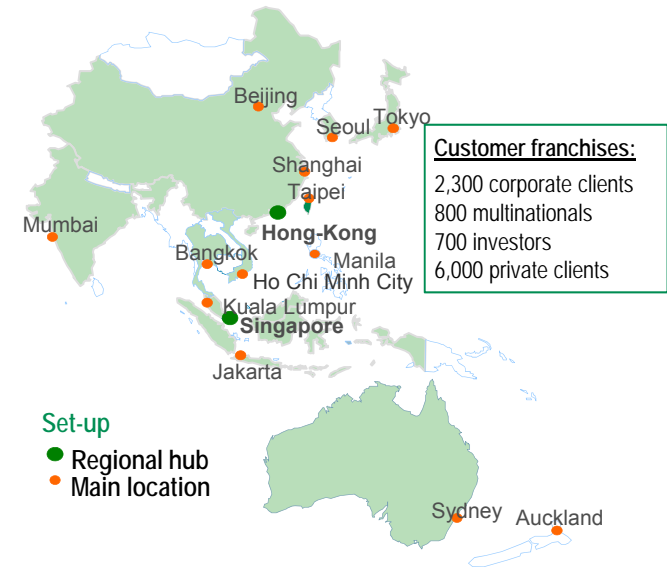
⁽¹⁾ Business Centres; ⁽²⁾ Including 100% of Private Banking



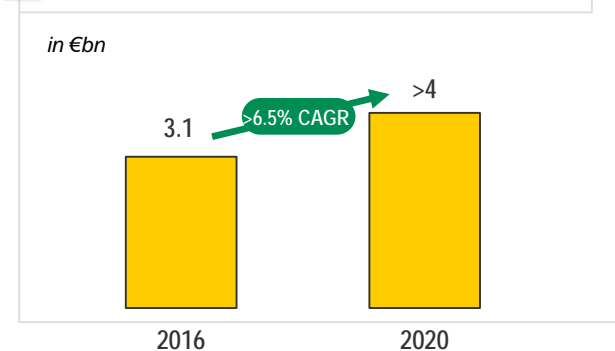
Asia-Pacific: Continue Development of the Franchise and Take Advantage of Regional Growth

- One of the best positioned international bank
 - Presence in 14 countries (12 full banking licences); > 15,000 employees⁽¹⁾, ~7% of Group revenues in 2016
 - Successful partnerships with large domestic players⁽²⁾
 - >€3bn revenues achieved in 2016 (vs €2bn in 2012)
 - Increased funded commercial assets⁽³⁾ and deposits⁽⁴⁾ with good development of cash management & cross-border transaction banking
- Confirmation of CIB roadmap
 - Accelerate cross-regions connectivity supporting Global and Asian clients' international development
 - Increase CIB offering to fast growing Asian Private Banks
 - Continue to extend Securities Services regional footprint⁽⁵⁾
 - Focus on China, build up of Indonesian franchise
- Continue to grow specialized businesses
 - Wealth Management: accelerate the development of onshore platforms and grow assets under management⁽⁶⁾
 - Insurance: reinforce protection, develop alternative distribution channels
 - Personal Investors: develop distribution of retail financial services in India following the acquisition of Sharekhan
- Continue to support Bank of Nanjing's development
 - Foster partnerships with Group's businesses

> A strong footprint in Asia-Pacific



> Asia-Pacific total revenues



⁽¹⁾ Excluding partnerships; ⁽²⁾ Bank of Nanjing, Haitong Securities, State Bank of India, Shinhan Financial Group...

⁽³⁾ €43bn at 31.12.16; ⁽⁴⁾ €66bn; ⁽⁵⁾ \$305bn of assets under custody in 2016 (+102% vs. 2012); ⁽⁶⁾ \$72bn AuM at 31.12.16 (+70% vs. 2012)



Conclusion

Success of the 2014-2016 business development plan

Progress on all the major strategic priorities

Net income attributable to equity holders in 2016: €7.7bn

ROE in line with the objective of the plan



Launch of the new 2017-2020 business development plan

Leverage the strength of the integrated and diversified business model

Build the bank of the future by accelerating digital transformation

Conduct an ambitious Corporate Social Responsibility policy



BNP PARIBAS FINANCIAL PLAN

Philippe Bordenave
Group Chief Operating Officer

Lars Machenil
Group Chief Financial Officer

INVESTOR DAY
Paris, 20 March 2017

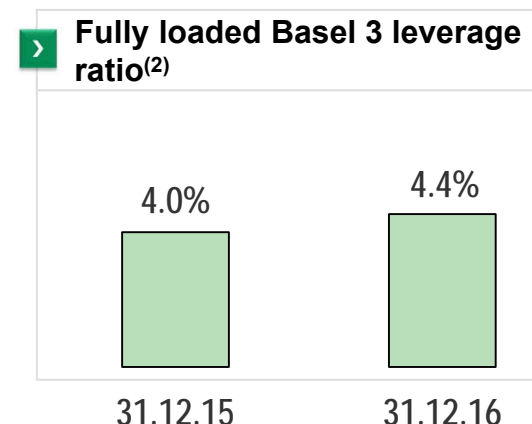
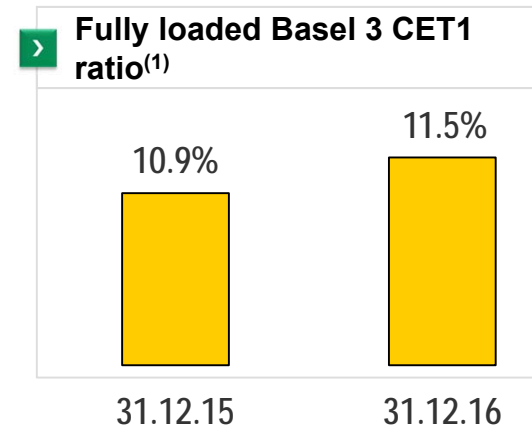


BNP PARIBAS

The bank for a changing world

Strong Financial Structure

- Fully loaded Basel 3 CET1 ratio⁽¹⁾: 11.5% as at 31.12.16; +60 bp vs. 31.12.15:
 - Essentially due to the 2016 results after taking into account the dividend payment
- Fully loaded Basel 3 leverage⁽²⁾: 4.4% as at 31.12.16 (+40 bp vs. 31.12.15)
 - Calculated on total Tier 1 Capital
- Liquidity Coverage Ratio: 123% as at 31.12.16
- Immediately available liquidity reserve: €305bn⁽³⁾ (€266bn as at 31.12.15)
 - Equivalent to over 1 year of room to manoeuvre in terms of wholesale funding



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

⁽¹⁾ CRD4 "2019 fully loaded"; ⁽²⁾ CRD4 "2019 fully loaded", calculated according to the delegated act of the EC dated 10.10.2014 on total Tier 1 Capital and using value date for securities transactions;
⁽³⁾ Liquid market assets or eligible to central banks (counterbalancing capacity) taking into account prudential standards, notably US standards, minus intra-day payment system needs



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

		2016	2020 Target ⁽²⁾
CET 1 ratio	<ul style="list-style-type: none"> ■ CRD IV (Basel 3) ■ 2016 SREP: anticipated level of fully loaded Basel 3 CET1 ratio of 10.25% in 2019⁽¹⁾ 	11.5% Fully loaded Basel 3 CET1 ratio	12%
Total capital TLAC MREL	<ul style="list-style-type: none"> ■ 2016 SREP: anticipated level of Total Capital requirement of 13.75% in 2019⁽³⁾ ■ TLAC requirement: 20.5% in 2019⁽⁴⁾ ■ MREL: thresholds to be determined on a case by case basis by the resolution authorities (SRB) according to the CRD V/CRR 2 (under discussion) 	Total Capital (fully loaded) ratio: 14.2% • CET1 ratio: 11.5% • Tier 1 and Tier 2: 2.7%	Total Capital (fully loaded) ratio: 15% • CET1 ratio: 12% • Tier 1 and Tier 2: 3% TLAC ratio: 21%
Liquidity	<ul style="list-style-type: none"> ■ LCR: CRD IV/CRR ■ NSFR: CRD V/CRR 2 (under discussion) 	LCR: 123%	LCR > 100% NSFR > 100%
Leverage	<ul style="list-style-type: none"> ■ CRD IV (minimum level of 3%) ■ Additional requirements for G-SIB still under discussion 	4.4% Fully loaded Basel 3 leverage	4%



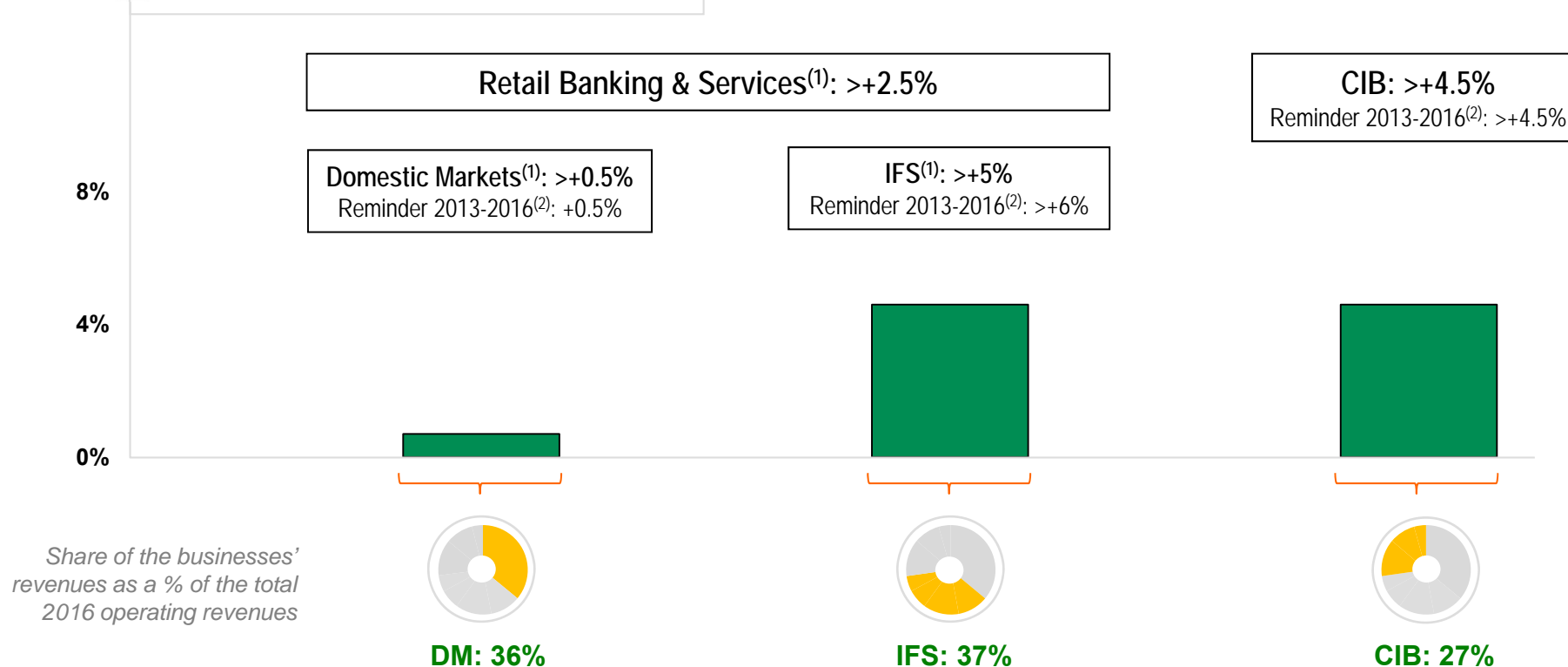
Regulatory constraints that continue to increase during the period⁽⁵⁾

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



2016-2020 Revenues Evolution

2016-2020 revenues CAGR in %

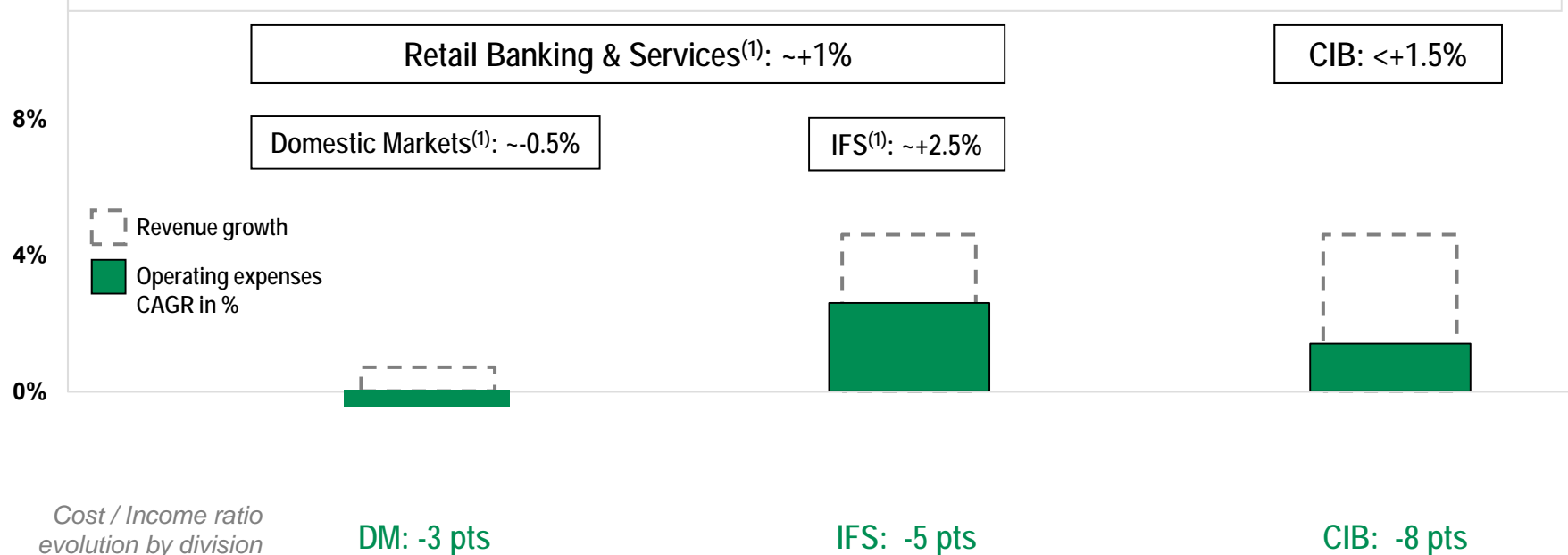


Impact of low interest rates in Domestic Markets
Good revenues growth in IFS and CIB

⁽¹⁾ Including 2/3 Private Banking; for IFS, excluding FHB; ⁽²⁾ Excluding effect of the 29 March 2016 restatement

2016-2020 Operating Expenses Evolution (1/2)

2016-2020 operating expenses CAGR in % ⇒ Positive jaws effect in all divisions

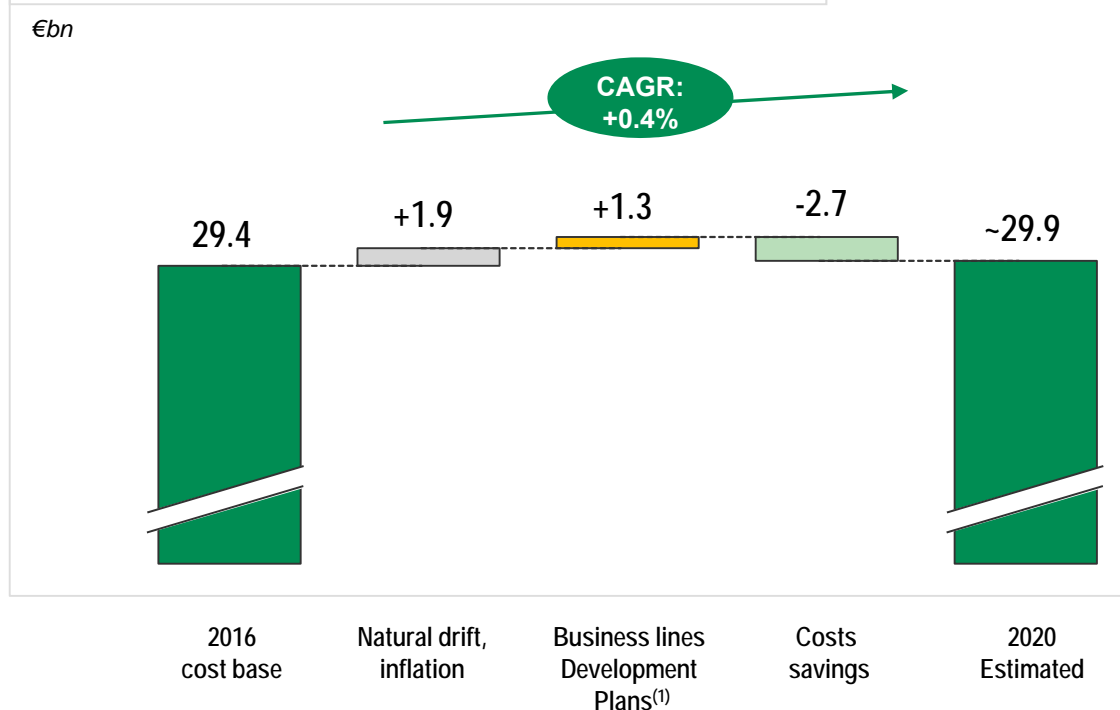


Strong improvement of cost/income ratio in all divisions

⁽¹⁾ Including 2/3 Private Banking; for IFS, excluding FHB

2016-2020 Operating Expenses Evolution (2/2)

> 2016-2020 operating expenses evolution



> **Overall stability of costs despite business growth
Savings offsetting natural costs evolution**

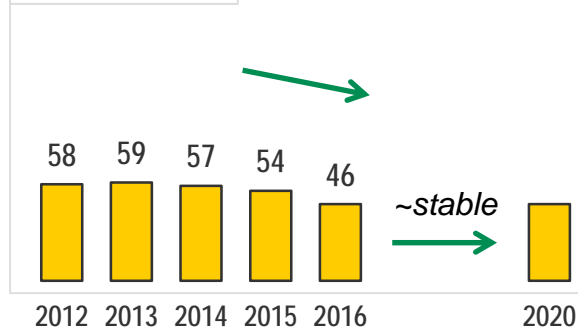
⁽¹⁾ Domestic Markets (specialised businesses): €250m; IFS: €500m; CIB: €550m



Cost of Risk Evolution

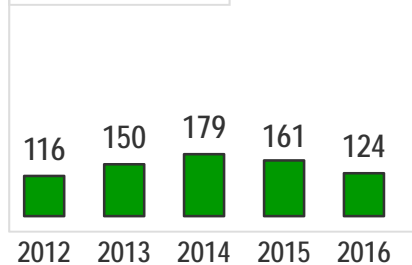
Cost of risk/Customer loans at the beginning of the period (in bp)

> Group



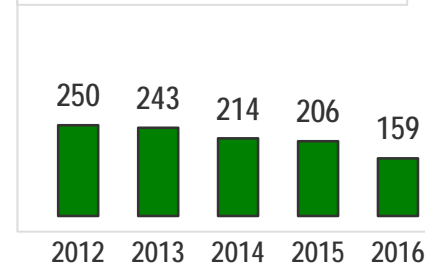
- Significant decrease in the cost of risk in 2016: €3,262m (-€535m vs. 2015)
- Decrease in BNL bc and Personal Finance representing each currently ~1/3 of the Group cost of risk
- Good control of risk at loan origination and effects of the low interest rate environment
- Cost or risk ~stable in 2020 vs. 2016 (in bps)

> BNL bc



- €959m in 2016 (-€289m vs. 2015)
- Continued decrease in the cost of risk
- Significant decrease of net doubtful loans outstanding
- Target of 50 bps cost of risk in 2020

> Personal Finance



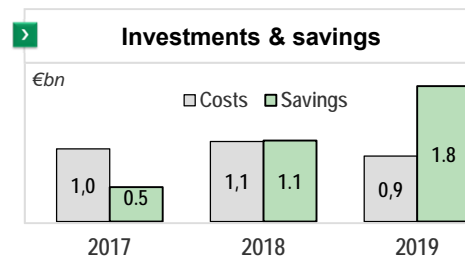
- €979m in 2016 (-€196m vs. 2015)
- Effect of the low interest rates and the growing positioning on products with a better risk profile
- Exceptional provisions write-backs following sales of doubtful loans (~€50m, equivalent to 8 bps)
- Target of ~170 bps cost of risk in 2020



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

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

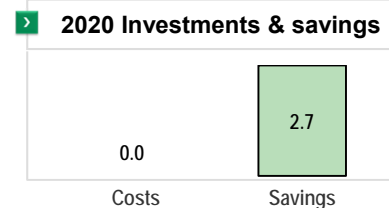
~€3bn in transformation costs between 2017 and 2019 ...



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

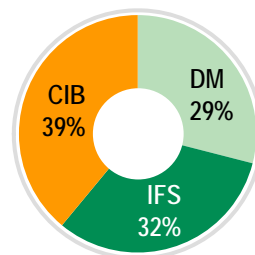
...and generate ~€2.7bn in recurrent annual savings starting from 2020

- ~150 programmes
- A new IT function organisation in the Group

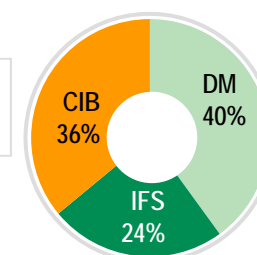


Balanced contribution of all the Group businesses to the programme

Transformation costs by Operating divisions



Savings by Operating divisions



5 Levers for a New Customer Experience & a More Effective and Digital Bank (1/3)

1 Implement new customer journeys

- New digitalised, expanded, seamless and personalised customer journeys (more services, more attractiveness, choice of channel, etc.)
- Upgraded service models (better customer segmentation based on user habits, “the right product at the right time and through the right channel,” etc.)
- Digitalisation of distribution by developing digital customer interfaces
- New services made available

2 Upgrade the operational model

- Streamlining and automatisation of end-to-end processes
- Simplification of the organisations
- Shared platforms and smart sourcing

3 Adapt information systems

- Evolution of information systems and incorporation of new technologies in order to accelerate digital
- Improvement of IT efficiency and agile practices
- Promotion of innovation

4 Make better use of data to serve clients

- Better reliability of data and enhancement of data use for the benefit of customers
- Reinforcement of data storage, protection and analysis capacities
- Use of cutting-edge technologies (artificial intelligence, machine learning, etc.)

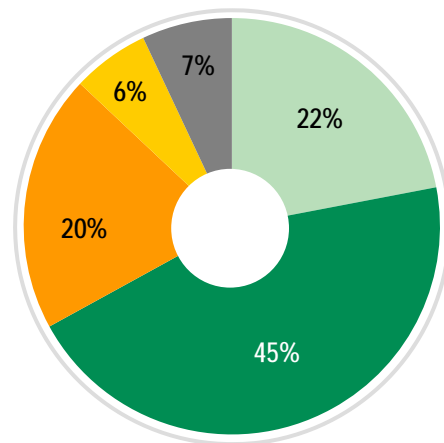
5 Work differently

- More digital, collaborative and agile work practices
- Day-to-day digital environment & digital and innovation driven culture
- Staff training

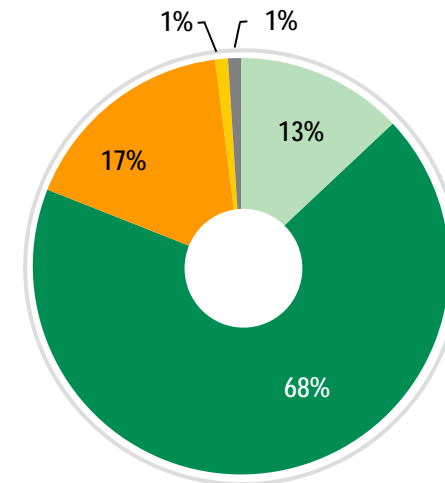


5 Levers for a New Customer Experience & a More Effective and Digital Bank (2/3)

> Total transformation costs by lever: €3bn



> Total savings by lever: €2.7bn



- Upgrade the operational model
- Implement new customer journeys
- Adapt the information system
- Make better use of data to serve clients
- Work differently



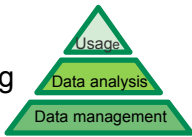



68% of savings derived from improvement of the operating model



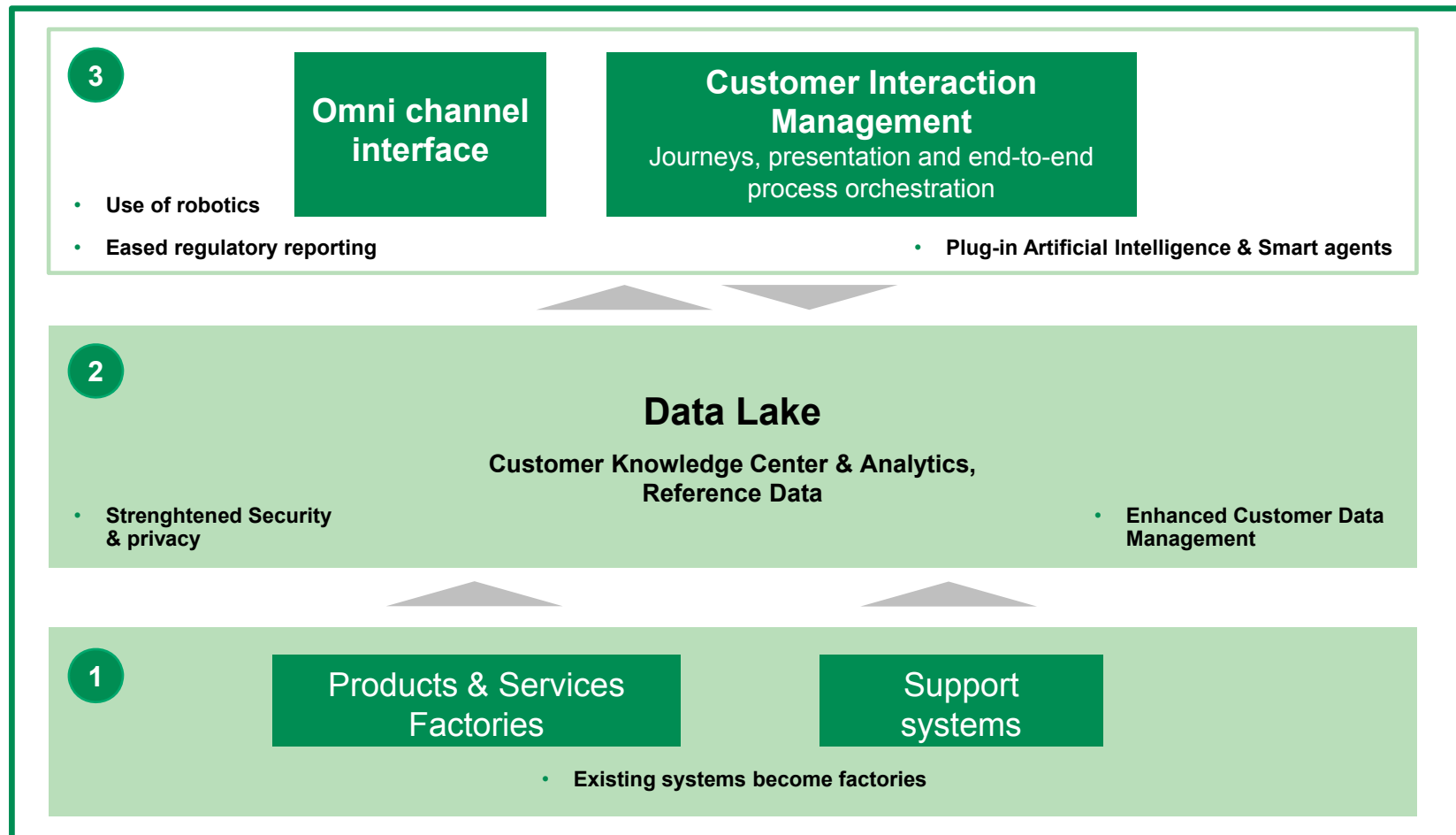
5 Levers for a New Customer Experience & a More Effective and Digital Bank (3/3)

Examples of Programmes implemented

<p>Implement new customer journeys</p>	<ul style="list-style-type: none"> ■ <u>DM</u>: develop the new digitalised, value-added & seamless customer journey for home purchases allowing new enriched customer experience ■ <u>IFS</u>: digitalize and redesign customer journeys in Cardif and innovate on claims management through artificial intelligence; launch digital banks in Personal Finance leveraging on the large customer base ■ <u>CIB</u>: roll out digital tools for clients in Global Markets (Cortex, Smart Derivatives, etc.) 	<p>BuyMyHome</p>   <p>CORTEX</p>
<p>Upgrade the operational model</p>	<ul style="list-style-type: none"> ■ <u>DM</u>: transform mortgages end-to-end processes (new distribution model & automatized process) ■ <u>IFS</u>: development of a global Front to Back investment operational model for Investment Partners ■ <u>CIB</u>: automatize end-to-end processes, productivity increase through harmonization of process and standardisation of workstations 	
<p>Adapt information systems</p>	<ul style="list-style-type: none"> ■ <u>DM</u>: rationalize the existing applications ■ <u>IFS</u>: accelerate digitalization in BancWest to improve cost base ■ <u>CIB</u>: leaning and industrialization of the front-to-finance IT value chain 	<p>PLUGANDPLAY FINLABS</p>
<p>Make better use of data to serve clients</p>	<ul style="list-style-type: none"> ■ <u>DM</u>: modernisation of data repositories, data governance, data management and data usage by building a new data architecture and new data analytics apps ■ <u>IFS</u>: using enriched dynamic data in Personal Finance to automate marketing and reporting ■ <u>CIB</u>: implement artificial intelligence alerting sales & clients on risks and opportunities in real-time 	
<p>Work differently</p>	<ul style="list-style-type: none"> ■ <u>DM, IFS and CIB</u>: ■ Promote new ways of working & behaviours: continuous feedback (fostering empowerment) with simplification of the appraisal process, transversal collaboration, internal partnership, mixed team (e.g. digital talents & seasoned experts), flex office & mobile work 	



Adapt Information Systems: A new 3 layers IT architecture

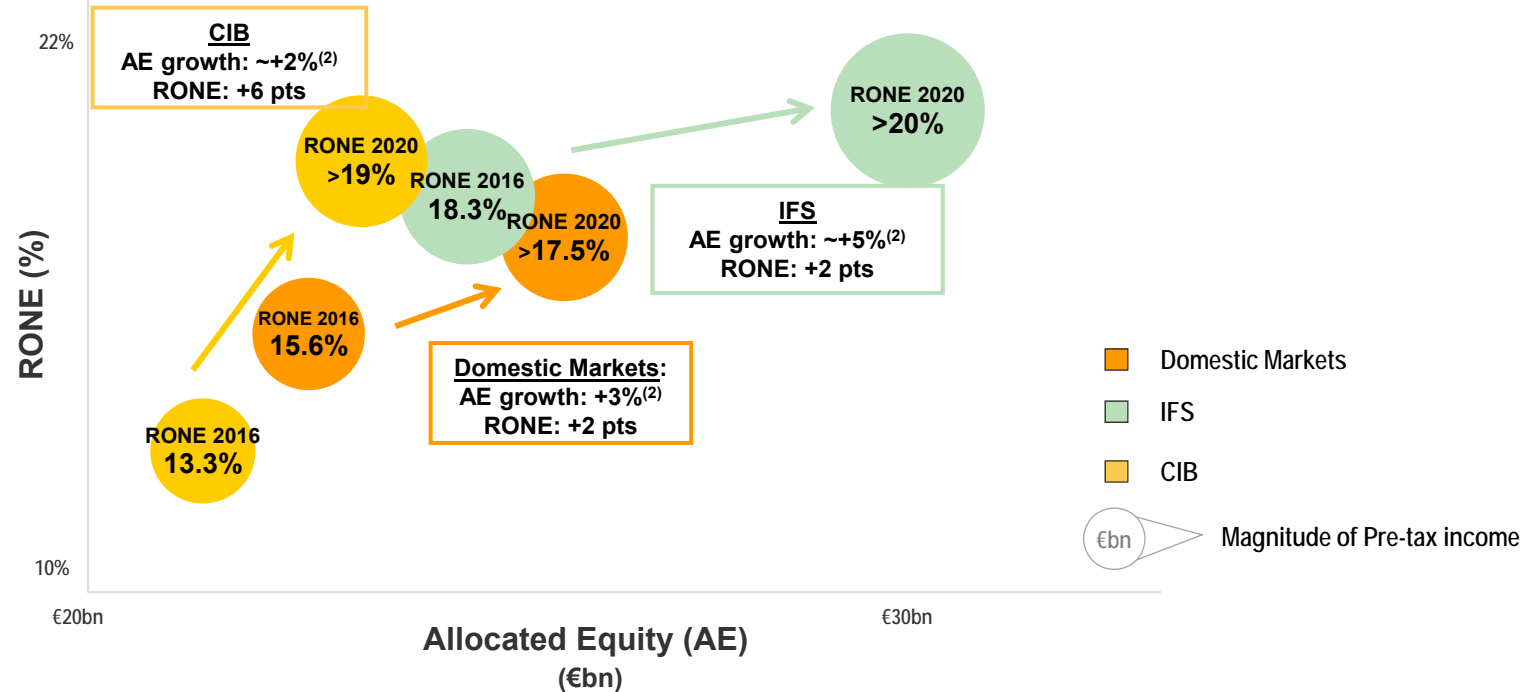


A safe, agile and efficient IT



Evolution of Allocated Equity and RONE by Operating Division

> 2016-2020 Evolution of Allocated Equity (AE) and RONE⁽¹⁾



- Disciplined overall increase of RWA: +3% CAGR (2017-2020)
 - Capturing growth and preparing for interest rates increases

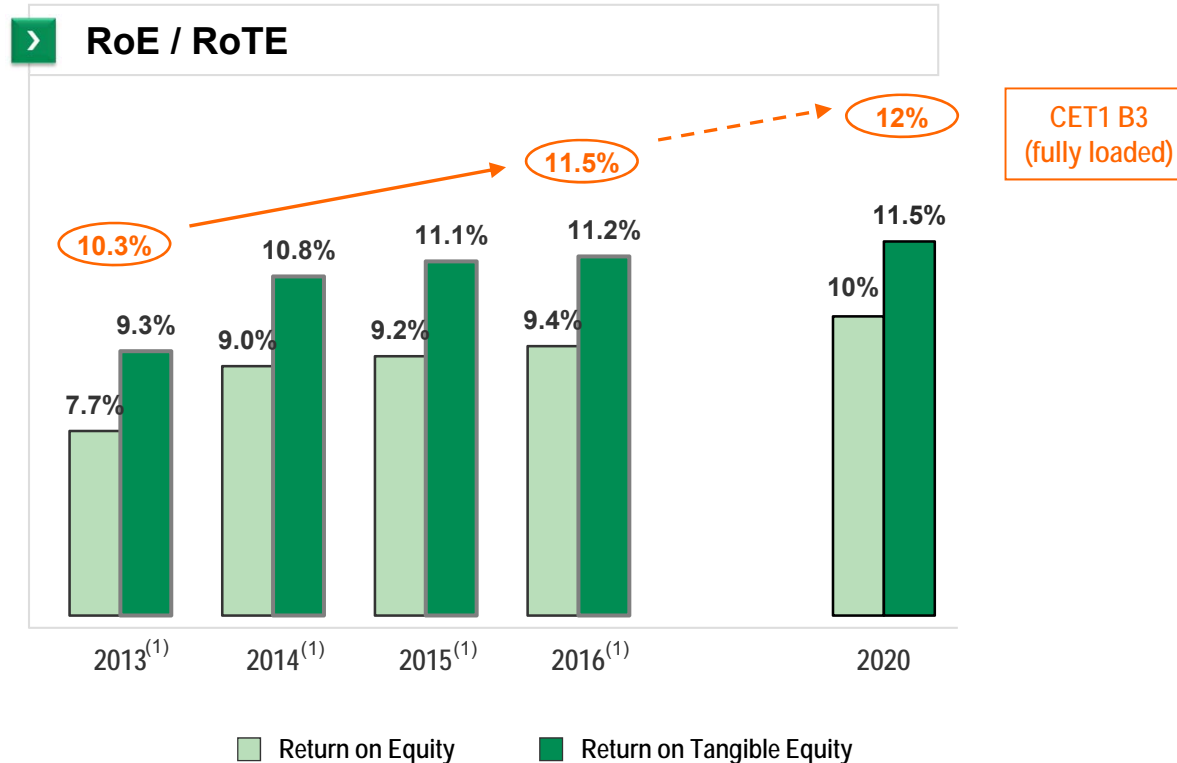


Significant increase in each division of Return on Notional Equity

⁽¹⁾ RONE: Return On Notional Equity pre-tax; based on 11% allocated equity; for Domestic Markets, including 100% of Private Banking, excluding PEL/CEL; for IFS, excluding FHB; ⁽²⁾ CAGR 2016-2020



Continue to increase Return on Equity



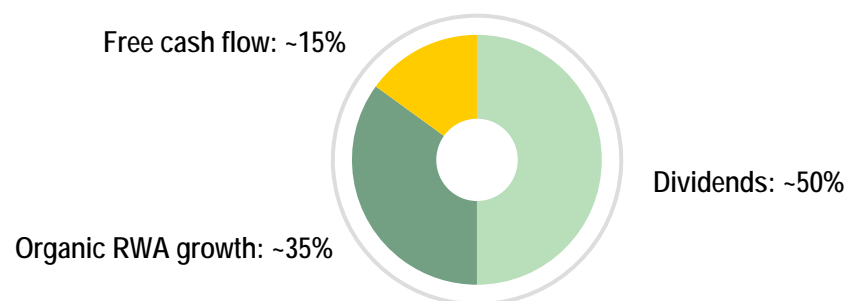
> **Continue increase ROE and ROTE over 2017-2020 together with higher CET1 ratio**

⁽¹⁾ Excluding exceptionals.

Capital Management

- Strong organic capital generation
- Regulatory constraints based on current Basel 3 regulatory framework
 - Reminder: Fundamental Review of Trading Book (FRTB) to be phased-in between 2021 and 2024
- Increase pay-out ratio to 50%
- ~35% of earnings to finance organic growth
 - RWA: ~+3% (CAGR 2017-2020)
- ~15% of earnings qualifying to:
 - Capture external growth (bolt-on acquisitions), depending on opportunities and conditions
 - Deal with remaining uncertainties
- Potential for higher free cash flow in case of better interest rate scenario

Capital management as % of 2017-2020 cumulative net earnings



Pay-out ratio increased to 50%



Group's 2020 Business Development Plan Financial Targets

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

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

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

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



BNP PARIBAS

DOMESTIC MARKETS

**Reinvent Customer Experience &
Accelerate Digital Transformation**

Thierry Laborde

Group Deputy Chief Operating Officer

Sophie Heller

Chief Operating Officer, Retail Banking & Services

INVESTOR DAY
Paris, 20 March 2017



BNP PARIBAS

The bank for a changing world

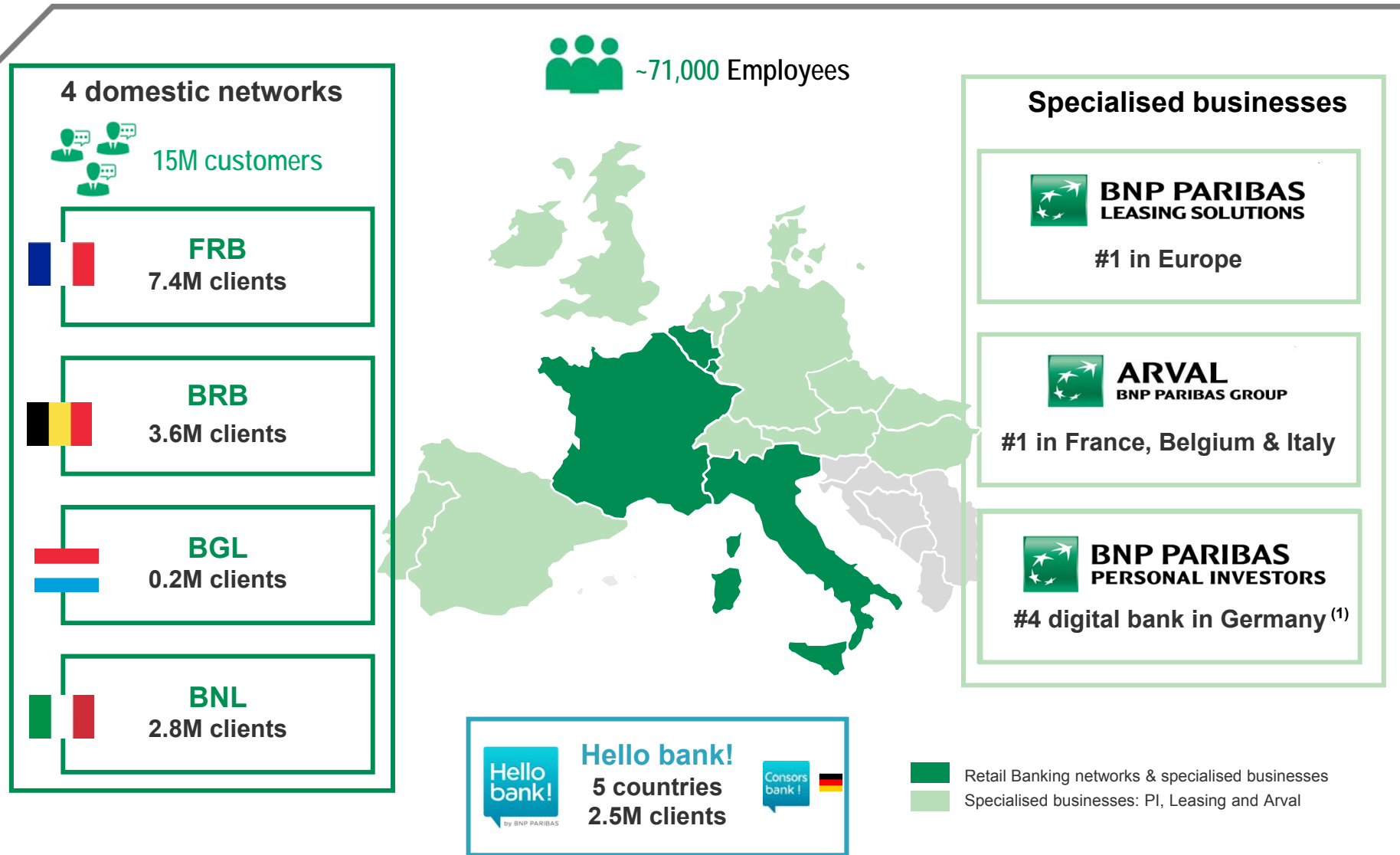
Domestic Markets at a Glance

Ambitious Digital Transformation Plan

2020 Business Plan Financial Targets



A Leading Multi-Domestic European Bank

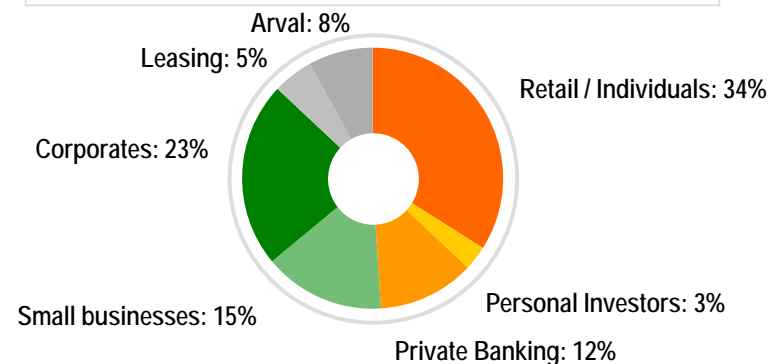


⁽¹⁾ In terms of number of clients

Well Positioned in its Main Markets

- 36% of Group 2016 revenues
- Retail networks mostly positioned in wealthier areas
- Strong and diversified customer franchises (Retail, Private Banking, Corporates, specialised businesses)
- Major player in specialised businesses (Arval, Leasing Solutions, Personal Investors) in diversified markets with different economic cycles

> 2016 DM revenues⁽¹⁾ by client type

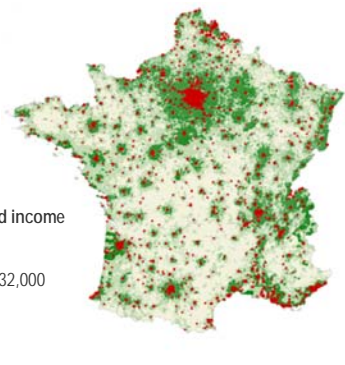


> French RB

● Branches

Average household income

- < €25,000
- €25,000 - €32,000
- > €32,000



Private Banking ⁽²⁾

#1

> BNL bc

Average household income

- < €12,000
- €12,000 - €15,000
- €15,000 - €17,000
- €17,000 - €20,000
- > €20,000

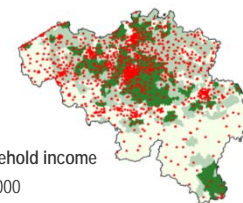


#5

> Belgian RB

Average household income

- < €27,000
- €27,000 - €30,000
- > €30,000


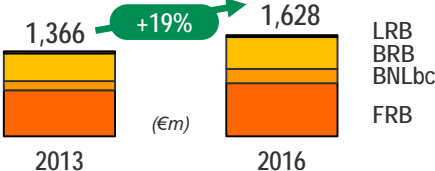


#1

⁽¹⁾ Including 100% of Private Banking, excluding PEL/CEL effects; ⁽²⁾ In terms of Assets under Management



Capitalise on Differentiating Capabilities & Success of Strategic Actions

Multi-channel distribution model	Multi-channel distribution platform fully deployed in the Domestic Markets networks	
Networks optimisation	Ongoing optimisation of geographical footprint and format modernisation largely completed	
Hello bank! Full digital bank	Pan-European model successfully rolled out with adaptation to the specific features of each country ~10% of DM individual clients⁽¹⁾ revenues in 2016	2.5M clients 5 countries 
Products & services innovation	Fast roll-out of technological innovations , notably in payments Strong innovating ecosystem with numerous Incubators, Accelerators and Innovation Hubs	
Integrated business model	Increased cross-selling revenues within DM and with the rest of the Group (€2.3bn ⁽²⁾ in 2016 on retail clients)	Example <i>Increasing weight of Private Banking revenues within DM (at 100%)</i> 
Bolt-on acquisitions	Value-accretive bolt-on acquisitions: DAB Bank in Germany (Personal Investors) and GE Fleet Management Europe (Arval), still additional synergies to come during the 2020 plan (~+70M€)	
Strong risk management	BNL's balance sheet de-risking in Italy completed in 2016 , leading to significant cost of risk reduction Continued strong risk management culture	


Areas of strength & recent achievements paving the way for ambitious digital transformation plan

⁽¹⁾ FRB, BNL, BRB and Personal Investors, excluding Private Banking. ⁽²⁾ Booked in DM revenues (including 2/3 of Private Banking revenues)

Domestic Markets at a Glance

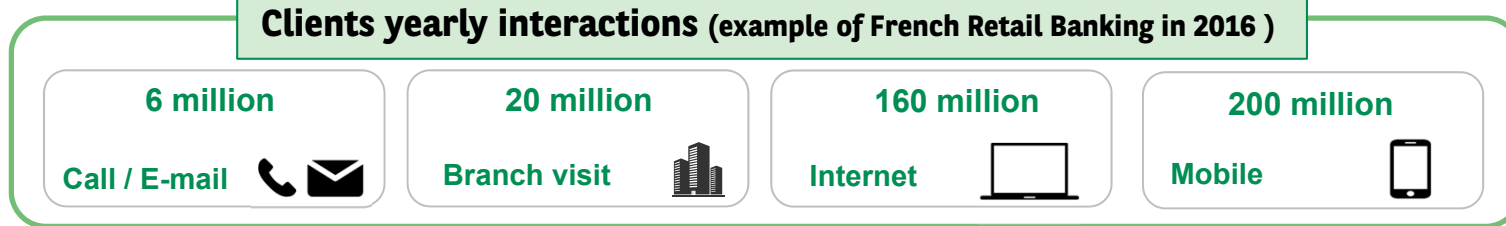
Ambitious Digital Transformation Plan

2020 Business Plan Financial Targets




Client Behaviours are Changing

Clients yearly interactions (example of French Retail Banking in 2016)



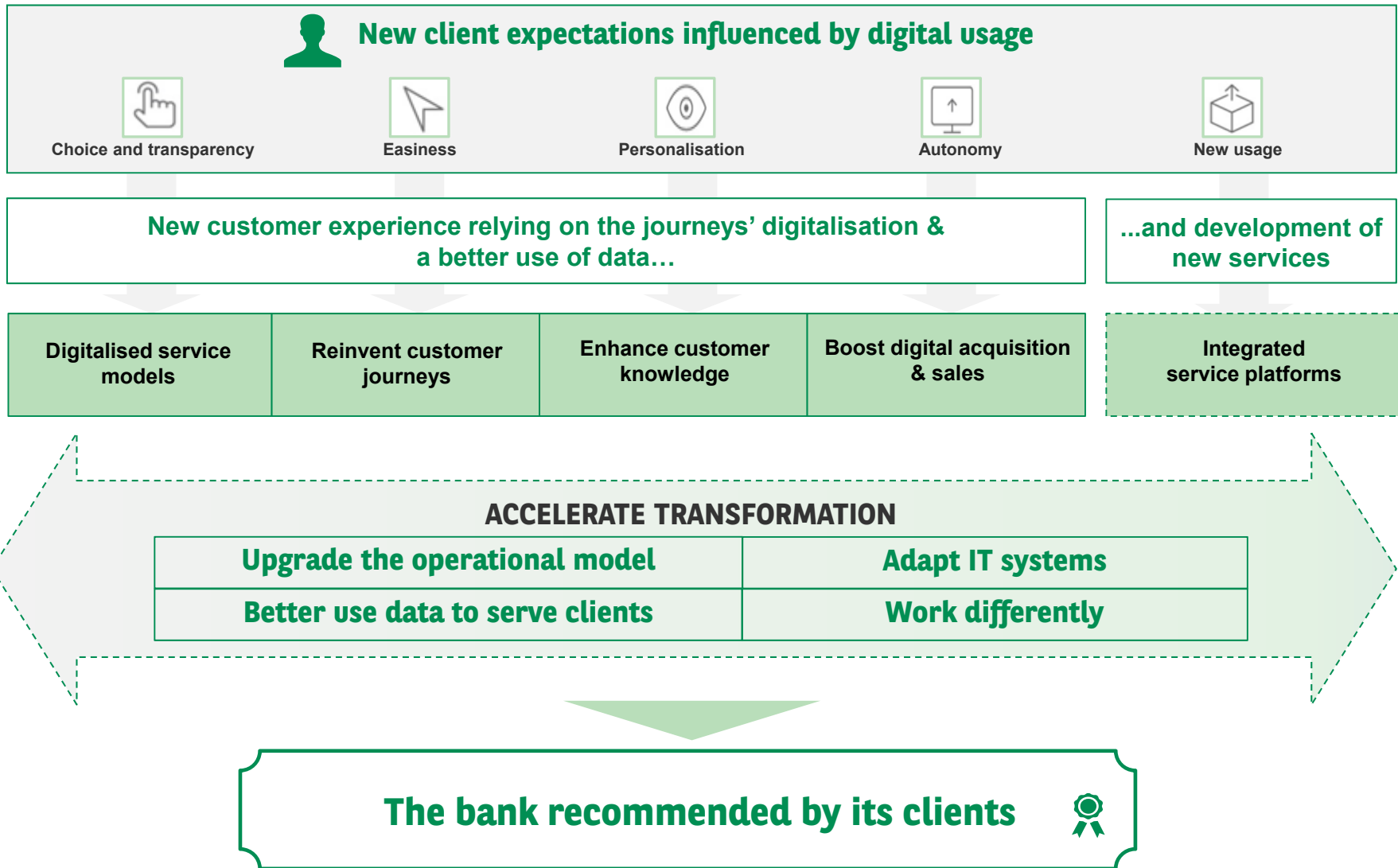
BNP Paribas' clients usage

More digital	 <p>~4 million clients daily connections within our 3 domestic markets⁽¹⁾</p>
More mobile	<p>France: ~60% users via mobile devices out of 3.2 million users of online banking</p> <p>Belgium: >40% users of <i>Easy Banking</i> smartphone app out of 2.4 million users of online banking</p>
More products & services	<p>Belgium: 2.5 million electronic signatures per week</p> <p>Italy: ~40% of BNL's operations available in a remote mode</p> <p>Germany (Consorsbank!): 20% of new clients' account opening fully dematerialised via <i>VideoLegitimation</i>⁽²⁾ (launched in July 2016)</p>

⁽¹⁾ Web & Mobile - Average Jan 2017; ⁽²⁾ Application developed in cooperation with Deutsche Post Ident to legitimate by video chat from home, entirely paperless



Reinvent Customer Experience & Accelerate Digital Transformation



Digitalised Service Models (1/2) - Retail

3 service models adapted to client needs

- ▶ Adapt sales & servicing models to client behaviour & needs
- ▶ Based on common full digital offer
- ▶ Human touch and pricing adapted to client needs & preferences: remote or face to face (dedicated or not)

REMOTE

Self-driven customers looking for simplicity and convenience

Full digital offer

Digital or remote distribution & services

Freemium

HYBRID

Hybrid customers combining face-to-face & remote channels use

Multi-channel service offer

Face-to-face if needed (without dedicated RM)

Pay-per-use for high value added services

ADVISORY

Customers looking for expertise and/or customised service & ready to pay a premium price

Multi-channel service offer

Dedicated & proactive relationship manager

Explicit invoicing of a higher service level

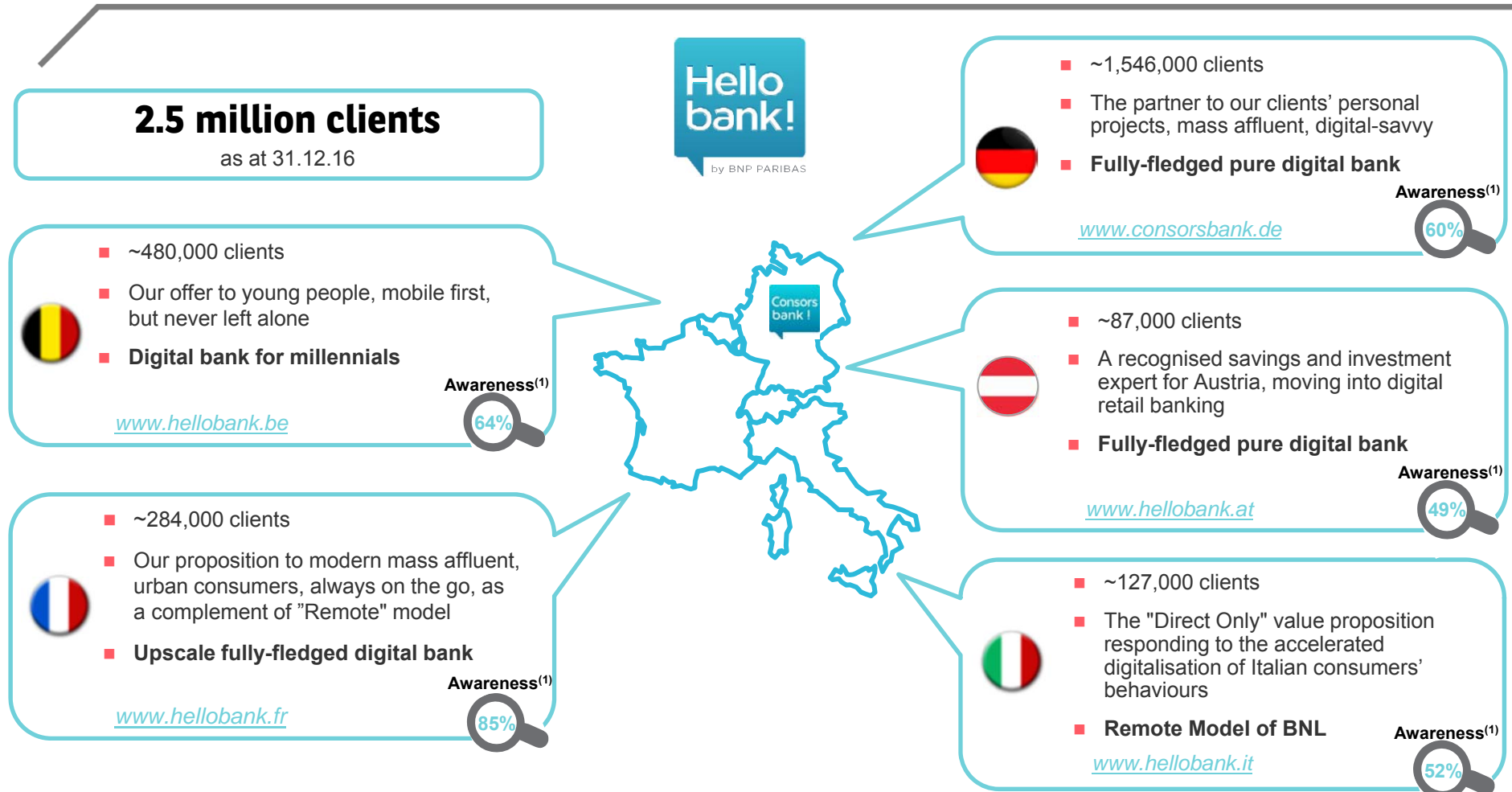
Digital

Human

COMMON PLATFORMS: Products & services – Channels – Remote expertise



Digitalised Service Models (2/2) - Hello bank!



> **Strategy adapted to each specific local market**

⁽¹⁾ December 2016 – TNS-Brand awareness on the targeted client segment

Reinventing Customer Journeys

9 customer journeys defined so far...

Objectives:

- ▶ **Boost client attractivity** through a seamless and client-centric experience
- ▶ **Enhance operating efficiency** through simplification & digitalisation of end-to-end processes
- ▶ **Foster client-centric culture** and new ways of working (client data driven, agile teams..)

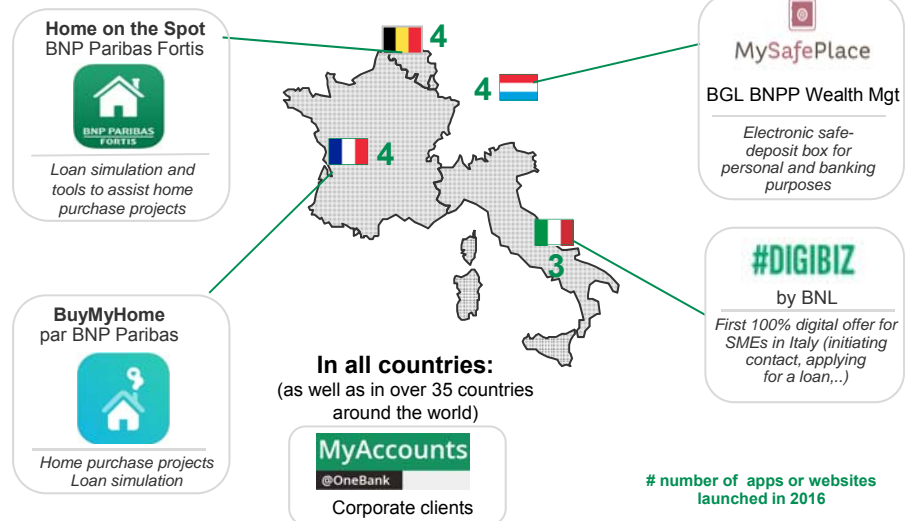
INDIVIDUAL AND PRIVATE BANKING CUSTOMERS



CORPORATE CUSTOMERS



...comprising 15 apps already launched in 2016



...and new deliveries in 1Q17



Enhanced Customer Knowledge

Initiatives to further increase analytics competencies & data management

To:

- ▶ Offer **more customised** relationship services
- ▶ Optimise **commercial proactivity and reactivity**
- ▶ Improve **pricing and risk scoring** management



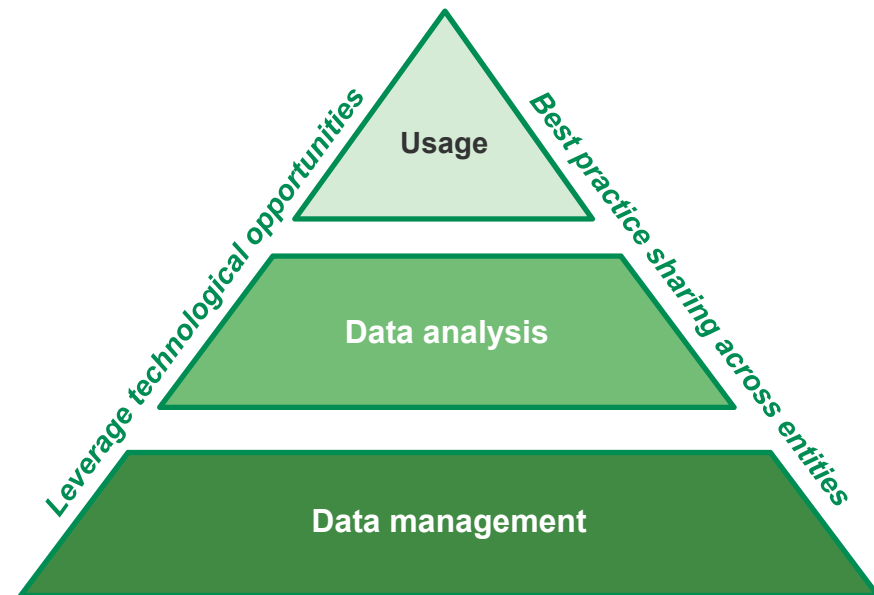
Responsible data usage

- ▶ **Internal use** of data to accompany the client
- ▶ Establish a reference text: **Charter for the Use of Customer Data**



Data protection

- ▶ Fight against **Cyber criminality**
- ▶ **IT Data Centres** building and reinforcement represented ~€100m of costs already in 2016



Innovative Services

Development of new services

- ▶ Anticipate **coming needs** of clients, beyond traditional banking services
- ▶ **Leverage on our strong Innovation Ecosystem** (incubator centres in each domestic market, in house Tech Labs)



France



Belgium



Italy



Luxembourg



Examples of integrated service platforms



(FLEET MANAGEMENT)

- ▶ Service platform with detailed information on vehicles & driver's behaviours
- ▶ 3 options:



ACTIVE JOURNEY ACTIVE ROUTING ACTIVE SHARING



(RETAIL MOBILE WALLET)

- ▶ Single universal mobile solution combining payment, loyalty programmes and discount offers for customers & retailers (Carrefour, Auchan, Total,...)
- ▶ Partnership with Fivory (Crédit Mutuel ⁽¹⁾)

IDENTIFICATION <
PAYMENT <
TICKETING <



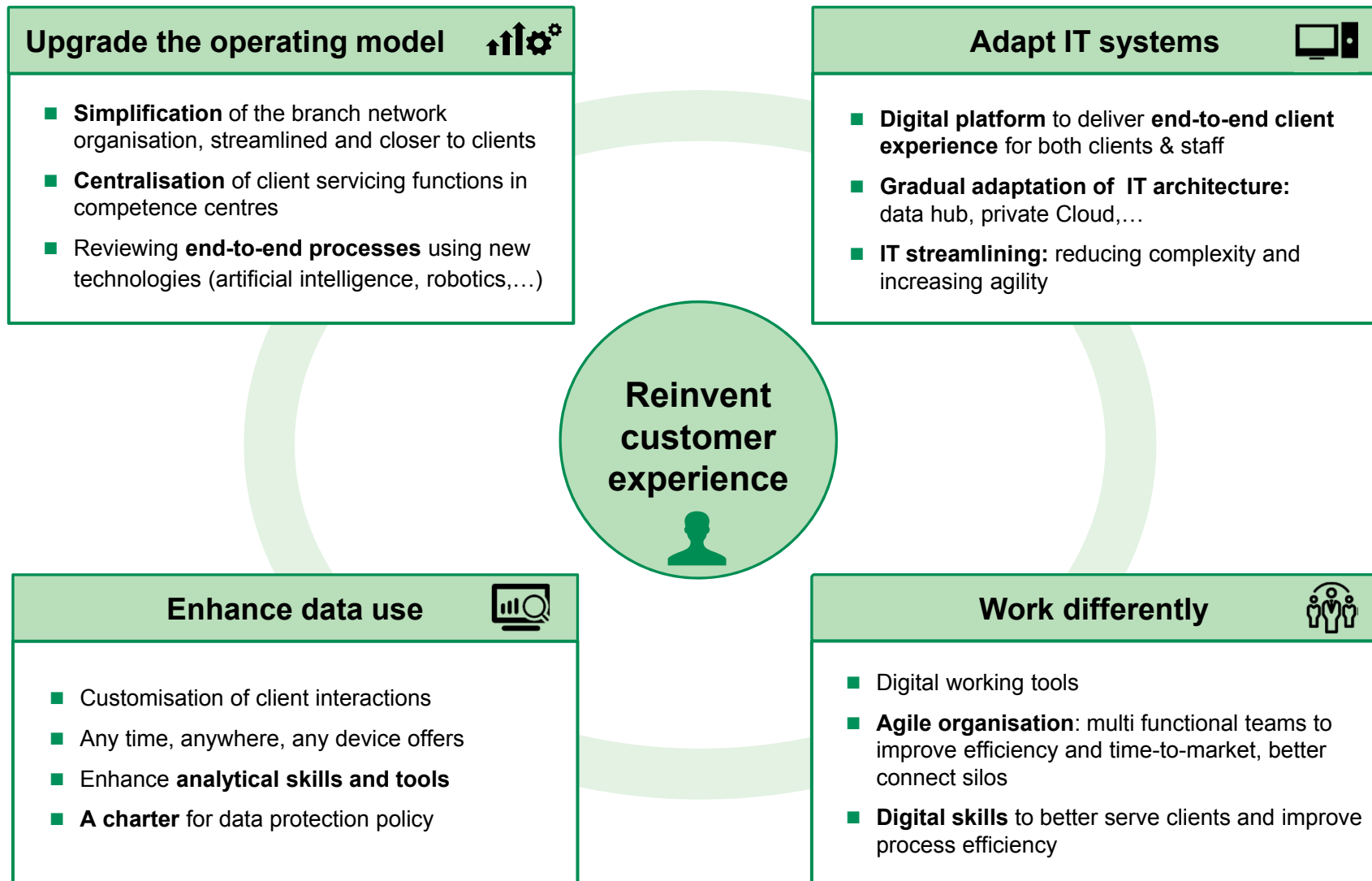
> CREDIT
> COUPONING
> LOYALTY

⁽¹⁾ CM11-CIC



Transformation of the Operating Model

Accompany the new Customer Experience



Upgrade the Operating Model

Ongoing Retail Networks Adaptation

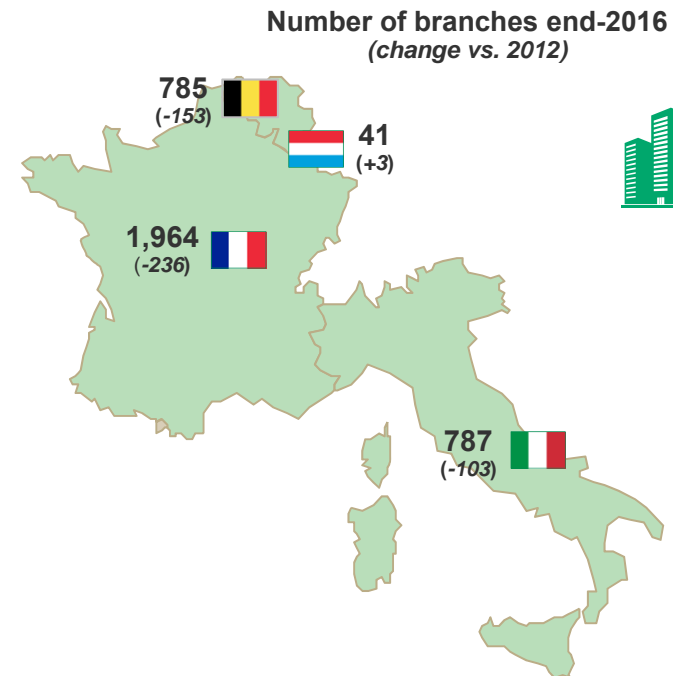
■ Continued optimisation of geographical footprints

- Erosion of branch visits due to digitalisation
- Contacts focus shifting towards advisory and complex transactions
- # of branches reduced by 12% since 2012 (~-500 in 4 years), including new branch openings
- Largely completed roll-out of new formats and modernised branches, better tailored to new relationship styles
- Actively continue to adapt the branch networks over the plan

■ Flattening networks' organisation to improve service & efficiency

- Delayering already launched in BRB and BNL bc networks (-1 intermediary level)
- Leading to increased reactivity, better client interaction and enhanced operating efficiency

Ongoing footprint optimisation



Ongoing networks optimisation reflecting changing client needs
Delayering the organisation to improve service & efficiency



Digital Transformation Creating Value at all Levels of P&L

5 levers to accelerate transformation:

Reinvent customer experience

Upgrade the operating model

Adapt IT systems

**Better use data
to serve clients**

Work differently

- Revenue growth
 - Increased customer acquisition & loyalty
 - Cross-sell opportunities
 - Diversification with more service fee base
- Expenses reduction
 - Streamlining distribution networks
 - Lower cost to serve with higher synergies
- Cost of risk optimisation
 - Improve pricing and risk scoring by responsible use of data



Domestic Markets at a Glance

Ambitious Digital Transformation Plan

2020 Business Plan Financial Targets



2020 Business Development Plan (1/3): Key Financial Targets

Strengthen the sales & marketing drive in a context that is improving only gradually

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

A risk environment that continues to be favourable

- Continued improvement, in particular in Italy (BNL's CoR: 50 bp in 2020 vs. 124 bp in 2016)

Generate €1bn in recurring cost savings by 2020

- Actively continue to adapt the branch networks through 2020
- Transform the operational model and adapt the information systems
- 2017-2019 transformation costs: €0.8bn⁽¹⁾

> Financial targets ⁽²⁾	2016	> 2020 targets
Revenues	€15,715m	>+0.5% ⁽³⁾
Cost/income	67.6%	-3 pts
Allocated Equity	€23.2bn	+3% ⁽³⁾
Pre-tax RONE ⁽⁴⁾	15.6%	>17.5%

> Improve efficiency in all the networks, reduce cost of risk in Italy in an environment that is improving only gradually

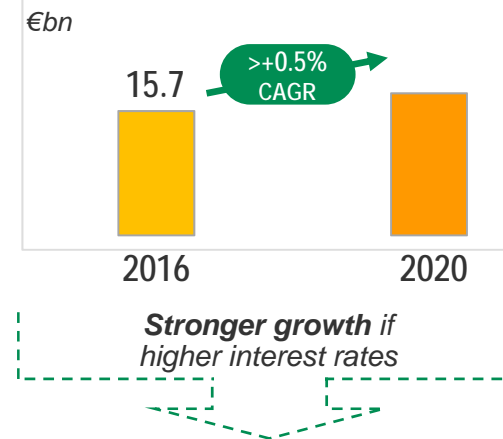
⁽¹⁾ Presented in the Corporate Centre; ⁽²⁾ Including 100% of Private Banking, excluding PEL/CEL; ⁽³⁾ CAGR, ⁽⁴⁾ Return on Notional Equity



2020 Business Development Plan (2/3): Increase Revenues in a Gradually Improving Environment

- Lingered revenue headwinds...
 - Impact of low interest rate environment still in 2017 and 2018
 - Effect of MiFID 2 implementation on some revenue items
- ...but upside potential due to more favourable interest rate context
 - ~ +1.0% revenues 2016-20 CAGR vs. >+0.5% if current 10Y swap implied rates materialise⁽²⁾
- Accelerate business growth, bolstered by the digital capabilities
 - Full benefit of the upgraded omni-channel set-up (new branch formats and roll-out of modernisation programme completed)
 - Digital transformation to enhance the attractiveness of the offering, acquire new customers, facilitate cross-selling with Group businesses and seize new revenue opportunities
 - Continued development of off balance sheet savings in all the networks
- Sustained growth of the specialised businesses
 - Continued development of Arval, Leasing Solutions and Personal Investors
 - Boost commission income through new digital solutions

> Revenues evolution⁽¹⁾



> DM Interest rate sensitivity

Effect of the current 10Y swap implied rates vs. plan's scenario⁽²⁾

~ +1.0% total revenue growth vs. >+0.5% (2016-2020 CAGR)



A still challenging interest rate environment
Potential for outperformance if current interest rates materialise

⁽¹⁾ Including 100% of Private Banking, excluding PEL/CEL effects; ⁽²⁾ Implied rates as at the end of February 2017: ~+40bp in 2017 and ~+20bp in 2018-2020 vs. plan's scenario



2020 Business Development Plan (3/3): Improve Cost Efficiency

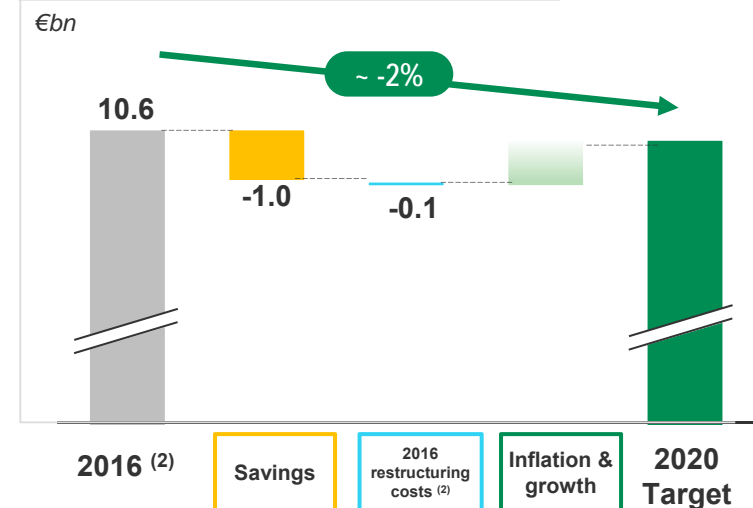
- Transformation costs: €0.8bn⁽¹⁾ in 2017-2019
 - Transform the operating model and adapt IT systems
 - ~60% of transformation costs related to French Retail Banking

● Recurring cost savings: €1bn vs. 2016

- ~70% coming from efficiency measures, ~30% from digital transformation
- Main contributions from domestic networks in the savings target (~60% from French Retail Banking)
- Optimised organisation of business lines (simplification, standardisation,...), expense discipline
- Industrialisation of IT and operational process
- Streamlining of the branch networks
- ~60 transformation projects identified

- Cost/income target: -3pts by 2020
 - ~ -2% decrease in cost base
 - Continued cost effort to offset impact of inflation and growth initiatives

> Evolution of DM cost base



⁽¹⁾ Presented in the Corporate Centre; ⁽²⁾ Reminder: -€130m of restructuring costs in 2016



Retail Networks (FRB, BNL bc and BRB)

Key Financial Targets

- Continue business development & enhance attractiveness of the offering
 - Deploy new service models and increasingly digitalise the offer
 - Strengthen the sales & marketing drive and pursue loan growth on targeted client segments
 - Consolidate leading positions in Private Banking
 - Grow off balance sheet savings
- Further enhance cross-business co-operation
 - Leverage the Group's integrated business model to boost commission income in particular
- Accelerate improvement in operating efficiency
 - Actively continue to adapt the branch distribution network
 - Transform the operational model & adapt IT

> Financial targets ⁽¹⁾	2016	> 2020 targets
Revenues	€13,034m	~ stable ⁽²⁾
Cost/income	70.1%	> -3 pts
Allocated Equity	€19.5bn	+2.6% ⁽²⁾
▼		
Pre-tax RONE ⁽³⁾	12.9%	> 15%

> **Specific strategies adapted to the three main domestic markets**
Improving cost/income in all networks

⁽¹⁾ Including 100% of Private Banking, excluding PEL/CEL effects; ⁽²⁾ CAGR; ⁽³⁾ Return on Notional Equity



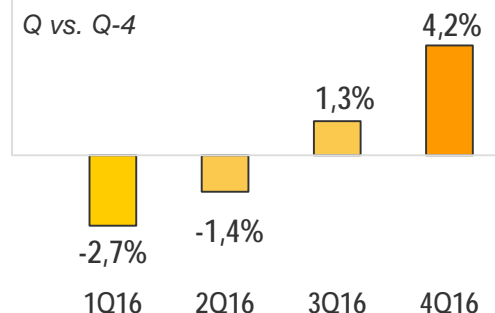
French Retail Banking: Key Financial Targets

- Reinforce commercial drive by digital transformation and leveraging areas of strength
 - Retail: intensify client acquisition (+600,000 new clients per year in 2020) through digital and enlarge product offering (e.g. extend non-life insurance products in cooperation with Matmut)
 - Private Banking: consolidate #1 market position through market share gains and broaden expertise offering
 - Corporate: expand commitments toward targeted SMEs (via the 62 SME centres & 12 Innovation Hubs), develop cash management and enhance cross-selling with specialised businesses (especially Arval)

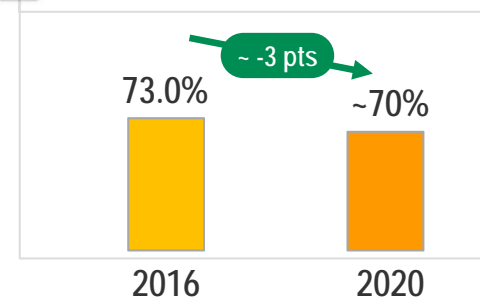
- Accelerate improvement in operating efficiency
 - Through digital transformation (end-to-end process, IT systems rationalisation,...), simplification of the organisation and streamlining of the branch networks
 - Headcount reduction with the natural turnover and reallocation towards commercial roles

- Maintain best-in-class risk management
 - Leading to a cost of risk structurally low across the cycle

> Loans



> Cost/income evolution⁽¹⁾



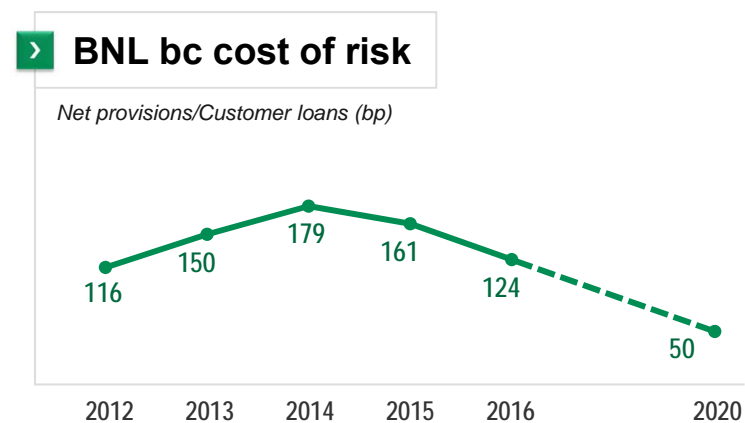
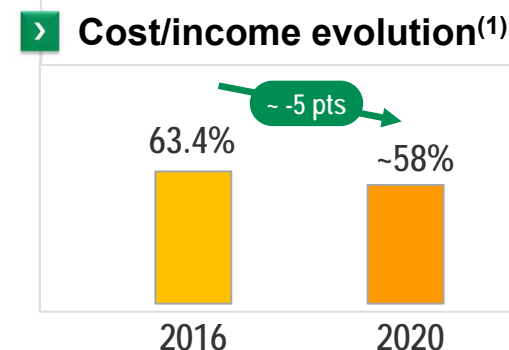
Gain market share and continue to enhance operating efficiency

⁽¹⁾ Including 100% of Private Banking, excluding PEL/CEL effects



BNL bc: Key Financial Targets

- Commercial development
 - Roll out of new service models segmented by client
 - Further develop off balance sheet savings & Private Banking: total assets under management growth of ~ +€12bn (2017-20)
 - Increased cross-selling on Corporates to boost share of wallet on better clients
- Further improvement in operating efficiency
 - Through the digital transformation and the streamlining of the branch networks
 - Headcount reduction (~ -4% FTEs by 2020, voluntary early departure plan already signed) and reallocation towards commercial roles
- Continued sizeable reduction in cost of risk until 2020
 - Repositioning on the better corporate clients, started in 2013 (~ -€6bn vs. 2012), now completed
 - Strengthen & accelerate credit recovery process: set up of a “Special Credit” unit to handle non-performing loans
 - Provisions amount expected to ~halve by 2020 vs. 2016, even greater effect in bps due to expected volume growth (target of 50 bp in 2020)



> **Gradual recovery of volume growth & significant cost of risk reduction driving improvement in profitability**

⁽¹⁾ Including 100% of Private Banking

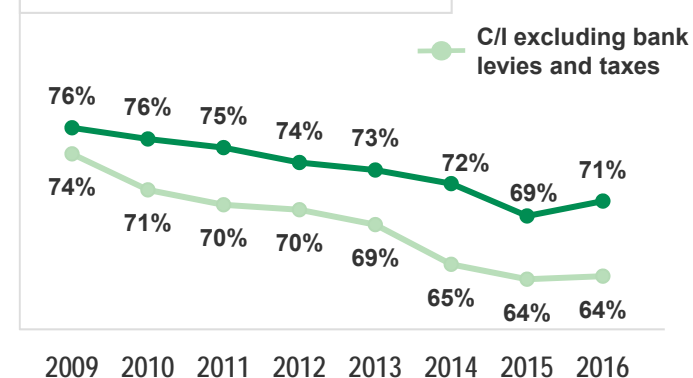
Belgian Retail Banking: Key Financial Targets

- Consolidate leading market position in Belgium
 - Develop commission income activities leveraging cross-selling with Group businesses
 - Implement a more selective pricing policy on loans
 - Strengthen #1 market position in Private Banking
 - Grow off balance sheet savings, in particular mutual funds (+8% CAGR 2016-2020)

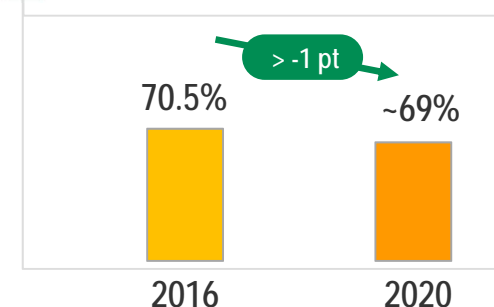
- Accelerate the evolution of the distribution network
 - Deploy new service models
 - Digitalise the offer and develop new customer journeys
 - Further reorganise the branch network (branches rationalisation, roll-out of new formats focused on advisory, continue to develop independent agents)

- Transformation of the operational model and IT adaptation
 - Reorganisation of support functions and new work methods (near-shoring, outsourcing, product offer simplification,...)
 - Investments in IT infrastructure and data management
 - Already signed voluntary early departure plan

> BRB Cost/income⁽¹⁾



> Cost/income evolution⁽²⁾



**Leverage digital transformation
to sustain good sales and marketing drive**

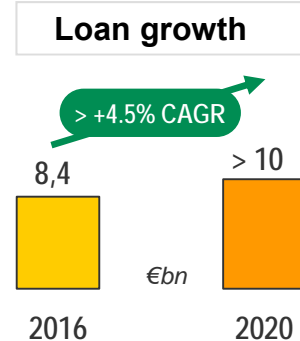
⁽¹⁾ Historical data; including 100% of Private Banking ⁽²⁾ Including 100% of Private Banking



Other Domestic Markets (1/3): Luxembourg Retail Banking and Personal Investors

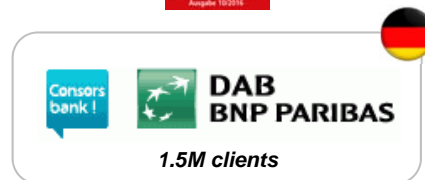
Luxembourg Retail Banking: accelerate the digital transformation

- #1 bank for Corporates in Luxembourg
- Proven strong business dynamic
- Key elements of the development plan
 - Accelerate the digital transformation to help boost client acquisition and volume growth while improving efficiency
 - Continue the development of the cash management business with Corporates
 - Enhance cross-selling and new business opportunities
- 2020 pre-tax RONE target: ~17%



Personal Investors: extend the business model

- Leading European digital banking specialist with a strong footprint in Germany
- Development plan in Germany
 - Bolster the offering and client acquisition of Consorsbank!
 - Leverage on intra-Group partnerships with Personal Finance and Wealth Management
 - Delivering full synergies from DAB Bank's integration in 2018 (~€50m)⁽¹⁾
- Acquisition of Sharekhan in India in 4Q 2016⁽²⁾
 - High growth potential market
 - Two main business lines: brokerage & mutual funds
 - Cross-selling opportunities by upgrading product & service offerings
- 2020 pre-tax RONE target: >100%, very low capital consumption business



⁽¹⁾ Including €22m of synergies already booked in 2016; €50m total cost synergies expected in 2018; ⁽²⁾ Closed on 23 November 2016 (€4bn of Assets under Management as at 31.12.16, ~€70m revenues in 2016)

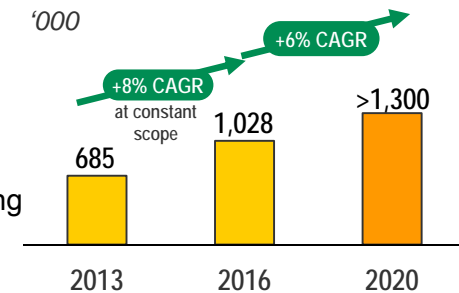


Other Domestic Markets (2/3): Arval and Leasing Solutions

Arval: consolidate leading position and leverage on digital capabilities & scale

- > 1million financed vehicles (presence in 28 countries), #1 in France, Italy & Belgium
- Key elements of the development plan
 - Grow the fleet by leveraging cooperation with all channels (BNP Paribas Group, Element Arval Alliance, banks,...)
 - Target new client segments such as individuals, SMEs,... and new geographies (LatAm and Asia)
 - Expand new value added services: outsourcing solutions, insurance, car sharing, consulting
 - Digitalise interactions with clients, drivers and partners; deploy full range of analysis tools
 - Finalise the integration of GE Fleet Services Europe to fully deliver €45m cost synergies⁽¹⁾
- 2020 pre-tax RONE target: ~33%

Financed fleet evolution

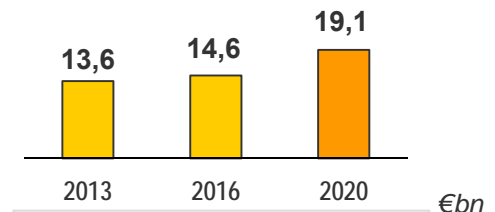


⁽¹⁾ Additional €38m cost synergies vs. 2016

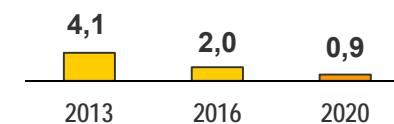
Leasing Solutions: leverage expertise to broaden business activity

- European leader in equipment leasing
 - #1 in France and #2 in Italy, presence in 14 European countries, partnerships in the U.S. and in China
- Key elements of the development plan
 - Develop volumes in Germany and Italy, also leveraging cross-selling opportunities
 - Expand equipment finance business in new sectors (transportation, food, health care,...) and new geographies (e.g. North America with Bank of the West)
 - Digitalise the entire value chain (front to back), review customer experience and transform operating model to improve efficiency
 - Active management of the run-down portfolio
- 2020 pre-tax RONE target: ~22%

Core business outstandings⁽¹⁾



Run down outstandings⁽¹⁾



⁽¹⁾ Average outstandings



Other Domestic Markets (3/3): Key Financial Targets

- Leverage the Group's integrated business model to further develop **cross-selling** opportunities within Domestic Markets as well as with IFS and CIB
- Expand **partnerships** (Leasing Solution, Arval) also to facilitate access to new markets
- **Transform the customer experience**, improve customer satisfaction and recommendation
- **Enrich the product & service offer** leveraging the digital transformation under way
- Complete integration and deploy full synergies from recent **bolt-on acquisitions** (Arval, Personal Investors)
- **Improve data usage** to enhance consumer experience

> Financial targets ⁽¹⁾	2016	> 2020 targets
Revenues	€2,681m	~ > 4% ⁽²⁾
Cost/income	55.5%	stable
Allocated Equity	€3.8bn	+4% ⁽²⁾
Pre-tax RONE ⁽³⁾	29.8%	stable

> **Further capitalise on the specialised businesses' dynamic drive**
Leverage digitalisation and cross-selling to sustain revenue growth

⁽¹⁾ Including 100% of Private Banking for the Revenues and Expenses; ⁽²⁾ CAGR; ⁽³⁾ Return on Notional Equity



Domestic Markets: Key Take-Aways



**Reinvent the customer experience
leveraging the digital transformation**



Sustained specialised businesses growth



Improve operating efficiency in all the networks



Ongoing cost of risk improvement at BNL



**Potential to outperform if interest rates prove to be
higher than assumptions embedded in the plan**



BNP PARIBAS

INTERNATIONAL FINANCIAL SERVICES

A Growth Engine for the Group

Jacques d'Estais

Group Deputy Chief Operating Officer

INVESTOR DAY

Paris, 20 March 2017



BNP PARIBAS

The bank for a changing world

International Financial Services at a Glance

Personal Finance

International Retail Banking

Insurance

Wealth & Asset Management

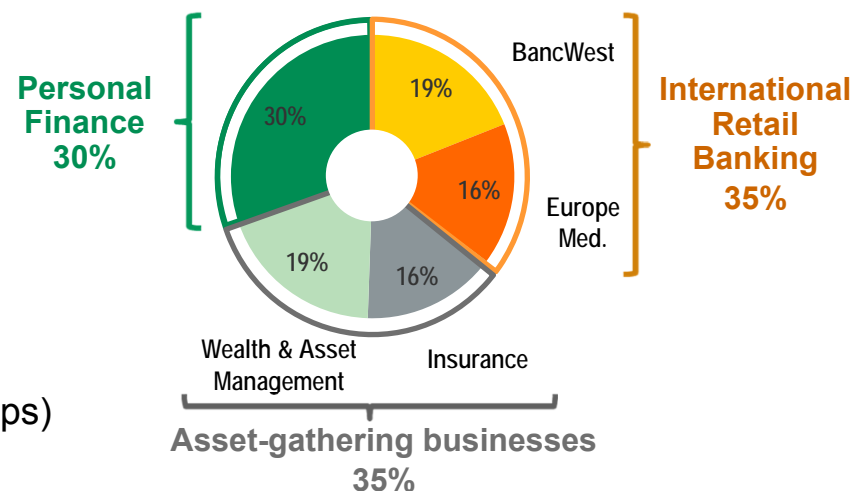


International Financial Services in a Snapshot



- IFS key figures
 - €15.5bn revenues⁽¹⁾ (36% of Group revenues)
 - €4.9bn pre-tax income⁽¹⁾ (~ +6.6% 2013-16 CAGR)
- ~80,000 employees in more than 60 countries
- Major player in diversified geographies with different economic cycles
- Large customer base: HNWI, Retail, SMEs, Corporates and Institutionals
- Leveraging on numerous partnerships
- Wide and diversified distribution channels (internal and external banking networks, direct distribution, partnerships)
- Strong cross-selling between IFS businesses, and with CIB and Domestic Markets

> Breakdown of IFS revenues⁽¹⁾



Well diversified revenue sources

⁽¹⁾ As of 31.12.2016



International Financial Services

Main Ambitions Across Business Units

> Develop new partnerships

- ▶ **Personal Finance:** forge new partnership alliances & agreements with car manufacturers, distributors, banks and in new sectors
- ▶ **Insurance:** continue strengthening partnerships by leveraging Cardif's expertise
- ▶ Develop partnerships **with new actors** (FinTech, InsurTech,...)



> Optimise client experience and enhance cross-selling

- ▶ **Private Banking client base:** grow further in the domestic markets, in the U.S. and in Asia
- ▶ **Corporate and institutional clients:** broaden product range in cooperation with CIB
- ▶ **SME clients:** structure and roll-out the offering in the international networks
- ▶ Continue implementing **PF's enhanced cooperation model** in the international retail networks (Poland, U.S.)
- ▶ Boost **asset inflows in Asset Management** and grow **Insurance products' sales** in banking networks



> Digitalisation, new technologies and business models

- ▶ **Data & analytics:** initiatives in all business units, unify data labs to pool best practices
- ▶ **Innovation:** put open innovation in general practice in all the businesses, capitalise on innovative approaches (Cardif Lab, PF Echangeur,...)
- ▶ **Banks & digital offerings:** develop digital solutions offering in all the businesses and continue expanding mobile and digital banking services



> Continued industrialisation, transformation and adaptation

- ▶ Industrialise the platforms and enhance **operating efficiency**
- ▶ **Finalise integrations** with LaSer (Personal Finance) and Bank BGZ (Poland) to extract full cost synergies



IFS 2020 Business Development Plan

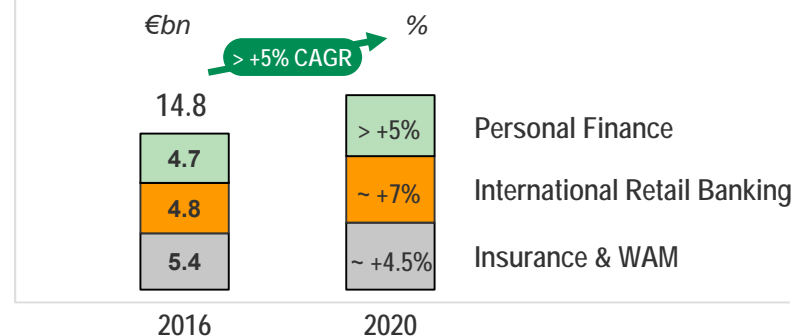
Strengthen positions in a context of ongoing transformation

- Step up the pace of growth (new offerings, new partnerships, new regions) and adapt to evolving customer needs
- Consolidate leading positions in the businesses by leveraging best-in-class offers
- Continue to develop retail banking outside the Eurozone (Poland, United States, Turkey, etc.) and cross-selling with the Group
- Prepare for upcoming regulatory evolutions (MIFID 2, regulatory impacts,...)

Improve operating efficiency: €0.6bn in recurring cost savings by 2020

- Digital initiatives specific to each business (customer distribution and acquisition, product lifecycle management, new full digital products, etc.)
- Initiatives to streamline and pool processes to support the businesses
- 2017-2019 transformation costs: €0.9bn⁽³⁾

> IFS revenue growth⁽¹⁾ 2016-2020



> Financial targets⁽¹⁾

	2016	2020 targets
Revenues	€14.8bn	> +5% ⁽²⁾
Cost/income	62.3%	-5 pts
Allocated Equity	€25.0bn	~ +5% ⁽²⁾
Pre-tax RONE	18.3%	> 20%



A growth engine for the Group

⁽¹⁾ Excluding FHB; ⁽²⁾ CAGR; ⁽³⁾ Presented in the Corporate Centre



International Financial Services at a Glance

Personal Finance

International Retail Banking

Insurance

Wealth & Asset Management





Personal Finance (1/5)



#1 Consumer Finance Specialist in Europe⁽¹⁾



€63bn
2016 average consolidated outstandings



130
Strategic partnerships⁽²⁾



27M
Customers

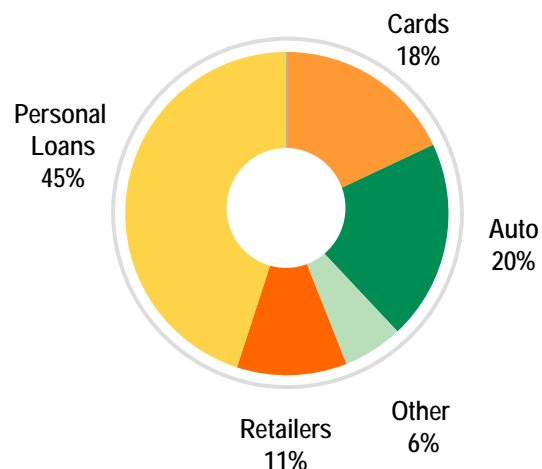


~17,500
Employees

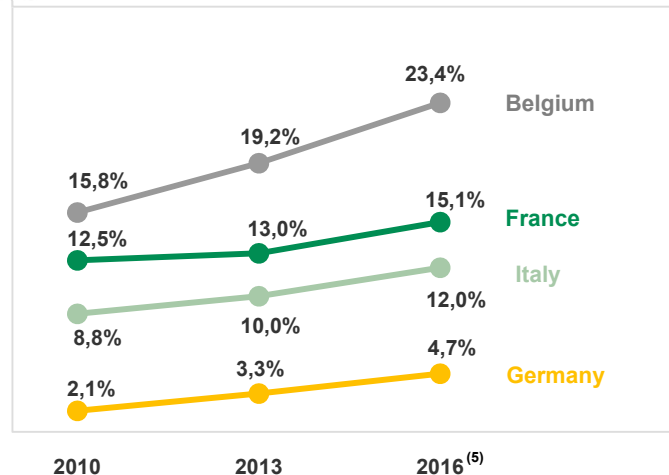


28
Countries

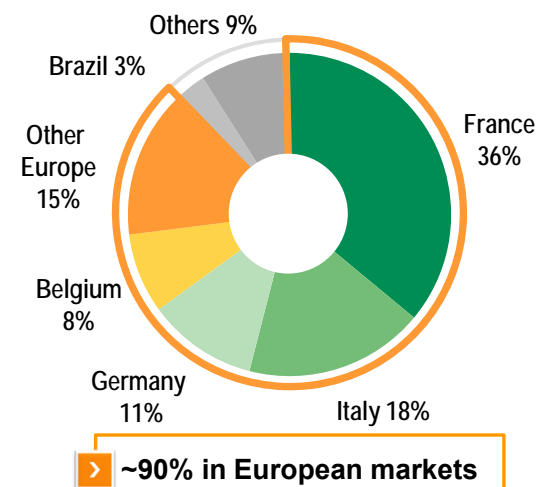
Product business mix⁽³⁾



Market shares in core countries⁽⁴⁾



Average outstandings⁽³⁾



A leading player in Europe

⁽¹⁾ In terms of consolidated outstandings, including PF mortgage business booked in the Corporate Centre; ⁽²⁾ With a production > €25m;

⁽³⁾ Average outstanding loans under management as at 31.12.2016; ⁽⁴⁾ Outstanding loans under management (Central Bank consolidated data); ⁽⁵⁾ As at 30.09.2016





Personal Finance (2/5)

Geographic footprint



Strategic partnerships

With car manufacturers & dealers



With retailers & e-merchants



Within BNP Paribas



With other financial groups



Continued development through partnerships

⁽¹⁾ Personal Finance operations within the international banking network



Personal Finance (3/5): Strategic Priorities



Personal Finance growth plan revolves around 4 key business pillars:

I- Build on main strengths

- ▶ Continue to develop partnerships with car manufacturers
 - ▶ E.g. acquisition of 50%, together with PSA, of Opel's financing activities (€9.6bn loan outstandings)
- ▶ Initiate partnerships in new sectors (TelCos, food, health, travel) and in new channels (marketplaces, sharing economy) with new products (leasing, instalment, flexible credit)
- ▶ Further develop partnerships with banks, utility companies (home improvement) and brokers in existing countries
- ▶ Enrich offering and enhance portfolio management in cards & revolving lines



II- Broaden the footprint

- ▶ Bank of the West: develop a new strategic cooperation in auto business
- ▶ Develop in China leveraging on existing partnerships (Bank of Nanjing, Geely, Suning)
- ▶ Germany: leverage on Consorsbank! franchise to strengthen position
- ▶ Chase growth in new countries in Europe: Austria, Netherlands, Sweden
- ▶ Enter new countries beyond Europe: start with banking partnerships to secure local funding



Personal Finance (4/5): Strategic Priorities



III- Diversify the business models

- ▶ Expansion of the business model with the launch of new digital banks in Europe leveraging key strengths: strong brand legitimacy, broad customer base, strong flow of new distribution & direct clients and large partners network
- ▶ Adapt Personal Finance solutions to new payment environment (mobile wallets, PSD2)
- ▶ Seize opportunities with FinTechs, innovate with start-up (one-click, market-places, auto online financing solutions)



ECHANGEUR



IV- Digitalise and industrialise

- ▶ Improve end-user digital experience in a simplified journey (online identification, dematerialisation, electronic signatures, home banking, applications, API⁽¹⁾ development)
- ▶ Transform marketing and operating model
 - Exploit digital data to optimise scoring & granting, and increase marketing performance
 - Personalise interactions in real time, omni-channel
 - Automate marketing processes & dynamic reporting
 - Digitalise the production process end-to-end
- ▶ Economies of scale: use of common assets and processes in all 28 countries



2016:
e-signatures on
3.1m files
(~60% of the new
contracts⁽²⁾)

⁽¹⁾ Application Programming Interface; ⁽²⁾ In countries where digital signature is implemented (France, Italy, Germany...)



Personal Finance (5/5): Accelerate a Sustainable and Profitable Growth



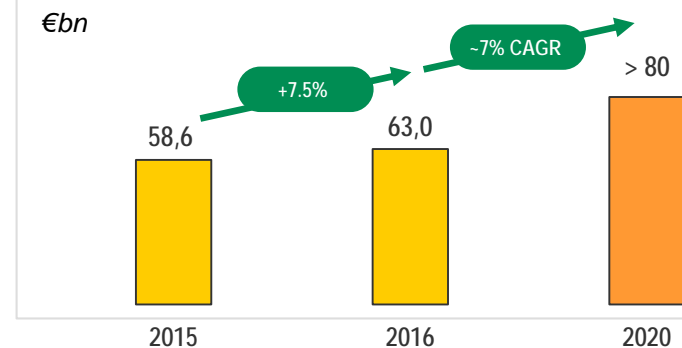
- Strengthen leadership in consumer finance
 - Best value proposition for partners (auto, banking, retail, e-merchants)
 - Best customer experience for individuals (notably through digital channels)

- Further increase resilience through the cycle
 - New growth engines (notably digital banking)
 - Leverage on FinTechs innovations

- Reinforce operational efficiency
 - Mutualise value chain activities across PF countries and with other Group businesses
 - Simplify product offering
 - Deliver reliable, agile and cost-effective IT

- Evolving product business mix leading to ~stable cost of risk over the plan (~170 bp)

> Outstanding loans growth ⁽¹⁾



> Financial targets

	2016	2020
Revenues	€4.7bn	> +5% ⁽²⁾
Cost/income	49.1%	> -1pt
Allocated Equity	€4.9bn	> +5% ⁽²⁾
Pre-tax RONE	28.1% ⁽³⁾	~ 27.5%

> Strengthen leadership while maintaining a high level of profitability

⁽¹⁾ Consumer Credit average consolidated; ⁽²⁾ CAGR; ⁽³⁾ Excluding the exceptional impact of provisions write-backs following sales of doubtful loans (€50m)



International Financial Services at a Glance

Personal Finance

International Retail Banking


Insurance

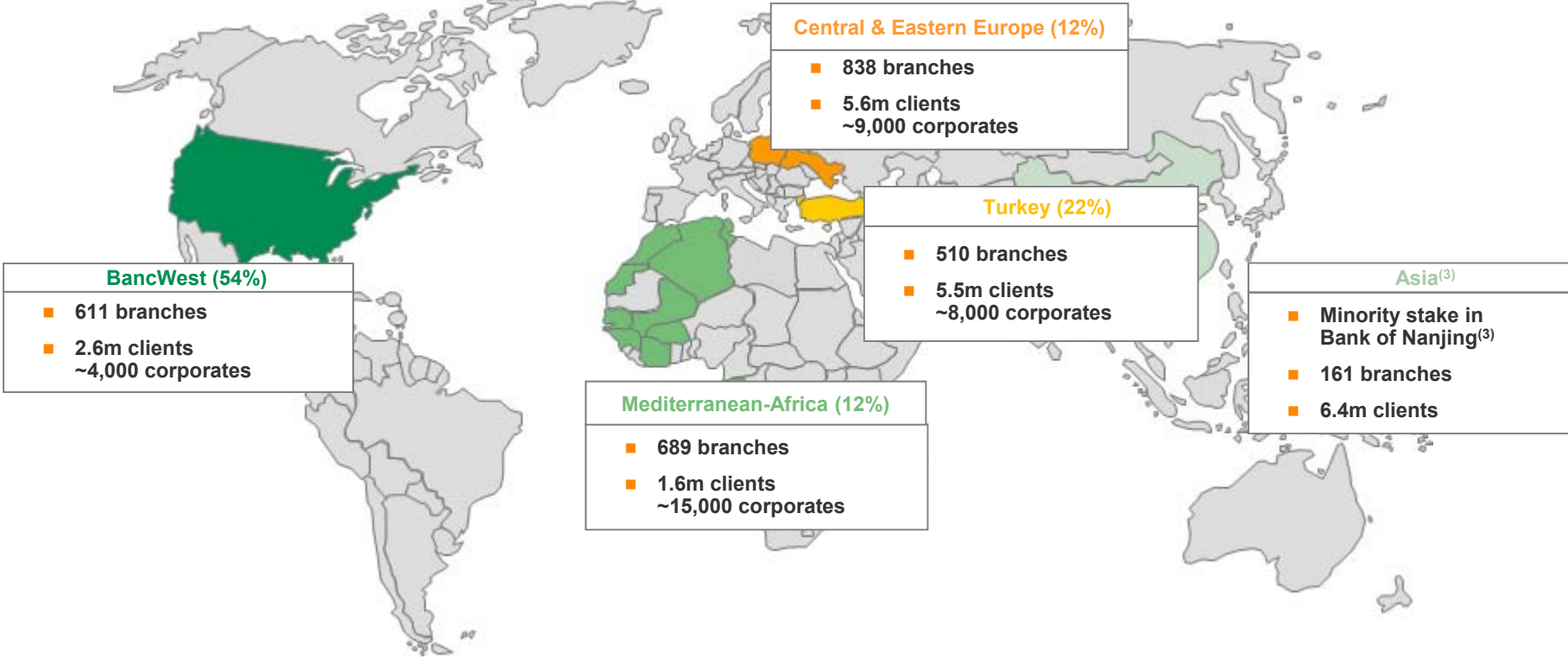
Wealth & Asset Management



International Retail Banking (1/2)

> IRB footprint (2016 IRB revenues⁽¹⁾ breakdown in %)

 15M Individual & SME customers ⁽²⁾	 36,000 Corporate customers	 ~41,000 Employees	 15 Countries
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> Diversified presence in dynamic markets

⁽¹⁾ Including 100% of Private Banking; ⁽²⁾ Excluding Bank of Nanjing; ⁽³⁾ Stake of 18.85% as of 31.12.16; accounted as Associated companies

International Retail Banking (2/2)

> IRB business presence

		BANCWEST	CENTRAL & EASTERN EUROPE <small>Poland Ukraine</small>		TURKEY	MEDITERRANEAN-AFRICA <small>Morocco Tunisia Algeria Subsaharan Africa</small>				BANK OF NANJING
IRB	Retail	DAILY BANKING	✓	✓	✓	✓	✓	✓	✓	✓
		OMNI-CHANNEL DISTRIBUTION	✓	✓	✓	✓	✓	✓	✘	✓
		MOBILE BANKING	✓	✓	✘	✓	✓	✘	✓	✓
		MASS AFFLUENT	✓	✓	✓	✓	✓	✓	✓	✓
	WM	PRIVATE BANKING	✓	✓	✓	✓	✓	✓	✓	✓
		SME BANKING	✓	✓	✓	✓	✓	✓	✓	✓
	Corp. banking	TRADE FINANCE, CASH MGMT	✓	✓	✓	✓	✓	✓	✓	✓
		STRUCTURED FINANCE	✓	✓	✓	✓	✓	✓	✓	✓
	DEALING ROOM	✓	✓	✓	✓	✓	✓	✓	✓	
Other Group services	PERSONAL FINANCE	✓	✓	✓	✓	✓	✓	✓	✓	
	INSURANCE		✓	✓	✓	✓	✓	✓	✓	
	ASSET MANAGEMENT	✓	✓	✓	✓	✓	✓	✓	✓	
	FACTORING		✓		✓	✓	✓	✓	✓	
	FLEET MANAGEMENT		✓		✓	✓	✓	✓	✓	
	LEASING	✓	✓		✓	✓	✓	✓	✓	

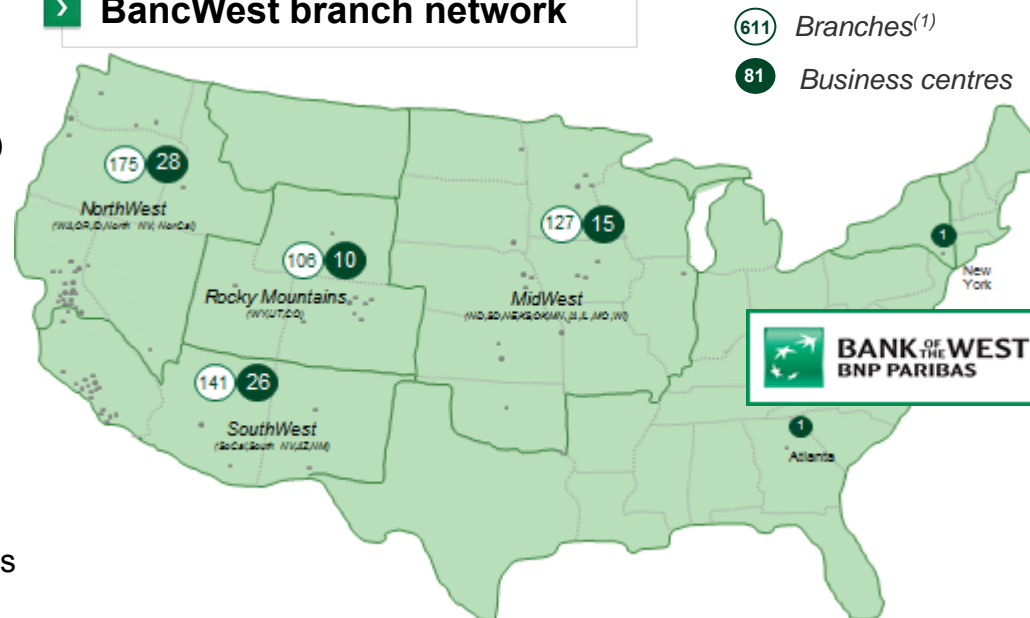
Deployed activity
 Currently being deployed

> **An integrated retail model fully deployed in most countries**

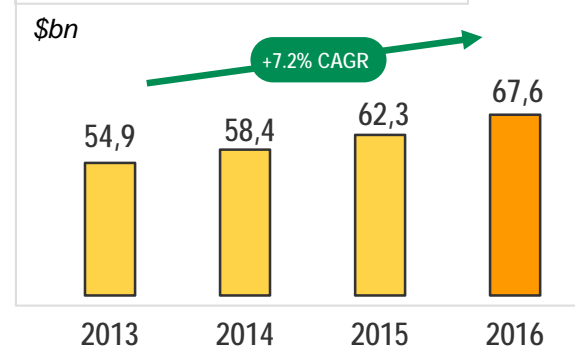
International Retail Banking BancWest

- Strong local footprint
 - 611 branches (of which 15 Wealth Management centres)
 - Ongoing rationalisation (-64 branches vs. 2013)
 - 81 business centres
- Passed the CCAR in 2016
- Very good business drive
 - 7.2% 2013-16 CAGR loan growth
 - Strong rise in current and savings accounts
 - Private Banking: \$12.1bn of assets under management at end 2016 (vs. \$7.1bn in 2013)
- Well positioned to benefit from U.S. growth and the increase in interest rates
- Success of the IPO of First Hawaiian Bank
 - 38% of the capital placed in the market (full consolidation of the entity into BancWest maintained)

> BancWest branch network



> Loans outstanding



⁽¹⁾ Including 62 branches of FHB



International Retail Banking BancWest: Strategic Priorities

- Strong focus on customers: offer industry-leading level of service, delivered consistently across all channels
 - Enhance customer journeys based on Group expertise
 - Data management and analytics to better serve customers

- Drive strong growth and customer acquisition
 - Focus on priority segments and products: move upmarket (Corporates with revenues >\$500m), digital channels,...

- Leverage expertise of other BNP Paribas entities
 - Corporate: CIB, cash management, trade finance,...
 - Retail and consumer finance: Personal Finance, Leasing Solutions,...
 - Wealth Management

- Improve operating efficiency
 - Simplify and streamline the organisation and optimise sourcing

> Foster innovation

PLUGANDPLAY

Global innovation platform and start-up incubator, partner of BNP Paribas

FINLABS

Identify and test innovative solutions and services, for Bank of the West and its clients

> Financial targets⁽¹⁾

	2016	2020 targets
Revenues	€2.4bn	~ +4% ⁽²⁾
Cost/income	74.2%	~ -10 pts
Allocated Equity	€5.3bn	~ +5% ⁽²⁾
Pre-tax RONE	10.2%	~ 12%

> Accelerate growth and improve operating efficiency

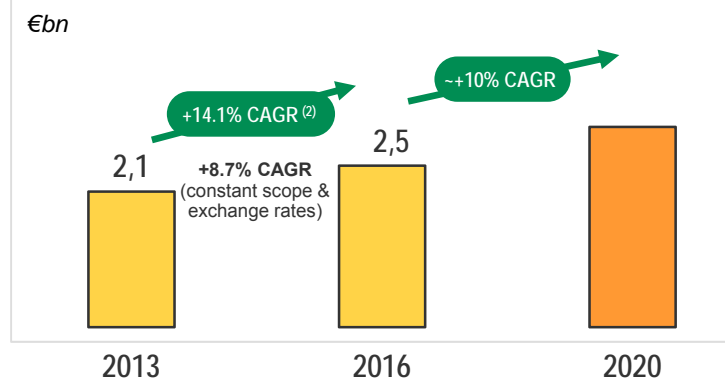
⁽¹⁾ Including 100% of Private Banking for the Revenues and Expenses, excluding FHB; ⁽²⁾ CAGR



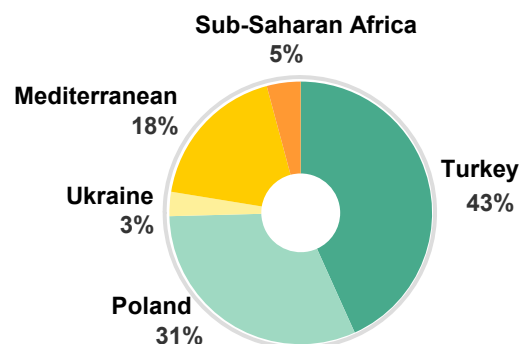
International Retail Banking Europe-Mediterranean: Business Development Plan

- Continue selective revenue growth
 - Driven by higher volumes and re-pricing
 - Leverage on digital, corporates, Wealth Management and SMEs
- Further cost efficiency measures to offset rise in banking tax and contribution
 - Streamlining of the branch network
 - Development of shared industrial platforms (Morocco,...)
- Optimising capital consumption

> EM revenue growth⁽¹⁾



> 2016 loans outstanding by country



> Financial targets⁽¹⁾

	2016	2020 targets
Revenues	€2.5bn	~ +10% ⁽³⁾
Cost/income	67.8%	~ -10 pts
Allocated Equity	€5.2bn	~ +8.5% ⁽³⁾
Pre-tax RONE	10.9%	~ 17%



Strong ambitions in selected markets

⁽¹⁾ Including 100% of Private Banking for the Revenues and Expenses; ⁽²⁾ At constant exchange rates; ⁽³⁾ CAGR



International Retail Banking Europe-Mediterranean: Turkey

> Strong franchise

- 10th largest Turkish Retail bank⁽¹⁾
 - Presence mostly in wealthier regions
 - Strong digital presence: 350,000 clients in 2016, o/w ~60% new clients
- TEB: a solid and well capitalised bank
 - 14.4% solvency ratio⁽²⁾ as at 31.12.16
 - 1.1% of the Group's commitments⁽³⁾, 1.9% of the Group's pre-tax income
- Strong cross-selling with Group businesses: €86m revenues⁽⁴⁾ in 2016 (+16% vs. 2015 at constant exchange rate)

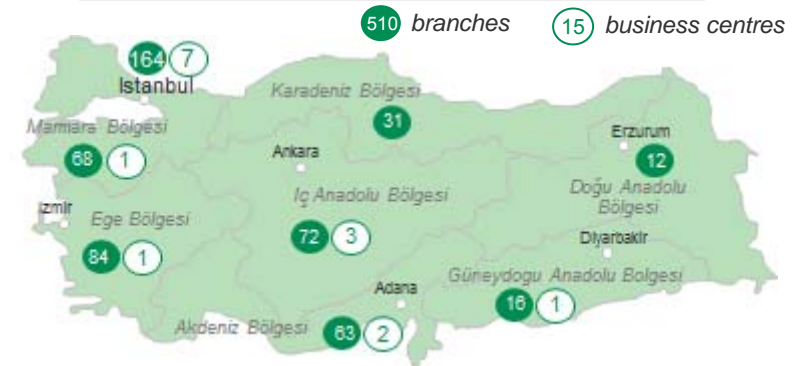


> Sustainable growth going forward

- Seize part of the expected market loan growth (+13% per year until 2020⁽⁵⁾) while maintaining stringent risk policy
- Corporates: leverage the multinational companies client segment
- Spur the retail franchise capitalising on the digital expertise and modernized branches setup
- Continued improvement of the operating efficiency thanks to the streamlining of the network and the digital transformation

> Foster a balanced growth

> TEB branch network in Turkey



> A full range of banking services⁽⁶⁾

TEB Investment [#3 Brokerage & Investment house]	TEB Faktoring 6% market share	TEB Asset Management #3 Asset management company
Retail Banking #10 Turkish bank		BNPP Cardif (Emeklilik) 3% market share in protection insurance and pension
TEB Arval 6% market share	TEB Cetelem #2 Consumer finance company	BLS Turkey (Leasing) 10% market share

⁽¹⁾ In terms of customer loans, as at 31.12.16; ⁽²⁾ Capital Adequacy Ratio (CAR); ⁽³⁾ Gross commitments, on and off balance sheet, unweighted; ⁽⁴⁾ With CIB, IP, PF, PI, Arval; ⁽⁵⁾ Source: BRSA & BNPP forecasts; ⁽⁶⁾ Rankings as at 31.12.16



International Retail Banking Europe-Mediterranean: Poland

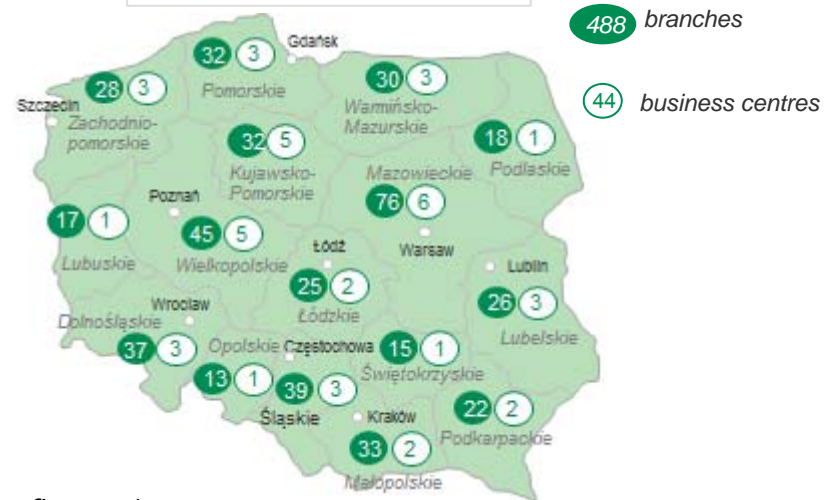
> A reference bank in Poland

- Improved critical mass by reaching ~5% market share
- Continuous optimization of the network
 - 128 branches closed 2015-2016
- Good growth of cross-selling in consumer lending (2016 outstanding loans: +10.2%⁽¹⁾ vs. 2015)

> Develop and optimise

- Finalise the operational mergers
 - Expected full year synergies of > €100m in 2017
 - Integration of Sygma Bank Polska (point of sale consumer finance) to add ~€20m synergies in 2018
- Focus on bank transformation programme
 - Roll out of BGZ BNPP strengths (agribusiness, Optima, Sygma) and BNPP Group's business lines expertise
 - Develop digital tools to reinforce an omni-channel sales model
 - Simplify and modernise bank processes
 - Digitalise and right-size the branch network (lighter formats, migration of transactions to automated channels)

> Branch network



> Digital bank

BGZoptima

203,000 clients
+15% in 2016



Consolidate position as a reference bank

⁽¹⁾ At constant scope and exchange rate



International Retail Banking

Europe-Mediterranean: Other Regions

- Africa: industrialisation and mutualisation
 - 9 local banks with sound market shares
 - Further develop Corporate clients segment in Sub-Saharan Africa
 - Improve efficiency through digital banking expansion, shared platforms, more centralised organisation and new core IT system

- Ukraine: continue adaptation in a complex environment
 - Successful repositioning in a difficult context: fully self-funded with a strong retail deposit base benefiting from flight-to-quality effect
 - Continued rationalisation of the network
 - Selective business focus on short-term consumer lending and multinationals corporate clients

- China: intensify the partnership with Bank of Nanjing⁽²⁾
 - BNP Paribas: second largest shareholder with a stake of ~19%
 - A leading regional bank with a solid franchise: 161 branches, 6.4m individual customers and ~70,000 corporate clients
 - Enhance collaboration based on BNPP expertise, especially digital banking, cash management, private banking and consumer finance
 - Significant contribution to Europe-Med's results

Africa: main footprint and market shares

	Branches	Market shares ⁽¹⁾
Morocco	375	5.2%
Algeria	73	2.3%
Tunisia	111	4.3%
Ivory Coast	43	8.4%
Senegal	32	8.6%



Selective development in growing markets
Asia: expand cooperation with a key partner

⁽¹⁾ In terms of deposits, last available data; ⁽²⁾ Stake of 18.85% as of 31.12.16; accounted as Associated companies



International Financial Services at a Glance

Personal Finance

International Retail Banking

Insurance

Wealth & Asset Management



Insurance (1/4)

€27bn
GWP⁽¹⁾

€226bn
AuM

100M
Policy
holders

~7,600
Employees

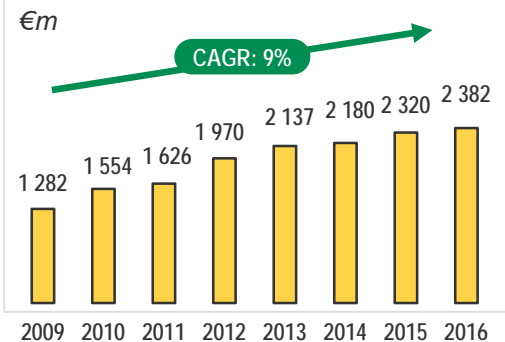
36
Countries

- A business model diversified in terms of products, networks and geographies...
 - Product mix combining protection (25%) and savings (75%)
 - Distribution ensured through multiple networks (BNP Paribas entities, banks, retailers, car dealers,...)
 - Presence in 36 countries generating revenues worldwide (57% of GWP⁽¹⁾ outside France)
- ...resulting in steady revenue growth through the cycle

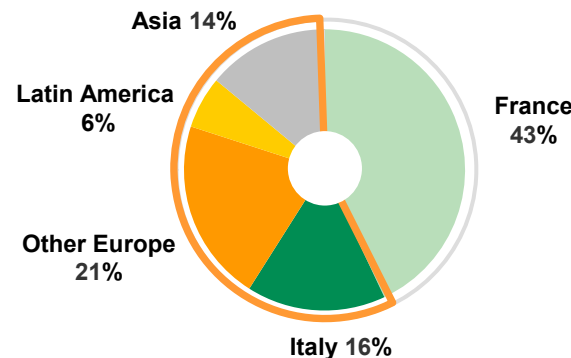
#1 credit protection insurer worldwide⁽²⁾
#11 insurer in Europe

>500 local & global partnerships and joint ventures

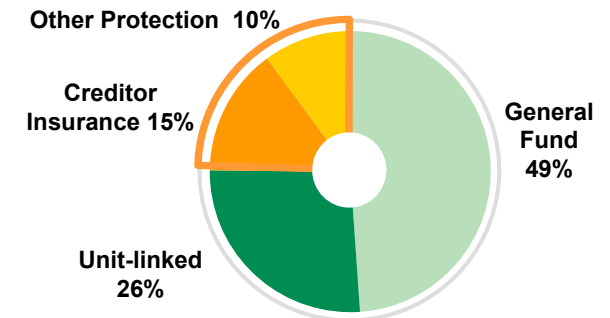
Revenue growth



GWP⁽¹⁾ by geography



GWP⁽¹⁾ by product



Steady growth supported by diversified revenues

⁽¹⁾ 2016 Gross Written Premiums; ⁽²⁾ Source Finaccord



Insurance (2/4): An Operating Model Based on Internal & External Partnerships

> Banks and Financial Institutions

Group partners

BNP PARIBAS Personal Finance
BNP PARIBAS
GRUPPO BNP PARIBAS
BGL BNP PARIBAS
TEB

State Bank of India
India

北京銀行
BANK OF BEIJING
China

Scotiabank
Latin America

BV FINANCEIRA
Brazil

Santander
Europe, Latin America

UBI Banca
Italy

UniCredit
Europe

ERSTE BANK
Europe

BBVA
Latin America
Turkey

BancoEstado
Chile

SHINHAN FINANCIAL GROUP
South Korea

SURUGA BANK
Japan

GRUPO AVAL
Colombia

合信金庫銀行
TAIWAN COOPERATIVE BANK
Taiwan

> Retailers, Telcos and Utilities

Carrefour
Europe, Latin America

falabella.
Latin America

magazineluiza
vem ser feliz
Brazil

cencosud
Latin America

orange
Europe

T-Mobile
Czech Rep

Casino
GRUPO CASINO
MONDE DE SUCESSO
Latin America

telenor
Europe

> Automotive⁽¹⁾

Volkswagen Financial Services

RCI BANK AND SERVICES

PSA GROUPE

TOYOTA

HYUNDAI

> >500 local and global partnerships, fostering international expansion

⁽¹⁾ Financing entities of car dealers

Insurance (3/4): Strategic Priorities

I - Focus on customers and partners



- ▶ Develop personalised insurance solutions and re-invent partner offer to maintain attractiveness
- ▶ Redesign and digitalise the customer journeys
- ▶ Invest on partner and customer satisfaction monitoring process to improve service satisfaction

II - Enhance Cardif as a growth engine



- ▶ Reinforce areas of strength by increasing Cardif's share on **creditor protection insurance (CPI) and protection** markets, and continuing to be a referent player in savings
- ▶ Create **home and motor insurance offers** in key markets, in Europe and in Latin America, and develop Cardif's share in P&C market through cross-selling
- ▶ Adapt country and industry footprint to **capture additional growth** (Asia and Latin America)



III - Build a digital and data-driven company, largely automated



- ▶ Accelerate **digital transformation** and **data usage** to offer a **better service (real-time** customer interactions and claim services based on data analytics)
- ▶ Invest in new technologies to become an **more prevention-oriented** insurer through innovation and FinTechs
- ▶ Continue to invest to **create an agile IT platform**



~80% of decision process for creditor protection insurance's claims automated by 2022

IV - Combine profitability and risk balance



- ▶ **Optimise the operational footprint** focusing on efficiency and automation
- ▶ Rationalise and transform the **Corporate structure**
- ▶ Adapt the **risk profile and financial practices** for the future based on new regulations and frameworks

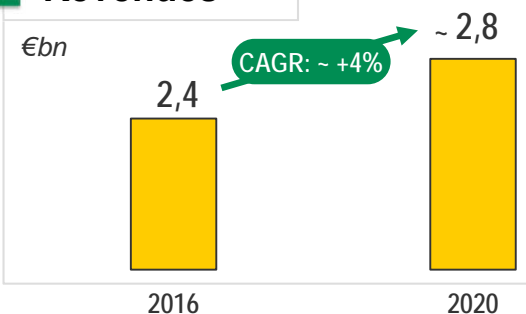


Insurance (4/4): Business Development Plan

- Expand and optimise the footprint to maintain a solid development trend
 - Further expand partnerships
 - Develop Home and Auto business lines through key dedicated partnerships
 - Strengthen presence in growing areas (Asia, Latin America, EMEA) to capture new opportunities
 - Accelerate the development of Protection activities

- Improve operating efficiency
 - Streamline the corporate structure
 - Optimise locations and activity portfolio
 - Enhance and industrialise IT platforms
 - Maintain investments in automation and data management

> Revenues



> Financial targets

	2016	2020
Revenues	€2.4bn	~ +4% ⁽¹⁾
Cost/income	50.4%	~ stable
Allocated Equity	€7.5bn	~ +4% ⁽¹⁾
Pre-tax RONE	18.3%	> 18%



Revenue growth driven by partnerships and diversification

⁽¹⁾ CAGR



International Financial Services at a Glance

Personal Finance

International Retail Banking

Insurance

Wealth & Asset Management

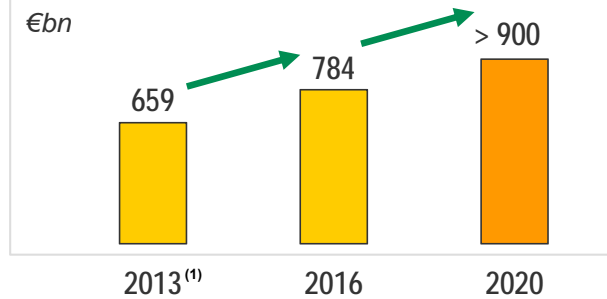


Wealth & Asset Management

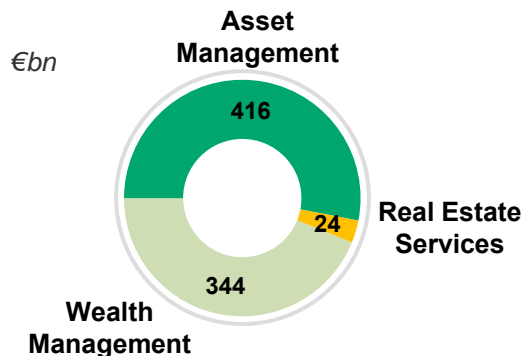


- The asset gathering arm of the Group
- Liquidity provider business lines
- Low capital consumption
- Strong AuM growth: +€125bn in 2014-2016⁽²⁾

Assets under Management (Targeted evolution by 2020)



Assets under Management breakdown⁽³⁾



Financial targets


	2016	2020
Revenues	€3.0bn	> +4% ⁽²⁾
Cost/income	78.4%	-6 pts
Allocated Equity	€2.1bn	+3% ⁽²⁾
Pre-tax RONE	33.2%	> 44%

Further enhance WAM strong profitability

⁽¹⁾ Restated figure excluding assets under advisory on behalf of external clients; ⁽²⁾ CAGR; ⁽³⁾ Including distributed assets

Wealth & Asset Management Wealth Management (1/2)


€344bn
AuM


~6,600
Employees

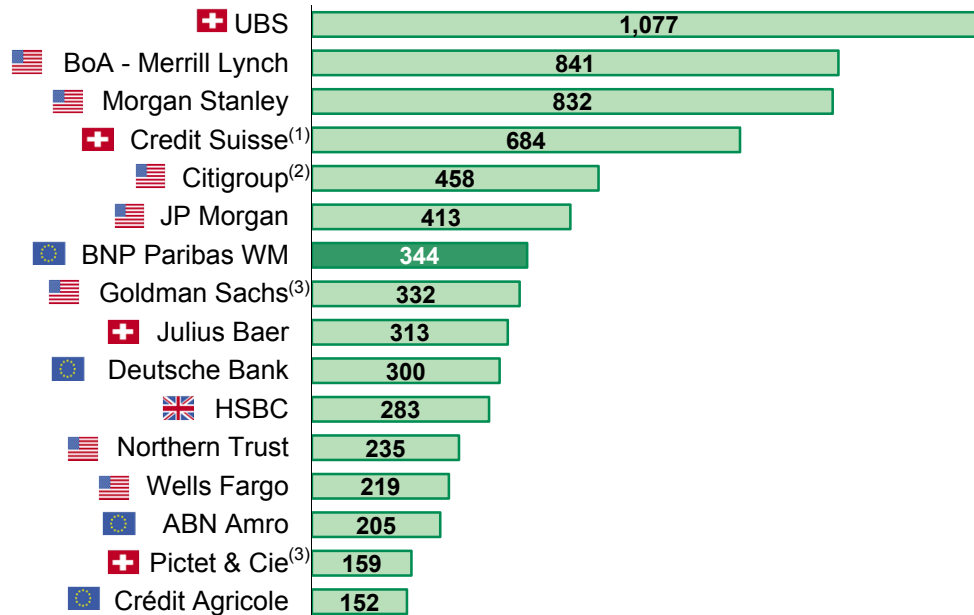

20
Countries



**#1 in the Eurozone
#7 worldwide**



**A recognized player
with 38 awards in 2016**



Client assets under
management (in €bn)

- A Global player in Europe, Asia and the USA
 - Outstanding Private Bank in Europe⁽⁴⁾
 - Overall Private Bank in Greater China⁽⁵⁾
 - Best Private Bank in US West⁽⁶⁾
- Awarded in specific countries
 - Best WM provider in France^(7,10), in Italy⁽⁸⁾, in Poland⁽⁸⁾ and in Western USA⁽⁸⁾
 - Best foreign private bank in Hong Kong⁽⁹⁾
 - Best UHNW team worldwide⁽¹⁰⁾, in Europe⁽¹¹⁾ and in Singapore⁽¹²⁾
- Recognised expertise
 - Best private bank for entrepreneurs⁽¹³⁾
 - Best Private Bank for NRI Services⁽¹⁴⁾
 - Best philanthropic advice in France⁽⁷⁾, in Hong Kong⁽⁵⁾ and in Singapore⁽¹²⁾
- Constantly innovating
 - #2 digital leader in wealth management⁽¹⁵⁾

All figures converted in € as of 31.12.16. Sources: company financial reports. ⁽¹⁾ Assets under Management; ⁽²⁾ Citi Private bank figures; 2015 estimates. Source: Scorpio Global Private Banking Benchmark; ⁽³⁾ As of 31.12.15; ⁽⁴⁾ PBI Global Awards 2016; ⁽⁵⁾ WealthBriefingHongKong awards 2016; ⁽⁶⁾ World Finance 2016; ⁽⁷⁾ Euromoney 2017; ⁽⁸⁾ World Finance 2016; ⁽⁹⁾ PBI Greater China & Global awards 2016; ⁽¹⁰⁾ PBI Global Awards 2016; ⁽¹¹⁾ WealthBriefingEuropeAwards 2016; ⁽¹²⁾ WealthBriefingSingapore awards 2016; ⁽¹³⁾ PWM/The Banker 2016; ⁽¹⁴⁾ Non-Resident Indians (Asian Private Banker 2016); ⁽¹⁵⁾ MyPrivateBankingResearch 2016



Wealth & Asset Management

Wealth Management (2/2): Strategic Priorities

> Targeted geographic strategies

- Domestic Markets
 - Further strengthen #1 positions in France & Belgium, continue to gain market shares in Italy leveraging strong reputation
 - Sustain growth while adapting to regulatory constraints and low rates
- Asia Pacific
 - Continue capturing growth to become a top 5 global player in Asia
 - Focus on UHNW clients (wealth > €25m) & Mega wealth clients (> €100m): e.g. BNPP is today private banker of 50% of top 100 fortunes in Hong Kong
- International Retail Banking
 - Bank of the West: become a U.S. regional reference player

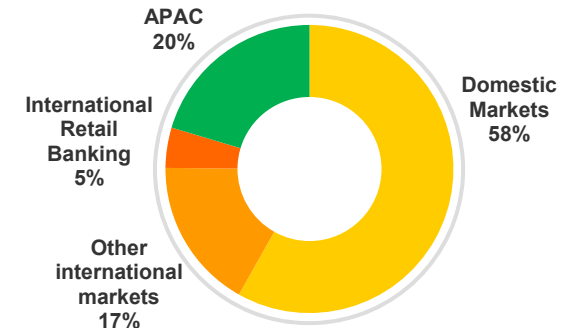
> Digitalisation and transformation of the business

- New Client Experience launched end of 2016
 - Innovative on-line services introduced, to be continuously bolstered in the coming months
 - Easy onboarding, embedded advisory in client's life
- Adapt product and service offering, in line with new regulations
- Accelerate transformation projects
 - Further intensify rationalisation and efficiency initiatives
 - Move from a traditional WM service model to an e-WM franchise



Reinforce leading positions while intensifying transformation

> AuM geographic breakdown⁽¹⁾



> WM digital apps



myBioPass enables clients to easily access their online banking services using biometrics, fingerprint, voice, face



myAdvisory
PERSONAL RECOMMENDATIONS
PERSONAL NEWSFEED
boosts clients' investments management and provides personalised financial advice directly via smartphone



The Leaders' Connection : a digital platform to facilitate co-investments and share views on exclusive private investment opportunities

⁽¹⁾ As of 31.12.16



Wealth & Asset Management

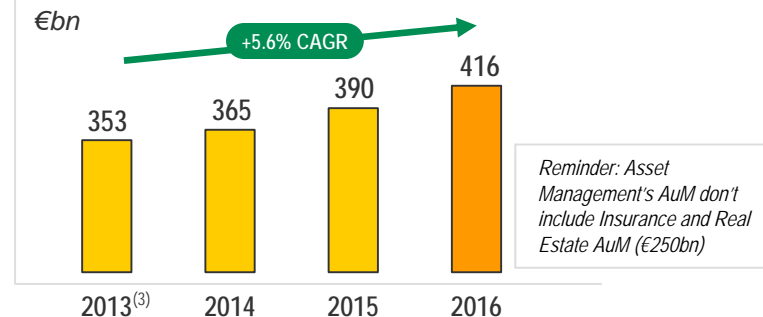
Asset Management (1/2)

- A strategic business for the Group
 - Strong fit within a large integrated bank
 - Providing quality investment solutions for individual and institutional clients
 - High return on equity
- A global firm with a strong European footprint
 - 2,300 people in 34 countries
 - Products distributed in 70 countries
 - Key global player in Asia & Emerging countries, bolstered through local partnerships
- A major player in the retail & institutional segments
 - €416bn Assets under Management as at 31.12.2016
 - #9 in Europe⁽²⁾
 - Access to a strong client base through distribution across the retail networks of the 4 domestic markets and successful partnerships in emerging markets
 - Access to leading global distributors
 - More than 80% of strategies are “Buy” rated⁽⁴⁾

> Global workforce breakdown ⁽¹⁾



> Assets under Management



A strategic business for the Group with a global presence

⁽¹⁾ As at 31 December 2016; ⁽²⁾ Source: Financial reports & websites (3Q 2016); ⁽³⁾ Restated figure excluding assets under advisory on behalf of external clients;

⁽⁴⁾ Among strategies rated by global consultants (Mercer, AON Hewitt, Cambridge Associates, Russell Investments, Willis Towers Watson)



Wealth & Asset Management

Asset Management (2/2): Strategic Priorities

A quality driven investment house...



▪ **Delivering superior investment performance for clients**

- Best-in-class at ESG⁽¹⁾, risk management and usage of quantitative techniques to generate outperformance
- Fully participating to the product polarisation experienced at market level (top quartile on some of the largest active investment capabilities; Alternative debt platform; Smart beta strategies)
- Top class designer of multi-assets solutions through superior allocation and selection capabilities

...delivering more than just products...



▪ **A provider of high quality innovative solutions** (e.g. advisory and risk management) to:

- Solve institutional clients' complex issues, and
- Build outcome-based retirement savings products for retail

▪ **Delivering innovative services** (e.g. digital service platforms) to both distributors & institutional investors

...through an efficient & scalable platform...



▪ **A simpler organisation**, governance, product range and operating model (50 projects already launched)

▪ Ability to deliver the **right products and solutions at the right price**

▪ **Digitalisation of internal processes** leveraging on automation and artificial intelligence

...on a global scale



▪ Strong European footprint, key global player in Asia & emerging countries, extended set-up in the U.S.

▪ Enjoying **strong relationships with leading retail distributors**

▪ **Addressing the needs of specific institutional client segments** (e.g. insurance, pension funds, sovereign wealth funds) on a global basis

▪ **AuM growth target: +5% (2016-2020 CAGR)**



**A leading provider of quality investment solutions
for individual and institutional clients**

⁽¹⁾ Environmental, Social & Governance



Wealth & Asset Management Real Estate Services: Strategic Priorities



> **#1 Office property development in Europe**
#3 Office Investment Transactions in Europe



€24bn
AuM



~3,500
Employees

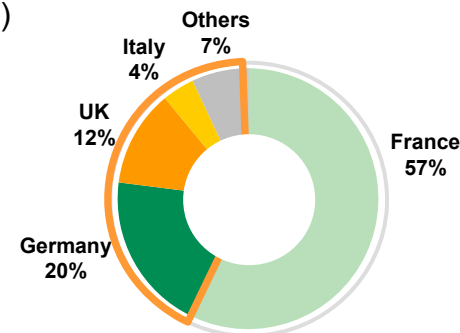


16
Countries

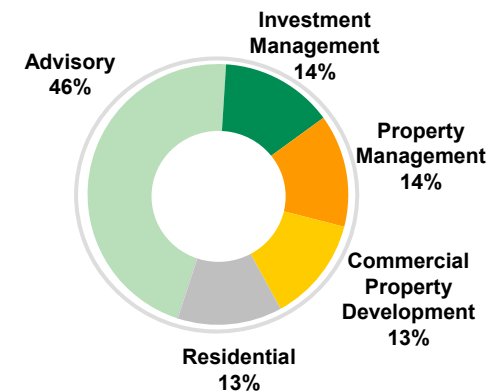
- Diversify transaction services and adapt property development to market conditions
 - Focus on large mixed-use projects in European capitals and increase residential units launches to 3,000 per year
 - Develop alternative assets services offer in Germany, France and UK (retail, logistics & hotels)
 - Structure a pan-European platform in Investment Management to serve global institutional clients
- Significantly invest in digital
 - Improve data management to offer new services to clients and better anticipate clients behaviour based on artificial intelligence
 - Develop Virtual Reality to improve client experience and Building Information Modelling to accelerate design phase

> **A diversified revenue mix covering the whole property cycle**

2016 revenues by geography



2016 revenues by business line



> **Strengthen leading positions across Europe**



International Financial Services: Key Take-Aways



**Growing specialised businesses
fuelled by wide-ranging partnerships**



**International Retail Banking well positioned
to capture revenue growth**



**Implementing new customer experience, digital transformation
and efficiency improvement**



A growth engine for the Group



BNP PARIBAS

CORPORATE & INSTITUTIONAL BANKING

Implement Transformation & Expand Client Franchise
to Deliver Solid Growth

Yann Gérardin

Head of Corporate & Institutional Banking

INVESTOR DAY
Paris, 20 March 2017



BNP PARIBAS

The bank for a changing world

CIB Today

CIB Roadmap by 2020

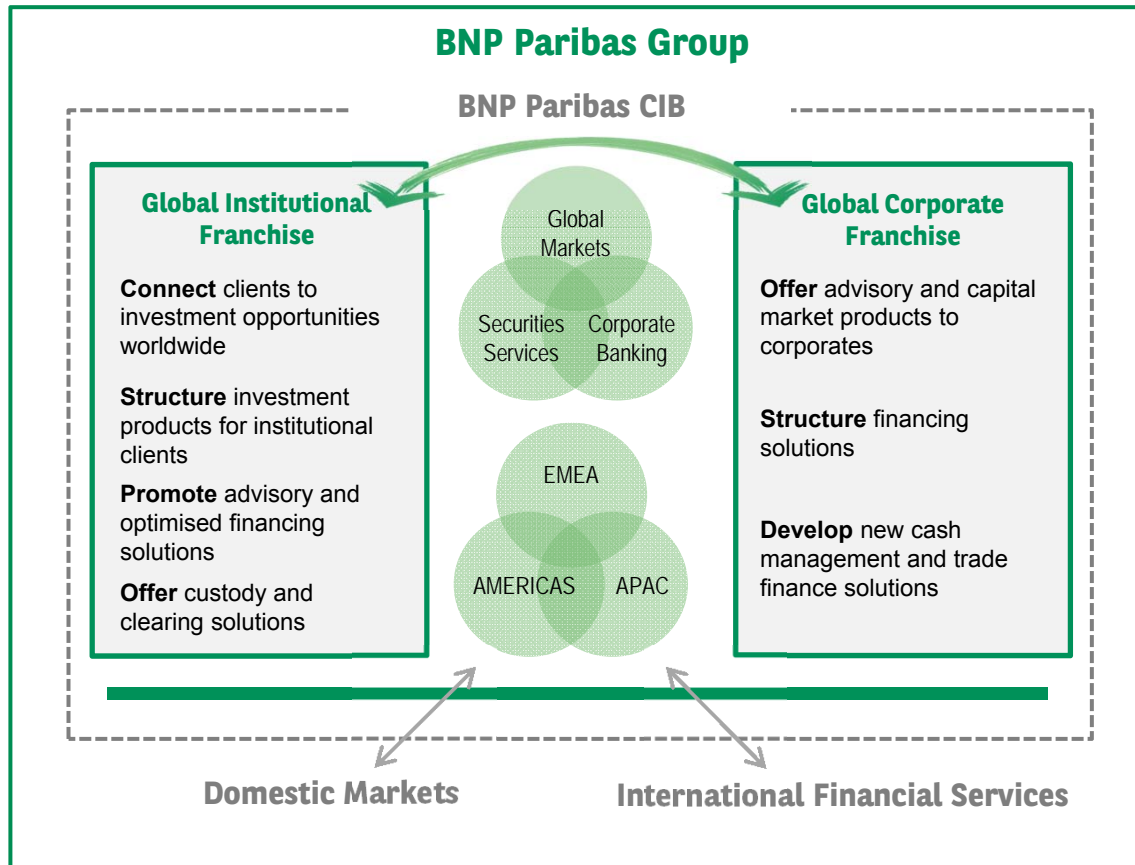
New Customer Experience & Enhanced Efficiency

Conclusion



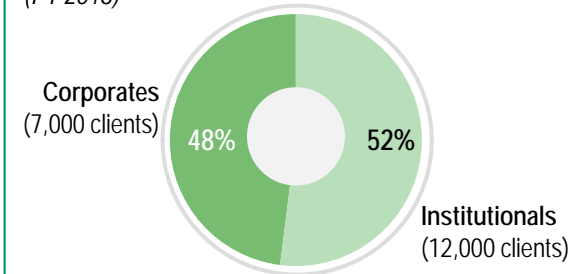
A Fully Integrated CIB serving BNP Paribas Group Clients

A CIB fully integrated within the Group and providing the bridge...



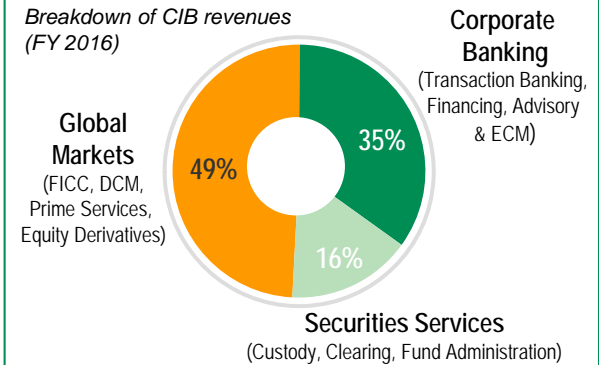
... to serve two well-balanced client franchises...

Breakdown of clients revenues under CIB coverage ⁽¹⁾ (FY 2016)



... leveraging a full range of solutions & expertise

Breakdown of CIB revenues (FY 2016)



⁽¹⁾ Management accounts: Group wide revenues excluding income on allocated equity



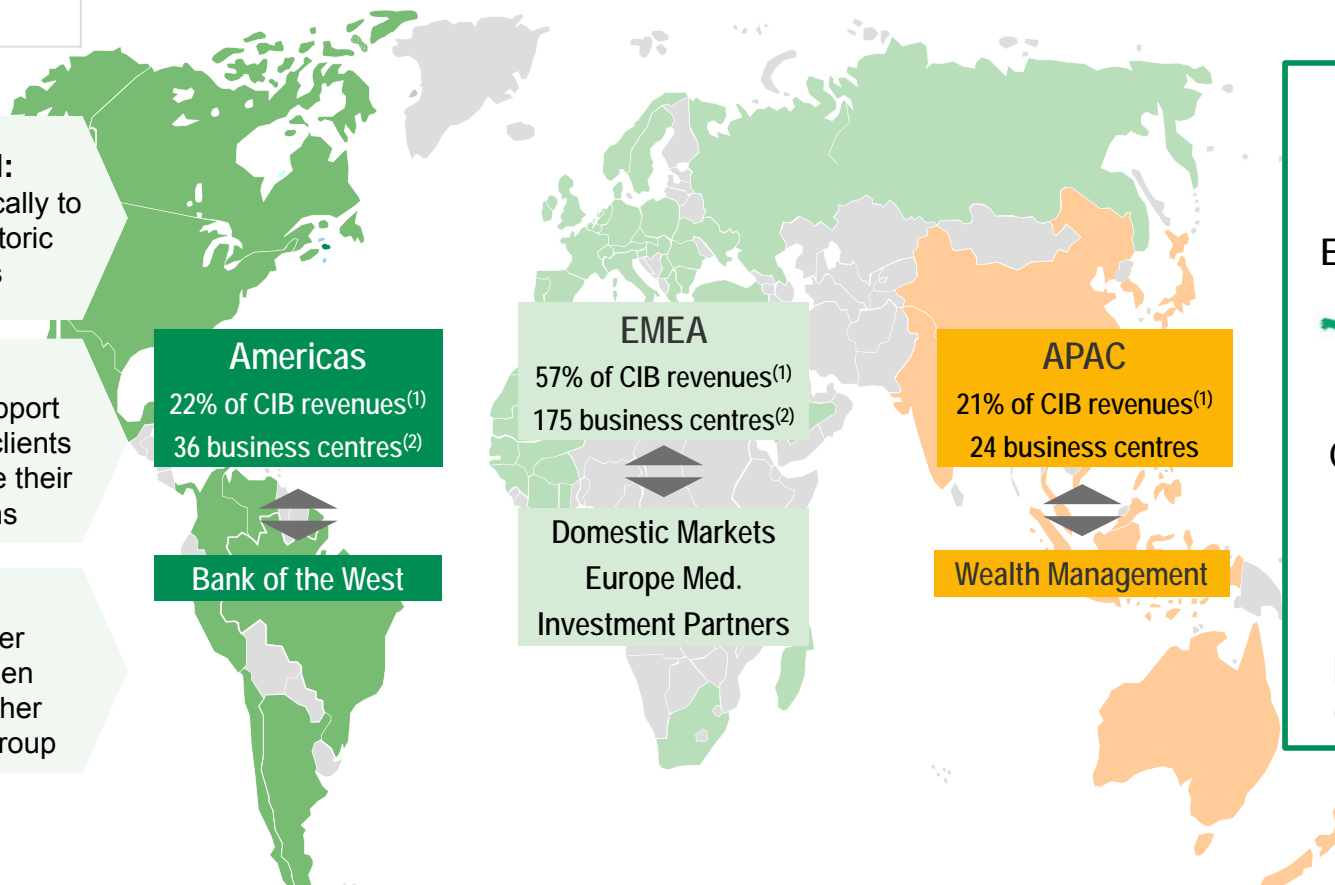
Strong European Home Base and International Reach

> CIB footprint

Client-focused:
built up mostly organically to serve the Group historic client franchises

Global reach:
tailored set-up to support the development of clients worldwide and handle their flows in all regions

Integrated:
strong cross-border cooperation between regions and with other businesses of the Group



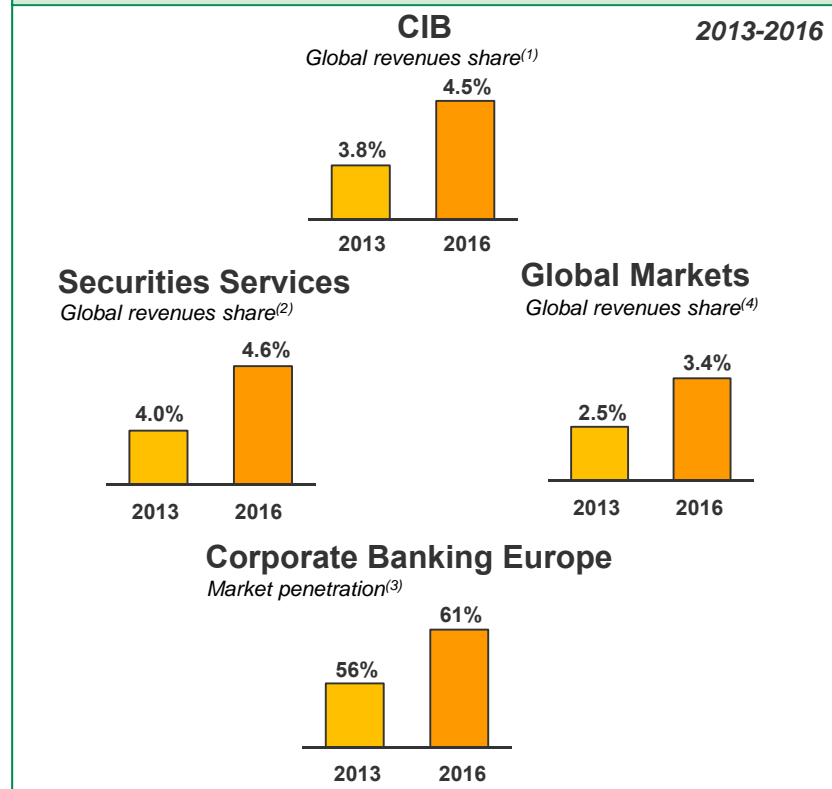
A leading Europe-based integrated CIB serving clients for their global flows

⁽¹⁾ Revenues 2016; ⁽²⁾ Including "One Bank for Corporates" set-up



Growing Revenues Globally in all Activities and Consolidating Leadership in EMEA

CIB gained market share in all activities



Leading player in EMEA with global reach

2016 rankings

Top European Debt House⁽⁵⁾, both Loan and Bond

- #1 EMEA Syndicated loan bookrunner
- #1 All bonds in euros:
 - #1 Investment Grade corporate clients
 - #1 All FIG clients
- #9 All International bonds

Leader in Transaction Banking EMEA

- #1 Trade Finance in Europe (#2 globally)⁽³⁾
- #1 Cash Management in Europe⁽³⁾ (#4 globally)⁽⁶⁾

Top Global Markets player in EMEA⁽⁴⁾

- #3 Equity Derivatives and #3 Structured Credit
- #3 Repo business

Leading European Custodian

- #1 European Custodian, #5 globally, growing in Asia



A strengthened competitive positioning

Sources: ⁽¹⁾ Internal calculation based on Top 16 peers publications, at constant exchange rates; ⁽²⁾ Internal calculation based on Top 10 peers publications; ⁽³⁾ Greenwich Share leaders market penetration on Large Corporates; ⁽⁴⁾ Coalition market share vs. all industry, based on BNP Paribas scope of activities incl. DCM and excl. cash equities; ⁽⁵⁾ Dealogic 2016 in volume; ⁽⁶⁾ Euromoney Cash Management Survey



Global Markets: A European Leading Player Growing its Global Franchise

On-going strengthening of the franchise

Best-in-class ROE among European peers

- 2016 pre-tax RONE ~15% vs. an average ~7% for European peers⁽¹⁾

Implementation of Global Markets

- Improvement in client service and cross-selling
- Market share gains across asset classes and client segments reaching historical highs in 2016
- Record revenues in Prime Services' financing activities in 2016
- Delivery of cost synergies

Continuous management of financial resources

- Further streamlined products portfolio (e.g. regional cash equity, US agencies,...)
- Reduced leverage exposure and VaR

Investment to build digital platforms

- Award winning client facing solutions
- Adaptation to market infrastructure changes

Business growth and Awards

Business Growth

Global revenue share ⁽²⁾	Change 2013-2016
Rates	+130bps
FXLM & Commodities	+70bps
Credit & Securitization	+90bps
Equity & Prime Services	+50bps

Awards



IFR Awards 2016

Equity Derivatives House of the Year
Euro Bond House of the Year
Europe Investment Grade Corporate Bond House of the Year



The Banker Investment Banking Awards 2016

Most Innovative Investment Bank for Foreign Exchange



Structured Products Awards, Europe 2016

Institutional Structurer of the Year
Retail Structurer of the Year
Bank Technology Provider of the Year



Global Capital Awards 2016

Credit Derivatives Bank of the Year
Interest Rate Derivatives Bank of the Year

⁽¹⁾ Source: Coalition; ⁽²⁾ Source: Coalition at constant FX rates



Securities Services: Top 5 Globally and European Leader

Unique European Global Player

Strong organic growth in all regions

- Several landmark mandates in the last years: CDC in 2013, Generali in 2014, CNP Assurances (Solvency 2 solution) in 2015
- Growing in Asia, e.g. UniSuper in 2015

Opportunistic bolt-on acquisitions fostering economies of scale since 2013

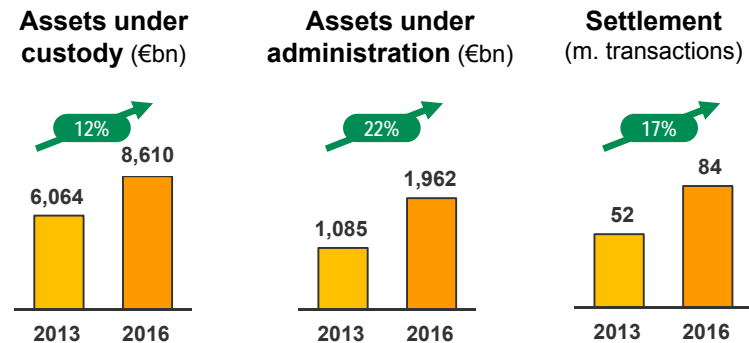
- Commerzbank depot-bank in Germany and Banco Popular depositary business in Portugal
- Integration of Credit Suisse Prime Fund Services
- Humanis depot-bank business in France

Further alignment with CIB and the Group

- Securities Services and Prime Services offering new solutions to strategic clients
- Continuous streamlining of operating model

Business growth and Awards

Business growth



Ranking & Awards

Rankings

Assets under custody⁽¹⁾

	2013	2016
Global	#5	#5

Assets under administration⁽¹⁾

	2013	2016
EMEA players	#2	#2



⁽¹⁾ In volume based on Top 10 peers publications



Corporate Banking: Leading European Partner with Global Reach

A stronger Corporate Banking franchise

Selective expansion of Corporate client base

- Targeted client on-boarding in Europe since 2013: +144 clients in Germany (+25% / 2013), +92 clients in The Netherlands (+56% / 2013) notably thanks to RBS client referral programme
- Development in regions, e.g. +193 groups in the US (+32% / 2013)

Strengthened commercial effectiveness

- Enhanced debt solution continuum across loan and bond through the creation of Corporate Debt Platform
- Multi-sectors and businesses expertise in financing: leverage finance, media-telecom, aircraft finance, ...
- Re-emphasized sector-driven investment banking approach towards our core clients

Refocused activities

- Adjusted Middle East-African and Russian set-ups, Energy & Commodities right-sized

Business growth and Awards

Business Growth

Rankings

Syndicated Loans ⁽¹⁾		Cash Management ⁽²⁾	
	2013	2016	Market share gain: +1.4%
EMEA	#1	#1	➔

Bonds – IG Corporate clients ⁽¹⁾		Trade Finance ⁽²⁾	
	2013	2016	Market penetration gain: +0.5%
Europe	#1	#1	➔

Investment Banking – Core clients ⁽³⁾		Market penetration gain: 11%	
	2013	2016	Revenues share gain: 1.1%
Europe	#7	#6	➔

Awards

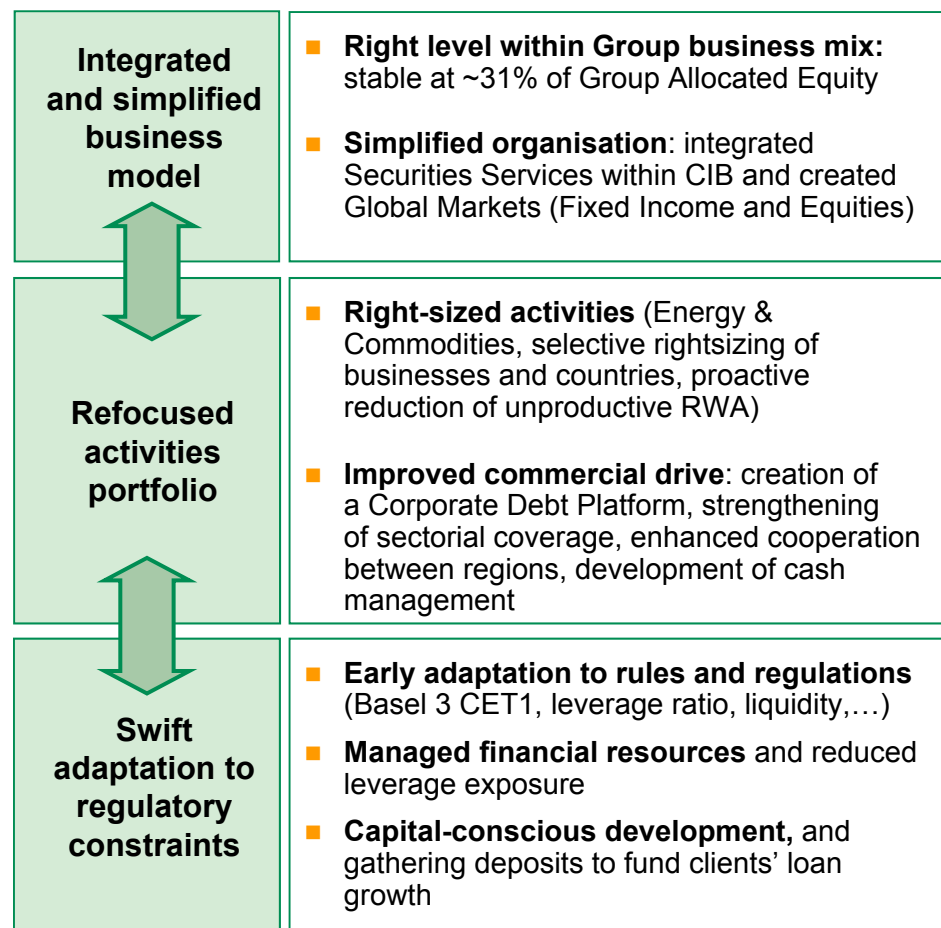
Selected awards

- ✓ IFR EMEA Loan & Bond House 
- ✓ Aviation House of the Year (Global Transport Finance, 2016) 
- ✓ #3 Global Financial Adviser and #3 Syndicated Lender – Asset Finance (Bloomberg New Energy Finance)
- ✓ Best Global Trade Finance Bank, Best Trade Finance Provider (Global Finance) 
- ✓ Best Supply Chain Finance Provider (Global Finance)

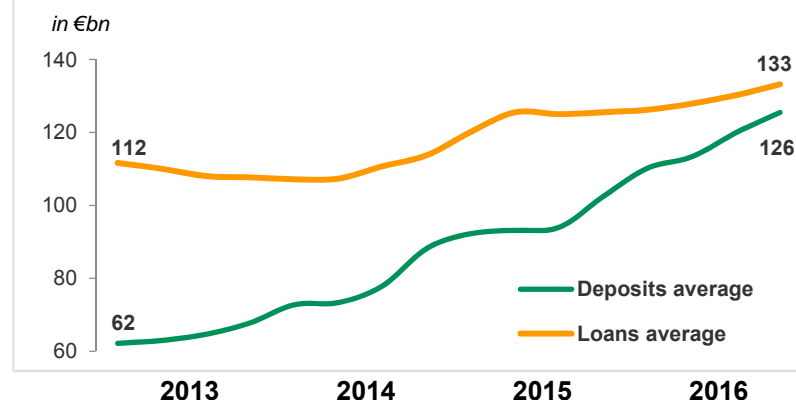
⁽¹⁾ Source: Dealogic in volume; ⁽²⁾ Source: Greenwich Share leaders, market penetration on Large Corporates; ⁽³⁾ Source: Dealogic, fee pool on 750 key strategic European clients



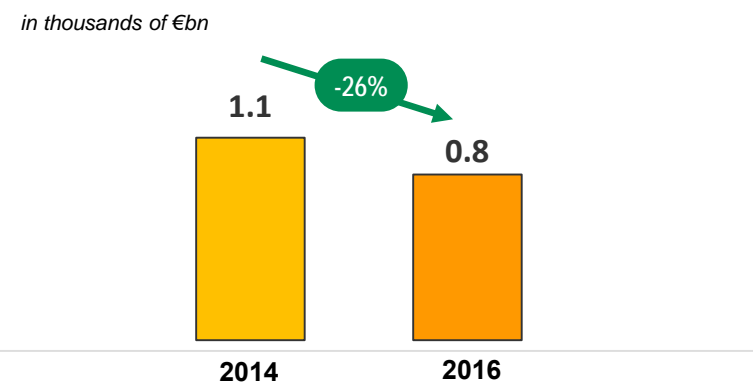
Strategic Adaptation Anticipating Long-term Trends



> Corporate Banking loans and deposits



> CIB leverage exposure



Sound track-record and proven ability to adapt



Delivering on the Transformation Plan Implemented from 2016

Good start of the transformation plan in 2016

Resources optimisation FOCUS

-€8.3bn of RWA in 2016
(~42% of the target of -€20bn in 2019)

Of which:

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

Cost reduction IMPROVE

~-€0.3bn of cost savings in 2016
(~35% of the 2019 target of -€0.95bn)

Of which:

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

Revenue growth GROW

~+€200m of revenues⁽¹⁾ in 2016
+€2.9bn of RWA⁽¹⁾ in 2016

Of which:

- **Global Markets:** revenues +1.6% vs. 2015⁽²⁾ despite a challenging environment
- **Securities Services:** robust business activity and targeted business development focused on institutional clients
- **Corporate Banking:** new clients' acquisition and good development of the businesses



Transformation plan on track with a good momentum

⁽¹⁾ Excluding Focus Initiatives and non-recurring items; ⁽²⁾ At constant scope and exchange rates



Well Positioned as the Preferred European Partner

Solid profitability through the cycle

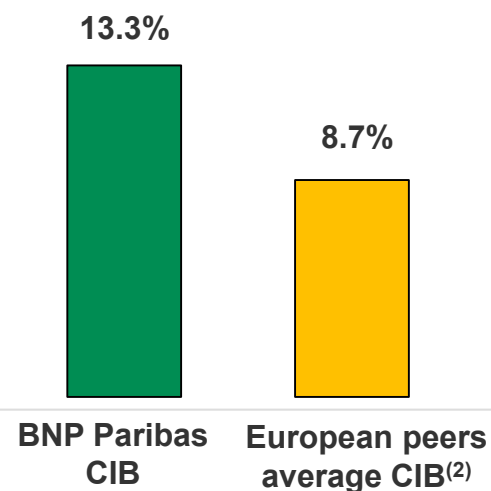
- **Resilient pre-tax RONE⁽¹⁾** in spite of changing market environment and increased cost of regulatory constraints
- **One of the best profitability** among European CIB peers
- **Low risk profile** and track record of strong risk management (low Cost of Risk, low VaR)
- **Strong track record in adapting the activities** to comply with potential new regulations when applicable

Trustworthy partner

- **Committed partner** selectively allocating balance sheet to accompany clients development and transformation
- **Trusted partner** with utmost ethical standards, controls and conduct, providing suitable products and services based on our understanding of clients
- **Secure partner** providing a safe banking environment with strong security policies and processes

Strong profitability vs. European peers

2016 pre-tax RONE



A leading Europe-based integrated player serving clients for their global flows

(1) Pre-tax Return on Notional Equity (2) Average of 8 European peers (Barclays, CASA, Credit Suisse, Deutsche Bank, HSBC, Standard Chartered, Société Générale, UBS) on CIB pre-tax income ex-DVA



CIB Today

CIB Roadmap by 2020

New Customer Experience & Enhanced Efficiency

Conclusion



Building 2020 Ambition

Capitalise on a good momentum

- **Maintain our commitment** as announced last year to enhance operating efficiency and free up resources to support selective growth
- **Extend horizon of the plan from 2019 to 2020** across all dimensions

Accelerate on two key levers

- **Expand client franchise in Europe**, increase penetration and generate revenues for the Group
- **Embrace the industrial and digital transformation** to further improve client experience and enhance efficiency



A confirmed long-term vision for CIB

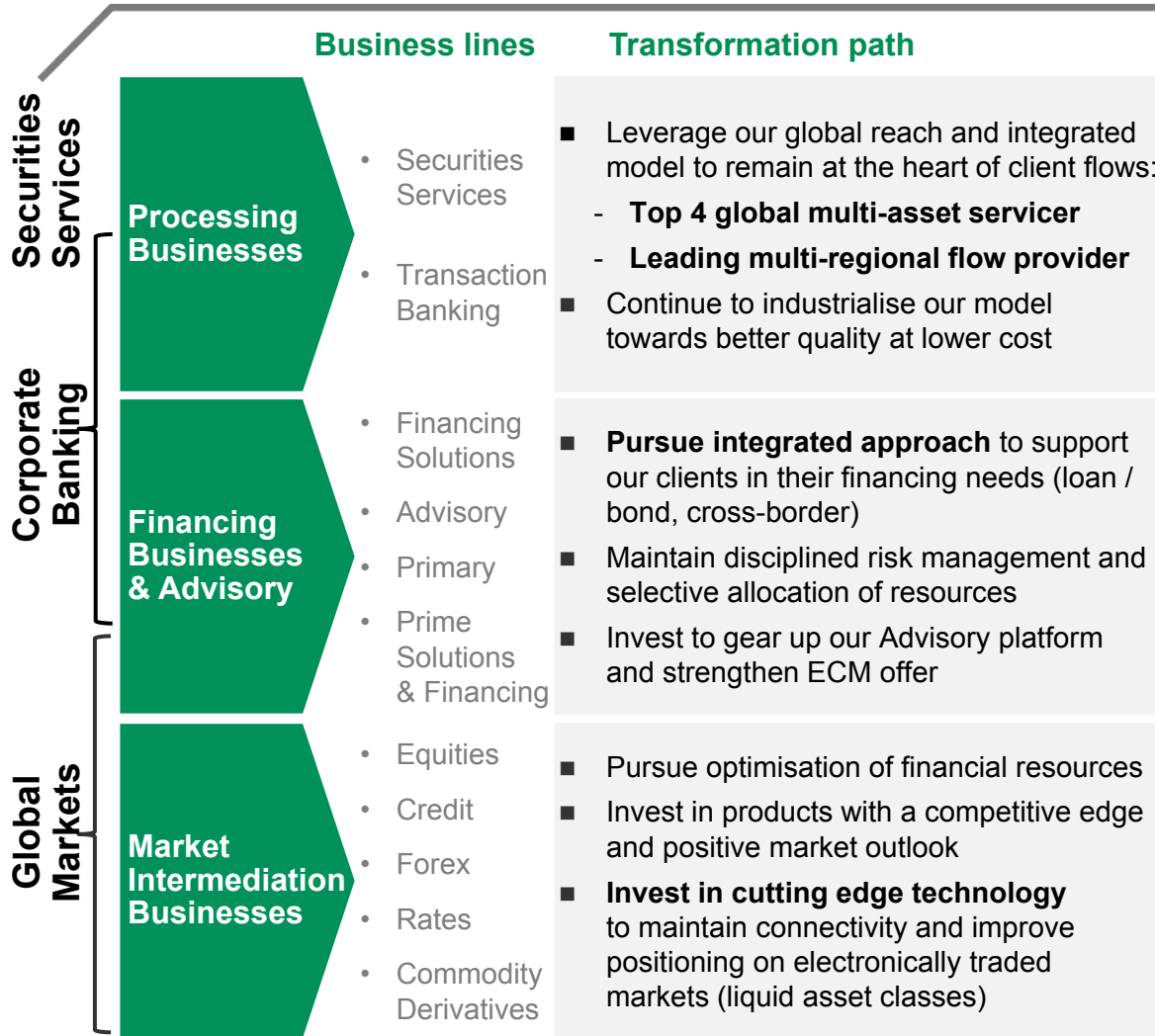
- **Europe-based preferred partner of clients**, offering solutions to help them achieve their goals in a fast-changing world

> Financial targets

	2016	>	2020 targets
Revenues	€11.5bn		> +4.5% (CAGR)
Cost/income	72.4%		-8 pts
Allocated Equity	€22.2bn		~ +2% (CAGR)
Pre-tax RONE	13.3%		> 19%

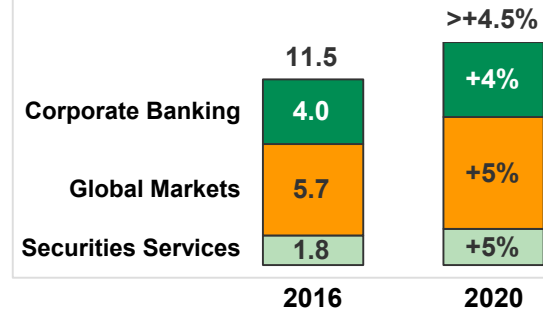


Extend Ambition to 2020 Across all Activities



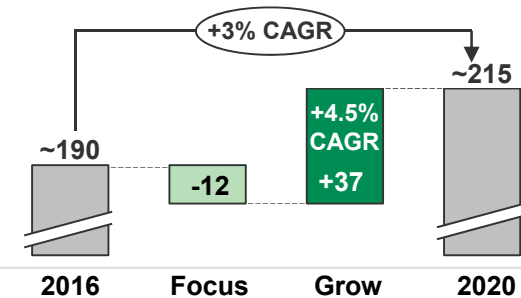
Selective growth

Revenue evolution
(2016 in €bn, 2016-2020 CAGR in %)



Targeted RWA deployment

RWA evolution
(Average in €bn)



Grow revenues faster than RWAs



Global Markets: Ambition 2020

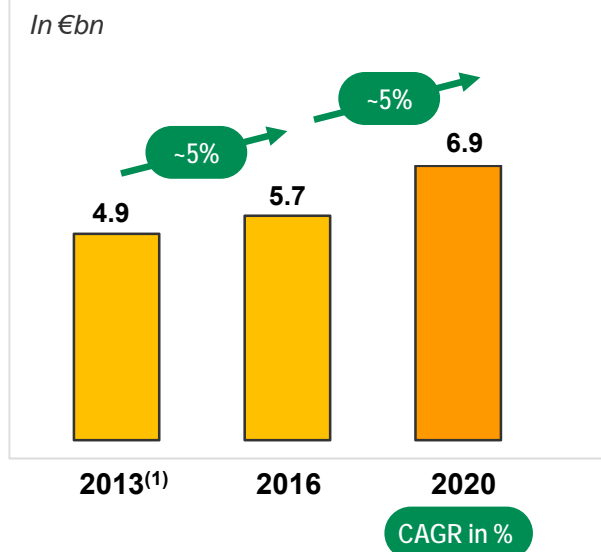
- Maintain sustained growth pace thanks to five drivers

- Deepen penetration of Global Markets products with Group's unique corporate franchise
- Deliver institutional clients a fully-integrated value chain across Prime Brokerage and Securities Services
- Leverage Group's global reach to provide cross-border solutions to clients
- Provide strategic solutions to clients on the back of our strong derivatives expertise
- Deepen relationships with key clients through selective deployment of our financing capabilities

- Continue to adapt the business model

- Reduce cost base leveraging digital investments and synergies with Securities Services
- Accelerate investments in electronic trading technology and client solutions
- Optimise financial resources

> Revenue growth



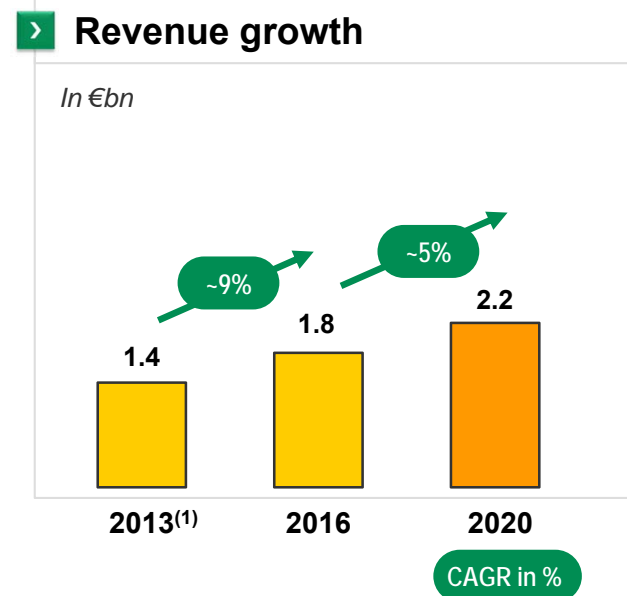
Leveraging on Group strengths and CIB expertise

⁽¹⁾ Restated on current scope and allocated equity



Securities Services: Ambition 2020

- Leverage our global position and integrated model
 - Further penetrate large sophisticated institutions
 - Continue to focus on asset owners and asset managers
 - Extend our global footprint in China and the US
- Expand solution offer
 - Offer joint solutions with Global Markets for institutional clients
 - Offer multi-asset outsourcing to the sell-side and the buy-side
 - Leverage digital to increase client value (data as a service, enhanced client experience,...)
- Continue to adapt the operating model
 - Leveraging new technologies (digital, artificial intelligence,...)



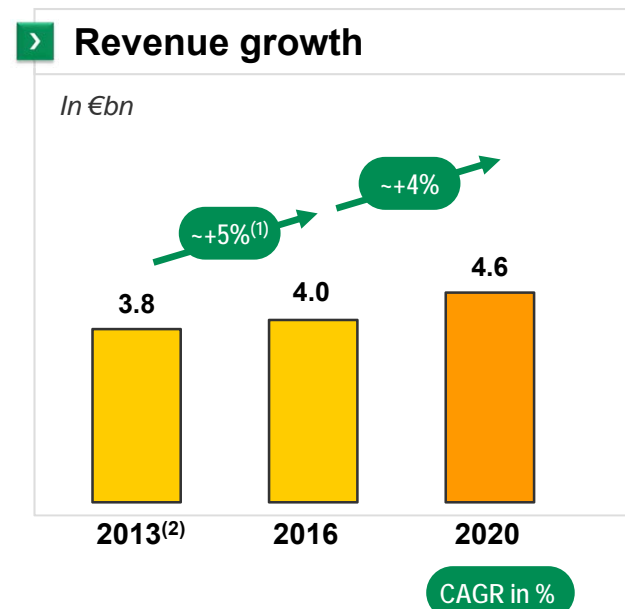
**Be the premier long-term provider of choice
for leading financial institutions**

⁽¹⁾ Restated on current allocated equity



Corporate Banking: Ambition 2020

- Expand and deepen client relationships
 - Selective client onboarding with targeted plans by geography
 - Improve cooperation across the Group to introduce the full solutions spectrum and support our clients in their cross-border development
 - Accompany clients in their digital transformation and reinforce client proximity
- Reinforce and complement leadership positions
 - Remain a standard setter in transaction banking
 - Provide corporates with an integrated access to liquidity providers by leveraging the Corporate Debt Platform
 - Become a reference in renewables financing
 - Gain market share in advisory thanks to an enhanced sector-driven approach
 - Strengthen ECM leveraging Exane leadership in European research and Global Markets expertise

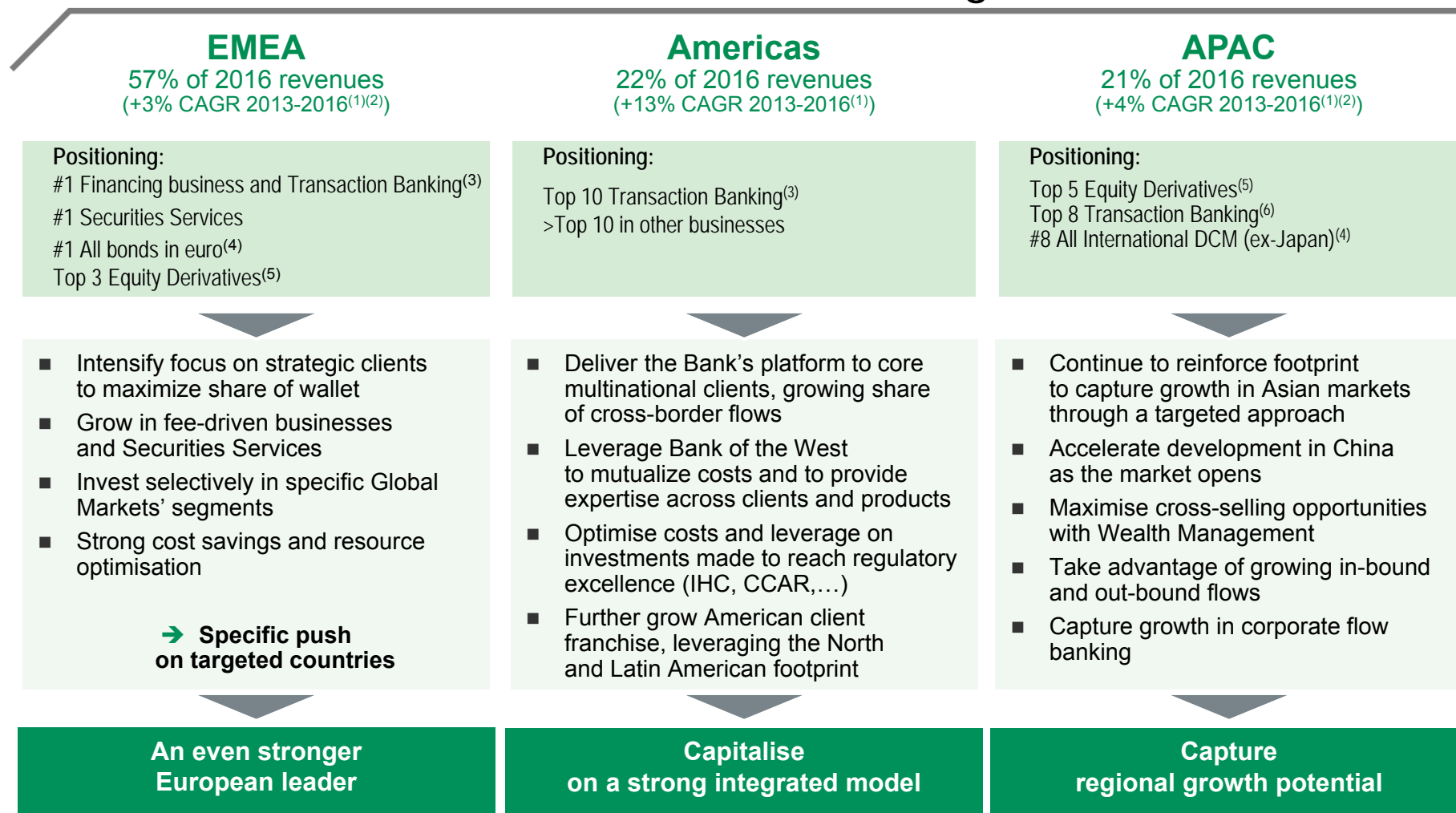


A strategy adapted to regional positioning

⁽¹⁾ Excluding Energy & Commodities; ⁽²⁾ Restated on current scope and allocated equity



Extend Ambition to 2020 across all Regions



Leverage regional strengths

⁽¹⁾ 2013 restated on current allocated equity; ⁽²⁾ Excluding Energy & Commodities; ⁽³⁾ Source: Greenwich associates; ⁽⁴⁾ Source: Dealogic league table in volume; ⁽⁵⁾ Source: Coalition; ⁽⁶⁾ Source: Greenwich associates, foreign/regional franchises



Develop Client Franchise in Europe

Expand client franchise

- Specific growth plans in Northern European countries (Germany, United Kingdom, The Netherlands and Scandinavia) to complement our domestic markets stronghold
- Targeting sizeable and international corporate client franchises
- ➔ **Onboarding of 350 new customer groups by 2020**

Increase revenues

- Introduce clients to the full range of CIB solutions
- Develop revenues in transaction banking
- Secure top positions on significant advisory and financing mandates, notably thanks to the strengthening of sectorial expertise
- Develop industrial partnerships with our clients, leveraging notably with Arval, Personal Finance and Cardif solutions

EMEA 2020 Ambition

**Be the leading European bank in EMEA
for CIB businesses**



- **#1 in Transaction Banking in EMEA**
- **#1 Debt House in EMEA both in loans and bonds**
- **Top 3 in Investment banking on core clients⁽¹⁾**
- **Global Markets: Top 2 Eurozone player and Top 5 in Europe⁽²⁾**



Continuously strengthening position in home market

⁽¹⁾ 750 key strategic European clients; ⁽²⁾ Based on BNP Paribas scope of activities incl. DCM and excl. cash equities



Invest to Accelerate Industrialisation and lay the Foundations of our Long-term Model

- Invest €1.1bn transformation costs over 2017-2019⁽¹⁾⁽²⁾

- Continue to extract cost savings from industrialisation and set-up optimisation

- Optimised organisation of business lines
- Smart sourcing and mutualised platforms
- IT industrialisation
- Digital solutions & expense discipline

-€0.7bn
cost savings
remaining out of
the initial 2019
target of €1bn

- Additional cost savings generated by the redesign of end-to-end processes: >-€0.2bn

- **Cost savings: ~-€0.9bn in 2020 vs. 2016**

- On top of the ~-€0.3bn achieved in 2016 vs. 2015

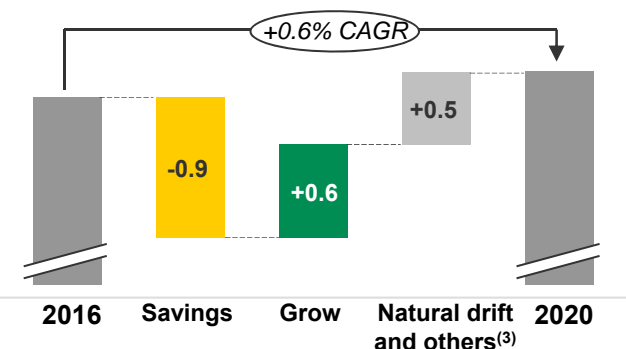
- Improved efficiency

- 2020 cost/income: >-8pts vs. 2016

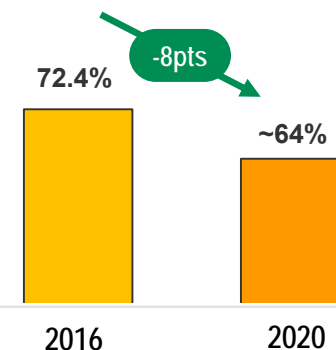
- Lay out the foundations of the future operating model

> Evolution of CIB cost base

In €bn, excl. variable compensation
% CAGR 2016-2020



> CIB cost/income ratio



⁽¹⁾ Presented in Corporate Centre; ⁽²⁾ Of which €0.5bn already included in plan communicated last year; ⁽³⁾ Based on ~2% average weighted inflation per year in connection with geographical footprint



CIB Today

CIB Roadmap by 2020

New Customer Experience & Enhanced Efficiency

Conclusion



Improve Client Experience and Enhance Efficiency

CLIENT JOURNEYS

- Enhance client journeys and provide seamless experience

SOLUTIONS & PLATFORMS

- Propose innovative solutions and platforms customised to client needs

DATA

- Leverage data for the benefit of our clients

OPERATIONS & PROCESSES

- Further industrialise our operating model and redesign our processes end-to-end
 - Roll out modular IT and open architecture
 - Provide a secure banking environment

HUMAN RESOURCES

- Promote agile ways of working

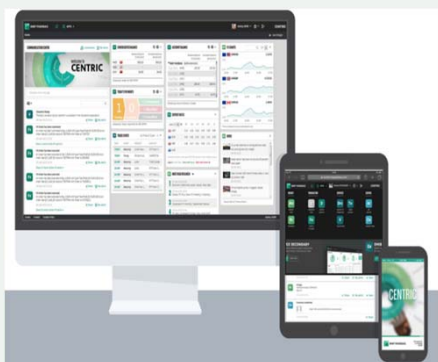


Digital becoming a key interaction mode with clients



Electronic Platforms Recognised Across the Industry

CENTRIC



- Web front-end gateway for Corporate treasurers offering access to all **BNPP Corporate eBanking Services**: Cash, Trade, FX, Cross-currency Payments, Deposits, Supply Chain, Market Research
- Launched in 2013
- Available in **39 countries**
- **50,000 users (6,200 clients)**



Winner
FX-Week
e-FX
Awards
2016
Best bank algorithmic
trading technology
provider

Smart Derivatives



- Online platform for investors dedicated to **structured equity derivatives** offering pricing, trading and lifecycle management functionalities. Also proposed in white labelling to sell-side institutions
- Launched in 2012
- Available in **31 countries**
- **3,000 users (600 clients)**
- **1.2m quotes / 50,000 trades per year**



Leverage existing platforms and pursue technological edge

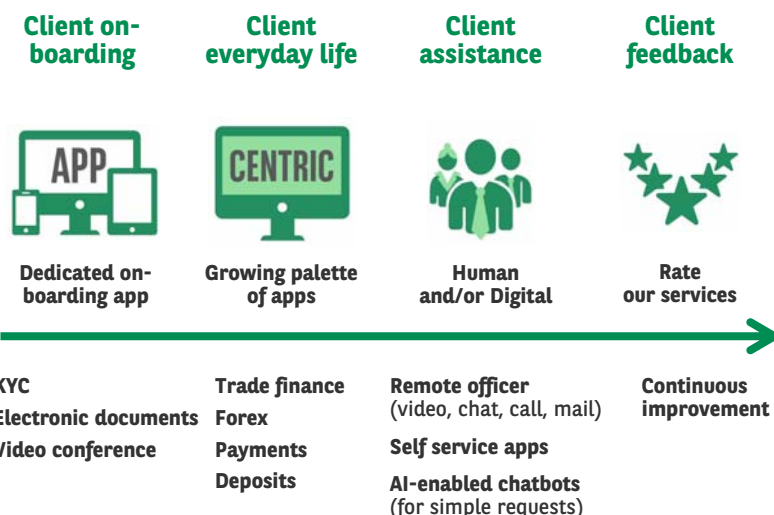


Enhance Client Journeys and Provide Seamless Experience

Towards a new digital user experience

- **Single digital access point**
- **Omni-channel** relationship model, including through non-proprietary platforms (e.g. Multi-Dealer Platforms)
- **Real time** and **24/7** servicing
- **Personalised** working environment
- **Self-service** transactions
- **Customised** reporting potentially integrated in client systems
- Feed with **intelligent content** notably thanks to data analytics

Case study: revisited corporate client journey through digital tools



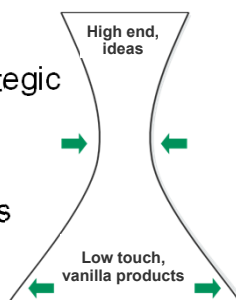
Further increase client satisfaction and engagement



Propose Innovative Solutions and Platforms

Towards new business and servicing model

- **Differentiated solutions offer:**
 - **High-end advisory services:** strategic dialogue and bespoke solutions
 - **Industrialised digital platforms:** distribution of standardised services and “vanilla” banking products
- **Intermediation platforms** connecting clients and allowing them to transact together
- **Specific applications / new offer** for clients on the back of new technologies
 - **Data-enabled:** e.g. dedicated data analysis modules embedded in all offers, enhanced advisory services
 - **Blockchain-enabled:** e.g. certificates, smart contracts, cash transfers



Case study: blockchain applications

PARTNERSHIPS & INVESTMENTS



PROTOTYPES

14 prototypes developed, key examples:

- **Letters of Credit** using smart contracts on blockchain
- **Collateral Management** using smart contracts (pricing / trigger margin calls)
- **Real-time cash transfer** process via blockchain
- **Unlisted & private stocks** market place enabled by blockchain

“BNP Paribas completes **first real-time blockchain payment**”



Innovate to keep a strong competitive edge



Leverage Data and Analytics Technologies

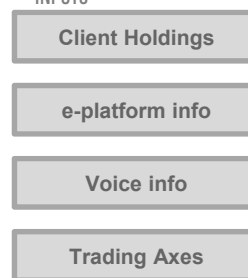
Towards enriched offer and enhanced efficiency

- **Client applications to enrich solutions offer**
 - Automatically generated fund reporting
 - Analyse trades and monitor inventory to anticipate client interest
 - Research: anticipate market volatility and swings due to macro events
- **Internal applications to enhance operating effectiveness**
 - Automated risk analytics, controls and compliance, e.g. automated risk reporting, automated fund prospectus analysis and compliance enforcing
 - Internal “smart selling” tools, e.g. client meeting preparation, next product to buy, business opportunities and at risk
 - Human resources prospective management, e.g. skills/positions/training matching, workforce planning

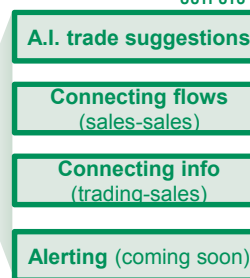
Case studies

CORPORATE BOND SECONDARY TRADING ANALYTICS

INPUTS



OUTPUTS



AUTOMATED DEPOSITARY CONTROLS

“BNP Paribas takes stake in regtech firm Fortia...[and]...plans to implement Fortia’s compliance platform Innova with its depositary business, allowing clients to enhance operational efficiency and access data and analytics”

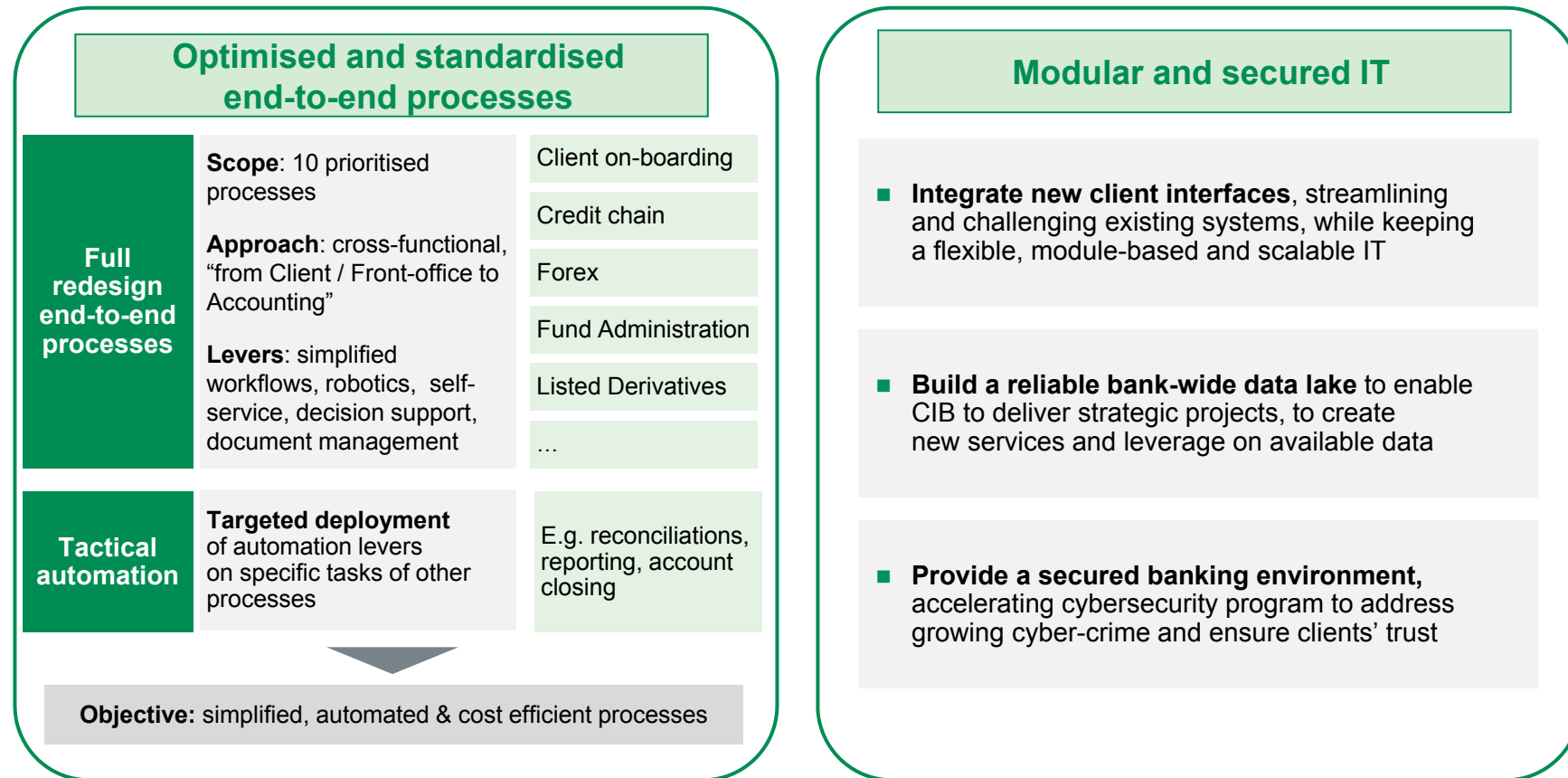
Global Investors 30/01/2017



Leverage data to enhance operating effectiveness and offer enriched advice to clients



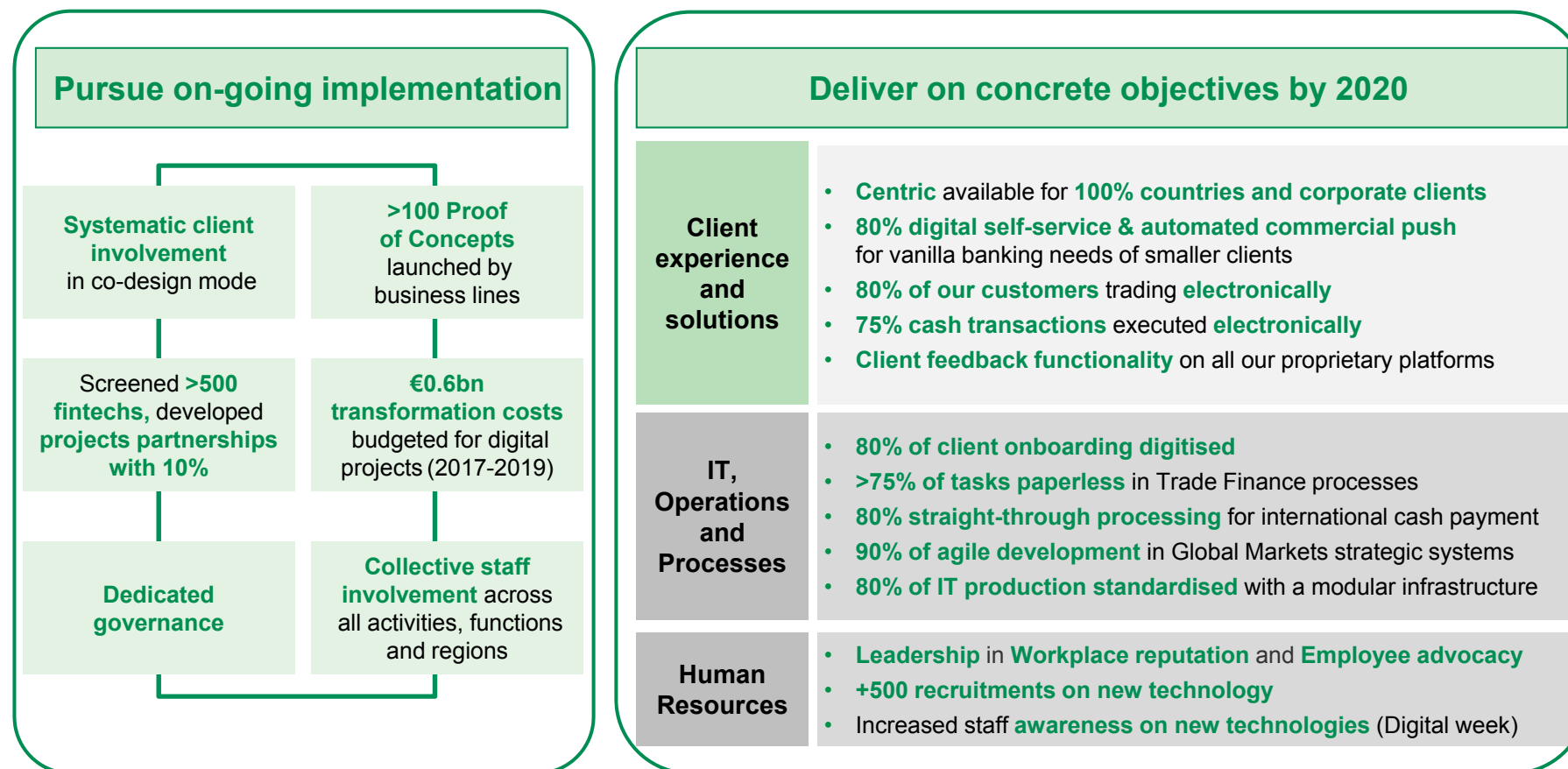
Further Industrialise Operating Model, Redesign Processes and Enhance IT



Ensure an impeccable and efficient delivery



Remain Agile to Adapt Model Gradually



Disciplined process to embrace our digital transformation



CIB Today

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A Strong CIB

Creating Sustainable Value for its Stakeholders

Leverage our strengths	<ul style="list-style-type: none"> ■ Integrated CIB at the service of our client franchise ■ Solid business growth and consistently improving positioning ■ Excellent risk steering and ability to manage liquidity
Continue to deliver on the transformation plan launched in 2016	<ul style="list-style-type: none"> ■ Proven discipline in delivering on targets ■ Transformation initiatives launched, on track with the defined timetable ■ Cost saving measures delivering results
Extend our ambition to 2020	<ul style="list-style-type: none"> ■ Continue resources optimisation, cost reduction and selective revenue growth ■ Expand the customer base in Europe ■ Embrace the digital transformation and lay the foundations of our long-term model

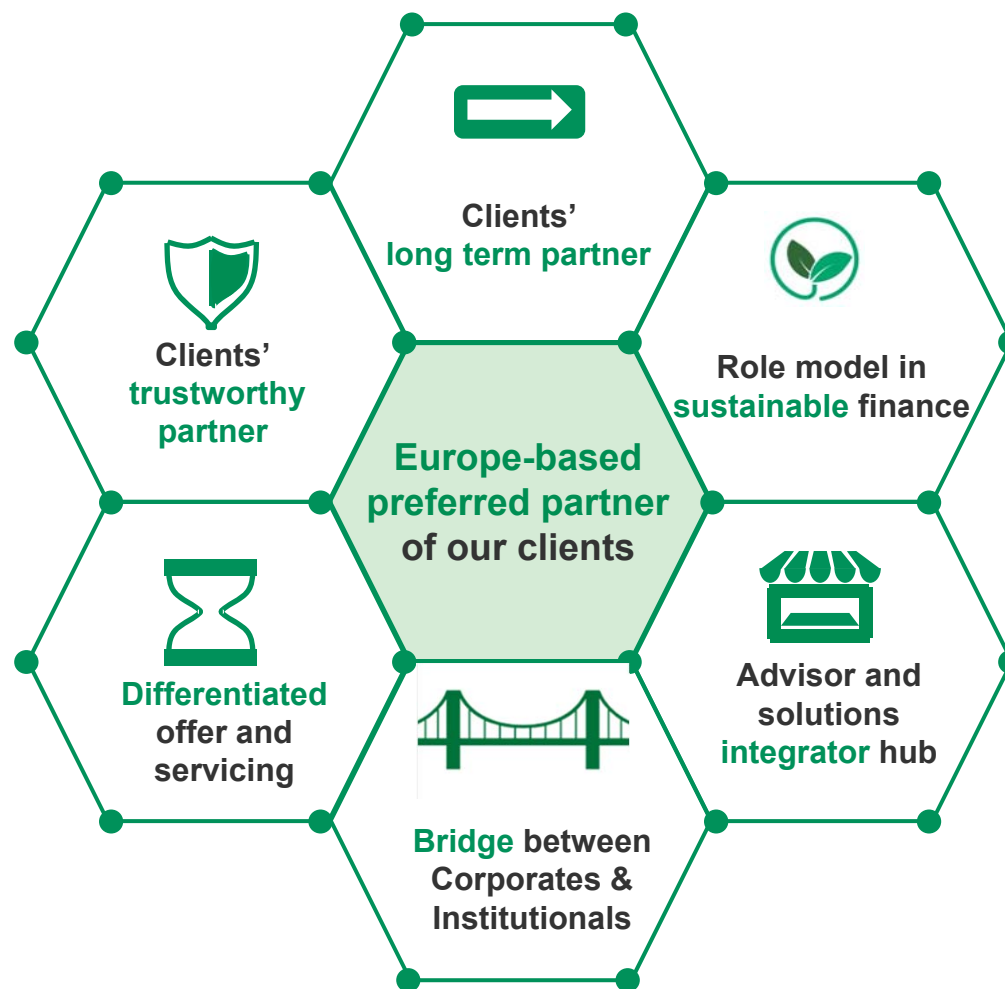
	2016	2020 targets
Revenues	€11.5bn	> +4.5% (CAGR)
Cost/ income	72.4%	-8 pts
Allocated Equity	€22.2bn	~ +2% (CAGR)
Pre-tax RONE	13.3%	> 19%



Deliver solid revenue growth and accelerate transformation



CIB Long-term Vision: to be the Europe-based Preferred Partner of Clients



**Offering solutions to help clients
achieve their goals in a fast-changing world**



BNP PARIBAS

2017-2020 BUSINESS DEVELOPMENT PLAN

Jean-Laurent Bonnafé
Group Chief Executive Officer

INVESTOR DAY
Paris, 20 March 2017



BNP PARIBAS

The bank for a changing world

Conclusion (1/2)



**European leader in all its businesses with global reach
Cross-businesses cooperation at the heart of the model**



Complete range of products and focus on innovation



Very strong financial structure



**In a changing world
with new technologies, new customer needs & expectations...**

...Build the Bank of the Future



Conclusion (2/2)



Leverage the strength of the integrated and diversified business model



A far reaching programme of new customer experience, digital transformation & operating Efficiency

Differentiated growth among businesses and regions

Conduct an ambitious Corporate Social Responsibility policy



10% ROE and 11.5% ROTE by 2020 with 12% CET1 ratio



Generate an average increase in net income >6.5% a year until 2020

