



# BNP PARIBAS

## STRONG MODEL & LONG-TERM CAPACITY TO CREATE VALUE

Goldman Sachs Conference,  
11 June 2020



**BNP PARIBAS**

The bank for a changing world

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# BNP Paribas: a strong model & a long-term capacity to create value in changing economic, technological, environmental, regulatory & societal environments.



**Solid capital & liquidity position**

**Structural diversification of revenues & risks leading to recurrent income generation and low risk profile**

**Strong & strengthened franchises within an integrated model**

**High-performance digital solutions for an improved efficiency & user experience**

**Ability to mobilise its strengths and resources in challenging times**



# Good level of results & excellent business drive

**In continuity with 2019, an excellent business drive and a level of results in 1Q20 in line with 2020 objectives excluding the major impacts of the health crisis**

**Revenues: €10,888m** (-2.3% vs. 1Q19)

+2.8% excluding one-off impacts of the health crisis in 1Q20<sup>1</sup>

**Gross operating income: €2,731m** (+1.3% vs. 1Q19)

+20.2% excluding one-off impacts of the health crisis in 1Q20<sup>1</sup>

**Net income<sup>2</sup>: €1,282m** (-33.2% vs. 1Q19)

+6.7% excluding the major impacts of the health crisis in 1Q20<sup>1</sup>

1. Impact in 1Q20 of the effects of the health crisis on the cost of risk (-€502m), two one-off impacts of 1Q20 of the effects of the health crisis on revenues (-€568m) : (i) one-off impact of the European authorities restrictions on 2019 dividends (-€184m; this amount does not include the effects of dividend reductions freely decided by companies in the new economic environment) and (ii) Accounting impact on insurance revenues related to the marking at fair value as at 31.03.20 of part of the assets (-€384m); 2. Group Share Income

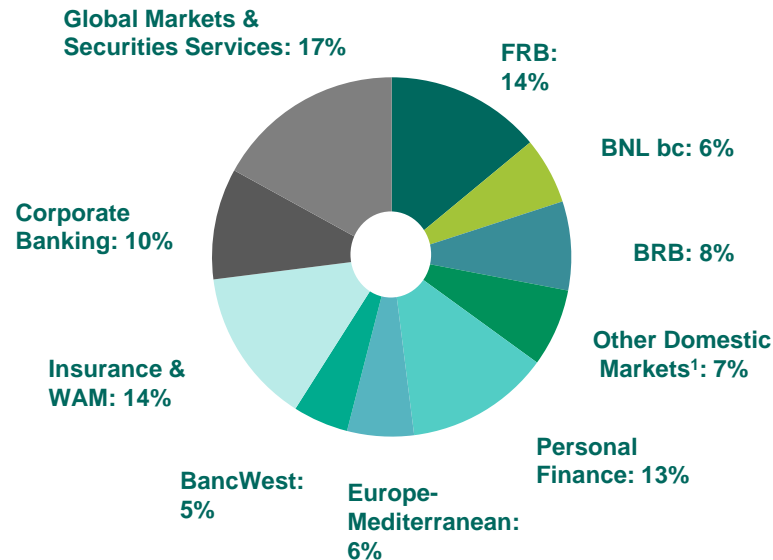


# A balanced business model: a clear competitive advantage in terms of revenues and risk diversification

**Resiliency : revenues well spread across countries and businesses with different cycles**

**Growth : strong and strengthened franchises with leading positions & gains in market shares**

• **Revenues by business as at 31.12.2019**



- **Leader in the neobank market in France, in the Top 5 in Europe with Nickel**
- **#1 in Private Banking in the Eurozone<sup>2</sup>**  
**Best Private Bank in the World (Global Finance 2019)**
- **3<sup>rd</sup> largest CIB in EMEA in 2019<sup>3</sup>**



- **#1 Worldwide in Sustainability Linked Loans<sup>4</sup>**  
**#1 financier of renewable energy projects in Europe, #3 in Asia Pacific<sup>4</sup>**

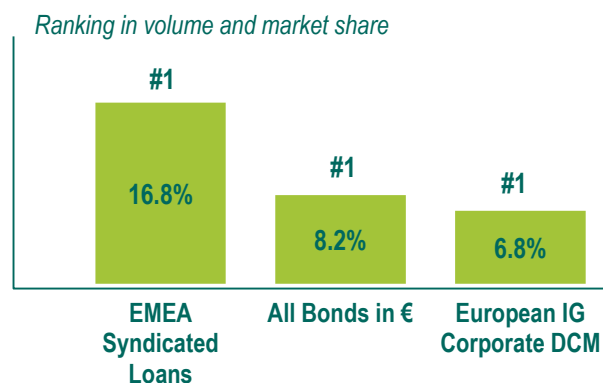
1. Including Luxembourg Retail Banking; 2. Ranking based on the amounts of assets under management as published by the main players in the market (public information) ; 3. Source: Coalition Proprietary Analytics, Index as at 31.12.19 ; EMEA : Europe, Middle East, Africa; 4. Source : Bloomberg & Dealogic as at 31.03.20

# Exceptional mobilisation of BNP Paribas' strengths & resources

**BNP Paribas has mobilised its resources and expertise to accompany its clients in these challenging times leading to strengthened long-term relationships and revenues**

- **Strong engagement & ongoing momentum e.g. in Capital Markets: over €200bn in financing raised globally for clients across bonds, syndicated loans & equity markets<sup>1</sup>**

## ● Bond and syndicated credit rankings in 2020<sup>1</sup>



- **Prompt deployment of the state-guaranteed loans: more than 70 000 applications received in Europe<sup>2</sup>**
- **Proactive reach out in all customer segments e.g. 25% increase in the number of appointments with Private Banking clients in France in March<sup>3</sup>**

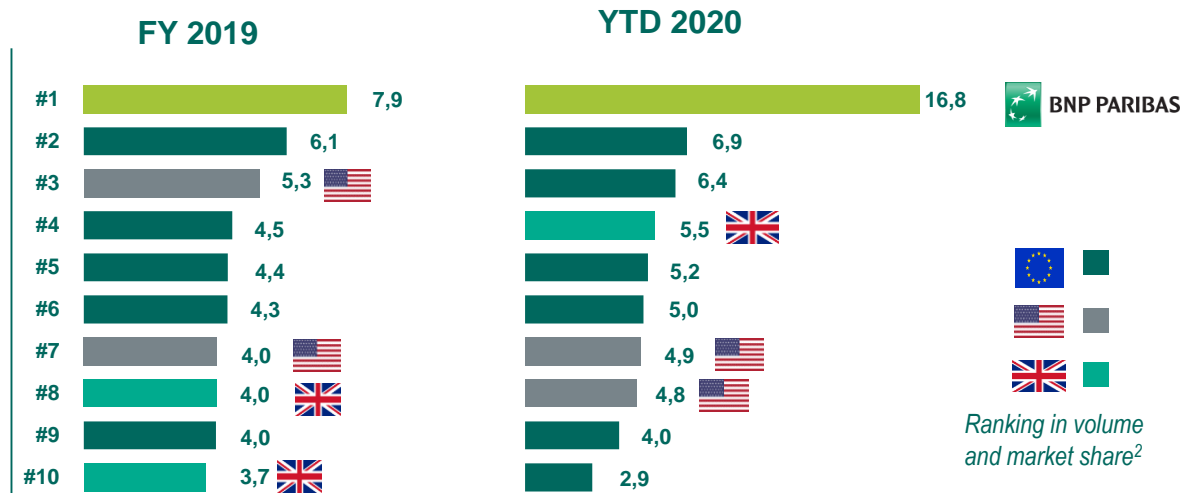
1. Source : Dealogic, year to date as at 31 May 2020; bookrunner; 2. Received by the retail networks in Europe as at 15 May and according to the inception of the measures; 3. Progression based on the number of households



# Strong business drive and strengthened positions: Focus on syndicated loans

More than €83bn in syndicated lines led for clients in Europe  
since mid-March<sup>1</sup>  
(final take retained ~10%)

## ● EMEA syndicated loans

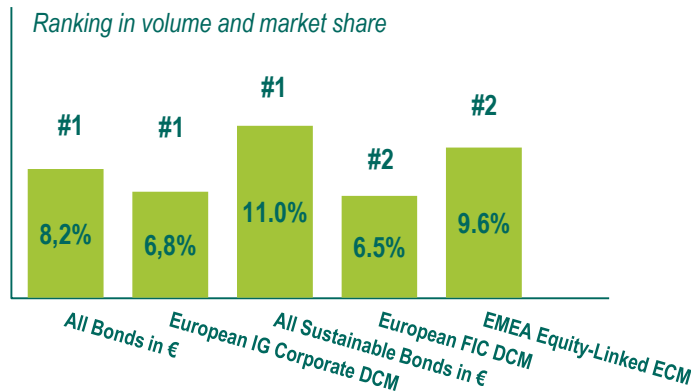


1. Total amount of deal closed or underway between mid-March and 31 May 2020 2. Source: Dealogic, year to date as at 30 May 2020; bookrunner; EMEA: Europe, Middle East and Africa;

# Strong business drive and strengthened positions: Focus on bonds

**More than 50% of investment grade corporate bond issuances in EMEA since mid-March**  
(>€100bn in aggregate in >80 transactions)<sup>1</sup>

## ● Bond & Equity rankings in 2020<sup>2</sup>



## ● Covid-19 bonds

**#1 on Covid-19 related bonds in € with a 17.5% market share (€5.6bn on 12 tranches)<sup>3</sup>**

 <b>NIB</b> <small>NORDIC INVESTMENT BANK</small>	€1bn Response Bond Inaugural issue Joint Lead Manager March 2020
 <b>European Investment Bank</b> <i>The Ed. bank</i>	€1bn Sustainability Awareness Bond (Capital A&B) Joint Lead Manager April 2020
	€1bn Social Bond Joint Lead Manager April 2020

1. Total amount of deal closed or underway between mid-March and 31 May 2020; 2. Source: Dealogic, year to date as at 31 May 2020; bookrunner; 3. Source: Bloomberg as at 2 June 2020

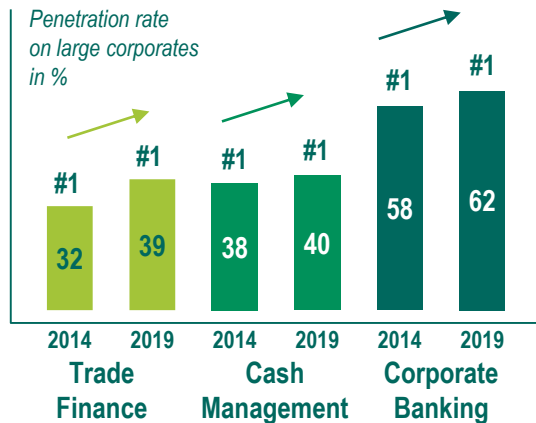




# Strong business drive and strengthened positions: Focus on Corporate Banking

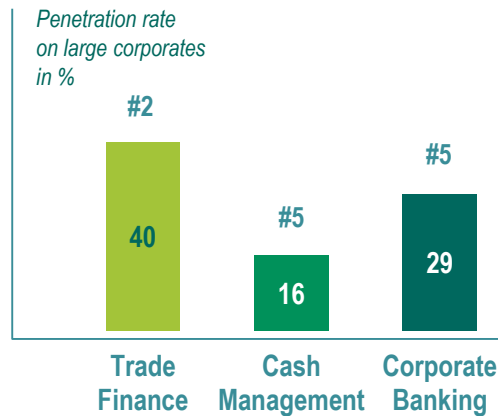
## ● Corporate Banking in Europe

#1 for 6 years in a row on large corporates<sup>1</sup>



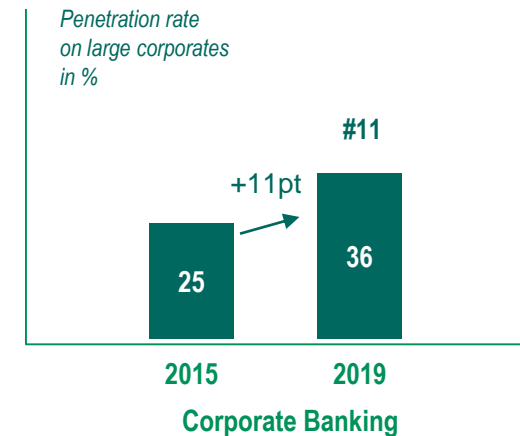
## ● Corporate Banking in Asia

Top 5 for the first time on large corporates<sup>2</sup>



## ● Corporate Banking in the US

Improved overall position with a targeted strategy (+16pts at 58% market penetration on targeted clients)<sup>3</sup>



1. Source: Greenwich Share Leader European Large Corporate Banking, Cash Management and Trade Finance 1Q15-1Q20; 2. Greenwich Share Leader Asian Large Corporate Banking & Cash Management 1Q20 and Asian Large Corporate Trade Finance 3Q19; 3. Source Greenwich Associates

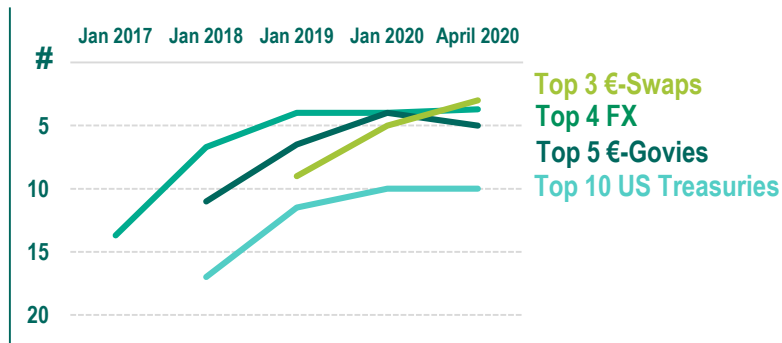


# Strong business drive and strengthened positions: Focus on Global Markets

## FICC

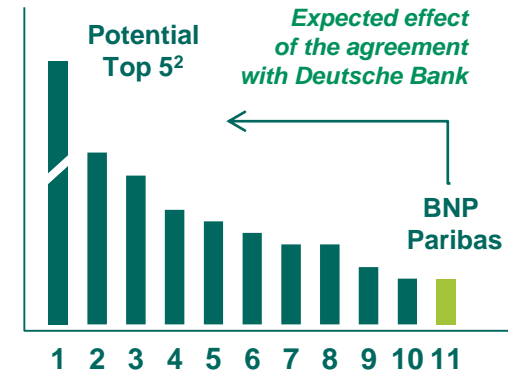
- Increased rankings on Electronic platforms<sup>1</sup>

Average ranking  
on main Multi-dealer platforms



## Equity & Prime Services

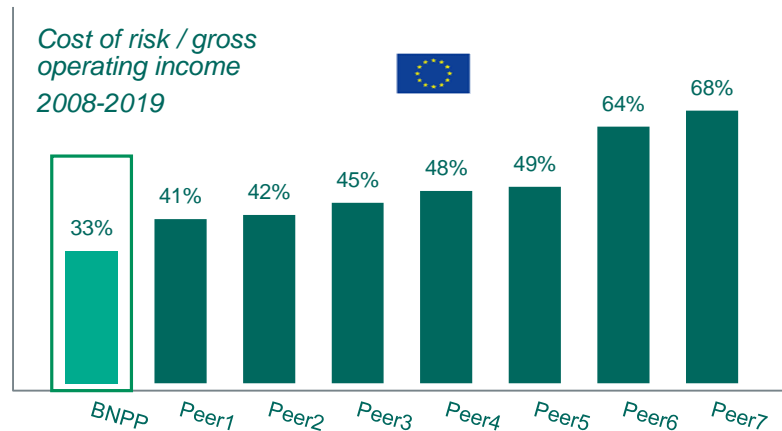
- Integration of Deutsche Bank prime brokerage and electronic execution progressing well



1. FX: average Bloomberg, FX All and 360T, Rates: average Tradeweb and Bloomberg ; 2. Source: 2018 Coalition

# BNP Paribas benefits from its diversification and prudent risk management

- A cost of risk / gross operating income ratio among the lowest throughout the cycle



- As demonstrated by EBA stress tests in 2018:

Impact on BNP Paribas' cost of risk of the adverse scenario vs. Base scenario :  
37% below the average across 48 European Banks<sup>1</sup>

1. Cumulated cost of risk over three years



# BNP Paribas benefits from its diversification and prudent risk management

## Low risk profile continuously improved through a proactive management

- Selectivity at origination, changes in product business mixes, portfolio management

### BNL: more selective at origination in particular in the SME sector

- ~60% on counterparties rated investment grade in 2016, >70% in 2019<sup>1</sup>
- A cost of risk reduced from 124 bp in 2016 to 64 bp in 2019<sup>1</sup>

### Personal Finance: a less risky product business mix

- Credit cards: ~20% in 2016, ~10% in 2019<sup>2</sup>
- Auto loans: 20% in 2016, ~40% in 2019<sup>2</sup>

### Oil & Gas : less risky activities

- 60% of gross commitments on Majors and National Oil Companies
- Disposal of US RBL activities in 2012
- No more financing companies whose principal activity is related to unconventional O&G sector since 2017

## Highly diversified by sectors

- No sector representing more than 5% of total gross commitments<sup>3</sup>
- Limited exposure to sectors considered as sensitive

	% of total gross commitments <sup>3</sup>	% on counterparties rated investment grade <sup>4</sup>
Aircraft	0.9%	~50%
Hotels, Tourism & leisure	0.8%	~50%
Non food retail	0.6%	~60%
Transport & storage (excl. shipping)	3.0%	~80%
Oil & Gas	2.2%	~80%

1. As a percentage of the SME asset class exposure year end; cost of risk /customer loans at the beginning of the period (in bp); 2. Average outstanding loans under management at year end; 3. Corporate Asset class / Total gross commitments, on and off balance sheet, unweighted as at 31.03.2020 – taking into account the final take of a credit line awaiting syndication at the end of March 2020; 4. As a percentage of gross commitments, on and off balance sheet, unweighted as at 31.03.2020 according to external rating of internal equivalent



# 2020 Cost trajectory

The Group will amplify the initially planned decrease in operating expenses

## ● Decrease in 2020 initially planned as a result of the 2020 transformation plan

No transformation costs in 2020: - €0.7bn

Net cost savings planned in 2020: - €1.5bn

Partially offset by the impact of inflation & wage drift

1Q20 Operating Expenses:  
-3.5% vs. 1Q19

## ● Amplification of this decrease on the back of the ongoing digital tools adoption accelerated with the health crisis

### Ramping up of remote work and flex offices:

- 47% of the office space in flex offices in the Paris Metropolitan area in 2019
- More than 132,000 employees working remotely worldwide during the health crisis
- IT network capacities x5 in Europe in few weeks

### Best in class digital tools, extensive usages, increasing operational efficiency

- 13.6 million digital clients in retail networks, +33% of customers active on mobile apps YoY
- 92% of transactions in selfcare in Personal Finance in 1Q20 (85% in 2019)
- +172% of new clients in Consorsbank in Germany in 1Q20 vs 1Q19
- Leading positions on electronic platforms (>21M electronic orders in 2019)



# 2020 Outlook

- **The health crisis has led to a drastic revisit of the 2020 macroeconomic scenario**
  - The current recession will give way to a very gradual recovery with the end of the lockdown measures
  - Return to normalised health conditions should not be expected before the end of the year
  - Return to 2019 GDP level is not anticipated before 2022
- **Governments and monetary authorities have taken exceptional steps to mitigate the health crisis' impacts and sustain the economic and social fabric. BNP Paribas is taking active part in these economic support initiatives**
- ➔ **This should result in an increase in net interest income offsetting in part the decrease in fees affected by the crisis**
- ➔ **In parallel, the Group will amplify the initially planned decrease in operating expenses, but this decrease could be offset by the increase in the cost of risk**
- ➔ **In this context, and unless new crisis or new developments occur, Group's Net Income<sup>1</sup> for 2020 could be about 15% to 20% lower than in 2019**

1. Group share





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# 1Q20 GROUP RESULTS

1Q20 DIVISION RESULTS

# Health crisis

## Three major impacts of the health crisis in 1Q20

- The health crisis had major repercussions on macroeconomic outlook and produced extreme shocks on the financial markets.
- After a quarter in line with the 2020 objectives of BNP Paribas, health crisis related developments had 3 distinct negative impacts :
  - Impact in 1Q20 of the effects of the health crisis on the cost of risk: -€502m<sup>1</sup>
    - Mainly for ex-ante provisioning of expected losses
  - Two one-off impacts in 1Q20 of the effects of the health crisis on revenues: -€568m
    - Impact of the European authorities' restrictions on 2019 dividends on Equity & Prime Services' revenues in Global Markets: -€184m<sup>2</sup>
    - Accounting impact on Insurance revenues related to the marking at fair value as at 31.03.20 of part of the assets (reversible in the event of a stock market recovery): -384 M€

1. See slide 12 of the 1Q20 results on the impacts of the effects of the health crisis on the cost of risk in 1Q20 ; 2. This amount does not include the effects of dividend reductions freely decided by companies in the new economic environment





# Consolidated Group – 1Q20

Good level of results in line with the 2020 objectives excluding major impacts of the health crisis<sup>1</sup>

	1Q20	1Q19	1Q20 vs. 1Q19	Excluding major impacts of the health crisis <sup>1</sup>	
				1Q20 vs. 1Q19	1Q20
<b>Revenues</b>	€10,888m	€11,144m	-2.3%	+2.8%	€11,456m
Operating expenses	-€8,157m	-€8,449m	-3.5%		
<i>Op expenses excl. taxes subject to IFRIC 21<sup>2</sup></i>			-4.4%		
<b>Gross operating income</b>	€2,731m	€2,695m	+1.3%		
Cost of risk	-€1,426m	-€769m	+85.4%	+20,2%	-€924m
<b>Operating income</b>	€1,305m	€1,926m	-32.2%		
Non operating items	€490m	€757m	-35.2%		
<b>Pre-tax income</b>	€1,795m	€2,683m	-33.1%		
<b>Net income, Group share</b>	€1,282m	€1,918m	-33.2%	+6.7%	€2,047m
<b>Net income, Group share excl. exceptionals &amp; taxes subject to IFRIC 21<sup>2</sup></b>	€2,093m	€2,565m	-18.4%		

In line with the 2020 objectives

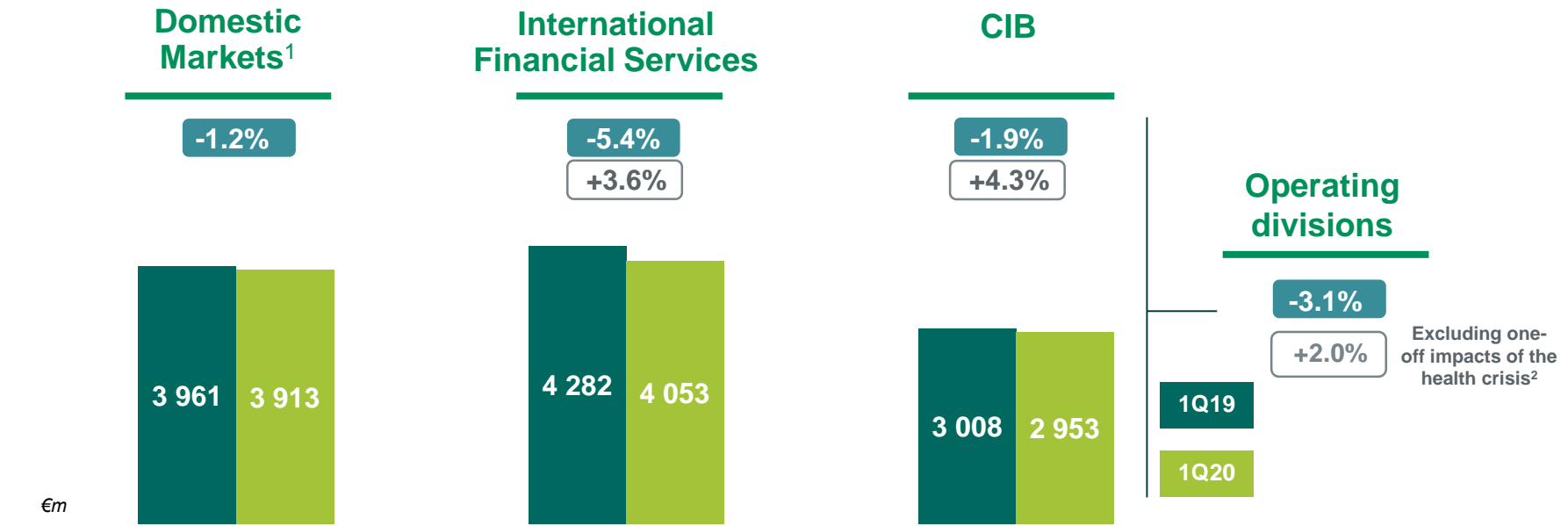
**Return on tangible equity (ROTE)<sup>3</sup>: 8.0%**

1. As defined on slide 6 of the 1Q20 results; 2. Booking in 1Q of almost the entire amount of taxes and contributions for the year based on the application of IFRIC 21 "Taxes" including contribution to the Single Resolution Fund; 3. Not revaluated



# Revenues of the Operating Divisions - 1Q20

Good results despite severe market disruptions in late March



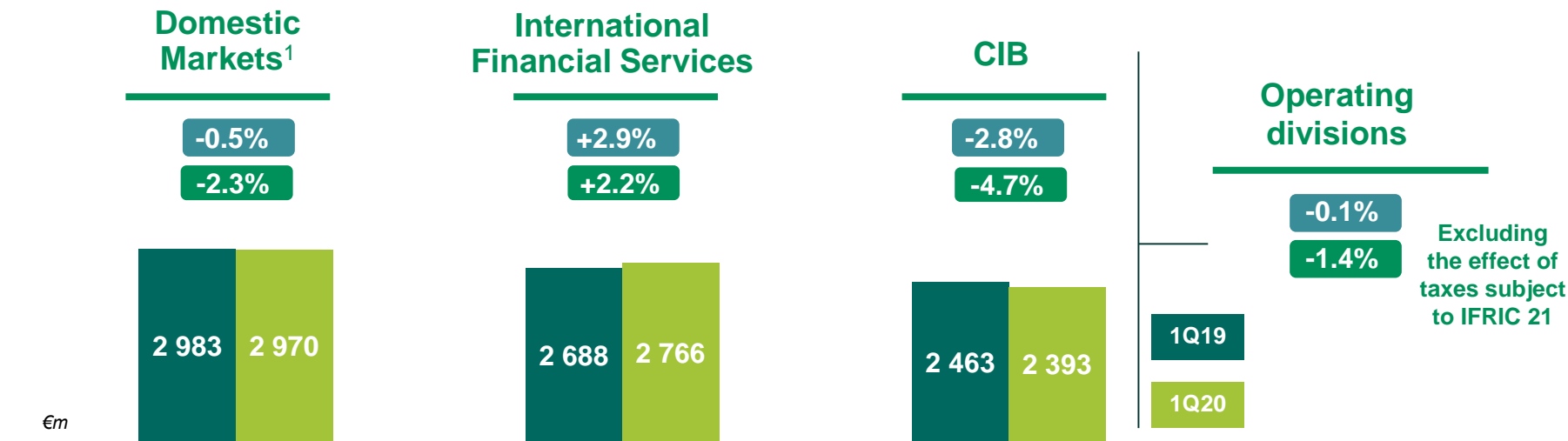
- Negligible foreign exchange effect this quarter
- **Domestic Markets:** good performance despite the persisting impact of low interest rates in the networks and continued growth in the specialised businesses (in particular Personal Investors)
- **IFS:** revenue growth in Personal Finance, Europe-Mediterranean, BancWest but one-off accounting impact on Insurance revenues from the sharp fall in the markets at the end of the quarter<sup>2</sup>
- **CIB:** very good performance at FICC, Corporate Banking & Securities Services penalised by the impact of one-off shocks at the end of the quarter on Equity & Prime Services

1. Including 100% of Private Banking in France (excluding PEL/CEL impacts), Italy, Belgium and Luxembourg; 2. As defined on slide 6 of the 1Q20 results



# Operating expenses of the Operating Divisions - 1Q20

## Decrease in operating expenses in absolute terms



- Domestic Markets:** decrease in operating expenses in absolute terms and positive jaws effects excluding the effect of taxes subject to IFRIC 21 (+1.1pt); decrease in the networks (-1.5%<sup>2</sup>) and contained increase in the specialised businesses
- IFS:** support for developing businesses contained by the effects of cost saving measures
- CIB:** strong decrease in operating expenses in absolute terms, due in particular to continued cost saving plans

1. Including 100% of Private Banking in France (excluding PEL/CEL impacts), in Italy, Belgium and Luxembourg; 2. FRB, BNL bc and BRB



# Very solid financial structure

## CET1 ratio well above requirements

### ● CET1 ratio: 12.0% as at 31.03.20<sup>1</sup>

Organic effects (including the impact of IFRIC 21 "Taxes"): 0 bp

- 1Q20 results after taking into account a 50% dividend pay-out ratio: +10 bps
- Organic increase in risk-weighted assets: -10 bps

Support to the economy in the context of the health crisis: -20 bps

- Increase in credit risk-weighted assets: -20 bps

Effects related to the health crisis: -50 bps

- Market risk: -10 bps
- Counterparty risk: -10 bps
- Prudent Valuation Adjustment (PVA): -10 bps
- Impact on Other Comprehensive Income of market prices as at 31.03.20 net of the effects of risk-weighted asset: -20 bps

Impact of the allocation of the 2019 dividend to the reserve's account<sup>2</sup>: +60 bps

Overall limited impact of other effects on the ratio.

CET1 ratio well above requirements notified by the European Central Bank (9.31%<sup>3</sup> as at 31.03.2020)

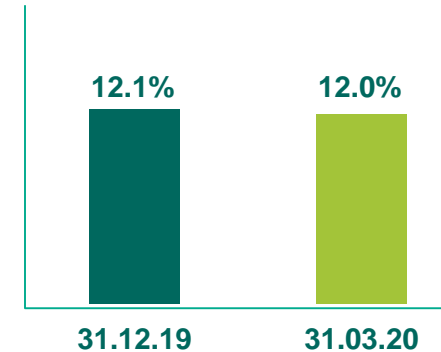
### ● Leverage ratio<sup>4</sup>: 3.9% as at 31.03.20

### ● Immediately available liquidity reserve: €339bn<sup>5</sup>

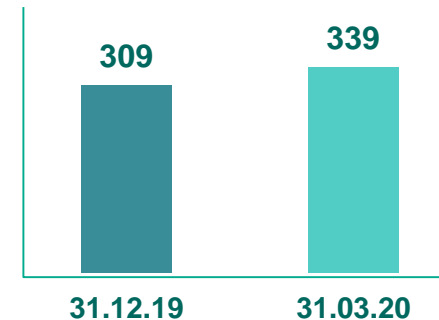
(€309bn as at 31.12.19): room to manoeuvre > 1 year in terms of wholesale funding

### ● Liquidity Coverage Ratio: 130% as at 31.03.20

### ● CET1 ratio



### ● Liquidity reserve (€bn)<sup>5</sup>



1. See slide 77 of the 1Q20 results ; 2. In accordance with the Board of Directors' decision of 2 April 2020 and subject to the Annual General Meeting of 19 May 2020; 3. After taking into account the announced eliminations of CCyB and in accordance with Art.104a of CRD5 and excluding P2G; 4. Calculated in accordance with the EC Delegated Act of 10.10.2014 on Total Tier 1 Capital; 5. Liquid market assets or eligible in central banks (counterbalancing capacity) taking into account prudential standards, notably US standards, minus intra-day payment system needs





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1Q20 GROUP RESULTS

# 1Q20 DIVISION RESULTS

# Domestic Markets - 1Q20

Good performance in a low-interest rate environment, positive jaws effect<sup>1</sup>

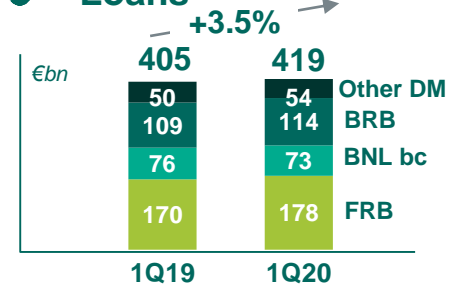
## ● Growth in business activity

- Loans: +3.5% vs. 1Q19, good loan growth in retail networks, in particular in France and Belgium and in the specialised businesses
- Deposits: +7.6% vs. 1Q19 - Good net asset inflows in Private Banking (+€2.5bn)

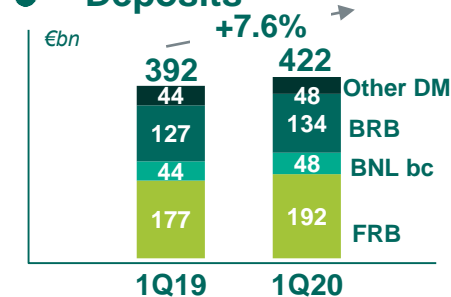
## ● Strong and swift mobilisation to support customers during the health crisis

- 90% of branches were open as of the end of March (with special public health arrangements for serving customers)
- Proactive reach out to customers and roll-out of processes and tools to deploy aid measures
- Prompt deployment of the state-guaranteed loans with the inception of governmental measures
- Success of new digital channels supporting a massive use by our customers: 31% increase vs. 1Q19 in customers active on mobile apps<sup>2</sup> (to 5.3m) and more than 3.4 million daily connections on the mobile apps

## ● Loans



## ● Deposits



**Revenues<sup>3</sup>: €3,913m**  
(-1.2% vs. 1Q19)

- Impact of low interest rates partially offset by increased fees and volumes
- Very strong growth in Personal Investors (+42.1%), particularly at Consorsbank in Germany

**Operating expenses<sup>3</sup>: €2,970m**  
(-0.5% vs. 1Q19)

- Excluding the effect of taxes subject to IFRIC 21: -2.3% vs. 1Q19, -3.8%<sup>4</sup> vs. 1Q19 in the networks - positive jaws effect
- Increase in connection with the growth in specialised businesses

**Pre-tax income<sup>5</sup>: €574m**  
(-5.5% vs. 1Q19)

(+2.6% excluding the anticipated effects of the health crisis on the cost of risk<sup>6</sup>)

- Up 1.0%, excluding the effect of taxes subject to IFRIC 21
- Impact of the anticipated effects of the health crisis on the cost of risk (-€49m)

1. Excluding the effect of taxes subject to IFRIC 21; 2. Clients with at least one connection to the mobile app per month (on average in 1Q20); scope: individual customers, corporates and private banking of DM networks or digital banks (including Germany, Austria and Nickel); 3. Including 100% of Private Banking, excluding PEL/CEL; 4. FRB, BRB and BNL bc; 5. Including 2/3 of Private Banking, excluding PEL/CEL; 6. As defined on slide 12 of the 1Q20 results



# DM - French Retail Banking - 1Q20

## Customer relationships strengthened in the midst of the crisis

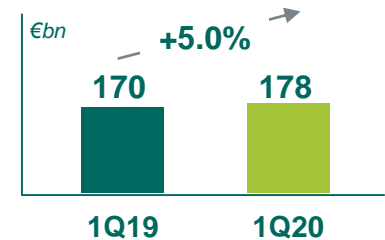
### Good level of business activity

- Loans: +5.0% vs. 1Q19, good growth in all customer segments, margins holding up well; increase in particular in corporate loans
- Deposits: +8.3% vs. 1Q19
- Private Banking: +€1.2bn in net asset inflows and strong increase in online market transactions<sup>1</sup> (66% of total transactions in 1Q20 vs. 46% in 1Q19)

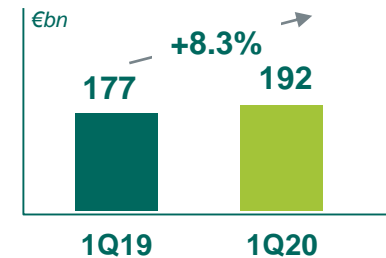
### A prompt adaptation of the set-up in reaction to the health crisis, with strong and proactive support to individual and corporate clients

- Close to 90% of branches open as of the end of March<sup>2</sup> to provide essential services
- 25% increase in March in the number of appointments with Private Banking clients<sup>3</sup>
- Case-by-case solutions (deferred payment schedules, cash or credit management solutions...), and very quick roll-out of state-guaranteed loans (staff training in 48h):
  - Roll-out facilitated by robotisation
  - ~44,000 applications received<sup>4</sup> for a total of ~ €11,4bn, ~ 2,000 new loan applications each day

### Loans



### Deposits



### Revenues<sup>5</sup>: €1,524m (-4.4% vs. 1Q19)

- Net interest income (-9.8%), high basis in 1Q19, impact of the low interest-rate environment
- Fees (+2.8%), strong growth in financial and cash management fees

### Operating expenses<sup>5</sup>: €1,166m (-1.6% vs. 1Q19)

- Decrease in cost on the back of ongoing cost-optimisation measures
- 4.1%, excluding the effect of taxes subject to IFRIC 21

### Pre-tax income<sup>6</sup>: €222m (-27.0% vs. 1Q19)

- 14.3% excluding the effect of taxes subject to IFRIC 21

1. Transactions involving securities held directly and via mutual funds; 2. Retail branches, including those with a special set-up for serving customers; 3. Progression based on the number of households; 4. State-guaranteed loans, figures as of 30 April 2020; 5. Including 100% of Private Banking, excluding PEL/CEL; 6. Including 2/3 of Private Banking, excluding PEL/CEL effects



# DM - BNL banca commerciale - 1Q20

## Rise in income due to the decrease in the cost of risk

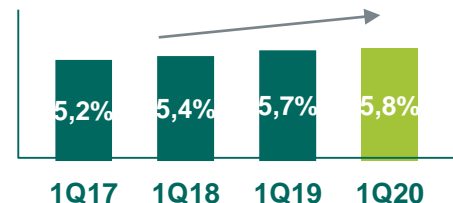
### ● Growth in business activity in a challenging environment

- Loans: -4.3%<sup>1</sup> vs. 1Q19, stable on the perimeter excluding non-performing loans; continued market share gains in corporate loans
- Deposits: +10.9% vs. 1Q19
- Continued increase in life-insurance savings (+3.1% vs. 1Q19)

### ● Supporting customers during the health crisis

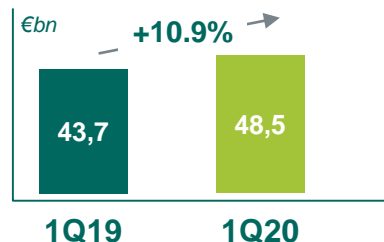
- Very rapid roll-out of measures on BNL's initiative (moratoria of 6 months for corporate loans, 3 contractual payments for mortgage loans, etc.), on top of government measures
- Close to 90% of branches remain open, with special public health arrangements to serve customers

### ● Market share on the corporate segment (loans)



Source: Italian Banking Association<sup>2</sup>

### ● Deposits



### Revenues<sup>3</sup>: €659m (-2.5% vs. 1Q19)

- Net interest income: -4.0% vs. 1Q19, impact of the low interest rate environment and the positioning on clients with a better risk profile
- Fees: -0.1% vs. 1Q19, growth mainly in Private Banking

### Operating expenses<sup>3</sup>: €465m (-1.2% vs. 1Q19)

- Effect of cost savings and adaptation measures ("Quota 100" retirement plan)

### Pre-tax income<sup>4</sup>: €64m (+113.5% vs. 1Q19)

- Confirmation of the significant decrease in the cost of risk (-27%), despite the impact of the anticipated effects of the health crisis

1. Loan volumes based on a daily average; loan volumes fell by 3.2% on an end-of-quarter basis; 2. 1Q20 based on information available as of the end of February; 3. Including 100% of Italian Private Banking; 4. Including 2/3 of Italian Private Banking



# DM - Belgian Retail Banking - 1Q20

## Impact of low interest rates, continued cost adaptation

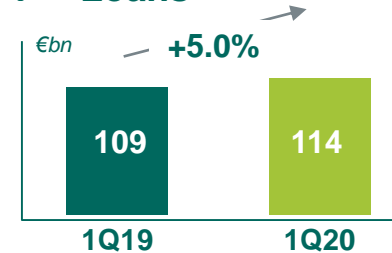
### — Sustained business activity throughout the quarter

- Loans: +5.0% vs. 1Q19, good growth in mortgage and corporate loans
- Deposits: +5.4 % vs. 1Q19

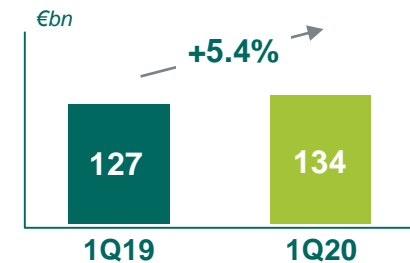
### — Strong mobilisation with specific and proactive support to clients

- 99% of branches have remained open, with special arrangements for serving customers
- 74,000 adjustments to the schedule of repayments of existing loans (all customer segments) as of 24 April.

### — Loans



### — Deposits



### Revenues<sup>1</sup>: €885m (-3.3% vs. 1Q19)

- Net interest income: -9.2% vs. 1Q19, high base in 1Q19, impact of low interest rates partially offset by a rise in loan volumes
- Fees: +15.2% vs. 1Q19, in connection with lending activity and financial fees

### Operating expenses<sup>1</sup>: €830m (-1.6% vs. 1Q19)

- Excluding the effect of taxes subject to IFRIC 21: 5% decrease and positive jaws effect
- Effect of cost reduction measures
- Continuing branch network optimisation (-32 branches vs. 31.12.19)

### Pre-tax income<sup>2</sup>: -€4m (-3.8% excluding the effect of taxes subject to IFRIC 21)

- Strong impact of the increase in taxes subject to IFRIC 21
- Increase in the cost of risk with the anticipated effects of the health crisis

1. Including 100% of Belgian Private Banking; 2. Including 2/3 of Belgian Private Banking

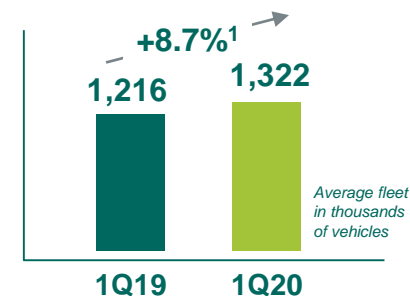
# DM - Other Activities - 1Q20

Overall very good business drive, positive jaws effect and strong growth in income

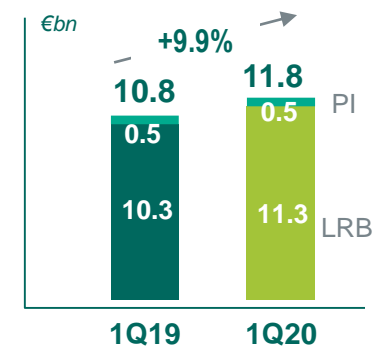
## Very good level of activity in all businesses and proactive implementing of public health measures

- **Arval:** growth of the financed fleet (+8.7%<sup>1</sup> vs. 1Q19); contractual terms extended or amended on a case-by-case basis
- **Leasing Solutions:** rise in outstandings of +3.8%<sup>2</sup> vs. 1Q19; continued business in all countries thanks to the intensive use of digital tools and the development of robots to speed up processing of applications linked to the current context
- **Personal Investors (PI):** significant increase in the number of orders (+92.5% vs. 31.03.19) and new clients, in particular at Consorsbank in Germany (+172% vs. 31.03.19); rise in assets under management of +1.8% vs. 31.03.19
- **Nickel:** ongoing expansion in France with close to 1.6 million accounts opened (+28.9% vs. 31.03.19) and 5,533 points of sale at the end of March 2020 (+22.5% vs. 31.03.19)
- **Luxembourg Retail Banking (LRB):** good level of business, mobilisation to implement government measures and assistance provided to individual and corporate customers

## Arval financed fleet



## Loans



**Revenues<sup>3</sup>: €845m**  
(+9.0% vs. 1Q19)

- Good development in all businesses
- Very strong revenue growth at Personal Investors and in particular at Consorsbank in Germany

**Operating expenses<sup>3</sup>: €508m**  
(+5.2% vs. 1Q19)

- As a result of business development contained by cost saving measures
- Positive jaws effect (+3.8 pts)

**Pre-tax income<sup>4</sup>: €293m**  
(+15.9% vs. 1Q19)

1. At constant scope and exchange rates; 2. At constant scope and exchange rates, excluding internal transfer; 3. Including 100% of Private Banking in Luxembourg; 4. Including 2/3 of Private Banking in Luxembourg



# International Financial Services - 1Q20

Overall good business drive, impact of the health crisis on Insurance revenues and the anticipated cost of risk

## ● Sustained business activity in the first part of the quarter

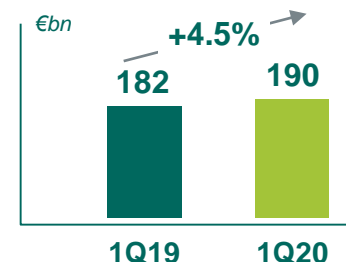
- Outstanding loans: +4.5% vs. 1Q19, good growth in Personal Finance and Europe-Mediterranean
- Net asset inflows: +€9.2bn; effect of the decrease in markets on assets under management (€1,038bn, -3.5% vs. 31.03.19)

## ● Continuity of activity in all businesses and geographies

- 90% of network branches open as at the end of March
- 70% of employees working remotely of whom 90% in France as of 15 April
- Strengthened use of digital tools: 4.3 million digital clients (+36.8% vs. 31.03.19) in the retail networks<sup>1</sup>

## ● Implementation of support measures adapted to business lines and specific needs

## ● Outstanding loans



**Revenues: €4,053m**

(-5.4% vs. 1Q19)

(+3.6% excluding the one-off Insurance accounting impact)<sup>2</sup>

- Good growth in Personal Finance and BancWest
- One-off accounting impact of the health crisis on Insurance revenues (-€384m)

**Operating expenses: €2,766m**

(+2.9% vs. 1Q19)

- Increase in costs contained by savings and operating efficiency gains
- Impact of the tax increase in Poland and wage drift

**Pre-tax income: €634m**

(-50.4% vs. 1Q19)

(-3.2% excluding the Insurance accounting impact (-€384m) and the anticipated effects of the health crisis on the cost of risk (-€220m))<sup>2</sup>

1.Europe-Mediterranean and BancWest; 2. As defined on slides 6 and 12 of the 1Q20 results



# IFS - Personal Finance - 1Q20

## Overall growth momentum & positive jaws effect

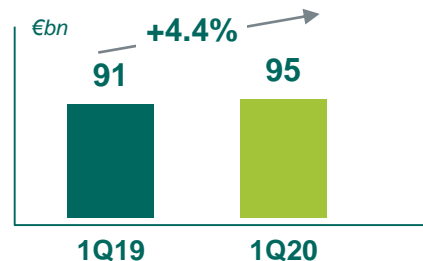
### Business activity

- Outstanding loans: +4.4% vs.1Q19, steady growth momentum nonetheless impacted at the end of the quarter by the closing of sales points as the pandemic spread
- Good control of margins at production and stricter credit-granting criteria to continue to improve the risk profile throughout the cycle

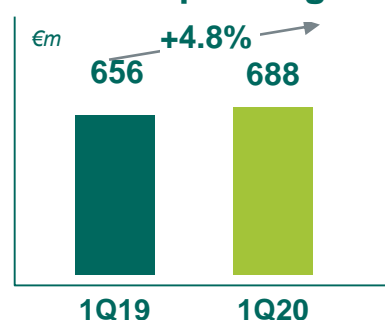
### Specific support for customers & partners

- Digital relays: self-care transactions (91.6% of total transactions in 1Q20) and sharp acceleration in downloads of the mobile app (23% in March o/w +73% in Italy)
- More resources allocated to customer relationships (after-sale and collection): +30% as at the end of March 2020
- Proactive management and establishment of monitored solutions on a case-by-case basis for customers justifying an economic impact from the health crisis: 135,000 deferrals in Europe totalling €1,270m in outstandings as at 17 April

### Consolidated outstandings



### Gross operating income



**Revenues: €1,475m**  
(+3.4% vs. 1Q19)

- In connection with volume growth
- Revenue growth in particular in Italy and Germany
- Impact of the sale of loans in Brazil

**Operating expenses: €787m**  
(+2.3% vs. 1Q19)

- Positive jaws effect (+1.1 point) thanks to cost saving measures
- +1.7% excluding the effect of taxes subject to IFRIC 21

**Pre-tax income: €113m**  
(-66.7% vs.1Q19)

(-11.2% excluding the anticipated effects of the health crisis on the cost of risk (-€189m)<sup>1</sup>)

1. As defined on slide 12 of the 1Q20 results



# IFS - Europe-Mediterranean - 1Q20

## Good business growth & prompt and agile adaptation of the networks

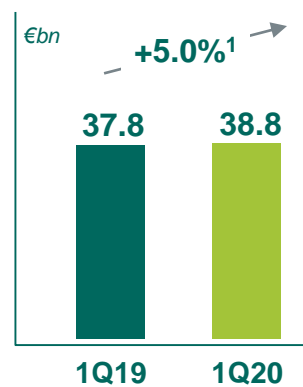
### ● Good growth in business activity

- Loans: +5.0%<sup>1</sup> vs. 1Q19, growth in Turkey and Morocco, with a cautious risk profile
- Deposits: +6.6%<sup>1</sup> vs. 1Q19, increase in particular in Turkey, optimisation of the cost of deposits in Poland (reduction in the most expensive deposits)

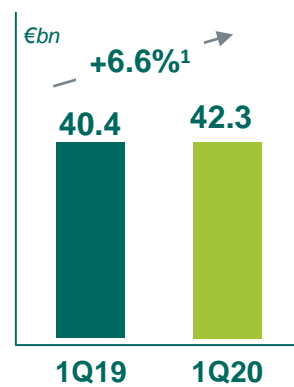
### ● Prompt and agile adaptation of the networks to the health crisis in all geographies

- >85% of branches open<sup>4</sup> and 55% of employees working remotely<sup>4</sup>
- Contribution of digital tools: app enabling individuals and SMEs to report online financial difficulties caused by the health crisis, in particular in Poland and Turkey

### ● Loans



### ● Deposits



### Revenues<sup>2</sup>: €665m (+1.6%<sup>1</sup> vs. 1Q19)

- Good performance in Turkey, Poland and Morocco
- Effect of increased volumes and margins in Turkey (loans) and Poland (loans and deposits) but impact of lower-rate environments

### Operating expenses<sup>2</sup>: €490m (+5.9%<sup>1</sup> vs. 1Q19)

- As a result of wage drift, in particular in Turkey

### Pre-tax income<sup>3</sup>: €144m (-12.8%<sup>1</sup> vs. 1Q19)

- Reminder: unfavourable foreign exchange effect in Turkey
- Moderate increase in provisions this quarter despite the anticipated effects of the health crisis

1. At constant scope and exchange rates (see data on historical scope and exchange rates in the appendix);

2. Including 100% of Private Banking in Turkey and Poland; 3. Including 2/3 of Turkish and Polish Private Banking; 4. Figures as at 15 April 2020



# IFS - BancWest -1Q20

## Increase in revenues and positive jaws effect

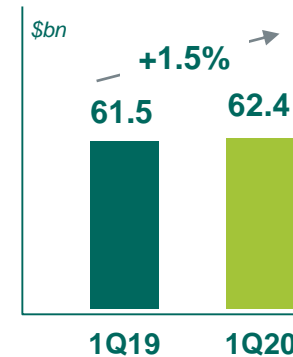
### Overall increase in business activity

- Loans: +1.5%<sup>1</sup> vs. 1Q19, increase in mortgage and corporate loans
- Deposits: +8.5%<sup>1</sup> vs. 1Q19, increase in customer deposits<sup>2</sup> (+9.0%)
- Private Banking: \$14.9bn in assets under management as at 31.03.20 (+4.2%<sup>1</sup> vs. 31.03.19)
- Digital: strong increase in accounts opened on line in 1Q20 (+14.5% vs. 1Q19)

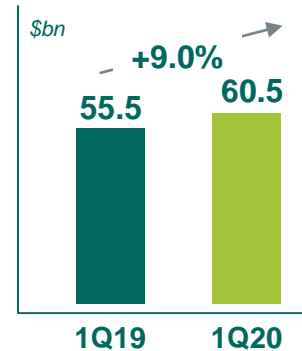
### Strong team involvement during the health crisis

- 99% of branches open and >70% of employees working remotely at the end of March
- Active participation to the federal assistance program to SMEs (PPP - Paycheck Protection Program)

### Loans<sup>1</sup>



### Customer deposits<sup>1</sup>



**Revenues<sup>3</sup>: €611m**  
(+3.4%<sup>1</sup> vs. 1Q19)

- Increase in interest margin with the repricing of deposits in a context of falling rates
- Increased business activity and fees (in particular cards and cash management)

**Operating expenses<sup>3</sup>: €465m**  
(+1.4%<sup>1</sup> vs. 1Q19)

- Increase contained by cost reduction measures
- Positive jaws effect (+2.0 pt<sup>1</sup>)

**Pre-tax income<sup>4</sup>: €78m**  
(-22.5%<sup>1</sup> vs. 1Q19)

- Increase in provisions due to the anticipated effect of the health crisis

1. At constant scope and exchange rates; figures at historical scope and exchange rates in the appendix;  
2. Deposits excluding treasury activities; 3. Including 100% of Private Banking in the United States; 4. Including 2/3 of Private Banking in the United States



# IFS - Insurance and WAM<sup>1</sup> – Asset Flows and AuM - 1Q20

Unfavourable market trend and good level of net asset inflows

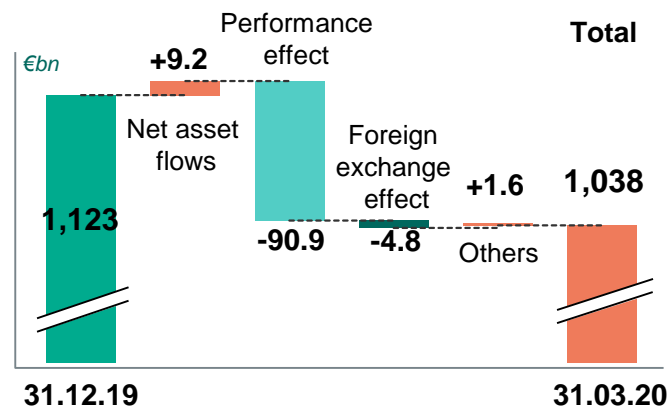
## ● Assets under management: €1,038bn as at 31.03.2020

- -3.5% vs. 31.03.19
- Unfavourable performance effect: -€90.9bn, due to the sharp drop in financial markets

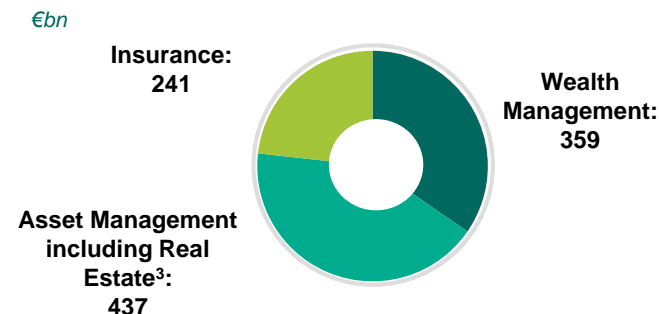
## ● Net asset inflows: +€9.2bn as at 31.03.20

- **Wealth Management:** good asset inflows
- **Asset Management:** Very good net asset inflows, in particular in money market funds; good net asset inflows in Real Estate Investment Management
- **Insurance:** Good asset inflows in unit-linked policies, slightly lower overall

## ● Change in assets under management<sup>2</sup>



## ● Assets under management<sup>2</sup> as at 31.03.20



1. WAM: Wealth & Asset Management, i.e. Asset Management, Wealth Management and Real Estate Services; 2. Including distributed assets; 3. Assets under management of Real Estate Investment Management: €29bn

# IFS - Insurance - 1Q20

Good quarter impacted by the decline in markets as a result of the health crisis

## ● Good level of activity undermined by the health crisis

- Good development in savings and protection insurance business at the beginning of the year
- Impact of the health crisis with a slowdown in savings inflows in Europe and Asia
- Sustained inflow in unit-linked policies in France (43% of gross asset inflows)

## ● Strong mobilisation during the health crisis

- Simplified processing of new customer applications and claims payouts in creditor protection insurance in France: 85% of applications approved without additional requests
- Extension of coverage for Covid-19-related hospitalisation (Italy, Japan)
- Commitment to supporting the economy: participation in the Solidarity Fund in France

**Revenues: €579m**

**(-33.7% vs.1Q19)**

**(+10.2% excluding the one-off accounting impact of the health crisis)<sup>1</sup>**

- -€384m one-off accounting impact related to the drop in markets
- Reminder: marking at fair value of part of the assets (reversible with a stock market recovery)

**Operating expenses: €393m**

**(+0.9% vs.1Q19)**

- Continued business development and cost containment

**Pre-tax income: €197m**

**(- 62.1% vs.1Q19)**

**(+11.8% excluding the one-off accounting impact related to the health crisis (-€384m))<sup>1</sup>**

1. As defined on slide 6 of the 1Q20 results





# IFS – Wealth and Asset Management<sup>1</sup> - 1Q20

## Ongoing development and adaptation plans

### — Wealth Management

- Increase in business with good net asset inflows
- Increase in AuM-based fees and transaction fees
- Development of digital usages with nearly 50% of active digital clients<sup>2</sup>

### — Asset Management

- Strong business activity in the first two months, leading to positive net asset inflows for the quarter
- Confirmation of ESG leadership, awarded by the *Best Corporate Sustainability Strategy* prize at the 2020 ESG Investing Awards
- Continued adaptation of the organisation and finalisation of the decommissioning of over 50 applications connected to the roll-out of Aladdin

### — Real Estate Services

- Lower activity due to suspension in construction works as a result of the health crisis

<b>Revenues: €743m</b> (-3.0% vs. 1Q19)	<b>Operating expenses: €642m</b> (+0.2% vs. 1Q19)	<b>Pre-tax income: €102m</b> (-22.7% vs. 1Q19)
<ul style="list-style-type: none"><li>• Effect of the increase in fees</li><li>• Financial performances down in Asset Management</li><li>• Impact of the health crisis on Real Estate Services performances</li></ul>	<ul style="list-style-type: none"><li>• Increase in costs as a result of Wealth Management development (in particular in Germany) and effect of the transformation plan measures, in particular in Asset Management</li></ul>	<ul style="list-style-type: none"><li>• Decrease mainly in Asset Management and Real Estate Services</li></ul>

1. Asset Management, Wealth Management and Real Estate Services; 2. Wealth Management clients with at least one connection per month

# Corporate & Institutional Banking - 1Q20

## Strong business drive and impacts of extraordinary shocks

### Intense mobilisation to support the economy

- More than €115bn in financing raised for clients in 2020 across bond, syndicated credit and equity markets<sup>1</sup>
- Continued strong development in securities services and good resilience in transaction businesses (cash management and trade finance)
- Successful adaptation of the set-up to the health crisis (e.g., remote work increased from 10% to 80% in less than 4 weeks in Europe)

### Impacts of extraordinary shocks on the markets

- After a very good start to the year for Global Markets, continued very good performance of FICC in March, but severe one-off impact of the European authorities' restrictions on 2019 dividends (-€184m)<sup>2</sup> and of extreme market movements on Equity & Prime Services

**Revenues: €2,953m**

**(-1.9% vs. 1Q19)**

**(+4.3% excluding the one-off impact of restrictions on 2019 dividends)<sup>2</sup>**

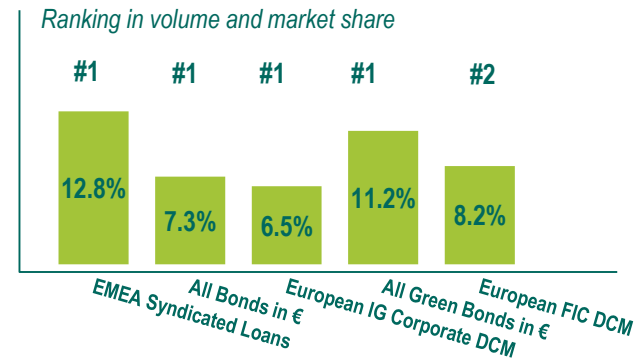
- Very strong growth at Corporate Banking (+10.4%) and Securities Services (+11.8%)
- Good overall resilience of Global Markets (-2.2% excluding the one-off impact of the restrictions on 2019 dividends)<sup>2</sup>

**Operating expenses: €2,393m**

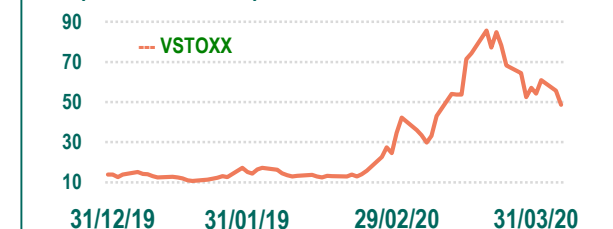
**(-2.8% vs. 1Q19)**

- Positive jaws effect of 0.9 pt
- Decrease in costs due to savings measures (development of shared platforms and optimisation of processes)

### Bond and syndicated credit rankings in 2020<sup>2</sup>



### Extreme and erratic volatility (VSTOXX index)



**Pre-tax income: €202m**

**(-60.8% vs. 1Q19)**

**(+18.8% excluding the one-off impact of restrictions on 2019 dividends (-€184m) and the impact in credit and counterparty cost of risk due to the health crisis (-€225m)<sup>2</sup>**

1. Source: Dealogic, year to date as at 17 April 2020; bookrunner; EMEA: Europe, Middle East and Africa; 2. As defined on slides 6 and 12 of the 1Q20 results



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# CIB: Global Markets - 1Q20

## Very marked trends in an exceptional market environment

### Strengthening of FICC with strong growth

- Very strong momentum over the quarter, with a steep rise in customer volumes, in particular on electronic platforms
- Prompt recovery of market liquidity and rapid resumption of bond issuance after the outbreak of the crisis

### Impact of the crisis on Equity & Prime Services

- Historic positioning on equity derivatives and European markets particularly hit by European authorities' restrictions on 2019 dividends (-€184m)<sup>1</sup> and by extreme market shocks
- Diversification of business under way, with the integration of Deutsche Bank's prime brokerage and electronic execution (transfer of first clients already achieved)

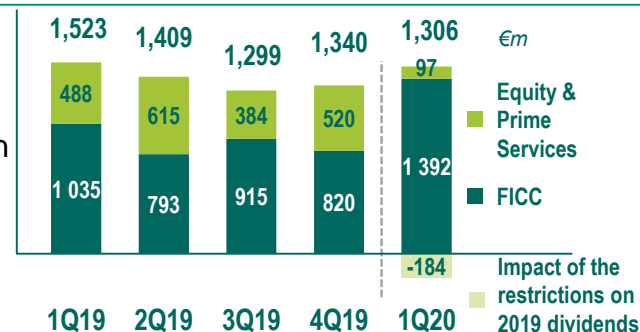
### Covid-19 bonds

*BNP Paribas led three major deals for development banks and public entities to finance projects to reduce the health crisis' economic and social impact.*

 <b>NIB</b> NORDIC INVESTMENT BANK	€1bn Response Bond Inaugural issue Joint Lead Manager March 2020
 <b>European Investment Bank</b> The Ed. bank	€1bn Sustainability Awareness Bond (Capital A&B) Joint Lead Manager April 2020
 <b>cdp</b>	€1bn Social Bond Joint Lead Manager April 2020

## Revenues: €1,306m (-14.3% vs. 1Q19) (-2.2% excluding the one-off impact of restrictions on 2019 dividends<sup>1</sup>)

- FICC (+34.5%): very strong growth in rates, very good growth in forex & emerging markets, and in credit & primary markets
- Equity & Prime Services (-80.1% excluding the one-off impact of restrictions on 2019 dividends<sup>1</sup>): good level of client activity in equity derivatives, but strong impact in Europe of the dislocation of hedges, due to extreme volatility in March. Prime Services stable.



1. As defined on slide 6 of the 1Q20 results



# CIB: Corporate Banking - 1Q20

Very good performance and strong ongoing momentum in activity

## Strong business activity driven by the Group's commitment

- Sustained growth in average loans outstandings (€165bn, +17.4% vs. 1Q19)<sup>1</sup>; close to €25bn drawn on credit lines in March
- Strong engagement of Capital Markets, which, since mid-March, has led to:
  - more than €75bn in syndicated lines for clients in Europe (final stake retained <15%)<sup>2</sup>
  - more than 50% of investment grade corporate bond issuances in EMEA (~€60bn in aggregate with more than 40 clients)<sup>2</sup>
- Very positive trend in deposits (€155bn, +14.3% vs. 1Q19)<sup>1</sup>

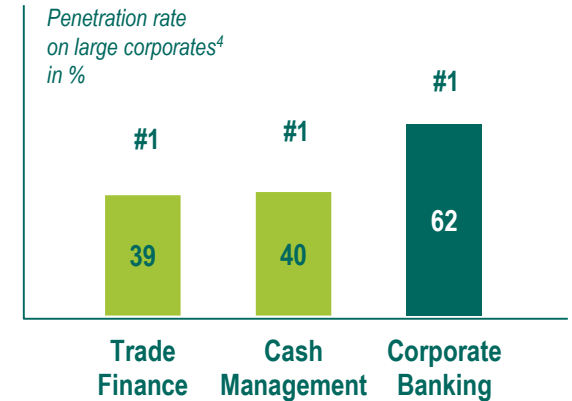
## Strengthened business positions

- #1 for all European corporate bonds and #1 for all EMEA syndicated loans<sup>3</sup>
- #1 on large corporates in Europe and strengthened position in Asia: top 5 for the first time in cash management and corporate banking<sup>4</sup>

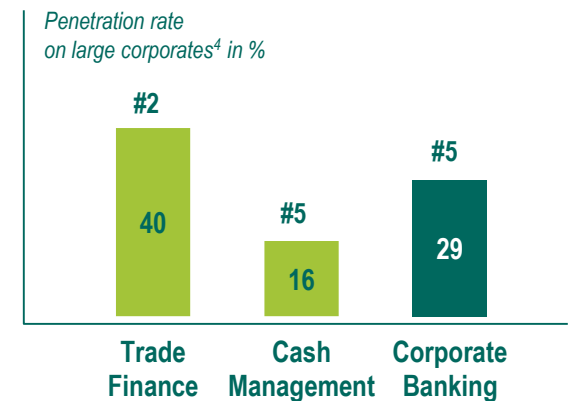
### Revenues: €1,070m (+10.4% vs. 1Q19)

- Growth in all regions, increase in fees (+18% vs. 1Q19)
- Strong development in Europe with a very good performance of the Capital Markets platform (revenues: +24% vs. 1Q19)
- Good resilience of transaction businesses (cash management and trade finance) worldwide in a less supportive environment (stable vs. 1Q19)

## Corporate Banking in Europe



## Corporate Banking in Asia



1. Average quarterly outstandings; 2. Total amount of deals closed or under way between mid-March and mid-April; 3. Source: Dealogic, year to date as at 17 April 2020, Europe, Middle East and Africa;

4. Greenwich Share Leader: European Large Corporate Banking, Cash Management and Trade Finance 1Q20, Asian Large Corporate Banking & Cash Management 1Q20 and Asian Large Corporate Trade Finance 3Q19



# CIB: Securities Services - 1Q20

## Strong increase in revenues on the quarter

### Continued strategic development

- Announcement of the acquisition of Banco Sabadell's depository business in Spain<sup>1</sup>
- Strategic alliance set up with BlackRock to deliver asset managers integrated services with the Aladdin platform

### Exceptional increase in transactions this quarter

- Set-up adaptation and ability to absorb the extraordinary level of transaction volumes (+36.9% vs. 1Q19)
- Reallocation of tasks among countries and the 3 regions, based on changes in the pandemic's spread internationally

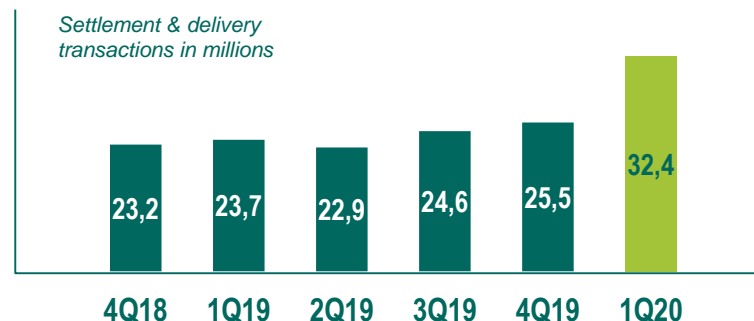
### Assets under custody and under administration

- Increase in average outstandings (+6.3% vs. 1Q19) but impact of market declines in March (outstandings at the end of the period: -4.8% vs. 31.03.19)

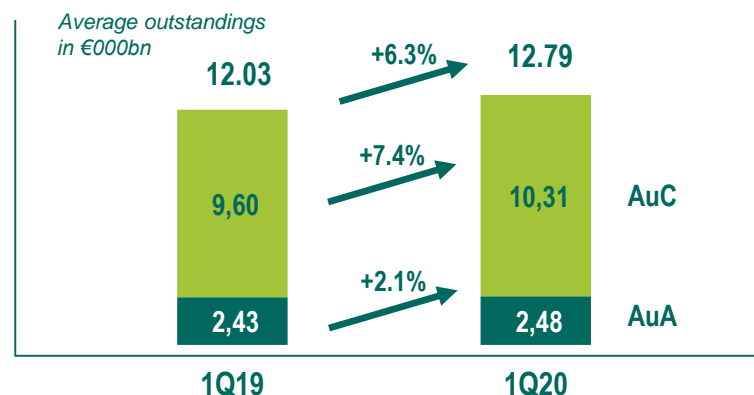
### Revenues: €577m (+11.8% vs. 1Q19)

- As a result of the increase in average outstandings and transaction volumes
- Continued growth in the Asia-Pacific region (+35% vs. 1Q19) and in the Americas (+40% vs. 1Q19)

### Transaction volumes



### Assets under custody and under administration



1. Subject to approval by regulatory authorities and the necessary authorisations