BNP PARIBAS
GOOD PERFORMANCE IN 1H19

Kepler Cheuvreux Conference, Paris
11 September 2019

BNP PARIBAS

The bank for a changing world

Disclaimer

The figures included in this presentation are unaudited.

On 29 March 2019, BNP Paribas issued a restatement of its quarterly results for 2018 reflecting, in particular (i) the internal transfer in the 3rd quarter 2018 of Correspondent Banking activities within CIB from Corporate Banking business to Securities Services and (ii) the transfer, effective 1st October 2018, of First Hawaiian Bank (FHB) from the BancWest business to the Corporate Centre following the sale of 43.6% of FHB in 2018 (the remaining stake was sold on 25 January 2019). These changes do not affect Group results as a whole but only the analytical breakdown of IFS (BancWest), CIB (Corporate Banking, Securities Services), and Corporate Centre. The 2018 quarterly result series have been restated reflecting these effects as if they had occurred on 1st January 2018. This presentation is based on the restated 2018 quarterly series.

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

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

Introduction

Business growth in the three operating divisions

Successful digital transformation and development of new customer experiences

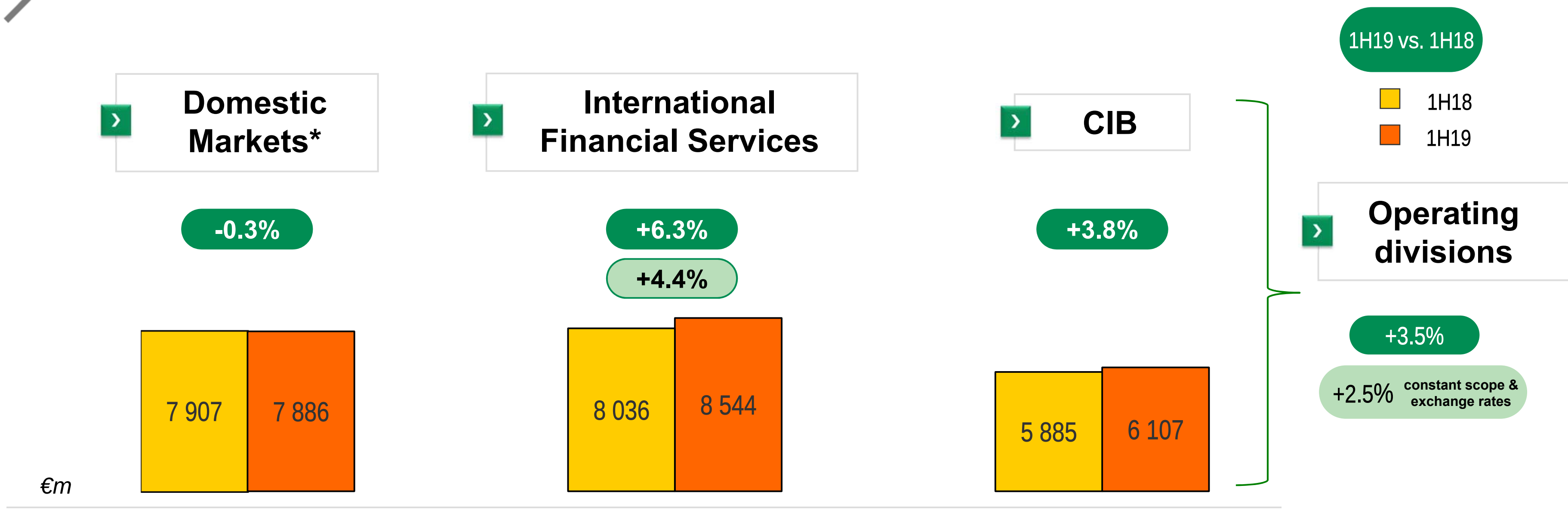
Cost savings ramping up to deliver positive jaws in all operating divisions from 2019

Net Income : 4.4 bn€ in 1H19 (+10.8% vs. 1H18)

ROTE: 11.0%

Strong organic capital generation
CET1 at 11.9% as at 30.06.19

Revenues of the Operating Divisions - 1H19

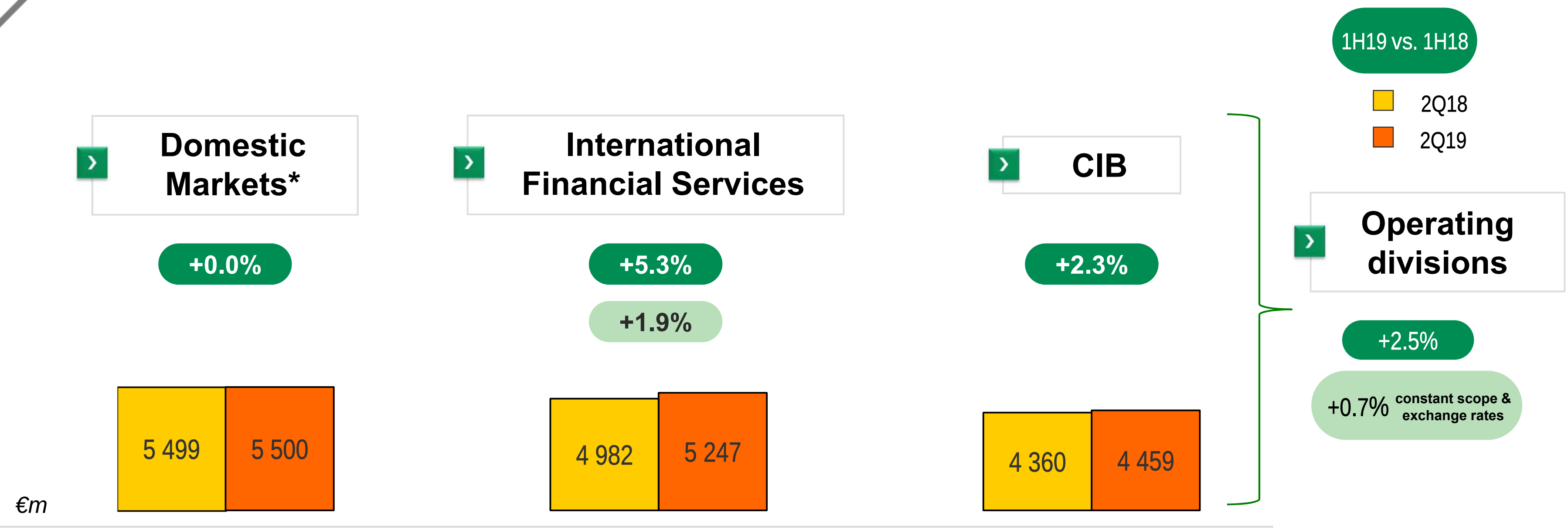


- Domestic Markets: decrease in revenues of the networks due to low interest rates but continued good growth in the specialised businesses
- IFS: continued good growth of the business
- CIB: increase in revenues driven in particular by good growth in Corporate Banking

Growth in the revenues of the operating divisions

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

Operating Expenses of the Operating Divisions - 1H19



- Domestic Markets: decrease in the operating expenses in the networks (-0.8%**) and increase in the specialised businesses as a result of the development of their activity (with a positive jaws effect)
- IFS: support of the increase in business (positive jaws effect)
- CIB: increase on the back of the growth of the activity, continued active implementation of cost saving programmes (positive jaws effect)

Impact of the cost saving measures
Positive jaws effect

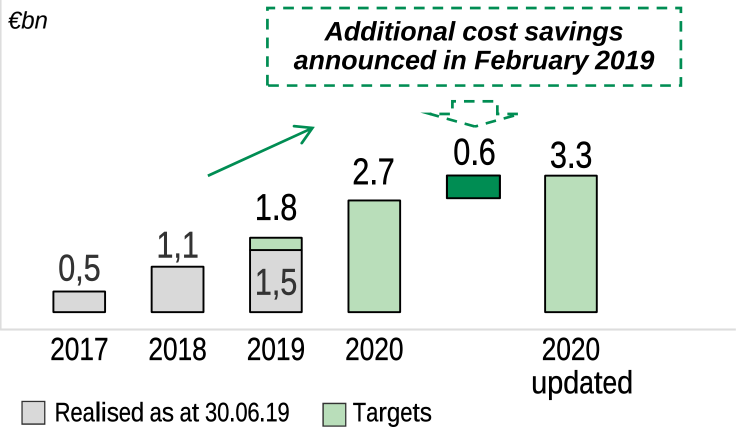
** Including 100% of Private Banking in France, Italy, Belgium and Luxembourg; ** FRB, BNL bc and BRB, excluding the impact of IFRIC 21*

2020 Transformation Plan

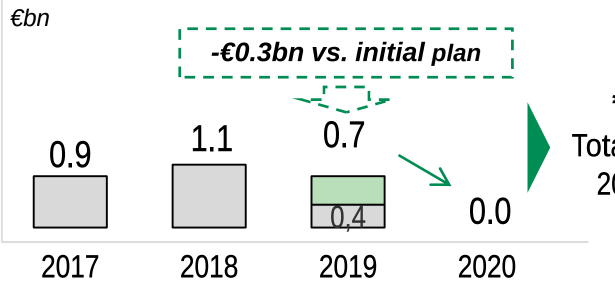
5 levers for a new customer experience & a more effective and digital bank

1. Implement new customer journeys
2. Upgrade the operational model
3. Adapt information systems
4. Make better use of data to serve clients
5. Work differently

Ramping up of cumulated recurring cost savings

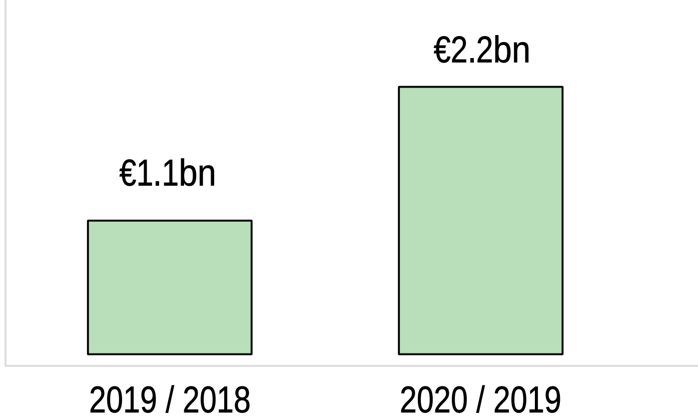


Reduction of one-off transformation costs



€2.7bn
Total updated 2020 plan

Total gross positive impact on costs in 2019 & 2020 (YoY)



Significant cost benefits to come in 2019 and 2020 to generate positive jaws effect in each division

Domestic Markets
Continued Implementation of the 2020 Action Plan

Strengthen the sales & marketing drive

- **Continue digital transformation** to enhance customer experience, offer new services, acquire new customers
- Leverage on **leading positions** (private banking, corporates)
- Continue to **grow the specialised businesses** in growing markets (Arval, Leasing Solutions, Personal Investors & Nickel)

Improve operating efficiency

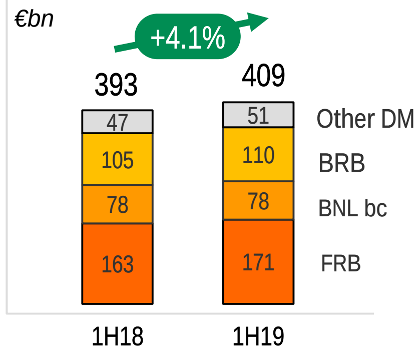
- **Intensify cost reduction measures** and generate **a positive jaws effect starting from 2019**
- Continue **adapting the branch network** and support the growth of the specialised businesses
- **Streamline the organisation of the businesses** (simplification, standardisation and adapt the information systems)

Continue the rigorous risk management policy

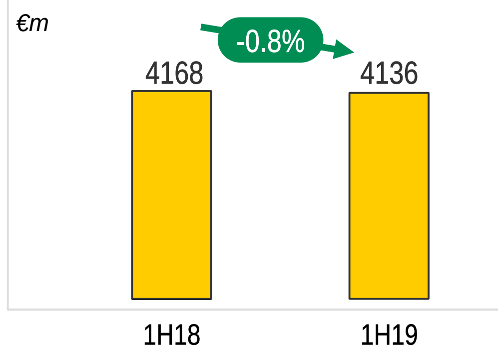
- **Continue to improve the risk profile of BNL bc:** target of a cost of risk at 50 bp in 2020 confirmed
- Low interest rate environment still favourable for cost of risk

1H19

Loans



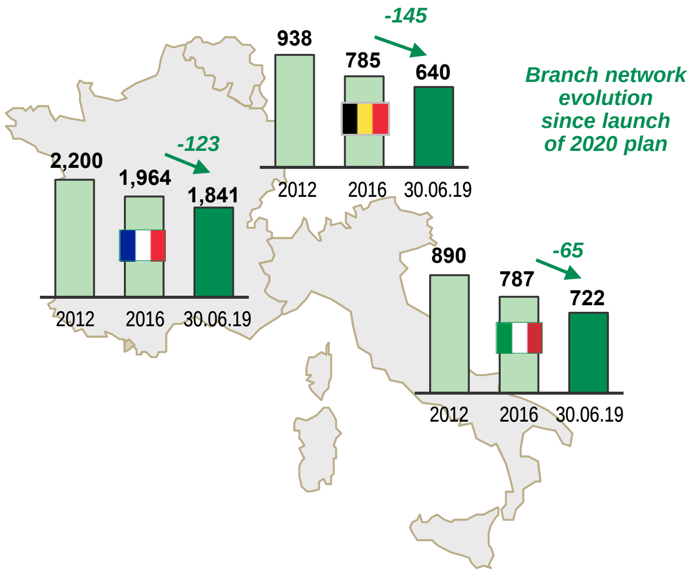
Retail networks' operating costs*



* FRB, BNL bc and BRB, including 100% of Private Banking, excluding IFRIC 21 impact

Domestic Markets
Continuing Retail Networks Reduction

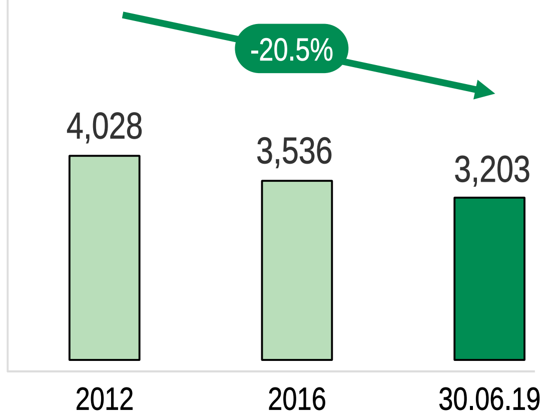
- **Actively deploying digital transformation and new operational model**
- **Continuing branch network reduction**



- **Simplification & adaptation of the branch network management in the 3 networks**

- **-825 branches since 2012**
  o/w -333 branches since 2016

# of branches in the 3 Retail networks



- **Continued network optimization**
  - E.g. BNP Paribas Fortis’ announcement in 1Q19 of the closure of 267 branches by 2021

Digital transformation & branch network optimisation

International Financial Services
Continued Implementation of the 2020 Action Plan (1/2)

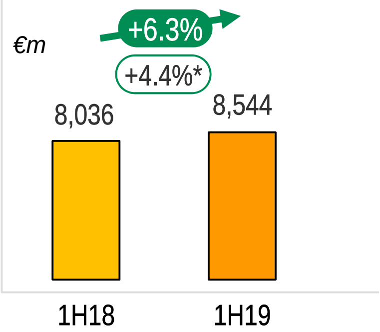
Pursue the growth of the businesses

- **Consolidate leading positions in the business units** by leveraging best in class offers
- **Continue digital transformation**: new client experiences, end-to-end processes and optimisation of data to further improve the offering
- Continue the **selective development of retail banking** outside the Eurozone and **strengthen intra-Group cooperation**
- **Execute the integration of acquisitions made**

1H19

Best Private Bank in the World (Global Finance 2019)

Revenues



Merger of Raiffeisen Bank Polska with BGZ BNP Paribas**

- Rebranded BNP Paribas Bank Polska
- Active implementation of cost synergies (-135 branches in 1H19)

*At constant scope and exchange rates;
** Activities acquired: business of Raiffeisen Bank Polska excluding the foreign currency retail mortgage loan portfolio and excluding a limited amount of other assets, acquisition finalised on 31 October 2018

International Financial Services
Continued Implementation of the 2020 Action Plan (2/2)

Improve operating efficiency

▶ **Industrialise & pool the processes in all the businesses**
- Speed up the deployment of robots in all the businesses and set up of competence centres in robotics

▶ **Streamline the product offering (Asset Management, Insurance)**
- Simplification of the organisation in Asset Management with in particular the successful roll-out of the Aladdin IT outsourcing solution (50 apps decommissioned by early 2020)

▶ **Implement digital initiatives specific to each of the businesses** (distribution and client acquisition, management of product life cycles, new full digital products, etc.)

▶ **Intensify cost reduction measures**
- Additional adaptation measures (departure plan) in Asset Management

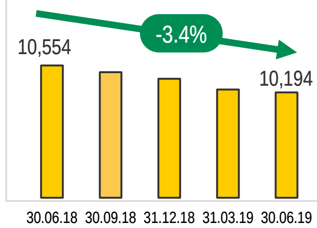
1H19

Recurring cost savings:

€97m generated in 1H19
(€388m since launch of transformation plan)

Personal Finance: *>49 million self-care transactions done by clients or **>79% of total***

BancWest staff evolution*



Continued headcount reduction & transfer of support functions in a less costly area (Arizona)

Largely positive jaws effect: +1.0 pts

** Including external assistants*

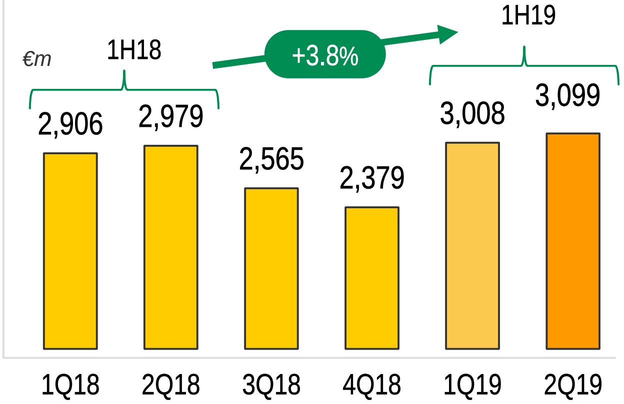
Corporate and Institutional Banking
Continued Implementation of the 2020 Action Plan (1/2)

Focus on profitable growth

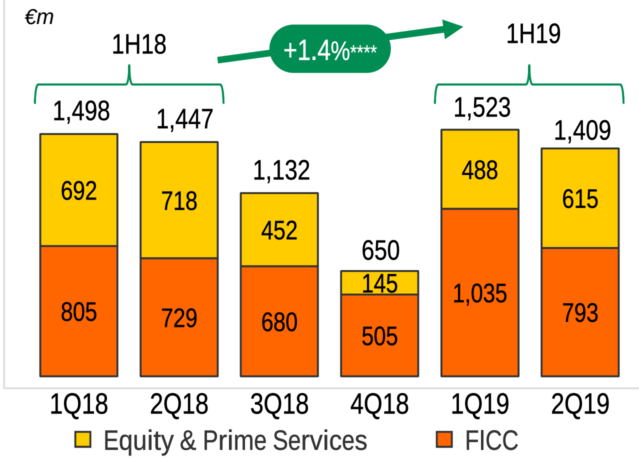
- **Continue strengthening leading positions in Europe and selective development in the US and Asia**
  - # 1 in corporate banking and in cash management in Europe*
  - # 1 for syndicated loans in the EMEA region in 1H19 (*Dealogic)*
  - Preliminary agreement with Deutsche Bank for prime brokerage and electronic execution**
- **Deepen the integrated model**
  - Good start of *Capital Markets*, new joint platform between Corporate Banking and Global Markets in Europe
- **Develop innovative offers**
  - Multi-dealer platforms: # 1 in volume for rate swaps in euros, # 2 on government bonds in euros and # 5 on forex
- **Continue the development of sustainable finance**
  - #3 all sustainable bonds***

➔ **1H19 revenues** up in the 3 businesses of CIB (Global Markets, Corporate Banking, Securities Services)****

Revenues



Global Markets revenues



* Source: Greenwich Share Leaders - 2019 European Large Corporate Banking & European Large Corporate Cash Management; ** Subject to regulatory approval ; *** Source: Dealogic as at 31.08.19 (bookrunner in volume); **** Excluding the effect of the creation of the Capital Markets platform (transfer of €53m from Global Markets FICC to Corporate Banking in 1H19)

Corporate and Institutional Banking
Continued Implementation of the 2020 Action Plan (2/2)

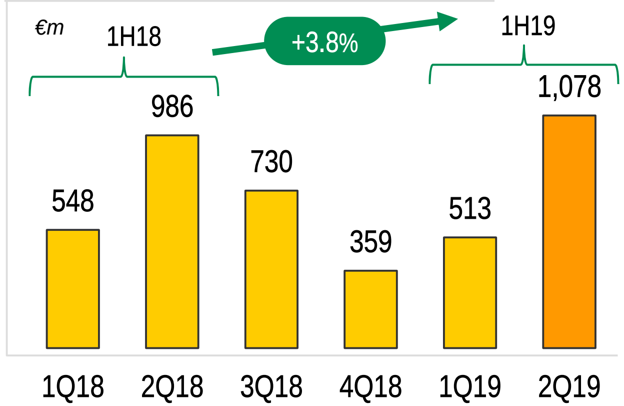
Intensify transformation efforts

- **Continue the industrialization to reduce costs**
  - €120m of additional recurring cost savings in 1H19: reinforcement of the front-to-back approach, development of shared platforms (near-shoring), digital transformation…
  - €850m in recurring savings in 2020 vs. 2018
- **Positive impact of the repositioning of FICC**
  - Electronic platforms, realignment of local markets and forex, stopped Opera Trading's proprietary business and commodity derivatives in the US
- **Focus on improving return on capital**
  - Good increase in the operating income
  - Stability of RWA in 2020 compared to 2016

1H19

Positive jaws in 1H19: +1.5 pt

Operating income



Successful Digital Transformation
New Customer Experiences

DM

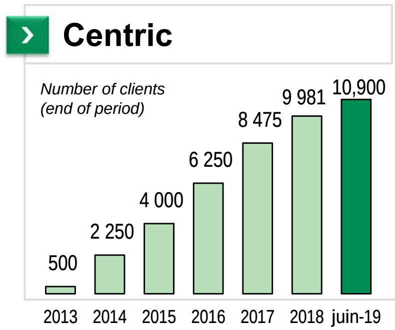
- **Domestic Markets: >8m digital clients** (retail banking)
  - Accelerated mobile usages with **> 4 million users of apps** (+22% vs. 2Q18) (19 monthly connections per user on average)
  - Digital offering: FRB number 1 banking network in France in the **2019 D-Rating ranking**

IFS

- Already **2.5m digital customers in the Europe-Mediterranean networks**
- Rapid digital development in Personal Finance
  - **Fully digital** application process for consumer loans already rolled out in 7 countries
  - **>53% of contracts signed electronically** and >27m monthly electronic account statements (>80% of statements)

CIB

- **Centric: a digital platform for corporates** deployed in 45 countries providing access to 33 applications
- **10,900 clients** representing >100,000 users as at June 2019
  - More than 17,000 client connections per day



Strong Capital Generation
Active Management of the Balance Sheet

- Active management of the balance sheet
  - Solid track record: $3.8bn total cash proceeds generated from the sale of **First Hawaiian Bank**
  - Sale of 16.8% of **SBI Life** shares and deconsolidation of the 5.2% residual stake in 1H19: €1.5bn of capital gains generated → ~+20 bps of CET1 ratio in 1H19
  - Ongoing development of **Originate & Distribute** leveraging new **Capital Markets** platform in CIB

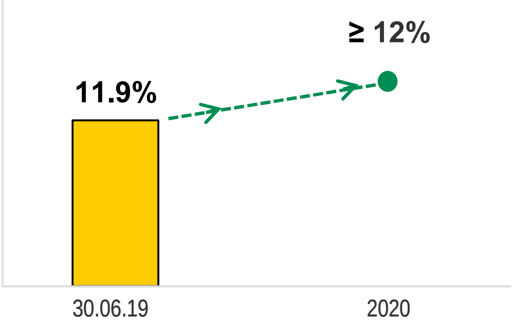
- Capital generation of at least 30 bps per year (after dividend distribution)

- CET1 ratio: 11.9% as at 30.06.19

First Hawaiian Bank.

SBI Life INSURANCE

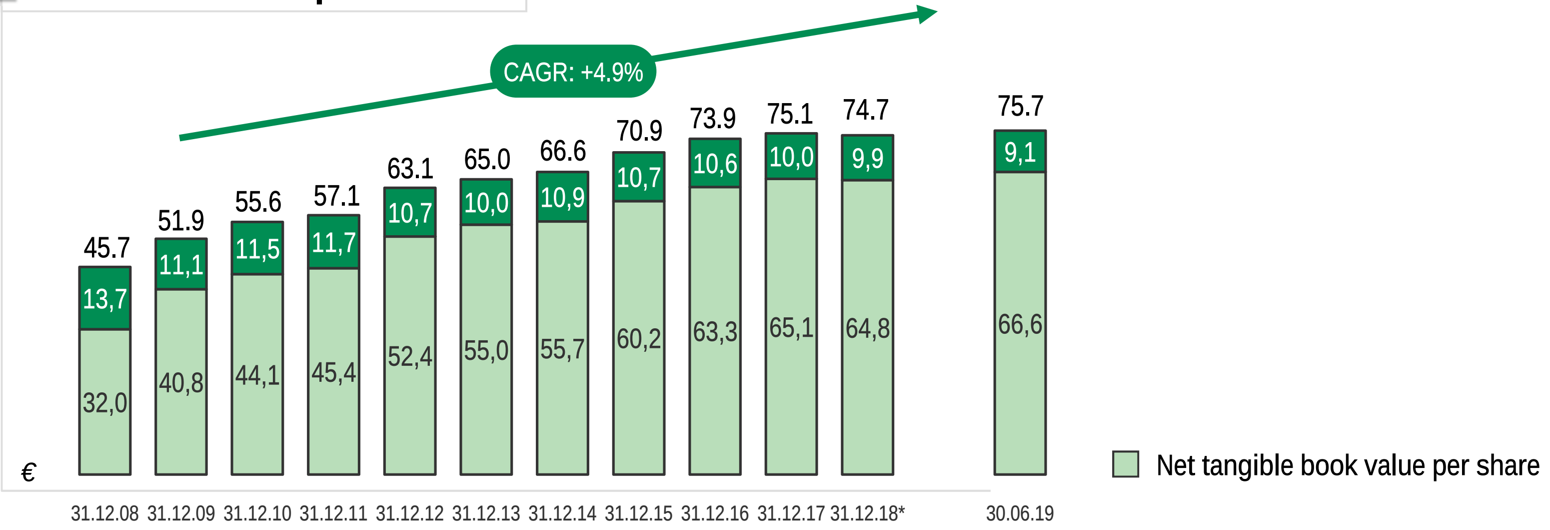
CET1 ratio



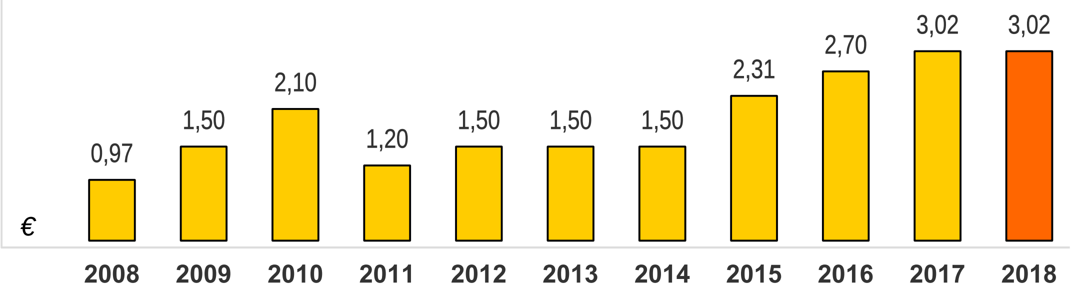
CET1 ratio at 11.9% as at 30.06.19

Recurrent Value Creation for Shareholders

Net book value per share



Dividend per share



- **Dividend: €3.02 per share**
  (stable vs. 2017)
  - Paid in cash
  - **Dividend yield: 7.4%****

** Reminder: equity impact of the first time application of IFRS 9 as at 01.01.18: -€2.5bn or -€2 per share; ** Based on the closing price on 2 September 2019 (€41.05)*

An ambitious policy of engagement in our society with concrete impacts

Strong decisions for a low carbon economy & against tobacco	▪ **Stop financing** shale gas / oil, oil from tar sands and gas / oil in the Arctic ▪ **Stop financing the tobacco sector**
A leader in projects with a positive impact	▪ **World's Best Bank** for corporate responsibility 2019 (Euromoney Awards) ▪ **Ranked number 3 for all green bonds in 2018**
Support for social entrepreneurship	▪ **€1.6bn in financing** at the end of 2018 ▪ **Act for Impact:** training relationship managers to cover social entrepreneurship in France

2020 AMBITION

Be a major contributor to the UN SDGs	▪ Contribution to the **17 Sustainable Development Goals (SDGs)** defined by the United Nations ▪ **€185bn** (vs €166bn in 2018) in financing for sectors contributing to SDGs
Have a major role in the transition toward a low carbon economy	▪ **Speed up the Energy Transition** program to help clients implement new energy models ▪ **Green company for employees** (promote green means of transportation…)
Develop a positive impact culture	▪ **Train senior bankers** on operations with a positive impact ▪ Develop tools to **measure the positive impact** of actions undertaken

Conclusion

Success of the new digital customer experiences

Business growth in the three operating divisions

Cost savings ramping up to deliver positive jaws in all operating divisions from 2019

Rise in income
ROTE: 11.0%

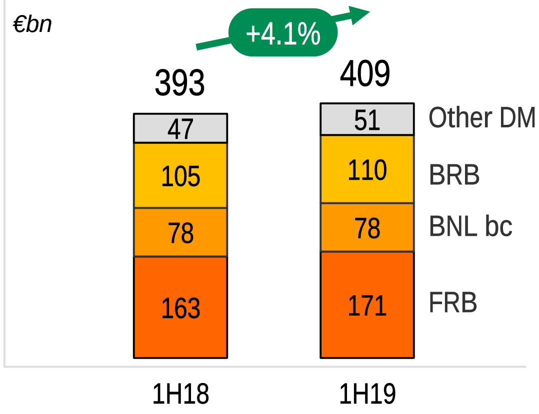
Increase in the CET1 ratio to 11.9%

Appendix

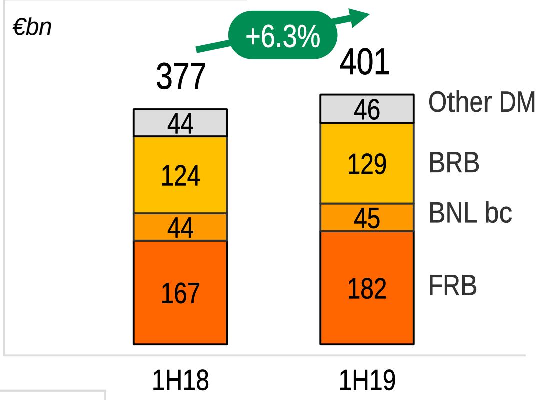
Domestic Markets - 1H19

- Growth in business activity
  - Loans: +4.1% vs. 1H18, good loan growth in the retail networks and in the specialised businesses (Arval, Leasing Solutions)
  - Good growth in corporate loans: +4.9% vs. 1H18
  - Deposits: +6.3% vs. 1H18, growth in all countries
  - Private banking: good level of net asset inflows (+€2.7bn in 1H19)
- Good digital development
  - Acceleration of mobile usages of our customers: number of connections to apps > 149 million in 1H19 (+27% vs. 1H18)
- Revenues*: €7,886m; -0.3% vs. 1H18
  - Impact of low interest rates partly offset by increased activity
  - Continued growth of the specialised businesses
- Operating expenses*: €5,500m; stable vs. 1H18
  - Decrease in the networks (-0.8%** vs. 1H18)
  - Rise in the specialised businesses on the back of the activity growth
  - Positive jaws effect at constant scope and exchange rates
- Pre-tax income***: €1,729m (-3.4% vs. 1H18)

Loans



Deposits



Continued good business drive
Decrease of costs in the networks

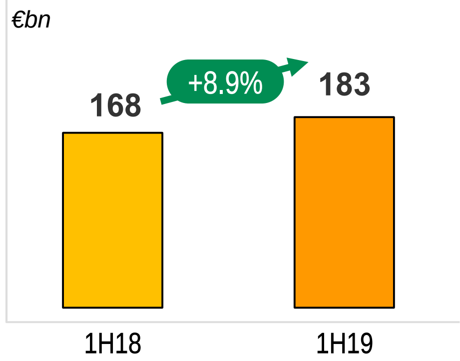
** Including 100% of Private Banking, excluding PEL/CEL; ** FRB, BNL bc and BRB, excluding the impact of IFRIC 21; *** Including 2/3 of Private Banking, excluding PEL/CEL*

International Financial Services - 1H19

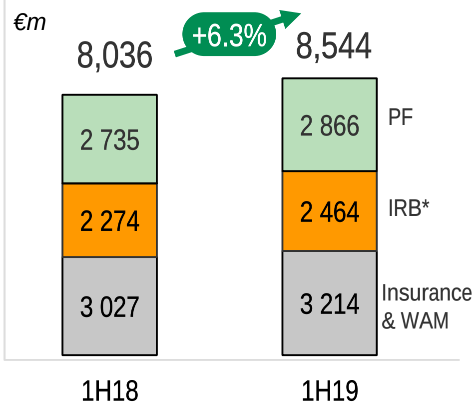
- Sustained business activity
  - Outstanding loans: +8.9% vs. 1H18 (+6.0% at constant scope and exchange rates)
  - Net asset inflows: +€10.3bn, strong asset inflows in all the businesses; assets under management: +2.7% vs. 30.06.18
  - Digital: active implementation of digital transformation and new technologies in all retail banking networks and specialised businesses
- Revenues: €8,544m; +6.3% vs. 1H18
  - +4.4% at constant scope and exchange rates
- Operating expenses: €5,247m; +5.3% vs. 1H18
  - Positive jaws effect (+1.0 pt)
  - +1.9% at constant scope and exchange rates
- Gross operating income: €3,297m; +8.0% vs. 1H18
  - +8.9% at constant scope and exchange rates
- Pre-tax income: €2,720m (+1.6% vs. 1H18)
  - +5.9% at constant scope and exchange rates

Good business growth
Positive jaws effect

Outstanding loans



Revenues

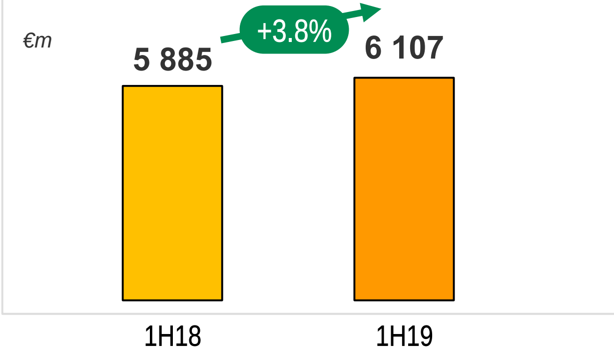


** Including 2/3 of Private Banking in Turkey and in the United States*

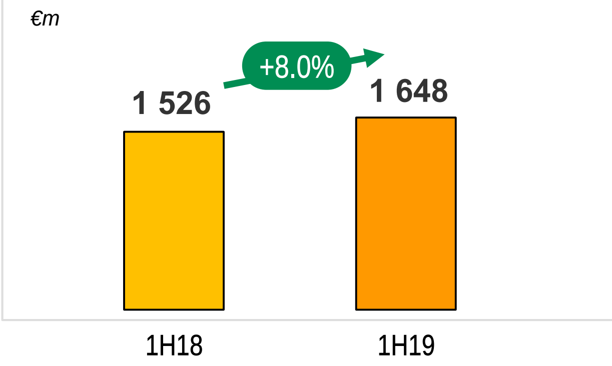
Corporate and Institutional Banking - 1H19

- Implementing the acceleration of transformation
  - Continued streamlining certain activities (discontinued Opera Trading's proprietary business & commodity derivatives in the US, agreement on outsourcing equity research to MorningStar in Asia)
  - Creation of Capital Markets, a joint platform of Corporate Banking and Global Markets for corporate financing
  - Intensification of industrialisation (€120m cost savings in 1H19)
  - Selective growth on targeted clients (e.g.: preliminary agreement with Deutsche Bank for prime brokerage and electronic execution)
- Revenues: €6,107m (+3.8% vs. 1H18)
  - Global Markets (+1.4%*): good performance in a lacklustre context
  - Corporate Banking (+6.3%*): good development of the business
  - Securities Services (+6.0%): strong growth this semester
- Operating expenses: €4,459m (+2.3% vs. 1H18)
  - Positive jaws effect (+1.5 pts)
  - Effect of transformation plan measures and implementation of digital transformation (automation, end-to-end processes)
- Pre-tax income: €1,572m (+1.1% vs. 1H18)

Revenues



Gross operating income



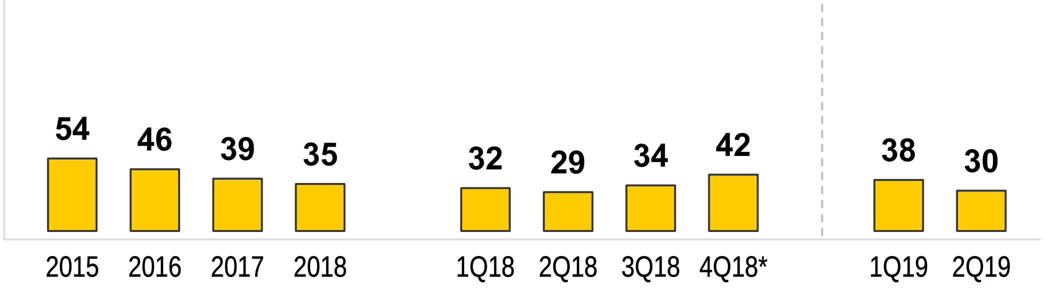
Revenue growth and positive jaws effect

** Excluding the effect of the creation of Capital Markets (transfer of €53m in revenues from Global Markets FICC to Corporate Banking in 1H19)*

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

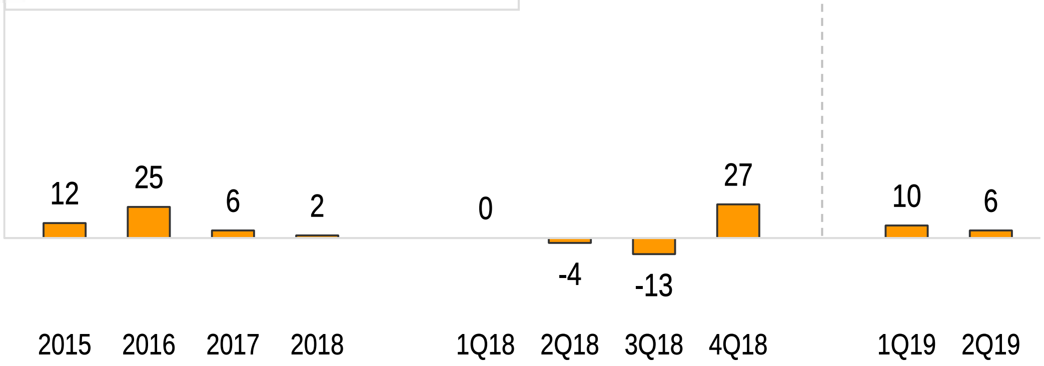
Cost of risk/Customer loans at the beginning of the period (in annualised bp)

Group



- Cost of risk: €621m
  - -€148m vs. 1Q19
  - +€54m vs. 2Q18
- Low cost of risk

CIB - Corporate Banking



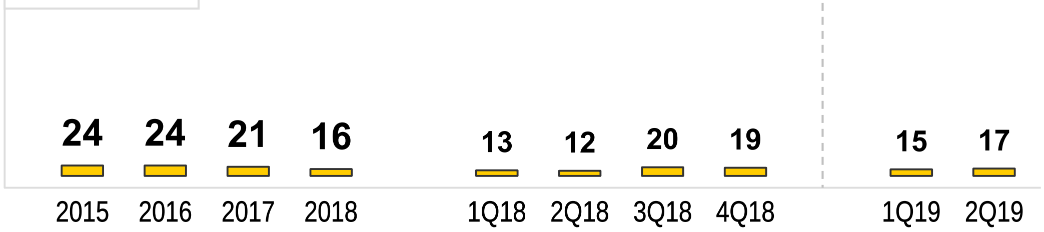
- Cost of risk: €21m
  - -€14m vs. 1Q19
  - +€33m vs. 2Q18
- Low cost of risk
- Reminder: provisions more than offset by write-backs in 2Q18

** Excluding booking of the stage 1 provisions on the portfolio of non-doubtful loans of Raiffeisen Bank Polska*

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

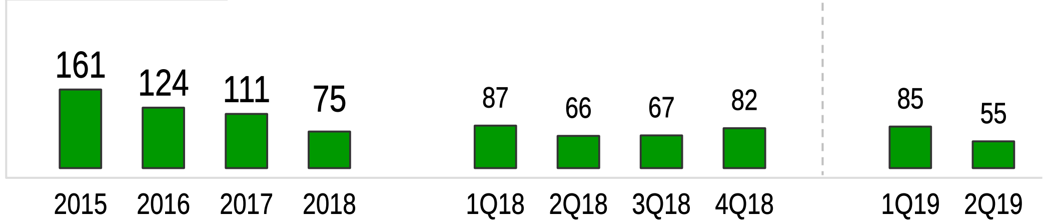
Cost of risk/Customer loans at the beginning of the period (in annualised bp)

FRB



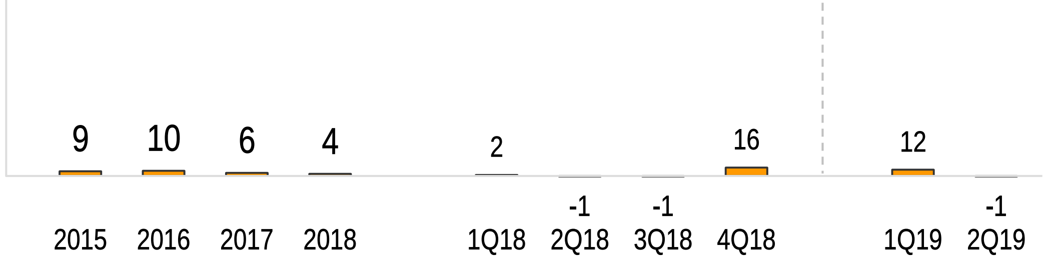
- Cost of risk: €83m
  - +€11m vs. 1Q19
  - +€29m vs. 2Q18
- Low cost of risk
- 2Q18 reminder: cost of risk at a particularly low level

BNL bc



- Cost of risk: €107m
  - -€58m vs. 1Q19
  - -€20m vs. 2Q18
- Continued decrease in the cost of risk

BRB

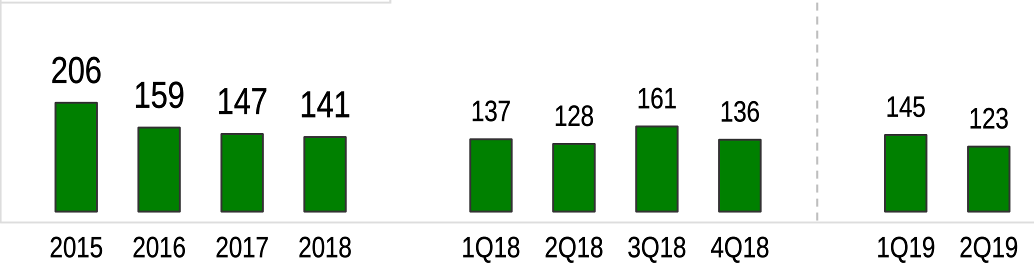


- Cost of risk: -€3m
  - -€37m vs. 1Q19
  - -€1m vs. 2Q18
- Provisions offset by write-backs this quarter

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

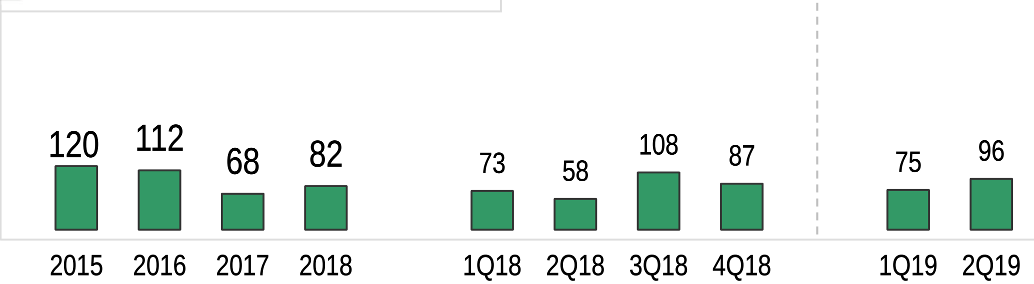
Cost of risk/Customer loans at the beginning of the period (in annualised bp)

Personal Finance



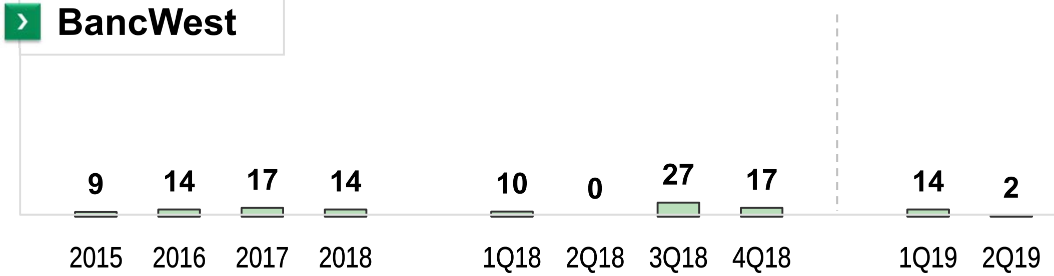
- Cost of risk: €289m
  - -€40m vs. 1Q19
  - +€24m vs. 2Q18
- Cost of risk at a low level this quarter due to non recurring provision write-backs

Europe-Mediterranean



- Cost of risk: €97m
  - +€21m vs. 1Q19
  - +€42m vs. 2Q18
- 2Q18 reminder: cost of risk at a particularly low level
- Increase in the cost of risk in Turkey

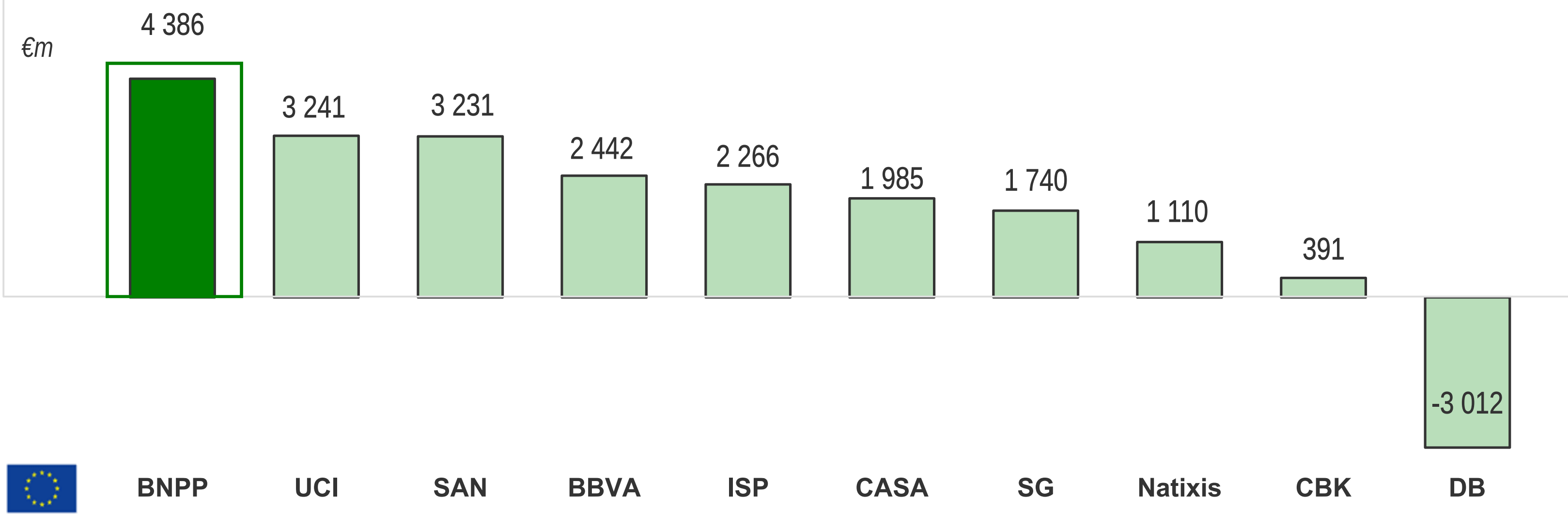
BancWest



- Cost of risk: €2m
  - -€16m vs. 1Q19
  - +€2m vs. 2Q18
- Provisions offset by write-backs this quarter

Strong Group Profit Generation Capacity

1H19 Net Income attributable to equity holders

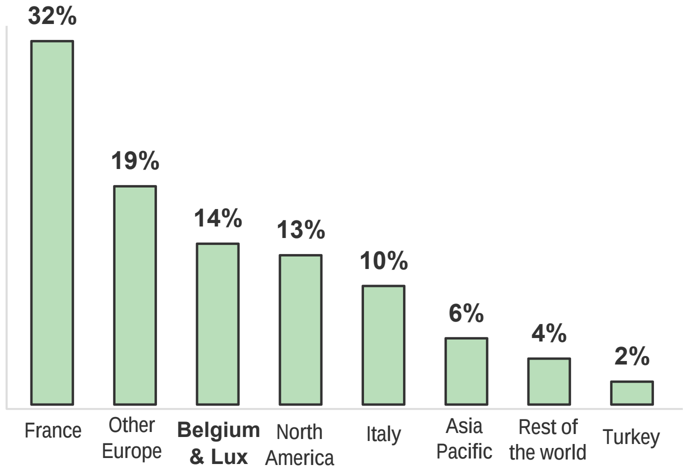


- 1H19 profitability
  - Return on equity: 9.6%*
  - Return on tangible equity: 11.0%*

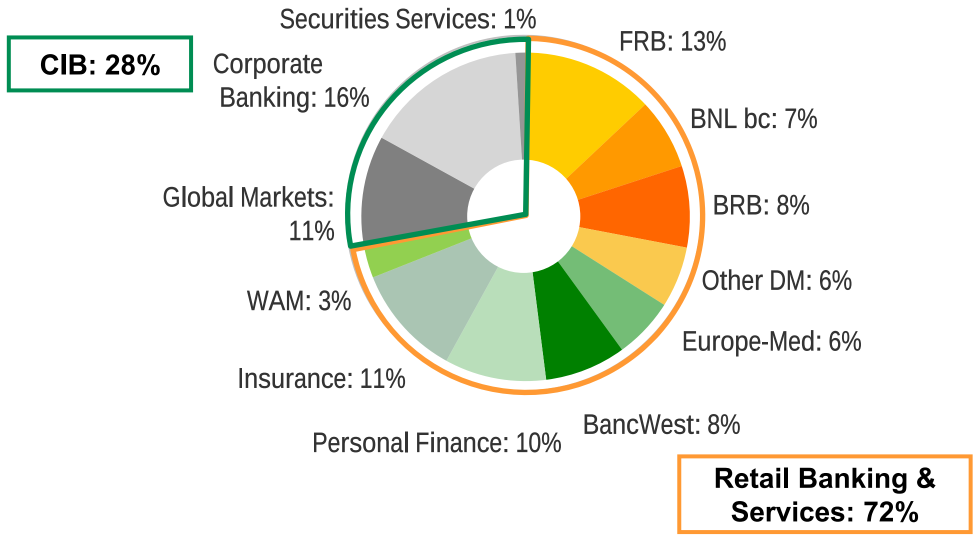
* *Calculated on the basis of half year income (transformation and restructuring costs annualised, contribution to the Single Resolution Fund and systemic taxes non annualised)*

A Business Model Well Diversified by Country and Business

2018 Gross Commitments* by region
>90% in wealthy markets



2018 Allocated equity by business
No single business line > 16%



- A balanced business model: a clear competitive advantage in terms of revenues and risk diversification
- An integrated business model fuelled by cooperation between Group businesses
- Strong resilience in changing environments

No country, business or industry concentration

* *Total gross commitments, on and off balance sheet, unweighted of €1,530 bn as at 31.12.18*