



# 2019 FULL YEAR RESULTS

5 FEBRUARY 2020



**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 1<sup>st</sup> January 2018. This presentation is based on the restated 2018 quarterly series.*

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## 2019: Strong growth in income thanks to business drive and transformation

**Significant revenue growth**  
Rise in all the divisions

**Positive jaws effects**  
in the three operating divisions

**Low cost of risk**

**Strong net income<sup>2</sup> growth**  
Increase in dividend per share

**Very solid balance sheet**

**Revenues:**  
+4.9% vs. 2018

**Operating expenses:** +2.5% vs. 2018  
**Cost income ratio:** -1.7pt

39 bp<sup>1</sup>

**Net income<sup>2</sup>:** €8,173m (+8.6% vs. 2018)  
**Dividend:** €3.10<sup>3</sup>

**CET 1 ratio:** 12.1%  
(+40 bps vs. 01.01.19)

1. Cost of risk/Customer loans at the beginning of the period (in bp); 2. Group share; 3. Subject to the approval of the Annual General Meeting on 19 May 2020



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# GROUP RESULTS

DIVISION RESULTS

2020 OBJECTIVES

4Q19 DETAILED RESULTS

APPENDIX

# Main Exceptional Items - 2019

## ● Exceptional items

### Operating expenses

- Restructuring costs<sup>1</sup> (*Corporate Centre*)
- Transformation costs – 2020 Plan (*Corporate Centre*)
- Additional adaptation measures – departure plans<sup>2</sup> (*Corporate Centre*)

#### Total exceptional operating expenses

### Other non operating items

- Capital gain on the sale of 16.8% of SBI Life and deconsolidation of the residual stake<sup>3</sup> (*Corporate Centre*)
- Capital gain on the sale of a building (*Corporate Centre*)
- Goodwill impairments (*Corporate Centre*)
- Capital gain on the sale of 30.3% of First Hawaiian Bank (*Corporate Centre*)
- Capital gain on the sale of a building (*Corporate Centre*)

#### Total exceptional other non operating items

### Total exceptional items (pre-tax)

### Total exceptional items (after tax)<sup>4</sup>

	2019	2018
	-€311m	-€129m
	-€744m	-€1,106m
	-€162m	
	<b>-€1,217m</b>	<b>-€1,235m</b>
	+€1,450m	
	+€101m	
	-€818m	
		+€286m
		+€101m
	<b>+€732m</b>	<b>+€387m</b>
	<b>-€485m</b>	<b>-€448m</b>
	<b>-€242m</b>	<b>-€10m</b>

1. Related in particular to the integration of Raiffeisen Bank Polska and the discontinuation or restructuring of certain businesses (in particular BNP Paribas Switzerland);  
2. Related in particular to BNL bc, Asset Management and BancWest; 3. 5.2% residual stake in SBI Life; 4. Group share

# Consolidated Group - 2019

Positive jaws effect – Strong rise in net income

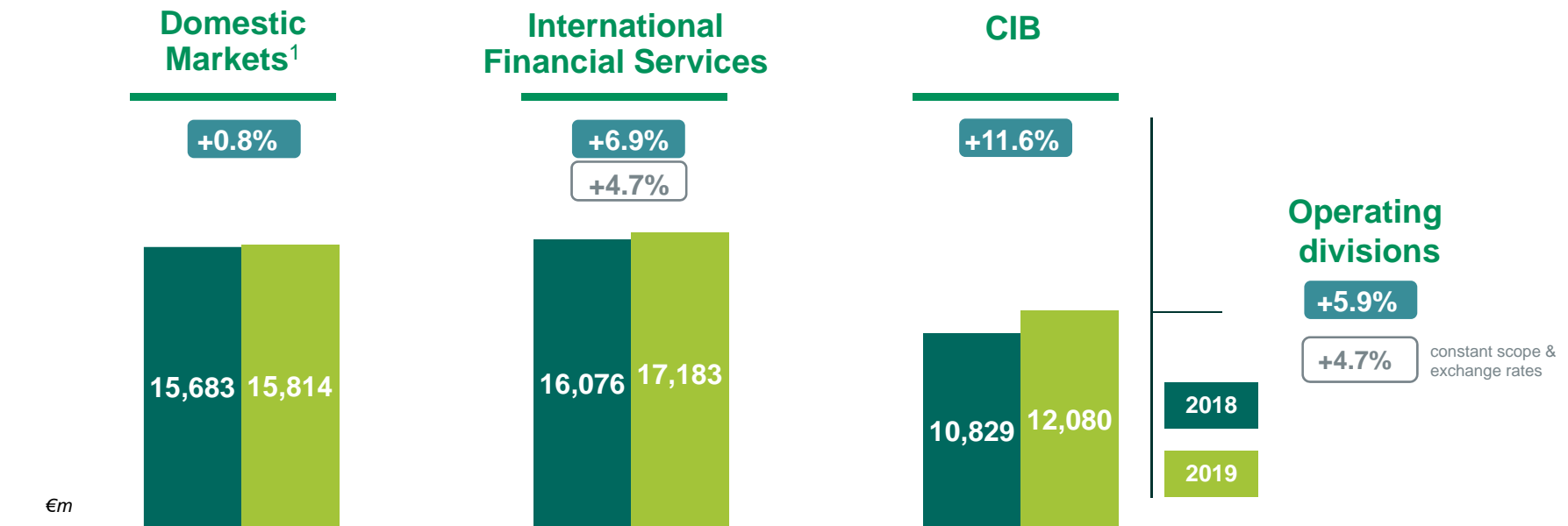
	2019	2018	2019 / 2018	% Operating divisions	
				Historical scope & exchange rates	Constant scope & exchange rates
<b>Revenues</b>	€44,597m	€42,516m	+4.9%	+5.9%	+4.7%
Operating expenses	-€31,337m	-€30,583m	+2.5%	+3.5%	+1.8%
<b>Gross operating income</b>	€13,260m	€11,933m	+11.1%	+11.2%	+11.0%
Cost of risk	-€3,203m	-€2,764m	+15.9%	+18.5%	+16.8%
<b>Operating income</b>	€10,057m	€9,169m	+9.7%	+9.4%	+9.6%
Non operating items	€1,337m	€1,039m	+28.7%	n.a	n.a
<b>Pre-tax income</b>	€11,394m	€10,208m	+11.6%	+7.7%	+8.9%
<b>Net income Group share</b>	€8,173m	€7,526m	+8.6%		
<b>Net income Group share excluding exceptional items<sup>1</sup></b>	€8,415m	€8,036m	+4.7%		

Return on tangible equity (ROTE)<sup>2</sup>: 9.8%

1. See slide 5; 2. Equity not revaluated

# Revenues of the Operating Divisions - 2019

Revenue growth in all operating divisions

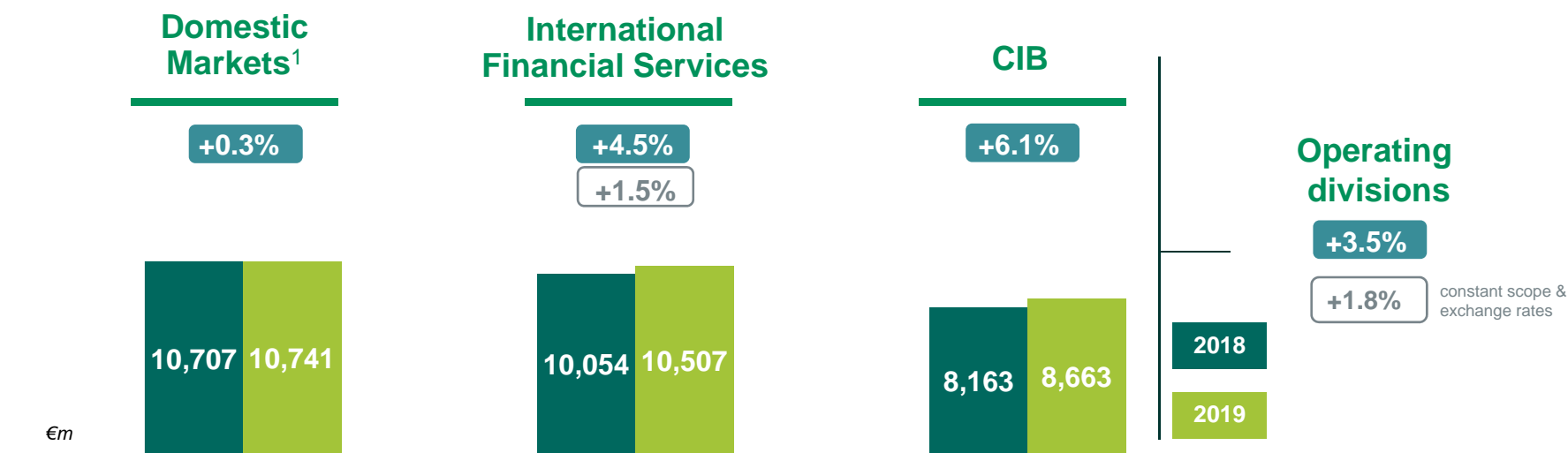


- **Domestic Markets:** revenue growth in a persistent low rate environment impacting the revenues of the networks negatively and continued growth in the specialised businesses
- **IFS:** increase in revenues in connection with the business drive of Personal Finance and the very good performances of Insurance and Europe-Mediterranean – favourable foreign exchange effect this year
- **CIB:** strong rise in revenues with very good performances of Global Markets and Corporate Banking

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

# Operating expenses of the Operating Divisions - 2019

Positive jaws effect – decrease in the cost income ratio in the 3 operating divisions



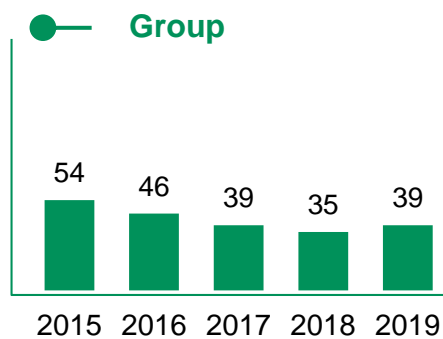
- Domestic Markets:** decrease of costs in the networks (-0.5%<sup>2</sup>) and increase in the specialised businesses as a result of the development of the activity; positive jaws effect (+0.5 pt)
- IFS:** support of the increase in business, contained increase in operating expenses; positive jaws effect (+3.2 pt<sup>3</sup>)
- CIB:** increase on the back of the growth of the activity, continued active implementation of cost saving programmes; positive jaws effect (+5.5 pt)

1. Including 100% of Private Banking in France, Italy, Belgium and Luxembourg (excluding PEL/CEL effects); 2. FRB, BNL bc and BRB; 3. At constant scope and exchange rates

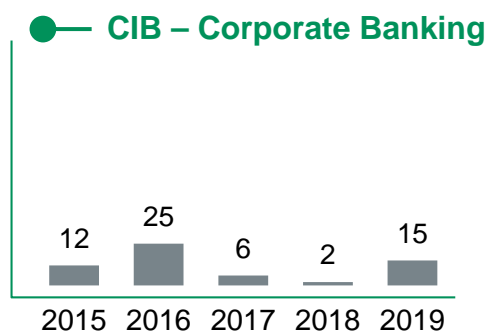


# Cost of risk - 2019 (1/2)

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



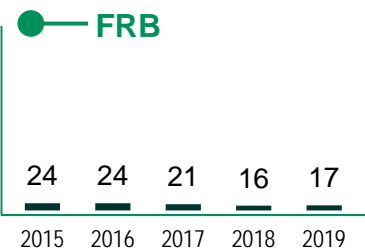
- Cost of risk: €3,203m (+€439m vs. 2018)
- Low cost of risk



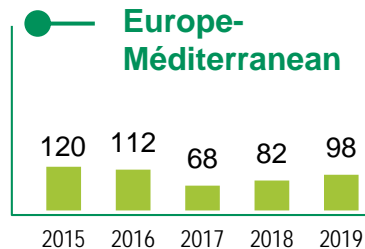
- €223m (+€192m vs. 2018)
- Low cost of risk
- Reminder: provisions offset by write-backs in 2018 and 2017

# Cost of risk - 2019 (2/2)

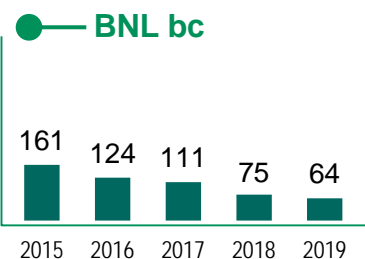
Cost of risk/Customer loans at the beginning of the period (in bp)



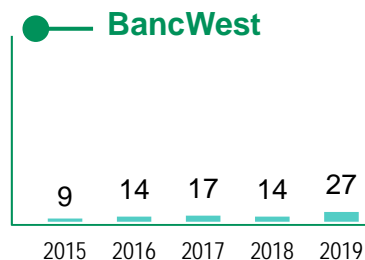
- €329m (+€41m vs. 2018)
- Cost of risk low



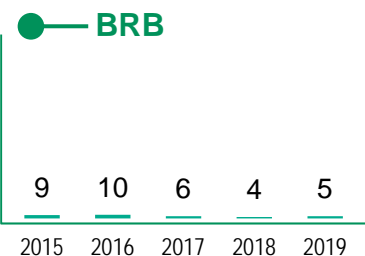
- €399m (+€91m vs. 2018)
- Moderate increase in the cost of risk ; flat trend in Turkey



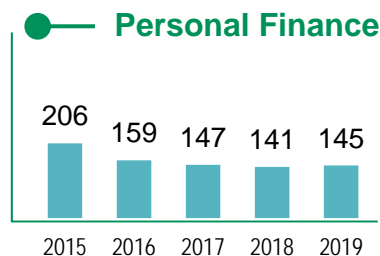
- €490m (-€102m vs. 2018)
- Confirmation of the decrease in the cost of risk



- €148m (+€78m vs. 2018)
- Cost of risk low



- €55m (+€12m vs. 2018)
- Very low cost of risk



- €1,354m (+€169m vs. 2018)
- Cost of risk low

# Very solid financial structure

## CET1 ratio increase of 40bps

● **Reminder CET 1 as at 01.01.19: 11.7%**

● **CET1 ratio: 12.1% as at 31.12.19 (+40 bps vs. 01.01.19)**

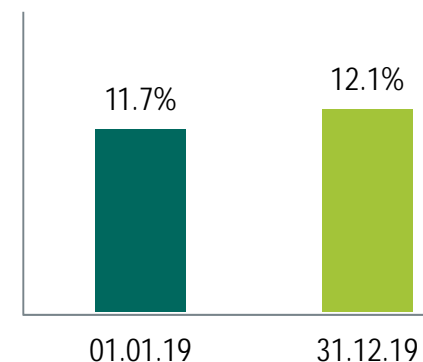
- 2019 results excluding exceptional other non operating items, after taking into account a 50% dividend pay-out ratio (+60 bps)
- Increase at constant change of risk-weighted assets net of the impact of securitisations (-40 bps)
- Net impact of disposals and acquisition (SBI Life, deconsolidation of the residual stake in this subsidiary, Prime Brokerage) as well as the partial goodwill impairment of BancWest (+20 bps)
- Overall limited impact of other effects, including change effect, on the ratio

● **Leverage ratio<sup>1</sup>: 4.6% as at 31.12.19**

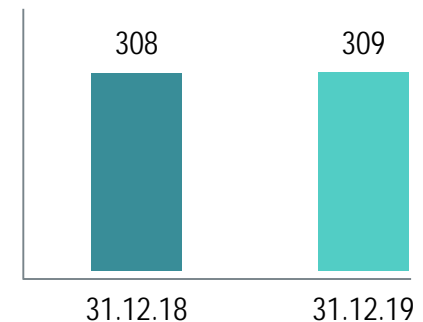
● **Immediately available liquidity reserve: €309bn<sup>2</sup>**

(€308bn as at 31.12.18): room to manoeuvre > 1 year in terms of wholesale funding

● **CET1 ratio**



● **Liquidity reserve (€bn)<sup>2</sup>**



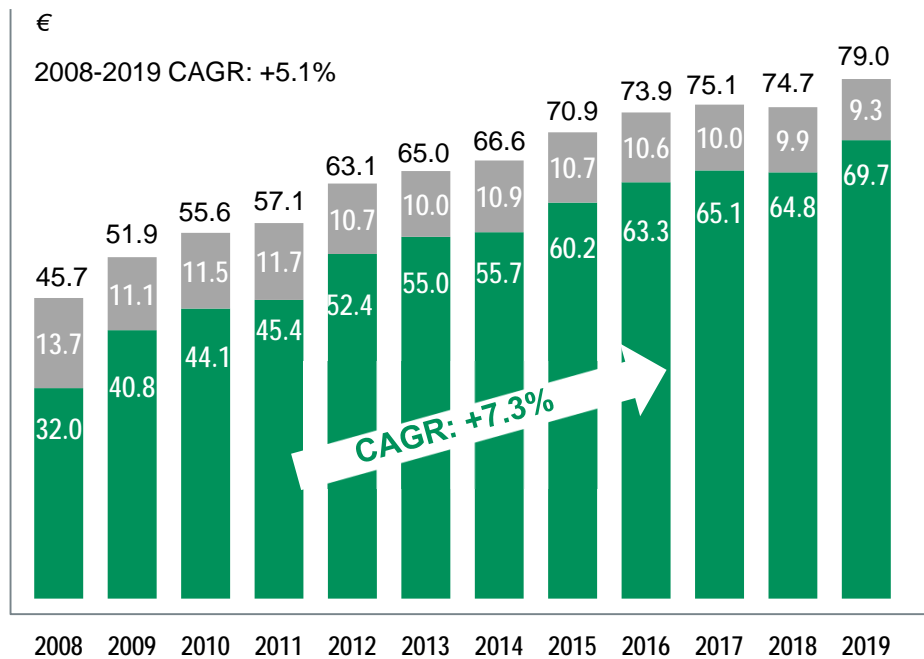
1. Calculated according to the delegated act of the EC dated 10.10.2014 on total Tier 1 Capital;

2. Liquid market assets or eligible to central banks (counterbalancing capacity) taking into account prudential standards, notably US standards, minus intra-day payment system needs

# Growing Net Tangible Book Value per share: €69.7

€3.10 / share dividend

## Net book value per share end of period

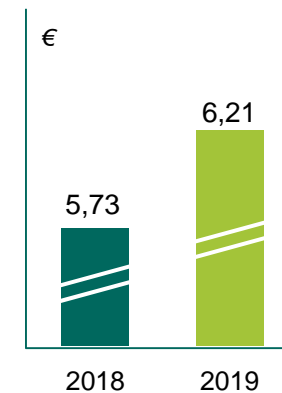


Net tangible book value per share

## Dividend<sup>1</sup>: €3.10 per share (increase vs. 2018)

- 50% payout ratio
- Paid in cash
- Dividend yield: 6.5%<sup>2</sup>

## Net earnings per share: €6.21 per share



1. Subject to the approval of the Annual General Meeting on 19 May 2020, shares will go ex-dividend on 25 May 2020, payment on 27 May 2020; 2. Based on the closing price on 31 January 2020 €48.05

# Reinforced Internal Control Set-up

## Ever more solid compliance and control procedures

- Continuous improvement of the ethics alert mechanism with internal communication about the optimisation of the mechanism and the processing rules to ethics alert officers
- Advanced implementation of measures to strengthen the compliance and control systems in foreign exchange activities
- Roll-out of the new Group homogeneous mechanism that tracks transactions and processes for money laundering and terrorism financing alerts finalised for the main entities
- Evolution of centralised tools that filter transactions and screen customer databases, reinforcing the robustness of the compliance system
- Market Integrity: a reinforced set-up on the back of the alignment with the Code of conduct of the Bank for International Settlements on foreign exchange markets
- Continued the missions of the General Inspection dedicated to ensuring Financial Security: entities whose USD flows are centralised at BNP Paribas New York are audited at least once every 18 months. The 3<sup>rd</sup> round of audits of these entities, which started early 2018, was completed in July. The next one began back in September and is in the process of being carried out.

## Continued operational implementation of a stronger compliance culture

- Compulsory annual e-learning programmes on financial security for employees (Sanctions & Embargos, Combatting Money Laundering & Terrorism Financing) which now includes a module dedicated to combating corruption
- Online training programme on professional Ethics made compulsory for all new employees

## Remediation plan agreed as part of the June 2014 comprehensive settlement with the U.S. authorities mostly completed

# An Ambitious Policy of Engagement in Society

## The ambition to be a leader in sustainable finance

- At the end of 2019, BNP Paribas established a 'company purpose' text reaffirming its support of major transitions both with digital transformation and by setting the **ambition to be a global leader in sustainable finance**.



### Strong positions in a growing market

- #3 participant worldwide<sup>1</sup> in the green bonds market** at the end of 2019 with 9.8 billion euros in green bonds in 2019 as joint bookrunner for its clients
- #1 financier of renewable energy projects in Europe<sup>1</sup> and #3 in Asia-Pacific<sup>1</sup>** at the end of September 2019
- €3.7bn Sustainability Linked Loans** signed at the end of 2019, a financing tool indexed on ESG<sup>2</sup> criteria
- €47bn in SRI<sup>3</sup> funds assets** managed by BNP Paribas Asset Management at the end of September 2019



### A recognised CSR<sup>4</sup> strategy

- Listed in the 2019 Dow Jones Sustainability Indices, World and Europe**
- World's Best Bank for corporate responsibility in 2019** by Euromoney
- 1<sup>st</sup> solicited rating from Vigeo Eiris: A1+; 4<sup>th</sup> company worldwide** (score of 70/100)
- 2<sup>nd</sup> for climate performance** in the EcoAct ranking of CAC 40 companies
- 1<sup>st</sup> French bank** in the 2019 RobecoSAM rating



1. Source: Dealogic; 2. Environmental, Social and Governance; 3. Socially Responsible Investment ; 4. Corporate Social Responsibility

# An Ambitious Policy of Engagement in Society

## Achievements and objectives in sustainable finance (1/2)



The UN Sustainable Development Goals as a compass

- **Founding member of the UN Principles for Responsible Banking:** commitment to align the strategy with the SDGs<sup>1</sup> and the Paris Agreement
- **Target of €185bn to contribute to achieving the SDGs by the end of 2020**
- **SDG 5 (gender equality):** €2bn in loans to support women in their entrepreneurial projects in France in 2019
- **SDG 10 (reducing inequalities):** €6bn to support associations and social and solidarity economy enterprises in 2020
- **SDG 14 (life below water):** commitment to support the preservation of the ocean which includes €1bn to finance the ecological transition of ships by 2025



Accelerating the ecological and energy transition

- **Stopped financing companies** whose principal business activity is **related to the unconventional oil & gas sector** and **stopped financing of new coal projects since 2017**
- **Decision to stop financing and reduce to nil the outstanding loans to companies related to thermal coal** by 2030 in the EU and 2040 for the rest of the world
- **Objective to support the development of renewable energies revised upward** by €18bn in 2021
- €56m at the end of 2019 to **support innovative start-ups in the energy transition**, of which €20m in 2019

<sup>1</sup>. UN Sustainable Development Goals

# An Ambitious Policy of Engagement in Society

## Achievements and objectives in sustainable finance (2/2)



### Promoting a more inclusive society

- **Commitment** made in **March 2018** to make **effective progress in gender equality in several business lines of the bank** in the context of the United Nations **HeForShe** movement.
- **Promotion of more inclusive economy and business models for society:** founding member of many coalitions, such as the *Collective of companies for a more inclusive economy* and *Business For Inclusive Growth*
- **Signature of a global partnership deal with Nobel Peace Prize Pr. Yunus** (Grameen Creative Lab) to promote the creation of 'social businesses' and products with a positive impact







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GROUP RESULTS

# DIVISION RESULTS

2020 OBJECTIVES

4Q19 DETAILED RESULTS

APPENDIX

# Domestic Markets - 2019

## Good business drive, revenues up, positive jaws effect

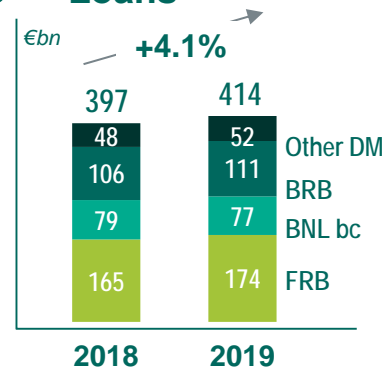
### ● Growth in business activity

- Loans: +4.1% vs. 2018, good loan growth in the retail networks in particular in France and in Belgium and in the specialised businesses (Arval, Leasing Solutions)
- Deposits: +7.2% vs. 2018
- Private banking: good asset inflows (+€5.6bn)

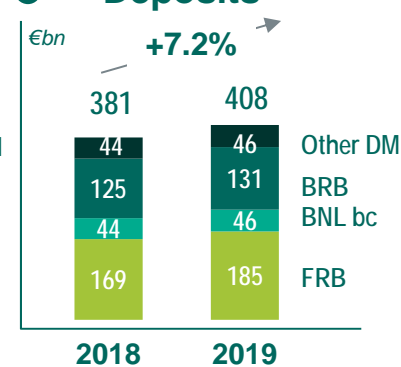
### ● Broad and extensive support of our customers in their digital usages

- Hello bank!**: 2.7m clients<sup>1</sup> (+3.3% vs. 31.12.18<sup>1</sup>)
- Nickel**: 1.5m accounts opened (+33% vs. 31.12.18)
- 56.5%** of active digital clients<sup>2</sup>
- BNP Paribas **leader in France in terms of digital functionalities** (D-Rating 2019 and 2018)

### ● Loans



### ● Deposits



9.7 million digital clients<sup>3</sup>

**Revenues<sup>4</sup>: €15,814m**  
(+0.8% vs. 2018)

- Effect of the rise in loan volumes partially offset by the low interest rate environment
- Strong increase in the specialised businesses

**Operating expenses<sup>4</sup>: €10,741m**  
(+0.3% vs. 2018)

- Decrease in the networks (-0.5%<sup>5</sup> vs. 2018)
- Increase in connection with the growth in specialised businesses
- Positive jaws effect (+0.5pt)

**Pre-tax income<sup>6</sup>: €3,798m**  
(+3.7% vs. 2018)

- Decrease in the cost of risk, in particular at BNL

1. Excluding Italy; 2. Share of active clients who connect at least once a month to the mobile app (on average in 4Q19), scope: individual customers, corporates and private banking of DM network or digital banks (including Germany, Austria and Nickel); 3. Clients who connect at least once a month to the mobile app (on average in 4Q19) and clients of the digital bank - same scope as previous note.; 4. Including 100% of Private Banking, excluding PEL/CEL; 5. FRB, BRB and BNL bc; 6. Including 2/3 of Private Banking, excluding PEL/CEL

# Domestic Markets - 2019

## Success of digital offerings – Leadership position in neobanks in Europe

### ● Acceleration of mobile usages across all the Domestic Markets networks

**5.1m customers active on mobile apps<sup>1</sup> (+31% vs. 31.12.18)**  
**97m monthly connections on mobile apps<sup>2</sup> (+23.4% vs. 31.12.18)**

### ● Hello bank!

Success of the offering (easy and competitive related to payment, credit and savings) being strengthened in France, Belgium and Italy on the targeted youth segment

**Belgium:** 506,000 customers as at 31.12.19, with 1 out of 3 youths under the age of 28 as a customer of HB!

**France:** 520,000 customers as at 31.12.19, of which 120,000 new customers in 2019. Launch of new offers for millennials (*freemium* model)

**Italy:** Repositioning on customers under the age of 30 in addition to Smart, the new direct offering of BNL<sup>3</sup>

**Germany:** > 1,500,000 customers as at 31.12.19

### ● Nickel

3<sup>rd</sup> largest retail distribution network in France with 5,550 points of sale (+28% vs. 31.12.18), **leader in the neobank market in France and in the top 5 in Europe**. Launch announced in Spain for the Spring 2020.



1. Customers who connect at least once a month to the mobile app (on average in 4Q19), scope: individual customers, corporates and private banking of DM network or digital banks (including Germany, Austria and Nickel); 2. Same scope, average observed in 4Q19; 3. Transfer of old HB! customers to the BNL Smart offering

# Domestic Markets - 2019

Corporates and Private Banking: an integrated model with strong, profitable and growth-driven franchises



Leading position in a dynamic corporate market

**#1 in terms of customer penetration rate with corporates in France and in Belgium, #3 in Italy<sup>1</sup>**

**Network banks that take a comprehensive and broad approach to the needs of customers in connection with all the businesses of the Group**

**Strong businesses with growth prospects at the core of the integrated model**

**Trade Finance:** #1 in France and Belgium<sup>1</sup> (revenues: +6.0% vs. 2018 for the whole of the Domestic Markets scope)

**Cash Management:** #1 in France and in Belgium, #3 in Italy<sup>1</sup> (fees: +7.6% vs. 2018 for the whole of the Domestic Markets scope)



Strong positions in Private Banking

**#1 in France and in Belgium, #5 in Italy<sup>2</sup>**

**Assets under management increasing by 8.1% compared to 2018**, with the levels of net asset inflows representing 2.8% of assets under management at the end of 2018

**A positive cooperation drive with the corporate business line**, with net asset inflows > €2.9bn (as at 31 December 2019)

1. Source: Greenwich Share Leaders; 2. France: source ranking based on the amounts of assets under management as published by the main players in the market (public information), Belgium: De Tijd, Italy: Italian Association of Private Banks



# Domestic Markets - 2019

## A digital transformation that reinforces the model



**Better use of data in order to enhance customer service**

### Roll-out of expanded customer knowledge tools in all countries

Ensure a multi-channel personalised conversation (on the basis of shared digital assets) in order to enhance customer satisfaction

### Personalisation of the customer interactions with a dynamic CRM

Enhance the effectiveness of marketing campaigns by leveraging knowledge of the digital behaviour of customers in real-time



**Enhance the operating efficiency and customer satisfaction**

Continued **end-to-end digitalisation** in France, Italy and Belgium of 3 main customer journeys: **onboarding, mortgages and investment products**

**Automation of processes:** > 700,000 transactions a month processed by robots in the networks in 4Q19



**Support our customers above and beyond banking service**

### Offers integrated in the ecosystems of partners:

- **Lyf Pay:** electronic wallet (payment at point of sale, management of loyalty cards, vouchers and money pots); sharp growth of the acceptance network and **downloads: 2.7 million on a cumulative basis, +99% vs. 31.12.2018**
- **Telepass:** a mobility offering for corporates and individuals in Italy
  - Corporates: **7,600 clients** as at 31.12.19, of which 55% new clients for BNL **one year after launch**
  - Individuals: **66,800 users** as at 31.12.19, of which 79% new clients for BNL within 9 months after launch



# DM - French Retail Banking - 2019

## Sustained business drive and positive jaws effect

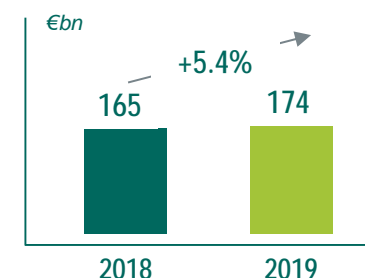
### Good sales and marketing drive

- Loans: +5.4% vs. 2018, good growth across all customer segments; rise in particular in loans to corporates
- Deposits: +9.8% vs. 2018
- Private banking: rise in assets under management (+9.3%<sup>1</sup> vs. 31.12.18) with strong growth from responsible savings (€4.0bn in outstandings, +48% vs. 31.12.18 ) related to the launch of the financial advice tool, myImpact<sup>2</sup>

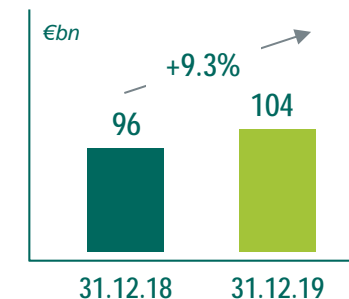
### Very good development of the corporate franchise

- Rise in the number of onboardings (+27% vs. 2018), presence alongside the most innovative companies (65% of French Tech 120<sup>3</sup>)
- Strong rise in cash management<sup>4</sup> fees (+6.5% vs. 2018)

### Loans



### Assets under management (private banking<sup>1</sup>)



**Revenues<sup>5</sup>: €6,328m**  
(+0.3% vs. 2018)

- Net interest income: +1.2%, in connection with the rise in volumes
- Fees: -1.0%, decrease in charges on fragile customers at the beginning of the year

**Operating expenses<sup>5</sup>: €4,602m**  
(-0.2% vs. 2018)

- Decrease in costs: impact of cost saving measures, optimisation and streamlining of the network
- Positive jaws effect (+0.4 point)

**Pre-tax income<sup>6</sup>: €1,261m**  
(-0.2% vs. 2018)

1. Excluding the internal transfer of a subsidiary; 2. Financial advisory solution for responsible investments in France; 3. List of the 123 French start-ups with strong potential selected by French Tech initiative; 4. Including payment instruments; 5. Including 100% of Private Banking excluding PEL/CEL effects; 6. Including 2/3 of Private Banking, excluding PEL/CEL effects

# DM - BNL banca commerciale - 2019

## Strong rise in income due to decreasing in the cost of risk

### Business growth in a lacklustre context

- Loans: -1.9% vs. 2018, -0.1% excluding the impact of the sale of non-performing loans<sup>1</sup>, continued market share gains in the corporate segment
- Deposits: +4.8% vs. 2018
- Continued rise in off balance sheet savings, in particular in life insurance (+9.9% vs. 2018)

### Launch of new digital services

- Launch of Apple Pay in mobile apps in Italy, thereby finalising the roll-out of the agreement signed with Apple within the scope of Domestic Markets

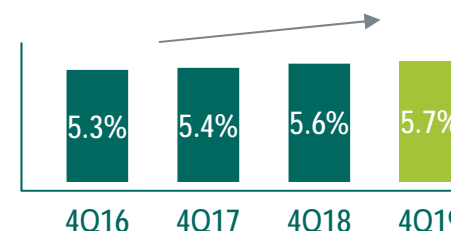
**Revenues<sup>3</sup>: €2,778m**  
(-0.5% vs. 2018)

- Slight decrease in net interest income: -0.1% vs. 2018, impact of the low interest rate environment and the positioning on clients with a better risk profile
- Fees: -1.1% vs. 2018

**Operating expenses<sup>3</sup>: €1,800m**  
(+0.1% vs. 2018)

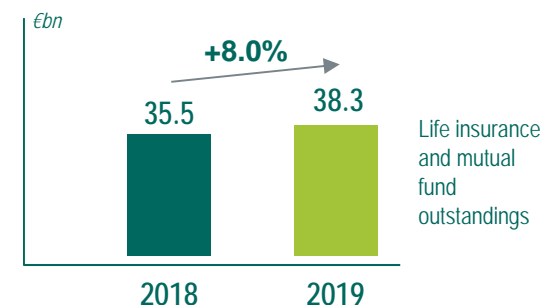
- Effect of cost saving and adaptation measures (*Quota 100* early departure plan)

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



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

### Off balance sheet savings



**Pre-tax income<sup>4</sup>: €443m**  
(+24.3% vs. 2018)

- Confirmation of the significant decrease in the cost of risk (-17.3%)

1. Securitization of non-performing portfolios for €1.0bn in 2Q19 and €1.0bn in 4Q18 ; 2. 4Q19 based on information available at the end of November; 3. Including 100% of Italian Private Banking; 4. Including 2/3 of Italian Private Banking

# DM - Belgian Retail Banking - 2019

Good business drive, impact of low interest rates, continued cost adaptation

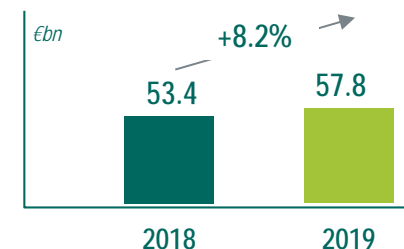
## ● Growth in business activity

- Loans: +4.4% vs. 2018, good growth in loans to individual and corporate customers
- Deposits: +5.1% vs. 2018
- Off balance sheet savings (+8.2% vs. 2018), strong rise in mutual funds outstandings (+12.8%) and growth in life insurance outstandings

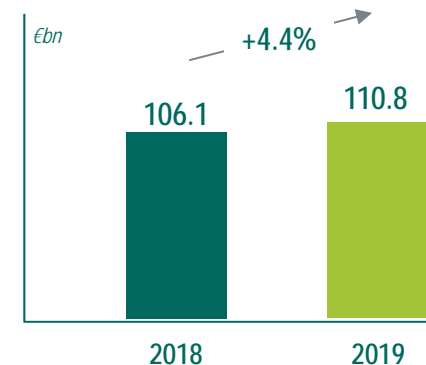
## ● Continued evolution of the operational model

- Agreement of the Belgian four main banks to set up an integrated network of ATMs that provides better coverage around the country in order to be ever closer to customers

## ● Off balance sheet savings



## ● Loans



**Revenues<sup>1</sup>: €3,524m**  
(-2.0% vs. 2018)

- Net interest income: -3.1% vs. 2018, impact of low interest rates partially offset by a rise in loan volumes
- Fees: +1.4% vs. 2018

**Operating expenses<sup>1</sup>: €2,480m**  
(-1.6% vs. 2018)

- Effect of cost reduction measures
- Continuing branch network optimisation (-88 branches vs. 31.12.18)

**Pre-tax income<sup>2</sup>: €929m**  
(-5.1% vs. 2018)

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



# DM - Other Activities - 2019

Very good business drive, positive jaws effect and strong rise in income

## Very good business drive of the specialised businesses

- **Arval:** strong growth of the financed fleet vs. 2018 for all segments (+8.9%<sup>1</sup> vs. 2018). Leading position confirmed on its perimeter of 27 countries and doubling of the number of white label partnerships with automobile makers in Europe
- **Leasing Solutions:** rise in outstandings of +6.9%<sup>1</sup> vs. 2018 combined with an enhanced customer experience (75% of applications decided automatically)
- **Personal Investors (PI):** rise in assets under management of +21.8% vs. 31.12.18
- **Nickel:** very sharp rise (+366,000 accounts in 2019), 1.5 million accounts opened

## Luxembourg Retail Banking (LRB):

- Growth in mortgage and corporate loans

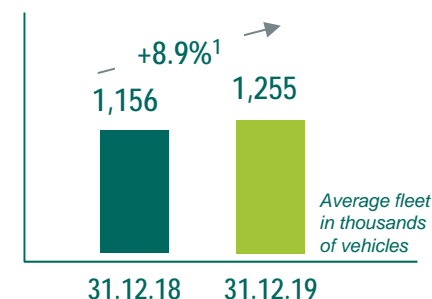
**Revenues<sup>2</sup>: €3,184m**  
(+6.6% vs. 2018)

- Good business development across all the businesses
- Significant rise in Nickel revenues

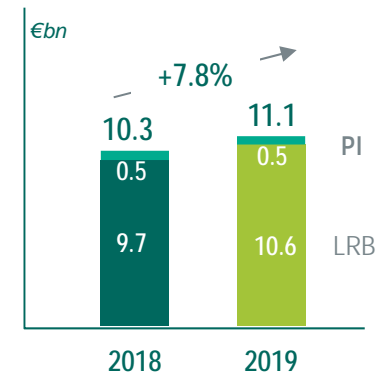
**Operating expenses<sup>2</sup>: €1,859m**  
(+4.5% vs. 2018)

- As a result of business development
- Positive jaws effect (+2.1 pts)

## Arval financed fleet



## Loans



**Pre-tax income<sup>3</sup>: €1,165m**  
(+9.5% vs. 2018)

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

# International Financial Services - 2019

## Strong business growth and positive jaws effect

### ● Sustained business activity

- Outstanding loans: +8.1% vs. 2018 (+5.1% at constant scope and exchange rates), good growth at Personal Finance and Europe-Mediterranean
- Net asset inflows: +€20.2bn, with in particular strong net asset inflows at Wealth Management and good asset inflows in Insurance in particular in unit-linked policies
- Rise in asset under management at €1,123bn, +9.3% vs. 31.12.18
- Signed new partnership agreements at Personal Finance and Insurance

### ● Scope effect with the integration of Raiffeisen Bank Polska<sup>1</sup>

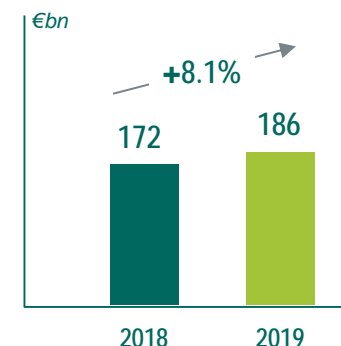
**Revenues: €17,183m**  
(+6.9% vs. 2018)

- Good drive at Personal Finance and very good performances of Insurance and the Europe-Mediterranean banking networks
- +4.7% at constant scope and exchange rates

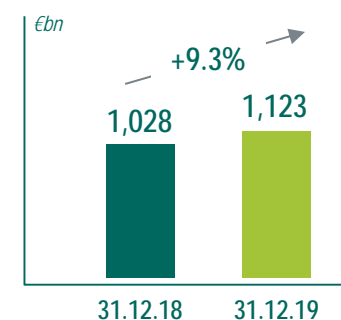
**Operating expenses: €10,507m**  
(+4.5% vs. 2018)

- Increase contained by cost saving measures and operating efficiency gains
- +1.5% at constant scope and exchange rates
- Positive jaws effect (+2.4 pts)

### ● Outstanding loans



### ● Assets under management<sup>2</sup>



**Pre-tax income: €5,226m**  
(+4.5% vs. 2018)

- +6.7% at constant scope and exchange rates

1. Reminder: closing of the transaction on 31.10.18; 2. Including distributed assets

# International Financial Services - 2019

## Franchises strengthened to pursue growth

Enhanced leading positions at the core of the integrated model

**Personal Finance:** #1 consumer credit specialist in Europe and a presence in 33 countries, > 25 million clients

**Europe-Mediterranean and BancWest:** integrated retail and commercial banking model deployed in 15 countries, > 15 million clients

**BNP Paribas Cardif:** global leader in creditor protection insurance with a presence in 34 countries

**BNP Paribas Wealth Management:** #1 private bank in the eurozone<sup>1</sup>, Best Private Bank in the World (Global Finance 2019)

**Real Estate Services:** Leader in continental Europe, #1 in Germany

**Asset Management:** a global asset manager and leader in terms of sustainable finance with a #1 position in terms of assets under management certified SRI in France and Febelfin in Belgium

Supporting the development of partnerships

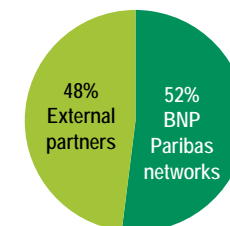
### Personal Finance

- Implementation of new partnerships in particular in the automobile sector (Opel in Poland, Volvo in Italy, BYmyCAR in France, Ford in several European countries) and in retail (Carrefour in Italy, Leroy Merlin in Brazil)

### Insurance: 500 partnerships

- Strategic alliance with ScotiaBank to distribute insurance products to its 9 million clients in 4 Latin America countries
- Strategic alliance with Sainsbury's Bank and Argos and launch of a new pet insurance offering

% of premiums generated by BNP Paribas Cardif



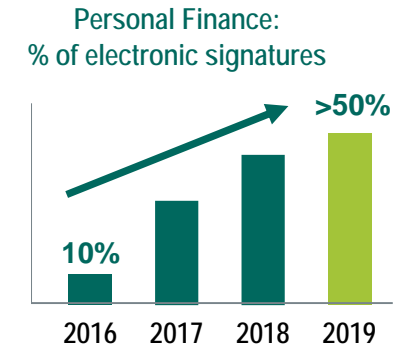
1. Ranking based on the amounts of assets under management as published by the main players in the market (public information)

# International Financial Services - 2019

## Digitalisation of customer service

**3.9 million digital clients** in the international retail networks<sup>1</sup>

**5.8 million electronic signatures** at Personal Finance



**A client service optimised by the digitalisation in all the businesses**

### Adoption of digital solutions continuously on the rise

- Personal Finance: > 240 million **self care** transactions in 2019, **85% of total transactions**
- Europe-Mediterranean: launch at Cepteteb of an **app dedicated to SME clients** to manage their accounts, self care operations and transactions
- Cardif: success of the digitalised creditor protection insurance journey in France: **90% of immediate responses** for personal insurance (*Cardif Libertés Emprunteur*), **80% of immediate responses** for collective insurance
- Wealth Management: **48% of digital active clients**<sup>2</sup>

1. Europe-Mediterranean and BancWest; 2. Wealth Management clients with at least one connection per month

# International Financial Services - 2019

## Open innovation and new technologies

### Technology in service of transformed business models

#### Co-creation with start-ups: in client journeys, solutions offerings and in the processes

- **BNP Paribas** PLUGANDPLAY at **STATION F**, number 1 global start-up accelerator
  - | > 400 start-ups presented in 3 years - 47 projects accelerated with 36 start-ups – an industrialisation rate of 35% among the best fintech ecosystems
- **BiVWAK!** BY BNP PARIBAS: European set up for project acceleration based on agile development of innovating solutions for our clients and skill improvement of our employees. It has doubled its capacity since its creation in 2017

#### Continued development of robotics and acceleration of the number of Artificial Intelligence projects

- About 150 projects using artificial intelligence already operational or in development
  - | Natural language processing: automatic production of more than 100 funds comments in Asset Management
  - | Marketing direct: roll-out of a cognitive targeting solution at Personal Finance
  - | Data Science: use of the Domino solution by BNP Paribas Cardif to facilitate the end-to-end roll-out of projects
- >760,000 transactions a month processed by robots in the IFS businesses
- Remote contact with clients: video solutions, chat and co-browsing available via *Gomobile* at BNP Paribas Bank Polska, holoportation<sup>1</sup> with BNP Paribas Real Estate Services

1. Interactive meeting in a virtual space via a hologram without physically being there

# IFS - Personal Finance - 2019

## Good business drive and positive jaws effect

### Continued sales and marketing drive

- Loan outstandings: +9.2% vs. 2018, rise in volumes with good control of margins at production
- Business drive in Europe and within partnerships
- Success of the securitisation transactions in Europe (4 transactions for a total amount of €3.8bn<sup>1</sup>)

### Development of partnerships and cooperation

- Successful start-up of the partnership with Opel in new countries (Poland, Netherlands, Spain)
- Entered into a pan-European agreement (Netherlands, Belgium, Luxembourg, Poland) with Ford Europe for a 5-year period
- Partnership with Arval in the United Kingdom for a car inventory financing solution for car dealers

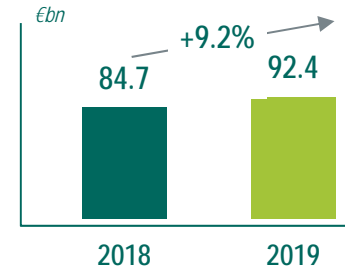
**Revenues: €5,796m**  
(+4.8% vs. 2018)

- In connection with the favourable volume effect
- Sustained growth in particular by the very good drive in Italy, Spain and Germany

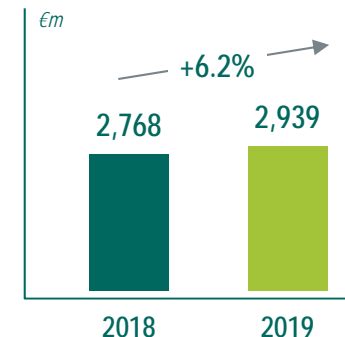
**Operating expenses: €2,857m**  
(+3.3% vs. 2018)

- Positive jaws effect (+1.4 point) and decrease in the cost income ratio (-0.7 point vs. 2018) thanks to the cost saving measures
- Support of increased business

### Consolidated outstandings



### Gross operating income



**Pre-tax income: €1,602m**  
(-2.7% vs. 2018)

- -0.6% excluding exceptional item<sup>2</sup>
- Impact of provisions in line with outstandings

1. Non-deconsolidating; 2.. Related to a non recurring item in one of the associated companies

# IFS – Europe-Mediterranean - 2019

## Positive jaws effect and strong rise in income

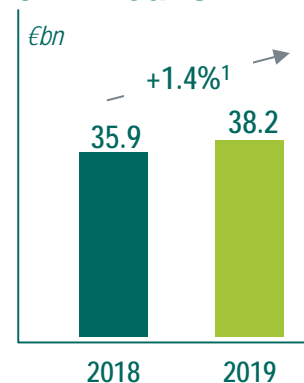
### ● Growth in business activity

- Loans: +1.4%<sup>1</sup> vs. 2018, good growth in Poland and Morocco
- Deposits: +1.2%<sup>1</sup> vs. 2018, optimisation in Poland (decrease in most expensive deposits), up in all other countries
- Business drive sustained by the universal bank model and the strengthening of the franchises

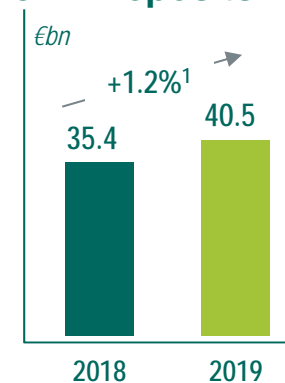
### ● Progress in the integration of Raiffeisen Bank Polska

- Ongoing delivery of cost synergies: €39m achieved in 2019. Closure of 188 branches
- Successful finalisation of the operational integration

### ● Loans



### ● Deposits



**Revenues<sup>2</sup>: €2,699m**  
(+6.8%<sup>1</sup> vs. 2018)

- Up in all regions
- Effect of increased volumes and margins, and good level of fees

**Operating expenses<sup>2</sup>: €1,799m**  
(+1.0%<sup>1</sup> vs. 2018)

- Good cost containment, largely positive jaws effect (+5.9 pts)
- Effect of transformation measures in all regions

**Pre-tax income<sup>3</sup>: €728m**  
(+23.1%<sup>1</sup> vs. 2018)

- +6.5% at historical scope and exchange rates
- Reminder: unfavourable foreign exchange effect (strong depreciation of the Turkish lira)

1. At constant scope and exchange rates (see data at historical scope and exchange rates in the appendix); 2. Including 100% of Turkish Private Banking; 3. Including 2/3 of Turkish Private Banking

# IFS - BancWest - 2019

## Decrease in costs in a context of falling rates

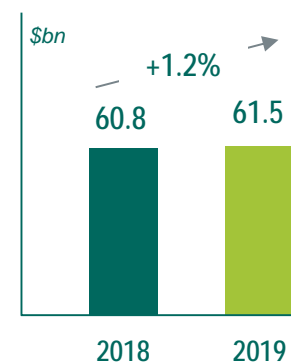
### Business drive

- Loans: +1.2%<sup>1</sup> vs. 2018, growth in individual and corporate loans
- Deposits: +3.9%<sup>1</sup> vs. 2018, good growth in customer deposits<sup>2</sup> (+5.4%)

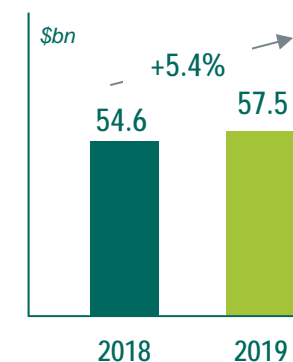
### Development of cooperation with the rest of the Group

- Strong increase of Private Banking: good net asset inflows, \$15.7bn of assets under management as at 31.12.19 (+14.3% vs. 31.12.18)
- Increase in the cooperation with CIB: 57 deals made jointly in 2019 (+8% vs. 31.12.18)

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



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



**Revenues<sup>3</sup>: €2,375m**  
(-1.8%<sup>1</sup> vs. 2018)

- Decrease in net interest margin due to falling rates partially offset by increased business activity and fees (in particular cards and cash management)

**Operating expenses<sup>3</sup>: €1,712m**  
(-3.6%<sup>1</sup> vs. 2018)

- Decrease in costs: reduction of headcount<sup>5</sup> (-7.2% vs. 31.12.18), mutualisation of some functions with CIB and transfer of support functions in a less costly area (Arizona)

**Pre-tax income<sup>4</sup>: €484m**  
(-10.0%<sup>1</sup> vs. 2018)

- 5.5% at historical scope and exchange rates (positive foreign exchange effect)
- Increase in provisions compared to a low base in 2018

1. At constant scope and exchange rates (USD vs. EUR average rates: +5.5% vs. 31.12.18; 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; 5. Including external assistants



# IFS - Insurance and WAM<sup>1</sup> - Asset Flows and AuM - 2019

## Good level of net asset inflows and favourable market evolution

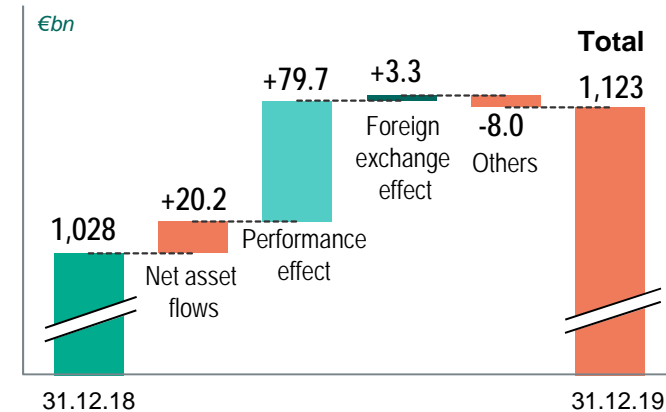
### ● Assets under management: €1,123bn as at 31.12.2019

- +9.3% vs. 31.12.18
- Very favourable performance effect: +€79.7bn on the back of the rebound of financial markets
- Others: deconsolidation of SBI Life as at 30.06.19 (-€3.6bn)

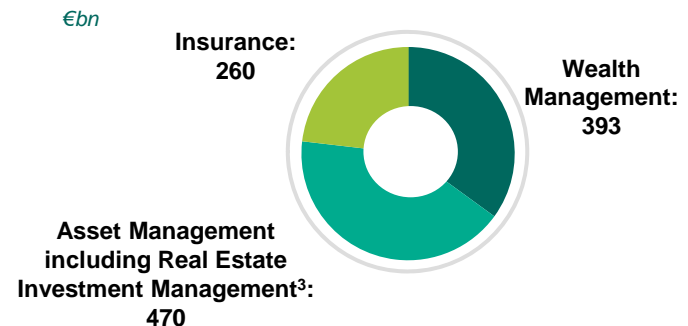
### ● Net asset inflows: +€20.2bn as at 31.12.2019

- **Wealth Management:** good net asset inflows, in particular in Asia, Germany and Belgium
- **Asset Management:** slight asset outflows related to the money market funds; good net asset inflows in Real Estate Investment Management in Germany and France
- **Insurance:** good asset inflows in particular in unit-linked policies, good growth in Asia

### ● Evolution of assets under management<sup>2</sup>



### ● Assets under management<sup>2</sup> as at 31.12.19



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: €30bn

# IFS – Insurance - 2019

## Good business growth – sharp rise in income

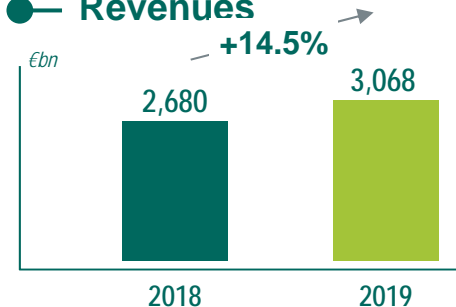
### Continued business development

- Continued diversification in savings inflow with a growing share in unit-linked policies in particular in France and in Asia
- Good growth in protection insurance in Europe and in Latin America
- Continued development of property and casualty insurance offering in the FRB network via Cardif IARD

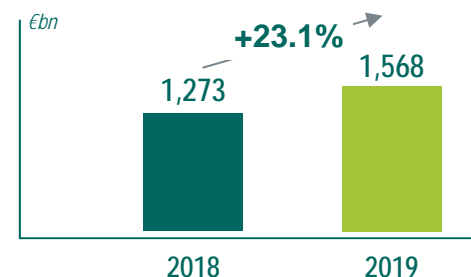
### New digital offerings and new partnerships

- In France, personal creditor protection insurance with a new fully digitalised journey (90% of immediate responses)
- In Latin America, strategic alliance with Scotiabank in 4 countries, and in Mexico with Famsa, a leading retailer
- In United Kingdom, strategic alliances with Sainsbury's Bank and Argos to develop pet insurance

### Revenues



### Gross operating income



**Revenues: €3,068m**  
(+14.5% vs. 2018)

- Good business drive
- Favourable effect of the rise of markets

**Operating expenses: €1,500m**  
(+6.7% vs. 2018)

- As a result of business development
- Positive jaws effect

**Pre-tax income: €1,716m**  
(+16.0% vs. 2018)

- +19.2% at constant scope and exchange rates
- Scope effect related to the deconsolidation of SBI Life

# IFS - Wealth and Asset Management<sup>1</sup> - 2019

## Overall growth, impact of the favourable market effect

### ● Wealth Management

- A recognised global expertise
- Good developments in Asia, United States and Germany

### ● Asset Management

- Amplification of the organisation adaptation: overhaul of sales and product life cycle management operating processes
- Successful roll-out of the Aladdin management system: migration of managed portfolios and gradual decommissioning of 50 applications
- Continuous transformation and development of new solutions (ESG, quantitative solutions, multi assets, private debt and real assets, etc.)

### ● Real Estate Services

- Very good level of activity in advisory and in property development in particular in Germany and in France
- Launch of the first marketplace dedicated to coliving<sup>2</sup> in Europe

**Revenues: €3,320m**  
(+1.0% vs. 2018)

- Continuous improvement over the year after a difficult start to the year due to the financial market crisis at the end of 2018

**Operating expenses: €2,682m**  
(+1.7% vs. 2018)

- Effect of the transformation plan measures, in particular in Asset Management

### ● A recognised global expertise

*Best Private Bank in the World*  
(Global Finance)

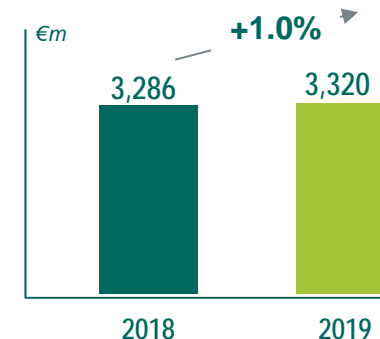
*Best Global European Private Bank*  
and *Best Philanthropy Offering*  
(Private Banker International)



*Corbeille d'or over one year<sup>3</sup>, Corbeille Long terme over 5 years<sup>3</sup>, best range of diversified funds over 1 year*



### ● Revenues (WAM)<sup>1</sup>



**Pre-tax income: €695m**  
(+2.0% vs. 2018)

1. Wealth Management, Asset Management and Real Estate Services; 2. Coliving: a flexible type of housing halfway between conventional flat-sharing and a hotel; 3. Banking network category

# Corporate & Institutional Banking - 2019

## Success of the action plan announced at the beginning of 2019

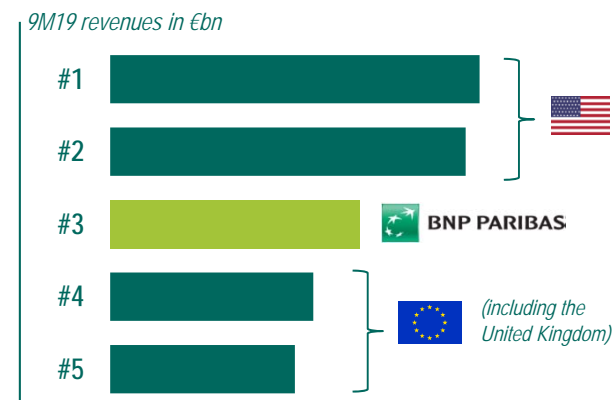
### ● Growth sustained by the development of client franchises within the integrated model

- Positions strengthened on targeted corporate and institutional client bases
- Increase in business leveraging market share gains
- 3rd largest player in EMEA<sup>1</sup>

### ● Rapid progress in the transformation of CIB

- Discontinuation or optimisation of businesses
- Continued industrialisation (€298m in recurring cost savings in 2019) and digitalisation
- Good containment of risk-weighted assets: growth (+5.4% vs. 2018) below that of the business

### ● CIB rankings in EMEA<sup>1</sup>



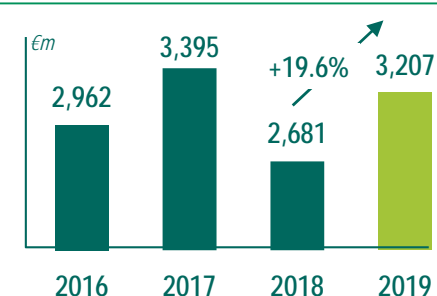
**Revenues: €12,080m**  
(+11.6% vs. 2018)

- Growth in all three operating divisions
- Sharp rise at Global Markets (+20.7%<sup>2</sup>)
- Very good performance of Corporate Banking (+6.5%<sup>2</sup>)
- Growth at Securities Services (+3.0%<sup>3</sup>)

**Operating expenses: €8,663m**  
(+6.1% vs. 2018)

- Contained increase thanks to the effect of cost saving measures (development of shared platforms and optimisation of processes, etc.)
- Very positive jaws effect (+5.5 pts)

**Pre-tax income: €3,207m**  
(+19.6% vs. 2018)



1. Source: Coalition Proprietary Analytics, Index as at 30.09.19; EMEA: Europe, Middle East, Africa; 2. Excluding the effect of the creation of the Capital Markets platform (transfer of €136m of revenues from Global Markets to Corporate Banking in 2019); 3. Excluding the positive impact of the revaluation of an equity stake in 4Q18 and of a specific transaction in 2Q19

# CIB: Global Markets - 2019

Very sustained growth of the business and strong revenue growth

## ● Strong drive leveraging market share gains

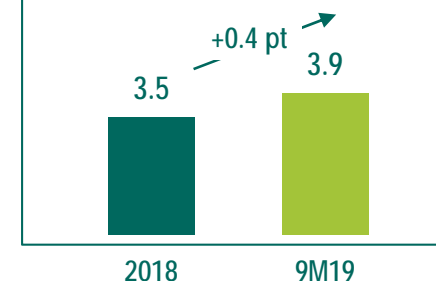
- Market share gains in particular in FICC across all segments<sup>1</sup>
- Bond issues: #1 in EMEA, #1 for all bonds in Euros, #8 for international issues<sup>2</sup>
- *Currency Derivatives House of the Year* (Risk Awards 2019)

## ● Development of leading positions on electronic platforms

- Multi-dealer platforms: top 3 on credit derivatives in Euro and emerging market bonds in local currencies, top 5 in swaps and bonds in Euro

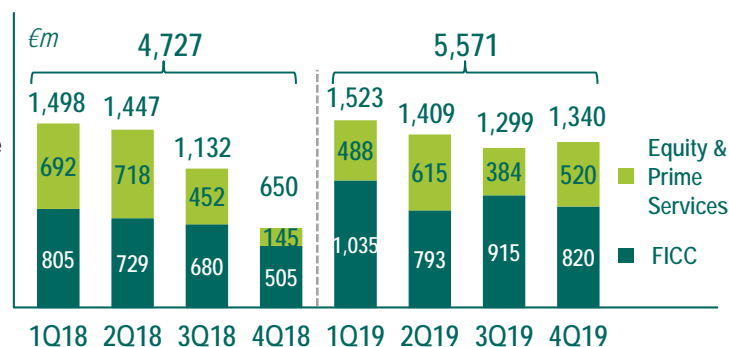
## ● Global Markets market share

Evolution of the global market share as a % of the total revenue pool<sup>1</sup>



## Revenues: €5,571m (+17.9% vs. 2018)

- +20.7% excluding the effect of the creation of the Capital Markets platform with Corporate Banking
- FICC: +36.0%<sup>3</sup> sharp rise in primary markets and credit, sharp rebound in forex and emerging markets and very good performance in rates
- Equity & prime services: stable vs. 2018, gradual recovery in 2019 from a low point at the end of 2018, good performance on equity derivatives in particular on structured products



1. Source: Proprietary Analytics Coalition, based on the BNP Paribas product scope and at a historical exchange rate; 2. Source Dealogic December 2019 bookrunner in volume; 3. Excluding the effect of the introduction of the Capital Markets platform (transfer of €136m of revenues from FICC Global Markets to Corporate Banking in 2018)

# CIB: Corporate Banking - 2019

## Business growth across all targeted client bases

### ● Success of development initiatives

- #1 European player in terms of investment banking transactions in EMEA<sup>1</sup> with a very good start in early 2019 of the Capital Markets platform, in partnership with Global Markets
- > 50 new corporate clients in Europe, in particular in targeted countries (Germany, United Kingdom, Netherlands and Scandinavia)
- Continued business development in the Americas and Asia-Pacific in particular on cross-border deals

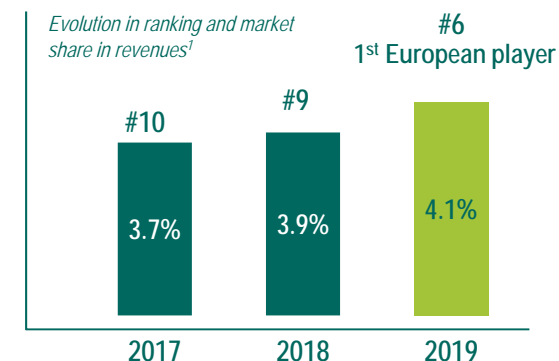
### ● Strong business drive

- Strong growth in fees (+7.2% vs. 2018) and rise in loan outstandings (€146bn, +7.5% vs. 2018)<sup>2</sup>
- #1 in Europe confirmed on large corporates for corporate banking, cash management and trade finance<sup>3</sup>
- #1 for syndicated loans in the EMEA<sup>4</sup> region

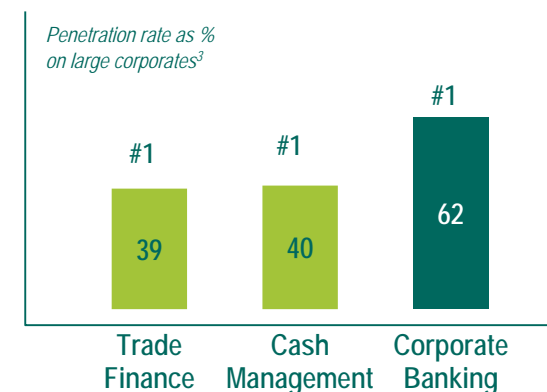
**Revenues: €4,312m (+9.9% vs. 2018)**

- +6.5% excluding the effect of the creation of the Capital Markets platform with Global Markets<sup>5</sup>
- Strong development driven by the ramping up of the Capital Markets platform in Europe (revenues: +12.8% vs. 2018)
- Development of transaction businesses globally (+11.5% vs. 2018)

### ● Investment Banking EMEA



### ● Corporate Banking in Europe



1. Europe, Middle East & Africa, source: Dealogic December 2019; 2. Average annual outstandings at constant scope and exchange rates; 3. Source: Greenwich Share Leader survey in Large Corporate Banking, Cash Management and Trade Finance; 4. Source Dealogic December 2019, bookrunner in volume; 5. Transfer of €136m of revenues from FICC Global Markets to Corporate Banking in 2019

# CIB: Securities Services - 2019

## Continued good business development

### ● Excellent business drive

- Implementation of the partnership with Janus Henderson in the United States
- Major mandates renewed: Axa Group in 7 European countries
- Development of partnerships with platforms to expand the service offering: Allfunds<sup>1</sup> (fund distribution), AssetMetrix (private equity) or FFYN (exchange of information)

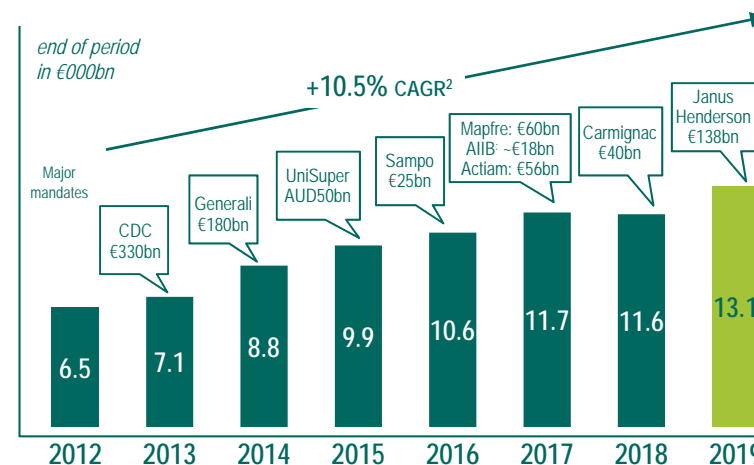
### ● Rise in assets under custody and under administration (+12.3% vs. 31.12.2018)

- Positive effect of the integration of Janus Henderson's assets since the end of March 2019
- Gradual rebound of the equity markets after a sharp fall in 4Q18
- Strong growth in the administration of private capital funds<sup>3</sup> (+23% vs. 31.12.2018)

**Revenues: €2,198m (+0.9% vs. 2018)**

- +3.0% excluding non-recurring items<sup>4</sup>
- Related to the rise in assets (+8.2% on average vs. 2018) and that of transactions (+2.3% on average)
- Strong growth in the Asia-Pacific region (+18% vs. 2018)

### ● Assets under custody and under administration



### ● Recognised global expertise

- *Bank of the Year* for securities services (The Banker)
- *Custodian of the Year* in Asia (AsiaRisk) and award-winning for *Stock Connect* programmes (The Asset)



BNP Paribas  
Securities Services  
Custodian of the year

1. Subject to the approval of the regulatory authorities and the necessary authorisations; 2. Average annual growth rate; 3. Private equity, loans and infrastructures; 4. Excluding the revaluation of an equity interest 4Q18 and a specific transaction in 2Q19



# Corporate & Institutional Banking - 2019

## Digitalisation and transformation of the operating model

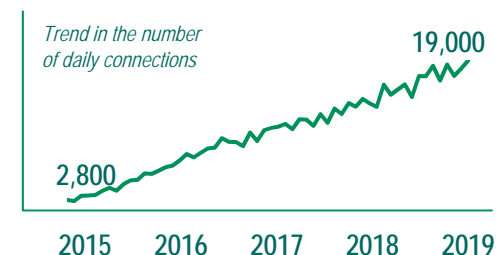


### Generalisation of digital platforms and their usage by clients

#### Digitalisation of client journeys

- >11,500 corporate clients amounting to >106,000 users on the Centric platform at the end of 2019
- Global Markets: >21 million electronic orders processed in 2019 for clients
- >6,000 institutional clients amounting to >37,000 users on the Neolink platform of Securities Services

#### Centric



### New offers to clients developed in partnership with Fintechs

#### Active cooperation with fintechs in the three business lines

- Global Markets: Symphony (a communication and collaboration platform), Directbooks (syndication), Kantox (foreign exchange hedging solution for corporates), etc.
- Corporate Banking: Cashforce (cash management for clients), TradeIX (trade finance), etc.
- Securities Services: Fortia (analysis, control and regulatory reporting), AssetMetrix (private equity), etc.



### Improvement of operating efficiency and customer service

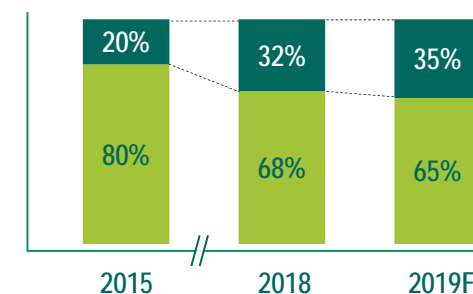
#### Digitalisation and automation of processes

- 250,000 monthly operations processed in 4Q19 by robots in Securities Services (x4 since the beginning of 2019)
- Roll-out at CIB of the *Welcome* platform (KYC) developed and used by Domestic Markets

#### Ramping up of service platforms

- 35% of CIB teams located in mutualised platforms (Portugal, Canada, India, etc.)

#### Mutualised platforms





# Corporate & Institutional Banking - 2019

## Strengthening of client franchises (1/2)

### Corporates: strengthening of leading positions in Europe

#### Success of country development plans in Europe

- >260 new corporate group clients since 2016 (of which >50 in 2019) in particular in targeted countries (Germany, United Kingdom, Netherlands and Scandinavia)
- Close to 1,500 onboardings of multinational clients' subsidiaries in 2019
- Intensification on the current country target and expansion to Spain and Italy in close association with BNL

#### Developments in the APAC and Americas regions

- Asia-Pacific: n°2 for the 1<sup>st</sup> time in trade finance<sup>1</sup> and continuous development in the Chinese market
- Americas: reinforced cooperation with BancWest and 44 onboardings in the Hispanic region

### Institutionals: major initiatives

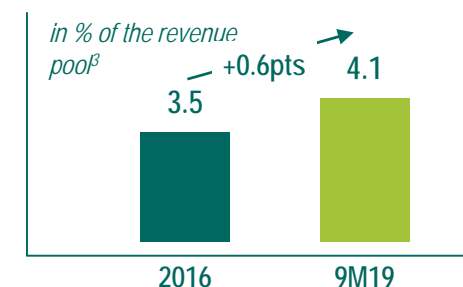
#### Reinforcement of Prime Brokerage

- Beginning of the transition period with the first transfers of Deutsche Bank IT teams
- Objective to accelerate the growth of business on fund manager clients

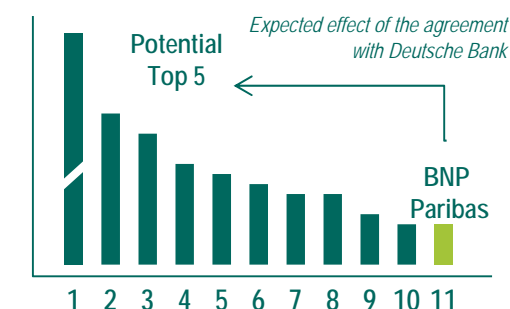
#### Partnership agreement with wealthtech Allfunds

- Planned contribution of certain activities in exchange for a strategic 22.5% equity stake in Allfunds, world's leader in fund distribution services<sup>2</sup>

#### CIB-EMEA market share



#### Prime brokerage<sup>4</sup>



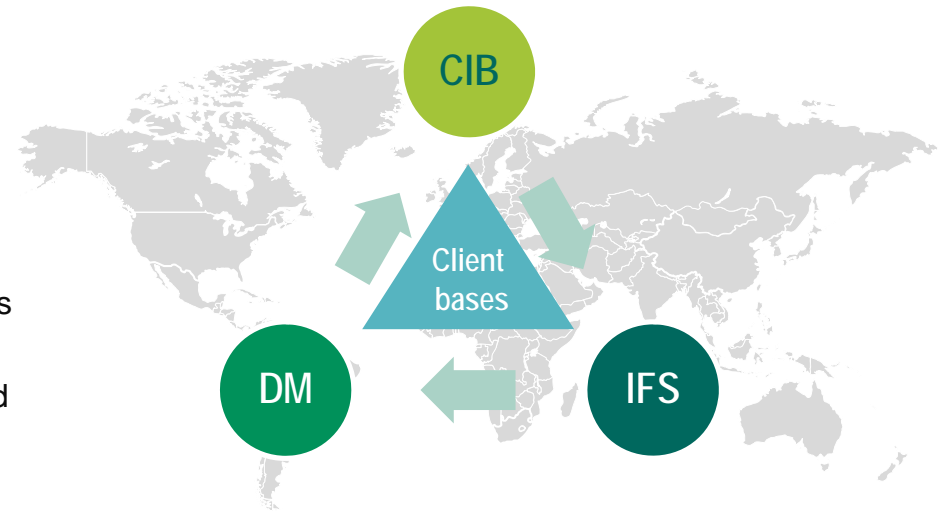
1. Source: Greenwich Share Leaders; 2. Subject to the approval of the regulatory authorities and the necessary authorisations; 3. Source: 9M19 Coalition Proprietary Analytics; 4. Source: 2018 Coalition

# Corporate & Institutional Banking - 2019

## Strengthening of client franchises (2/2)

### Cooperation and proximity with clients enhanced by the integrated model

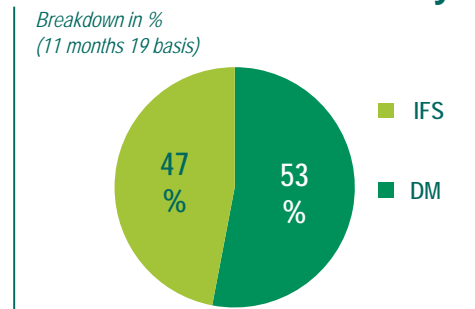
- Continuation of joint initiatives on transaction banking (cash management and trade finance centres of expertise, One Bank initiative, etc.)
- CIB solutions expanded proposal to major Domestic Markets and IFS clients (debt market, advisory, hedging, etc.)
- Development and manufacturing of investment products and their distribution to investor clients



### A global and joint approach strengthening all the businesses of the Group

- Closer strategic relationship with major clients
- Revenues of Domestic Markets and IFS associated with clients covered by CIB: over €2.8bn in annual revenues generated
- CIB revenues associated with clients covered by Domestic Markets and IFS: over €500m in annual revenues generated

### DM and IFS revenues linked to clients covered by CIB





**BNP PARIBAS**

GROUP RESULTS

DIVISION RESULTS

# 2020 OBJECTIVES

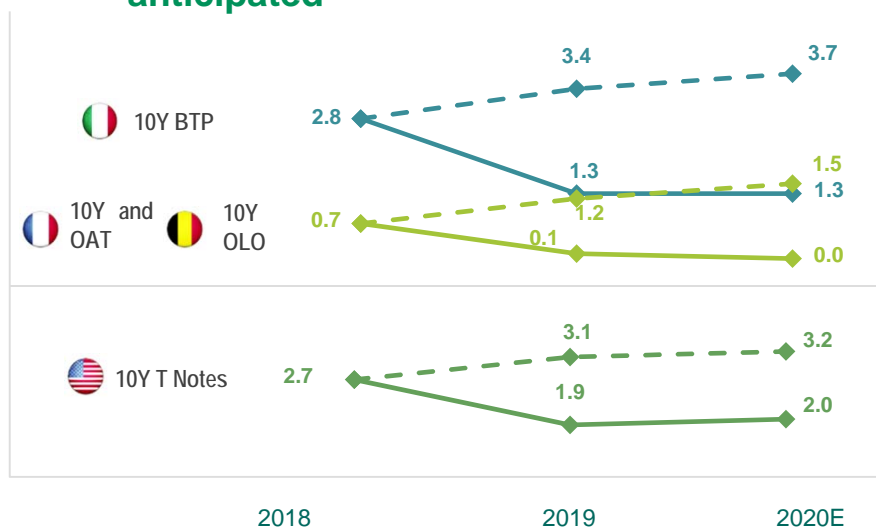
4Q19 DETAILED RESULTS

APPENDIX

# Economic context

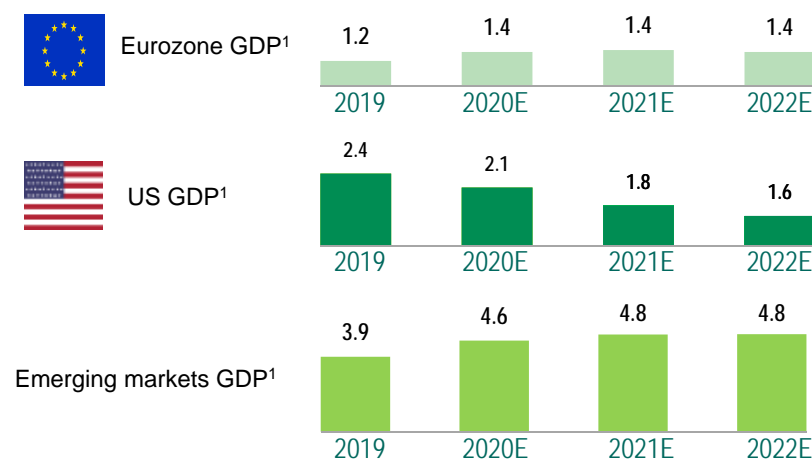
## Growth in an interest rate environment lower than anticipated

- Adjustment of monetary policies in the summer of 2019 with interest rates lower than anticipated



Source: - - - Bloomberg consensus, January 2019; — Bloomberg consensus, January 2020

- Well oriented economic growth in Europe and in Emerging Markets

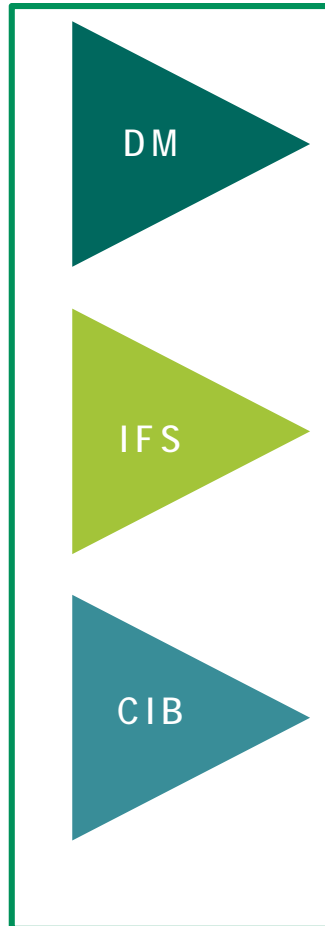


1. Source: IMF projections, October 2019

- Impact of low interest rates concentrated on interest bearing products of the network banks of the Eurozone
- Diversified model, business drive and cooperation between the businesses continuing to generate growth in this environment

# Strong business drive

## Full contribution of the diversified and integrated model



**Acceleration of the business drive** and development of revenues by leveraging our **leading positions** in the specialised businesses and on corporate and private banking client bases with **the strength of the integrated model**

**Continued development of innovative digital offerings to acquire new customers and support evolving usages**

**Intensification of the growth of the businesses** by leveraging our **best in class offerings**, our **platforms** and our **distribution partnerships and networks**

**Selective development of retail banking outside the Eurozone** and intensification of the **contribution of cooperation** with the Group within the **integrated model**

**Strengthening of the leading position in Europe** on corporates with the intensification of the country development plans and the success of Capital Markets and **continue reinforcement on institutionals** with the integration of Deutsche Bank's Prime Brokerage platforms

**Capitalising on the global presence** with targeted initiatives in Asia-Pacific (China, etc.) and in the Americas (Brazil, Mexico, etc.) and **continuation of the development of cooperation** with the Group

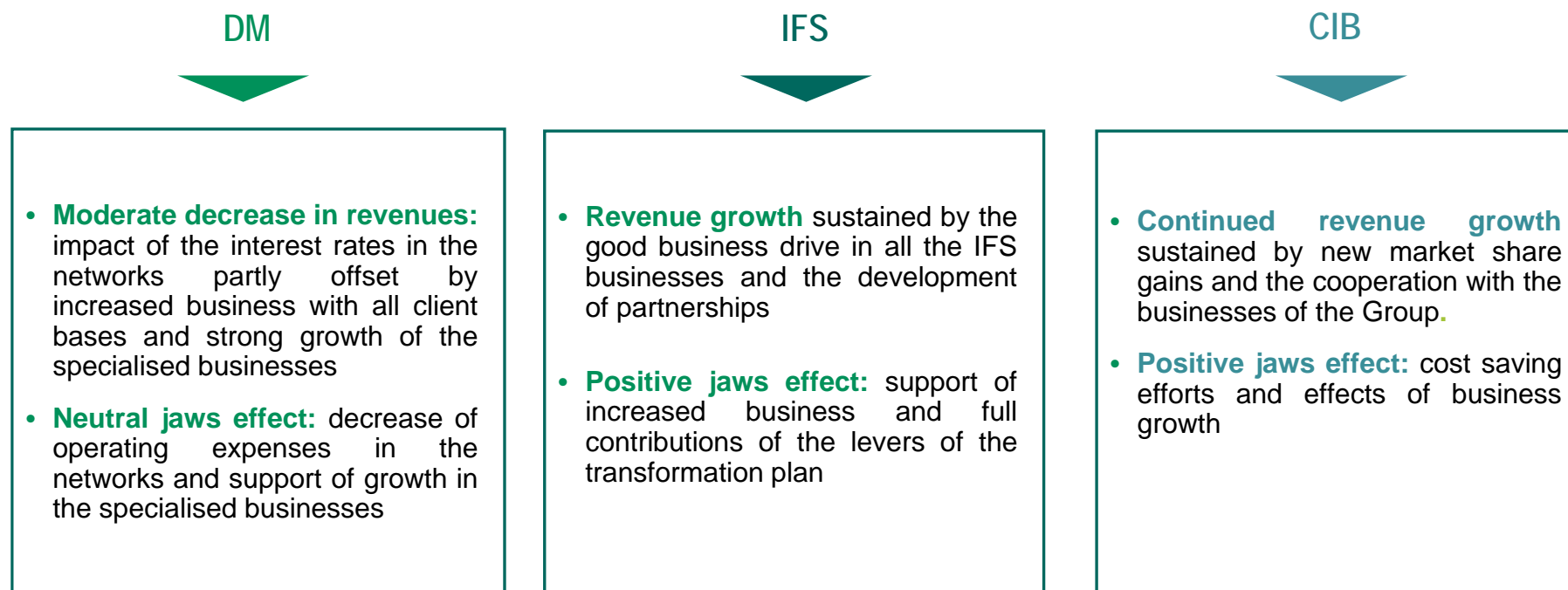
# 2020 Operating divisions

## Growth in a diversified revenue model

Year of pressure on the net interest income of the network banks of the Eurozone

Business growth in all the operating divisions: continued business drive and strengthening of the franchises in the integrated model

Full contribution of the transformation plan: operating efficiency gains, optimised operating models, new business development opportunities

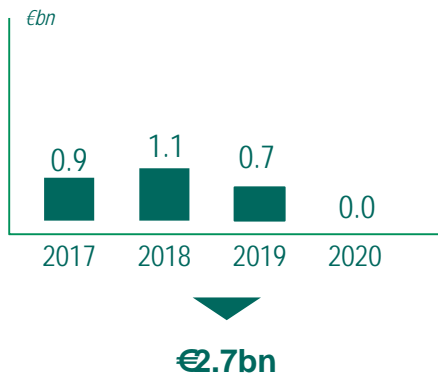


\* Pre-tax return on notional equity

# Transformation plan

A concrete transformation generating cost savings in 2020

## One-off transformation costs



Reminder: €0.3bn reduction in 2019  
(10% of the initial objective)

## No transformation costs in 2020

## €0.7bn positive impact on costs

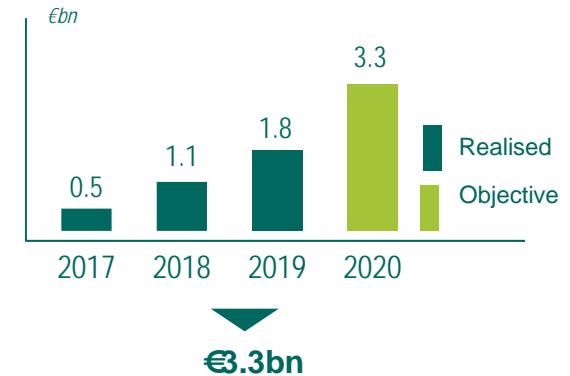
Digitalisation of customer journeys and increase of digital usages

Industrial use of new technologies (robotisation, artificial intelligence, CRM, etc.)

Insourcing of solutions & external offerings and partnerships with fintechs

Introduction of specialised and shared platforms and optimisation of the business organisation

## Cumulated recurring cost savings



Reminder: Initial target of €2.7bn announced in 2017

## Cost savings: €1.8bn since the launch of the plan

## Cost savings expected in 2020: €1.5bn

# 2020 Exceptional items

- Transformation contribution enabling the adjustment of the property portfolio

Ramping up of remote work and flex offices (47% of the office space in the Paris metropolitan area)

- Buildings sales generating €500m in one-off capital gains in 2020

- Reinforcement of the IT system to support increased digital usages

- One-off IT costs in 2020: €200m

- Restructuring and adaptation measures

- Restructuring costs (in particular Prime Brokerage): €100m

- Adaptation costs (early departure plans, etc.): €100m

	2020 Exceptional items Impact
Real estate capital gains	+€0.5bn
IT works	-€0.2bn
Restructuring and Adaptation	-€0.2bn



# Capital

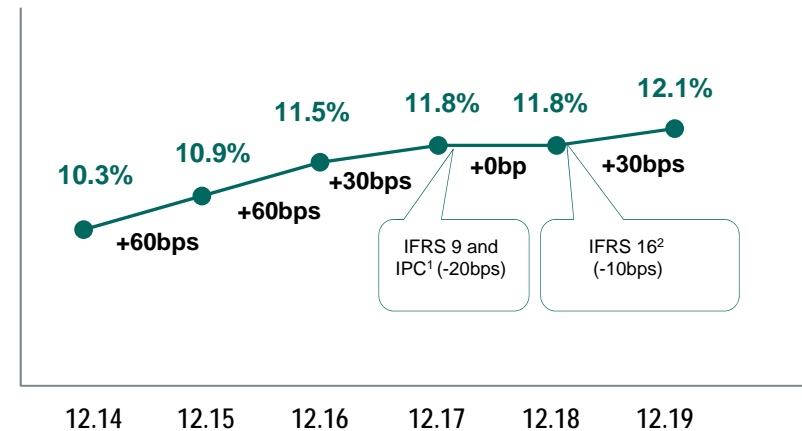
## Regular and solid capital generation

Average growth of the CET1 ratio:  
35 bps / year over the period 2014-2019

12% CET1 ratio target already reached in  
2019

12.1% CET1 ratio as at 31.12.19  
well above the requests notified by the SREP

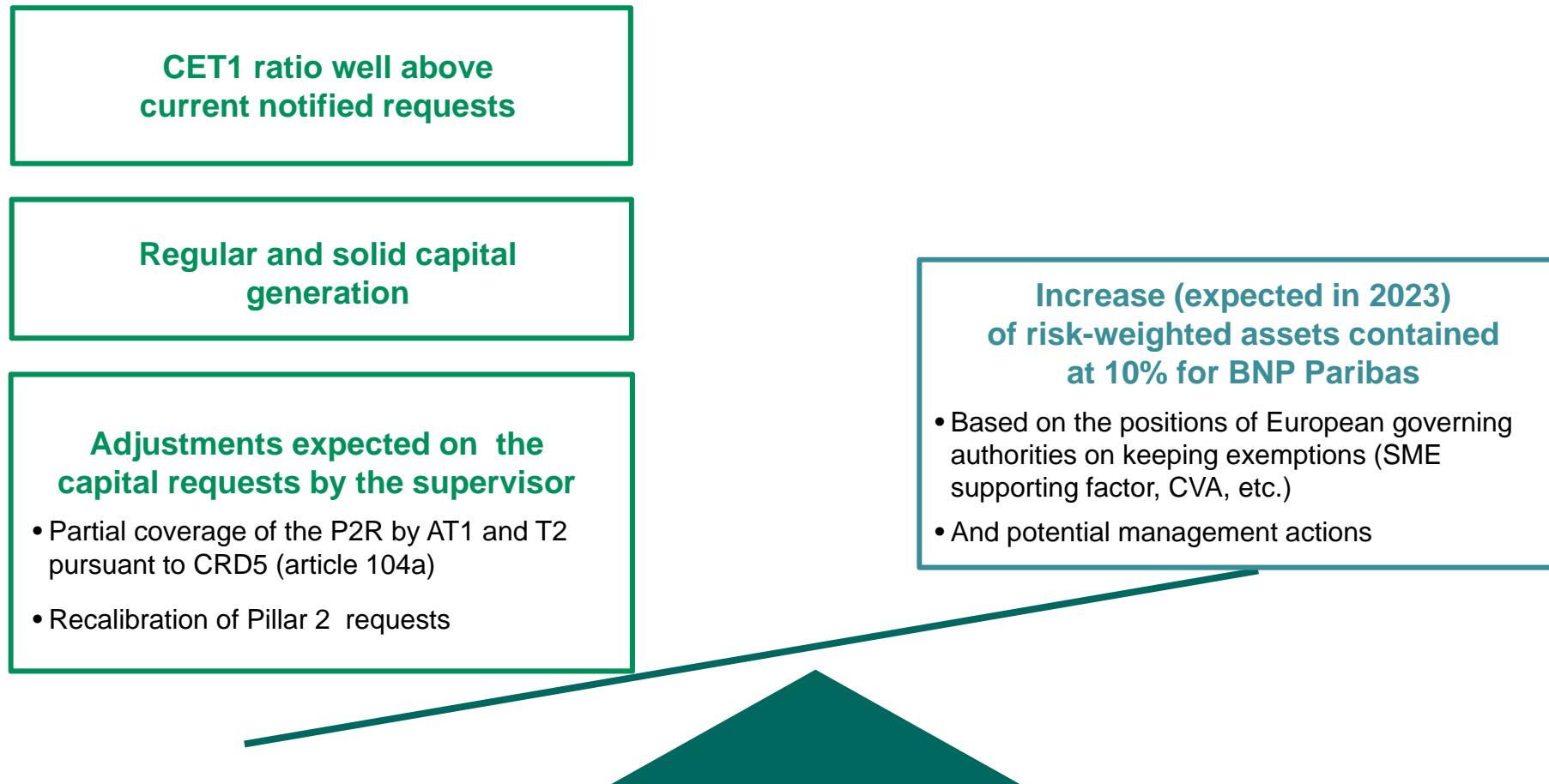
● CET1 ratio evolution



1. 1<sup>st</sup> time application of IFRS 9 (-10bps, fully loaded) and deduction of the Irrevocable Payment Commitments (IPC) from the prudential capital (-10bps) ;  
2. Impact as at 01.01.19 of the first time application of the new accounting standard IFRS 16 (leasing) (-10bps)

# Capital

## Well-positioned to face the finalisation of Basel 3



# 2020 Objectives



Business growth in all the operating divisions: strong business drive and contribution of the diversified and integrated model

Towards a more efficient and more digital operating model serving customers and employees

Continued reinforcement of the franchises in the integrated model. Ongoing development of CIB businesses and strengthening of its European leadership

Decrease in absolute value of operating expenses, positive jaws effect with the full benefit of the transformation plan

Reinforced leadership in sustainable finance and ambitious policy of engagement in society

ROTE target of 10% in 2020

Objective of 50% dividend pay-out ratio in cash<sup>1</sup>

1. Subject to the shareholder approval at the Annual Meeting

**BNP Paribas confirms the strength of its model and its long-term capacity to create value in changing economic, technological, environmental, regulatory & societal environments.**



**BNP PARIBAS**

GROUP RESULTS

DIVISION RESULTS

2020 OBJECTIVES

# 4Q19 DETAILED RESULTS

APPENDIX

# Main Exceptional Items – 4Q19

## ● Exceptional items

### Operating expenses

- Restructuring costs<sup>1</sup> (*Corporate Centre*)
- Transformation costs – 2020 Plan (*Corporate Centre*)
- Additional adaptation measures – departure plans<sup>2</sup> (*Corporate Centre*)

#### **Total exceptional operating expenses**

### Other non operating items

- Capital gain on the sale of a building (*Corporate Centre*)

#### **Total exceptional other non operating items**

### Total exceptional items (pre-tax)

### Total exceptional items (after tax)<sup>3</sup>

	4Q19	4Q18
	-€163m	-€97m
	-€175m	-€385m
	-€81m	€0m
	<b>-€420m</b>	<b>€481m</b>
	+€101m	
	<b>+€101m</b>	
	<b>-€319m</b>	<b>-€481m</b>
	<b>-€242m</b>	<b>-€341m</b>

1. Related in particular to the integration of Raiffeisen Bank Polska and the discontinuation or restructuring of certain businesses (in particular BNP Paribas Switzerland);

2. Related in particular to BNL bc, Asset Management and BancWest; 3. Group Share

# Consolidated Group – 4Q19

Strong growth in income – Very positive jaws effect

	4Q19	4Q18	4Q19 vs. 4Q18	% Operating divisions	
				Historical scope & exchange rates	Constant scope & exchange rates
<b>Revenues</b>	€11,333m	€10,160m	+11.5%	+12.0%	+10.9%
Operating expenses	-€8,032m	-€7,678m	+4.6%	+6.1%	+4.9%
<b>Gross operating income</b>	€3,301m	€2,482m	+33.0%	+25.5%	+24.6%
Cost of risk	-€966m	-€896m	+7.8%	+10.2%	+9.2%
<b>Operating income</b>	€2,335m	€1,586m	+47.2%	+31.1%	+30.2%
Non operating items	€194m	€97m	n.a	n.a	n.a
<b>Pre-tax income</b>	€2,529m	€1,683m	+50.3%	+27.2%	27.1%
<b>Net income Group share</b>	€1,849m	€1,442m	+28.2%		
<b>Net income Group share excluding exceptional items<sup>1</sup></b>	€2,091m	€1,783m	+17.3%		

1. See slide 53

# Retail Banking and Services - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
<b>Revenues</b>	<b>8,286</b>	<b>7,767</b>	<b>+6.7%</b>	<b>8,006</b>	<b>+3.5%</b>	<b>32,433</b>	<b>31,188</b>	<b>+4.0%</b>
Operating Expenses and Dep.	-5,274	-5,154	+2.3%	-5,084	+3.7%	-20,946	-20,455	+2.4%
<b>Gross Operating Income</b>	<b>3,012</b>	<b>2,613</b>	<b>+15.3%</b>	<b>2,922</b>	<b>+3.1%</b>	<b>11,488</b>	<b>10,732</b>	<b>+7.0%</b>
Cost of Risk	-826	-722	+14.4%	-765	+8.0%	-2,927	-2,611	+12.1%
<b>Operating Income</b>	<b>2,187</b>	<b>1,891</b>	<b>+15.6%</b>	<b>2,158</b>	<b>+1.3%</b>	<b>8,561</b>	<b>8,122</b>	<b>+5.4%</b>
Share of Earnings of Equity-Method Entities	111	131	-15.2%	119	-6.9%	489	486	+0.7%
Other Non Operating Items	-4	-4	-21.4%	3	n.s.	-26	58	n.s.
<b>Pre-Tax Income</b>	<b>2,294</b>	<b>2,018</b>	<b>+13.7%</b>	<b>2,280</b>	<b>+0.6%</b>	<b>9,024</b>	<b>8,665</b>	<b>+4.1%</b>
Cost/Income	63.6%	66.4%	-2.8 pt	63.5%	+0.1 pt	64.6%	65.6%	-1.0 pt
Allocated Equity (€bn)						54.9	52.5	+4.7%

*Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium, Luxembourg, at BancWest and TEB for the Revenues to Pre-tax income line items*

# Domestic Markets - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	4,036	3,903	+3.4%	3,892	+3.7%	15,814	15,683	+0.8%
Operating Expenses and Dep.	-2,635	-2,603	+1.2%	-2,607	+1.1%	-10,741	-10,707	+0.3%
Gross Operating Income	1,402	1,300	+7.8%	1,285	+9.1%	5,073	4,977	+1.9%
Cost of Risk	-254	-322	-21.0%	-245	+3.6%	-1,021	-1,046	-2.4%
Operating Income	1,147	978	+17.3%	1,040	+10.4%	4,052	3,930	+3.1%
Share of Earnings of Equity-Method Entities	4	0	n.s.	1	n.s.	1	-3	n.s.
Other Non Operating Items	4	-2	n.s.	2	n.s.	1	0	n.s.
Pre-Tax Income	1,156	975	+18.5%	1,043	+10.8%	4,054	3,927	+3.2%
Income Attributable to Wealth and Asset Management	-62	-59	+5.9%	-67	-7.8%	-256	-264	-3.0%
Pre-Tax Income of Domestic Markets	1,093	917	+19.3%	975	+12.1%	3,798	3,663	+3.7%
Cost/Income	65.3%	66.7%	-1.4 pt	67.0%	-1.7 pt	67.9%	68.3%	-0.4 pt
Allocated Equity (€bn)						25.7	25.2	+2.4%

*Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg for the Revenues to Pre-tax income items*

- **Revenues: +3.4% vs. 4Q18**
  - Business growth partially offset by the effect of low interest rates
  - Continued growth in the specialised businesses
- **Operating expenses: +1.2% vs. 4Q18**
  - Stable in the networks with a positive jaws effect
  - Rise in the specialised businesses related to the development of the activity
  - Positive jaws effect (+2.2 pts)
- **Pre-tax income: +19.3% vs. 4Q18**
  - Decrease in the cost of risk, in particular at BNL bc



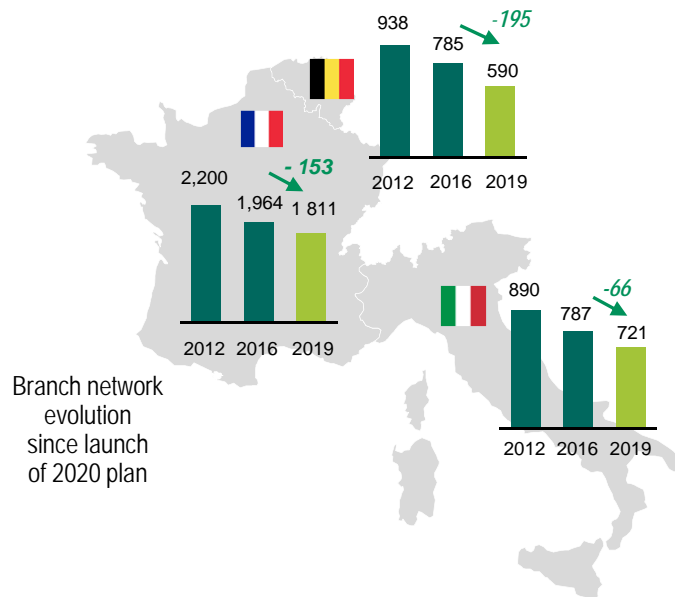
# Domestic Markets - 2019

## A simplified and streamlined commercial set-up

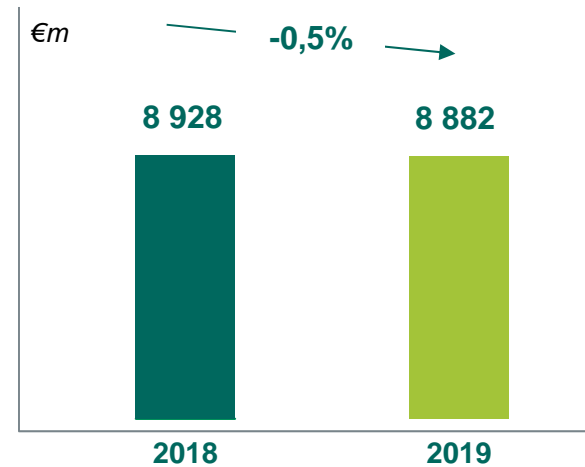
### Continuing branch network optimisation

414 branches closed since 31.12.2016

Branches redesigned to adapt to the new behaviours of customers



### Retail networks' operating costs<sup>1</sup>



1. FRB, BNL bc and BRB, including 100% of Private Banking

# DM - French Retail Banking – 4Q19 (EXCLUDING PEL/CEL EFFECTS)

€m	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
Revenues	1,569	1,553	+1.0%	1,568	+0.1%	6,328	6,311	+0.3%
Incl. Net Interest Income	889	887	+0.2%	901	-1.3%	3,591	3,548	+1.2%
Incl. Commissions	679	666	+2.1%	667	+1.9%	2,737	2,763	-1.0%
Operating Expenses and Dep.	-1,152	-1,149	+0.3%	-1,163	-0.9%	-4,602	-4,609	-0.2%
Gross Operating Income	417	404	+3.1%	405	+2.8%	1,726	1,701	+1.5%
Cost of Risk	-98	-85	+15.7%	-75	+30.6%	-329	-288	+14.1%
Operating Income	318	319	-0.3%	330	-3.5%	1,397	1,413	-1.1%
Non Operating Items	6	-3	n.s.	0	n.s.	7	-1	n.s.
Pre-Tax Income	324	317	+2.5%	330	-1.7%	1,404	1,412	-0.5%
Income Attributable to Wealth and Asset Management	-32	-32	+0.5%	-40	-18.0%	-143	-148	-3.4%
Pre-Tax Income	292	284	+2.7%	290	+0.6%	1,261	1,263	-0.2%
Cost/Income	73.4%	74.0%	-0.6 pt	74.2%	-0.8 pt	72.7%	73.0%	-0.3 pt
Allocated Equity (€bn)						10.1	9.6	+5.8%

Including 100% of French Private Banking for the revenues to Pre-tax income line items (excluding PEL/CEL effects)<sup>1</sup>

## ● Revenues: +1.0% vs. 4Q18

- Net interest income: +0.2% vs. 4Q18, effect of increased volumes largely offset by the low rate environment
- Fees: +2.1% vs. 4Q18, rise in financial fees and growth of fees on payment instruments offset by the decrease in charges on fragile customers

## ● Operating expenses: +0.3% vs. 4Q18

- Impact of cost saving measures, network optimisation and simplification
- Positive jaws effect (+0.7 pt)

1. PEL/CEL effect: +€12m in 2019 (+€20m in 2018) and -€9m in 4Q19 (+€15m in 4Q18)

# DM - French Retail Banking – 4Q19

## Volumes

Average outstandings (€bn)	Outstandings 4Q19	%Var/4Q18	%Var/3Q19	Outstandings 2019	%Var/2018
<b>LOANS</b>	<b>177.8</b>	<b>+6.1%</b>	<b>+1.3%</b>	<b>173.8</b>	<b>+5.4%</b>
Individual Customers	97.0	+5.5%	+1.2%	95.0	+4.6%
Incl. Mortgages	85.8	+5.9%	+1.2%	84.0	+5.0%
Incl. Consumer Lending	11.2	+2.4%	+0.9%	11.0	+1.8%
Corporates	80.9	+6.9%	+1.5%	78.8	+6.4%
<b>DEPOSITS AND SAVINGS</b>	<b>189.1</b>	<b>+10.3%</b>	<b>+0.3%</b>	<b>185.2</b>	<b>+9.8%</b>
Current Accounts	120.9	+14.2%	+1.5%	116.6	+13.1%
Savings Accounts	61.7	+4.0%	-0.3%	61.5	+3.3%
Market Rate Deposits	6.4	+4.3%	-13.9%	7.1	+17.8%
	<b>31.12.19</b>	<b>%Var/ 31.12.18</b>	<b>%Var/ 30.09.19</b>		
€bn					
<b>OFF BALANCE SHEET SAVINGS</b>					
Life Insurance	96.1	+7.7%	+1.0%		
Mutual Funds	34.0	-6.8%	+10.9%		

- **Loans: +6.1% vs. 4Q18**, good growth across all customer segments, increase in particular in corporate loans
- **Deposits: +10.3% vs. 4Q18**
- **Off balance sheet savings:** growth in life insurance outstandings; decrease in mutual fund outstandings vs. 31.12.18 concentrated on short-term mutual funds

# DM – BNL banca commerciale – 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	755	722	+4.6%	663	+13.9%	2,778	2,792	-0.5%
Operating Expenses and Dep.	-450	-440	+2.2%	-446	+0.9%	-1,800	-1,797	+0.1%
Gross Operating Income	305	282	+8.3%	217	+40.7%	978	995	-1.7%
Cost of Risk	-109	-164	-33.5%	-109	+0.3%	-490	-592	-17.3%
Operating Income	196	117	+66.7%	108	+81.4%	488	402	+21.3%
Non Operating Items	-4	-2	n.s.	0	n.s.	-5	-3	+45.0%
Pre-Tax Income	191	116	+65.5%	108	+77.3%	483	399	+21.1%
Income Attributable to Wealth and Asset Management	-10	-11	-5.1%	-10	+4.5%	-41	-43	-5.3%
Pre-Tax Income of BNL bc	181	105	+72.6%	98	+84.4%	443	356	+24.3%
Cost/Income	59.6%	61.0%	-1.4 pt	67.3%	-7.7 pt	64.8%	64.4%	+0.4 pt
Allocated Equity (€bn)						5.3	5.5	-2.4%

*Including 100% of the Italian Private Banking for the Revenues to Pre-tax income line items*

## ● Revenues: +4.6% vs. 4Q18

- Net interest income: +8.1% vs. 4Q18, impact of a positive non-recurring item partially offset by the impact of the low interest rate environment and the positioning on clients with a better risk profile
- Fees: -0.7% vs. 4Q18

## ● Operating expenses: +2.2% vs. 4Q18

- Contained increase thanks to cost reduction measures effect; impact in particular of higher contributions to the deposit guarantee scheme in Italy
- Positive jaws effect

## ● Cost of risk: -33.5% vs. 4Q18 - Continued decrease in the cost of risk

## ● Pre-tax income: €181m (+72.6% vs. 4Q18) - strong rise in income

# DM – BNL banca commerciale – 4Q19

## Volumes

Average outstandings (€bn)	Outstandings 4Q19	%Var/4Q18	%Var/3Q19	Outstandings 2019	%Var/2018
<b>LOANS</b>	<b>76.1</b>	<b>-3.8%</b>	<b>-1.3%</b>	<b>77.3</b>	<b>-1.9%</b>
Individual Customers	38.7	-3.7%	-0.8%	39.2	-2.5%
Incl. Mortgages	24.6	-1.4%	-0.0%	24.7	-1.1%
Incl. Consumer Lending	4.6	+3.5%	+0.3%	4.6	+4.0%
Corporates	37.4	-3.9%	-1.9%	38.0	-1.2%
<b>DEPOSITS AND SAVINGS</b>	<b>47.3</b>	<b>+8.0%</b>	<b>+1.7%</b>	<b>45.7</b>	<b>+4.8%</b>
Individual Deposits	31.6	+7.1%	+2.1%	30.7	+6.0%
Incl. Current Accounts	31.4	+7.3%	+2.1%	30.5	+6.2%
Corporate Deposits	15.7	+9.8%	+0.8%	15.0	+2.3%

€bn	31.12.19	%Var/ 31.12.18	%Var/ 30.09.19
<b>OFF BALANCE SHEET SAVINGS</b>			
Life Insurance	23.0	+9.9%	+0.9%
Mutual Funds	15.4	+5.2%	+1.3%

- **Loans: -3.8% vs. 4Q18**, - 2.0% excluding the impact of the sale of non-performing loans<sup>1</sup>, continued market share gains in the corporate segment
- **Deposits: +8.0% vs. 4Q18**, growth in particular in individual current accounts
- **Off balance sheet savings: +8.0% vs. 31.12.18**, strong rise in life insurance outstandings, growth in mutual funds in particular due to the rise in the markets

1. Securitization of non-performing portfolios for €1.0bn in 2Q19 and €1.0bn in 4Q18 ;

# DM - Belgian Retail Banking – 4Q19

€m	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
Revenues	878	857	+2.5%	853	+2.9%	3,524	3,595	-2.0%
Operating Expenses and Dep.	-560	-571	-1.9%	-541	+3.5%	-2,480	-2,521	-1.6%
Gross Operating Income	318	286	+11.1%	312	+1.8%	1,044	1,074	-2.8%
Cost of Risk	-5	-43	-89.5%	-20	-77.6%	-55	-43	+29.0%
Operating Income	313	243	+28.9%	292	+7.3%	989	1,031	-4.1%
Non Operating Items	8	10	-24.7%	6	+33.8%	10	18	-43.9%
Pre-Tax Income	321	253	+26.7%	298	+7.8%	999	1,049	-4.8%
Income Attributable to Wealth and Asset Management	-19	-15	+23.9%	-17	+9.2%	-70	-70	-0.1%
Pre-Tax Income of BDDB	302	238	+26.9%	281	+7.7%	929	980	-5.1%
Cost/Income	63.8%	66.6%	-2.8 pt	63.4%	+0.4 pt	70.4%	70.1%	+0.3 pt
Allocated Equity (€bn)						5.8	5.7	+0.3%

*Including 100% of Belgian Private Banking for the Revenues to Pre-tax income line items*

## ● Revenues: +2.5% vs. 4Q18

- Net interest income: -0.3% vs. 4Q18 due to the effect of low interest rates
- Fees: +11% vs. 4Q18, increase in particular due to the growth in off balance sheet savings and fees generated by private banking

## ● Operating expenses: -1.9% vs. 4Q18

- Effect of cost saving measures
- Positive jaws effect (+4.3 pts) in 4Q19

## ● Significant decrease in the cost of risk vs. 4Q18

- Provision write-backs on specific files in 4Q19

# DM - Belgian Retail Banking – 4Q19

## Volumes

Average outstandings (€bn)	Outstandings 4Q19	%Var/4Q18	%Var/3Q19	Outstandings 2019	%Var/2018
<b>LOANS</b>	<b>112.5</b>	<b>+4.3%</b>	<b>+0.7%</b>	<b>110.8</b>	<b>+4.4%</b>
Individual Customers	71.5	+4.1%	+1.4%	70.3	+3.5%
Incl. Mortgages	52.2	+4.7%	+1.7%	51.1	+4.1%
Incl. Consumer Lending	0.3	+57.1%	-7.7%	0.3	+19.9%
Incl. Small Businesses	19.1	+2.0%	+0.6%	18.9	+1.9%
Corporates and Local Governments	40.9	+4.7%	-0.4%	40.5	+5.9%
<b>DEPOSITS AND SAVINGS</b>	<b>133.1</b>	<b>+5.3%</b>	<b>+0.4%</b>	<b>131.1</b>	<b>+5.1%</b>
Current Accounts	56.5	+8.1%	+1.6%	54.8	+6.7%
Savings Accounts	73.8	+3.1%	-0.5%	73.4	+3.9%
Term Deposits	2.9	+7.6%	+0.9%	2.9	+4.6%
	<b>31.12.19</b>	<b>%Var/ 31.12.18</b>	<b>%Var/ 30.09.19</b>		
€bn					
<b>OFF BALANCE SHEET SAVINGS</b>					
Life Insurance	24.6	+2.7%	+0.2%		
Mutual Funds	33.2	+12.8%	+3.9%		

- **Loans: +4.3% vs. 4Q18**
  - Significant rise in mortgage loans and corporate loans
- **Deposits: +5.3% vs. 4Q18**
  - Strong growth in individual current accounts, rise in savings accounts
- **Off balance sheet savings: +8.2% vs. 31.12.18**
  - Strong growth in mutual fund outstandings

# DM - Other Activities - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	834	771	+8.2%	807	+3.3%	3,184	2,986	+6.6%
Operating Expenses and Dep.	-473	-443	+6.6%	-457	+3.4%	-1,859	-1,779	+4.5%
Gross Operating Income	362	328	+10.4%	351	+3.2%	1,325	1,207	+9.8%
Cost of Risk	-42	-29	+43.7%	-41	+2.4%	-146	-123	+19.1%
Operating Income	320	299	+7.1%	310	+3.3%	1,178	1,084	+8.7%
Share of Earnings of Equity-Method Entities	-2	-4	-56.0%	-4	-59.5%	-12	-12	+6.2%
Other Non Operating Items	0	-5	n.s.	1	-68.3%	2	-5	n.s.
Pre-Tax Income	318	290	+9.9%	307	+3.8%	1,168	1,067	+9.5%
Income Attributable to Wealth and Asset Management	-1	-1	+32.3%	-1	-18.4%	-3	-3	-17.6%
Pre-Tax Income of others DM	318	289	+9.9%	306	+3.9%	1,165	1,064	+9.5%
Cost/Income	56.6%	57.5%	-0.9 pt	56.6%	+0.0 pt	58.4%	59.6%	-1.2 pt
Allocated Equity (€bn)						4.5	4.4	+3.4%

*Including 100% of Private Banking in Luxembourg for the Revenues to Pre-tax income line items*

- **Revenues: +8.2% vs. 4Q18**
  - Revenue growth in each of the businesses, and in particular for Arval and Leasing Solutions
  - Strong revenue growth of Nickel
- **Operating expenses: +6.6% vs. 4Q18**
  - As a result of business development
  - Positive jaws effect (+1.6 pts)
- **Pre-tax income: +9.9% vs. 4Q18**



# DM - BDEL - Personal Investors – 4Q19

## — Luxembourg Retail Banking (LRB)

Average outstandings (€bn)	4Q19	%Var/4Q18	%Var/3Q19	2019	%Var/2018
<b>LOANS</b>	<b>10.9</b>	<b>+9.6%</b>	<b>+2.3%</b>	<b>10.6</b>	<b>+8.6%</b>
Individual Customers	7.5	+7.6%	+2.0%	7.3	+7.0%
Corporates and Local Governments	3.4	+14.2%	+3.0%	3.3	+12.5%
<b>DEPOSITS AND SAVINGS</b>	<b>24.6</b>	<b>+12.5%</b>	<b>+5.8%</b>	<b>23.5</b>	<b>+11.5%</b>
Current Accounts	13.2	+16.1%	+13.1%	12.3	+15.4%
Savings Accounts	9.9	+7.7%	-0.7%	9.7	+5.3%
Term Deposits	1.5	+12.7%	-6.5%	1.5	+22.7%
€bn	<b>31.12.19</b>	<b>%Var/ 31.12.18</b>	<b>%Var/ 30.09.19</b>		
<b>OFF BALANCE SHEET SAVINGS</b>					
Life Insurance	1.1	+6.8%	+1.1%		
Mutual Funds	1.8	+14.9%	+4.8%		

— Loans vs. 4Q18: good growth in mortgage and corporate loans

— Deposits vs. 4Q18: significant rise in sight deposits and savings account particularly in the corporate client segment

## — Personal Investors

Average outstandings (€bn)	4Q19	%Var/4Q18	%Var/3Q19	2019	%Var/2018
<b>LOANS</b>	<b>0.5</b>	<b>-7.0%</b>	<b>-9.9%</b>	<b>0.5</b>	<b>-8.3%</b>
<b>DEPOSITS</b>	<b>23.1</b>	<b>+1.3%</b>	<b>-0.5%</b>	<b>22.9</b>	<b>-0.3%</b>
€bn	<b>31.12.19</b>	<b>%Var/ 31.12.18</b>	<b>%Var/ 30.09.19</b>		
<b>ASSETS UNDER MANAGEMENT</b>	<b>111.2</b>	<b>+21.8%</b>	<b>+6.2%</b>		
European Customer Orders (millions)	4.9	-2.4%	-3.8%		

— Deposits vs. 4Q18: slight increase in deposits

— Assets under management vs. 31.12.18: effect of the rise in the markets and very good asset inflows

# DM - Arval - Leasing Solutions – Nickel – 4Q19

## ● Arval

Average outstandings (€bn)	4Q19	%Var <sup>1</sup> /4Q18	%Var <sup>1</sup> /3Q19	2019	%Var <sup>1</sup> /2018
Consolidated Outstandings	20.8	+12.9%	+3.7%	19.7	+11.6%
Financed vehicles ('000 of vehicles)	1,298	+9.1%	+2.7%	1,255	+8.9%

- Consolidated outstandings: +12.9%<sup>1</sup> vs. 4Q18, good growth in all regions
- Financed fleet: +9.1%<sup>1</sup> vs. 4Q18, very good sales and marketing drive

## ● Leasing Solutions

Average outstandings (€bn)	4Q19	%Var*/4Q18	%Var*/3Q19	2019	%Var*/2018
Consolidated Outstandings	21.4	+4.7%	+0.7%	21.1	+6.9%

- Consolidated outstandings: +4.7%<sup>1</sup> vs. 4Q18, good business and marketing drive

## ● Nickel

- 1,500,000 accounts opened as at 31 December 2019 (+33% vs. 31 December 2018)
- Reminder: acquisition finalised on 12 July 2017

1. At constant scope and exchange rates

# International Financial Services - 4Q19

€m	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
Revenues	4,391	3,999	+9.8%	4,248	+3.4%	17,183	16,076	+6.9%
Operating Expenses and Dep.	-2,715	-2,626	+3.4%	-2,545	+6.7%	-10,507	-10,054	+4.5%
Gross Operating Income	1,675	1,373	+22.0%	1,704	-1.7%	6,676	6,022	+10.9%
Cost of Risk	-574	-401	+43.1%	-518	+10.8%	-1,911	-1,566	+22.0%
Operating Income	1,101	972	+13.3%	1,186	-7.1%	4,765	4,456	+6.9%
Share of Earnings of Equity-Method Entities	107	131	-18.4%	118	-9.5%	488	489	-0.2%
Other Non Operating Items	-8	-2	n.s.	1	n.s.	-27	58	n.s.
Pre-Tax Income	1,201	1,101	+9.1%	1,305	-8.0%	5,226	5,003	+4.5%
Cost/Income	61.8%	65.7%	-3.9 pt	59.9%	+1.9 pt	61.1%	62.5%	-1.4 pt
Allocated Equity (€bn)						29.2	27.3	+6.8%

- Foreign exchange effect: appreciation of the dollar offset by the depreciation of the Turkish Lira
  - USD/EUR<sup>1</sup>: +3.1% vs. 4Q18, +0.4% vs. 3Q19, +5.5% vs. 2018
  - TRY/EUR<sup>1</sup>: -2.1% vs. 4Q18, -1.8% vs. 3Q19, -10.5% vs. 2018
- At constant scope and exchange rates vs. 4Q18
  - Revenues: +8.3%, growth driven in particular by the very good performance of Insurance, Real Estate Services, Personal Finance and retail networks of Europe-Mediterranean
  - Operating expenses: +1.6%, increase contained by cost saving measures and efficiency gains, largely positive jaws effect (+6.7 pts)
  - Pre-tax income: +9.7%

1. Average rates

# IFS - Personal Finance - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	1,485	1,411	+5.3%	1,444	+2.8%	5,796	5,533	+4.8%
Operating Expenses and Dep.	-721	-728	-1.0%	-664	+8.7%	-2,857	-2,764	+3.3%
Gross Operating Income	764	682	+12.0%	781	-2.1%	2,939	2,768	+6.2%
Cost of Risk	-370	-299	+23.7%	-366	+1.3%	-1,354	-1,186	+14.2%
Operating Income	394	383	+2.8%	415	-5.1%	1,585	1,583	+0.1%
Share of Earnings of Equity-Method Entities	-9	17	n.s.	19	n.s.	41	62	-34.3%
Other Non Operating Items	-11	-1	n.s.	0	n.s.	-23	2	n.s.
Pre-Tax Income	374	400	-6.4%	434	-13.9%	1,602	1,646	-2.7%
Cost/Income	48.6%	51.6%	-3.0 pt	45.9%	+2.7 pt	49.3%	50.0%	-0.7 pt
Allocated Equity (€bn)						7.9	7.3	+8.8%

## ● Revenues: +5.3% vs. 4Q18

- In connection with the rise in volumes and the positioning on products with a better risk profile
- Growth sustained in particular by the very good drive in Italy, Spain and Germany

## ● Operating expenses: -1.0% vs. 4Q18

- Largely positive jaws effect (+6.3 points)
- Impact of cost saving measures

## ● Operating income: +2.8% vs. 4Q18

# IFS - Personal Finance – 4Q19

## Volumes and Risks

	Outstandings	%Var/4Q18		%Var/3Q19		Outstandings	%Var/2018	
	4Q19	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates	2019	historical	at constant scope and exchange rates
Average outstandings (€bn)								
<b>TOTAL CONSOLIDATED OUTSTANDINGS</b>	94.1	+6.4%	+7.0%	+2.0%	+1.8%	92.4	+9.2%	+9.2%
<b>TOTAL OUTSTANDINGS UNDER MANAGEMENT (1)</b>	108.8	+7.3%	+8.3%	+2.4%	+2.1%	106.9	+10.4%	+10.3%

(1) Including 100% of outstandings of subsidiaries not fully owned as well as of all partnerships

### ● Cost of risk / outstandings

Annualised cost of risk/outstandings as at beginning of period	4Q18	1Q19	2Q19	3Q19	4Q19
France	0.84%	0.92%	0.52%	1.08%	0.41%
Italy	1.67%	1.73%	1.48%	1.75%	2.21%
Spain	1.19%	1.81%	2.09%	1.78%	1.95%
Other Western Europe	1.27%	1.13%	1.03%	1.15%	1.39%
Eastern Europe	1.96%	1.52%	1.50%	2.15%	2.27%
Brazil	2.53%	5.18%	3.44%	6.98%	5.05%
Others	2.33%	2.14%	1.94%	1.63%	2.22%
<b>Personal Finance</b>	<b>1.36%</b>	<b>1.45%</b>	<b>1.23%</b>	<b>1.54%</b>	<b>1.56%</b>

# IFS - Europe-Mediterranean - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	702	600	+16.9%	657	+6.8%	2,699	2,358	+14.5%
Operating Expenses and Dep.	-459	-405	+13.3%	-439	+4.6%	-1,799	-1,605	+12.1%
Gross Operating Income	243	195	+24.5%	218	+11.2%	900	753	+19.6%
Cost of Risk	-113	-78	+45.7%	-112	+1.7%	-399	-308	+29.6%
Operating Income	129	117	+10.4%	107	+21.1%	502	445	+12.6%
Non Operating Items	69	59	+16.9%	44	+57.9%	231	241	-4.1%
Pre-Tax Income	198	176	+12.6%	150	+31.8%	733	686	+6.7%
Income Attributable to Wealth and Asset Management	-1	0	n.s.	-1	+73.2%	-4	-3	+60.7%
Pre-Tax Income	197	176	+11.9%	150	+31.5%	728	684	+6.5%
Cost/Income	65.4%	67.5%	-2.1 pt	66.8%	-1.4 pt	66.6%	68.1%	-1.5 pt
Allocated Equity (€bn)						5.3	4.8	+11.5%

## Foreign exchange effect due to the depreciation of the Turkish lira

- TRY/EUR<sup>1</sup>: -2.1% vs. 4Q18, -1.8% vs. 3Q19, -10.5% vs. 2018

## At constant scope and exchange rates vs. 4Q18

- Revenues<sup>2</sup>: +10.3%, good growth in all regions in particular in Turkey and in Poland
- Operating expenses<sup>2</sup>: +5.2%, rise in costs related to business development contained thanks to cost saving measures (largely positive jaws effect)
- Cost of risk<sup>2</sup>: +40.2%, mainly driven by a higher cost of risk in 'other countries' - stable cost of risk/outstandings vs 4Q18 at 110 bp.
- Pre-tax income<sup>3</sup>: +10.9%

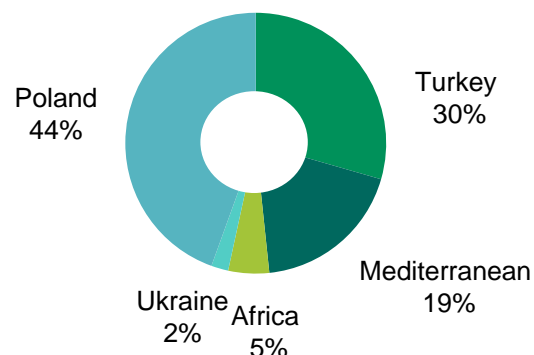
1. Average rates; 2. Including 100% of Turkish Private Banking; 3. Including 2/3 of Turkish Private Banking

# IFS - Europe-Mediterranean - 4Q19

## Volumes and Risks

Average outstandings (€bn)	Outstandings	%Var/4Q18		%Var/3Q19		Outstandings	%Var/2018	
	4Q19	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates	2019	historical	at constant scope and exchange rates
<b>LOANS</b>	38.5	+2.3%	+2.0%	-0.3%	-0.3%	38.2	+6.4%	+1.4%
<b>DEPOSITS</b>	41.1	+1.6%	+1.4%	+2.2%	+2.0%	40.5	+14.6%	+1.2%

### Geographic distribution of 4Q19 outstanding loans



### Cost of risk / outstandings

Annualised cost of risk / outstandings as at beginning of period	4Q18	1Q19	2Q19	3Q19	4Q19
Turkey	1.52%	1.78%	2.04%	2.11%	1.68%
Ukraine	-1.76%	-0.40%	-0.36%	0.68%	-0.71%
Poland	0.70%	0.12%	0.47%	0.20%	0.68%
Others	0.58%	0.65%	0.50%	1.51%	1.30%
<b>Europe Mediterranean</b>	<b>0.87%</b>	<b>0.75%</b>	<b>0.96%</b>	<b>1.10%</b>	<b>1.10%</b>

### TEB: a solid and well capitalised bank

- 16.95% solvency ratio<sup>1</sup> as at 31.12.19
- Largely self financed
- Limited exposure to Turkish government bonds
- 1.3% of the Group's outstanding loans as at 31.12.19

1. Capital Adequacy Ratio (CAR)

# IFS - BancWest - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	611	599	+1.9%	601	+1.6%	2,375	2,289	+3.8%
Operating Expenses and Dep.	-406	-431	-5.7%	-433	-6.2%	-1,712	-1,682	+1.8%
<b>Gross Operating Income</b>	<b>205</b>	<b>169</b>	<b>+21.5%</b>	<b>168</b>	<b>+21.7%</b>	<b>663</b>	<b>607</b>	<b>+9.2%</b>
Cost of Risk	-84	-22	n.s.	-43	+93.8%	-148	-70	n.s.
<b>Operating Income</b>	<b>121</b>	<b>146</b>	<b>-17.3%</b>	<b>125</b>	<b>-3.2%</b>	<b>515</b>	<b>537</b>	<b>-4.2%</b>
Non Operating Items	-5	0	n.s.	1	n.s.	-3	2	n.s.
<b>Pre-Tax Income</b>	<b>116</b>	<b>146</b>	<b>-20.6%</b>	<b>126</b>	<b>-8.1%</b>	<b>512</b>	<b>539</b>	<b>-5.1%</b>
Income Attributable to Wealth and Asset Management	-6	-7	-16.4%	-7	-15.6%	-28	-28	+2.0%
<b>Pre-Tax Income</b>	<b>110</b>	<b>139</b>	<b>-20.8%</b>	<b>119</b>	<b>-7.6%</b>	<b>484</b>	<b>512</b>	<b>-5.5%</b>
Cost/Income	66.4%	71.8%	-5.4 pt	72.0%	-5.6 pt	72.1%	73.5%	-1.4 pt
Allocated Equity (€bn)						5.4	4.9	+10.4%

*Including 100% of U.S Private Banking for the Revenues to Pre-tax income line items*

- Foreign exchange effect USD / EUR<sup>1</sup>: +3.1% vs. 4Q18, +0.4% vs. 3Q19, +5.5% vs. 2018
- At constant scope and exchange rates vs. 4Q18
  - Revenues<sup>2</sup>: -1.7%, decrease in net interest margin partially offset by increased business activity and fees (in particular cards and cash management)
  - Operating expenses<sup>2</sup>: -9.0%, effect of cost reduction measures Cost of risk<sup>2</sup>: increase this quarter (impact of two specific files)
  - Pre-tax income<sup>3</sup>: -21.7%

1. Average rates; 2. Including 100% of Private Banking in the United States; 3. Including 2/3 of Private Banking in the United States



# IFS - BancWest - 4Q19

## Volumes

Average outstandings (€bn)	Outstandings	%Var/4Q18		%Var/3Q19		Outstandings	%Var/2018	
	4Q19	historical	at constant scope and exchange rates	historical	at constant scope and exchange rates	2019	historical	at constant scope and exchange rates
<b>LOANS</b>	<b>56.2</b>	<b>+5.6%</b>	<b>+1.3%</b>	<b>+0.0%</b>	<b>-0.4%</b>	<b>55.0</b>	<b>+7.4%</b>	<b>+1.2%</b>
Individual Customers	24.7	+8.0%	+2.0%	-0.2%	-0.7%	23.9	+9.1%	+2.1%
Incl. Mortgages	10.5	+8.7%	+5.5%	-0.5%	-1.0%	10.3	+14.1%	+8.2%
Incl. Consumer Lending	14.2	+7.5%	-0.5%	-0.0%	-0.4%	13.7	+5.6%	-2.1%
Commercial Real Estate	15.3	+2.9%	-0.2%	+0.9%	+0.5%	15.0	+3.0%	-2.4%
Corporate Loans	16.2	+4.7%	+1.6%	-0.4%	-0.8%	16.0	+9.3%	+3.6%
<b>DEPOSITS AND SAVINGS</b>	<b>59.7</b>	<b>+11.0%</b>	<b>+7.7%</b>	<b>+3.8%</b>	<b>+3.3%</b>	<b>56.6</b>	<b>+9.6%</b>	<b>+3.9%</b>
Customer Deposits	54.6	+12.2%	+9.4%	+5.4%	+5.0%	51.4	+8.8%	+5.4%

● — At constant scope and exchange rates vs. 4Q18

- Loans: +1.3% vs. 4Q18, increase in mortgages
- Deposits: +7.7% vs. 4Q18, +9.4% increase in deposits excluding treasury activities



# IFS - Insurance and WAM<sup>1</sup> -4Q19

## Business

	31.12.19	31.12.18	%Var/ 31.12.18	30.09.19	%Var/ 30.09.19
<b>Assets under management (€bn)</b>	<b>1,123</b>	<b>1,028</b>	<b>+9.3%</b>	<b>1,110</b>	<b>+1.2%</b>
Asset Management	440	399	+10.2%	436	+0.9%
Wealth Management	393	361	+8.8%	385	+2.2%
Real Estate Services	30	29	+6.4%	30	+2.8%
Insurance	260	239	+8.6%	260	-0.0%
	4Q19	4Q18	%Var/ 4Q18	3Q19	%Var/ 3Q19
<b>Net asset flows (€bn)</b>	<b>6.5</b>	<b>-2.6</b>	<b>n.s.</b>	<b>3.5</b>	<b>+85.9%</b>
Asset Management	1.5	-3.4	n.s.	-2.5	n.s.
Wealth Management	4.2	-0.8	n.s.	3.8	+11.6%
Real Estate Services	0.4	0.5	-27.9%	0.6	-41.4%
Insurance	0.4	1.0	-58.0%	1.6	-73.5%

● **Assets under management: +€95.3bn vs. 31.12.18, of which in particular:**

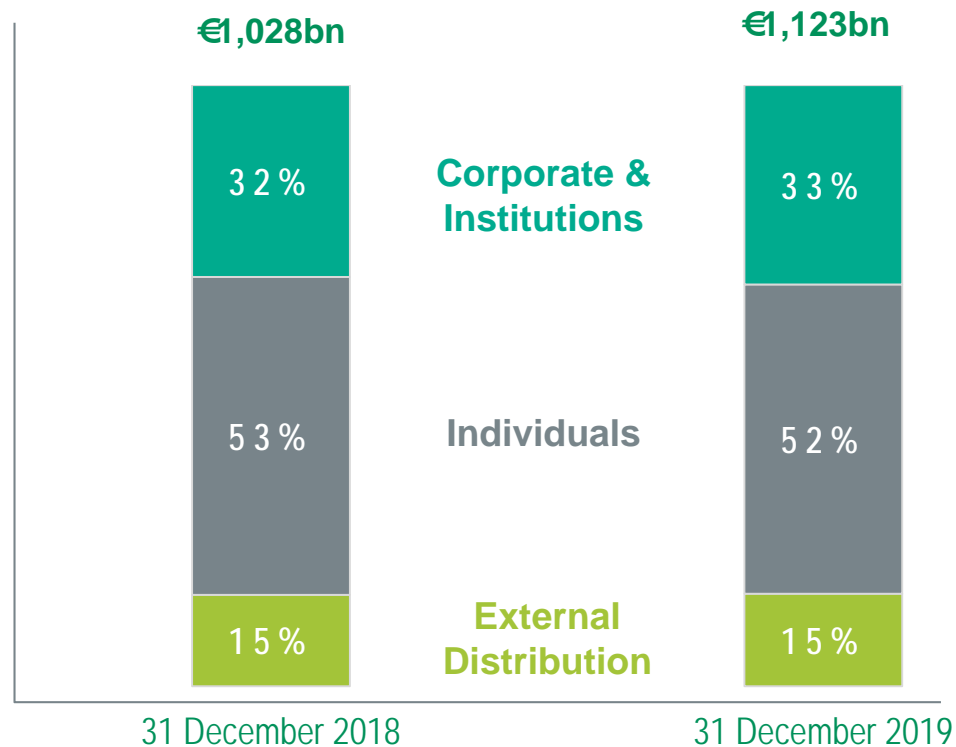
- Performance effect: +€79.7bn, strong rise of the financial markets vs. 31.12.18
- Net asset flows: +€20.2bn, good net asset inflows in particular in Wealth Management and in Insurance

1; Asset Management, Wealth Management and Real Estate Services

# IFS - Insurance & WAM<sup>1</sup>

## Breakdown of Assets by Customer Segment

● Breakdown of assets by customer segment

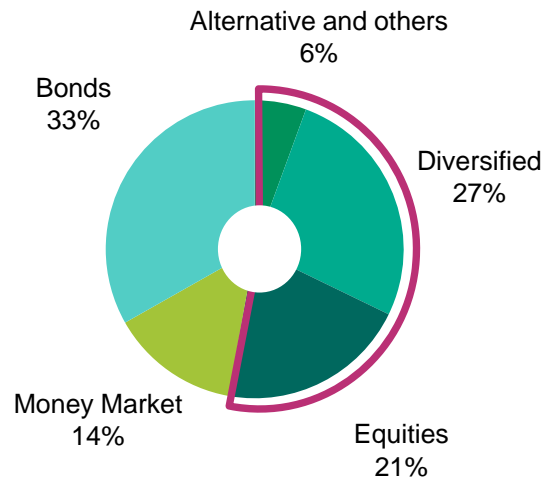


1: Asset Management, Wealth Management and Real Estate Services

# IFS - Asset Management

## Breakdown of Managed Assets

● 31.12.19



▶ 54%

€440bn

# IFS - Insurance - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	654	542	+20.7%	761	-14.0%	3,068	2,680	+14.5%
Operating Expenses and Dep.	-380	-346	+10.0%	-370	+2.6%	-1,500	-1,406	+6.7%
Gross Operating Income	274	196	+39.5%	390	-29.8%	1,568	1,273	+23.1%
Cost of Risk	-1	2	n.s.	-2	-49.8%	-3	3	n.s.
Operating Income	273	198	+37.7%	389	-29.7%	1,564	1,276	+22.6%
Share of Earnings of Equity-Method Entities	30	43	-29.0%	43	-29.7%	167	202	-17.3%
Other Non Operating Items	0	0	n.s.	0	n.s.	-15	1	n.s.
Pre-Tax Income	304	241	+26.3%	432	-29.7%	1,716	1,479	+16.0%
Cost/Income	58.1%	63.8%	-5.7 pt	48.7%	+9.4 pt	48.9%	52.5%	-3.6 pt
Allocated Equity (€bn)						8.4	8.4	+0.2%

● **Technical reserves: + 6.1% vs. 31.12.18**

● **Revenues: +20.7% vs. 4Q18**

- Positive impact of the strong rebound of financial markets vs. 31.12.18
- Good business growth in particular in Italy and in Latin America

● **Operating expenses: +10.0% vs. 4Q18**

- As a result of business development

● **Pre-tax income: +26.3% vs. 4Q18**

- +29.5% at constant scope and exchange rates
- Scope effect related to the deconsolidation of SBI Life



# IFS - Wealth and Asset Management - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	957	866	+10.5%	803	+19.1%	3,320	3,286	+1.0%
Operating Expenses and Dep.	-760	-728	+4.3%	-649	+17.0%	-2,682	-2,636	+1.7%
Gross Operating Income	197	138	+43.1%	154	+28.2%	638	650	-1.9%
Cost of Risk	-6	-3	+66.1%	4	n.s.	-6	-6	+0.2%
Operating Income	191	134	+42.5%	157	+21.4%	632	644	-1.9%
Share of Earnings of Equity-Method Entities	25	11	n.s.	12	n.s.	57	37	+54.5%
Other Non Operating Items	-1	0	n.s.	0	n.s.	7	1	n.s.
Pre-Tax Income	216	146	+48.1%	170	+27.3%	695	681	+2.0%
Cost/Income	79.4%	84.1%	-4.7 pt	80.9%	-1.5 pt	80.8%	80.2%	+0.6 pt
Allocated Equity (€bn)						2.1	1.9	+7.1%

## ● Revenues: +10.5% vs. 4Q18

- Positive impact of the strong rebound of financial markets for Wealth Management and Asset Management
- Very good growth for Real Estate Services in Germany and in France

## ● Operating expenses: +4.3% vs. 4Q18

- Related to the cost associated to the very good performance of Real Estate Services and the development of Wealth Management. Decreased costs in Asset Management (gradual effect of transformation plan measures)

## ● Pre-tax income: +48.1% vs. 4Q18

- In connection with the very good performance of Real Estate Services

# Corporate and Institutional Banking - 4Q19

€m	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
Revenues	3,101	2,379	+30.3%	2,873	+7.9%	12,080	10,829	+11.6%
Operating Expenses and Dep.	-2,229	-1,919	+16.2%	-1,974	+12.9%	-8,663	-8,163	+6.1%
Gross Operating Income	871	460	+89.6%	898	-3.0%	3,417	2,666	+28.2%
Cost of Risk	-80	-100	-20.3%	-81	-1.6%	-218	-43	n.s.
Operating Income	791	359	n.s.	817	-3.2%	3,200	2,623	+22.0%
Share of Earnings of Equity-Method Entities	4	39	-90.4%	5	-28.2%	16	59	-72.7%
Other Non Operating Items	6	-6	n.s.	11	-46.0%	-9	0	n.s.
Pre-Tax Income	801	393	n.s.	834	-3.9%	3,207	2,681	+19.6%
Cost/Income	71.9%	80.7%	-8.8 pt	68.7%	+3.2 pt	71.7%	75.4%	-3.7 pt
Allocated Equity (€bn)						21.7	20.8	+4.3%

## ● Revenues: +30.3% vs. 4Q18

- Sharp rebound at Global Markets (+114.6%<sup>1</sup>) compared to a particularly challenging context in 4Q18
- Good underlying performance of Corporate Banking (+4.8%<sup>1</sup>) and Securities Services (+4.2%<sup>2</sup>)

## ● Operating expenses: +16.2% vs. 4Q18

- Contained increase in connection with strong business growth
- Largely positive jaws effect due to cost saving measures (€116m in 4Q19)

## ● Cost of risk: down vs. 4Q18

## ● Allocated equity: +4.3% vs. 2018

- Increase related to strong growth in business and volumes, good containment of risk-weighted assets

1. Excluding the effect of the introduction of the Capital Markets platform (transfer of €55m of revenues from Global Markets to Corporate Banking in 4Q19);  
2. Excluding the positive impact of the revaluation of an equity stake in 4Q18

# Corporate and Institutional Banking

## Global Markets - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	1,340	650	n.s.	1,299	+3.2%	5,571	4,727	+17.9%
<i>incl. FICC</i>	820	505	+62.5%	975	-10.4%	3,563	2,719	+31.1%
<i>incl. Equity &amp; Prime Services</i>	520	145	n.s.	384	+35.4%	2,007	2,008	-0.0%
Operating Expenses and Dep.	-1,117	-859	+30.1%	-926	+20.7%	-4,231	-3,937	+7.5%
Gross Operating Income	223	-209	n.s.	373	-40.2%	1,339	790	+69.6%
Cost of Risk	0	-13	-96.9%	4	n.s.	2	-19	n.s.
Operating Income	222	-222	n.s.	377	-41.0%	1,341	771	+74.0%
Share of Earnings of Equity-Method Entities	0	1	-58.7%	1	-59.3%	3	3	-20.7%
Other Non Operating Items	6	-3	n.s.	9	-32.2%	-9	-2	n.s.
Pre-Tax Income	229	-225	n.s.	387	-40.8%	1,334	772	+72.9%
Cost/Income	83.4%	132.2%	-48.8 pt	71.3%	+12.1 pt	76.0%	83.3%	-7.3 pt
Allocated Equity (€bn)						8.3	7.8	+6.5%

- **Revenues: +114.6% vs. 4Q18 excluding the effect of the creation of Capital Markets**
  - Equity & Prime Services: very sharp rebound vs. 4Q18 (reminder: impact of extreme market movements and loss on index derivatives hedging in the United States in 4Q18); very good derivatives client business in particular from structured products
  - FICC (+73.3% vs. 4Q18<sup>1</sup>): very strong growth across all the segments (rates, forex, credit and primary market)
- **Operating expenses: +33.5% vs. 4Q18 excluding the effect of the creation of Capital Markets**
  - Rise contained by the effects of cost saving measures and largely positive jaws effect

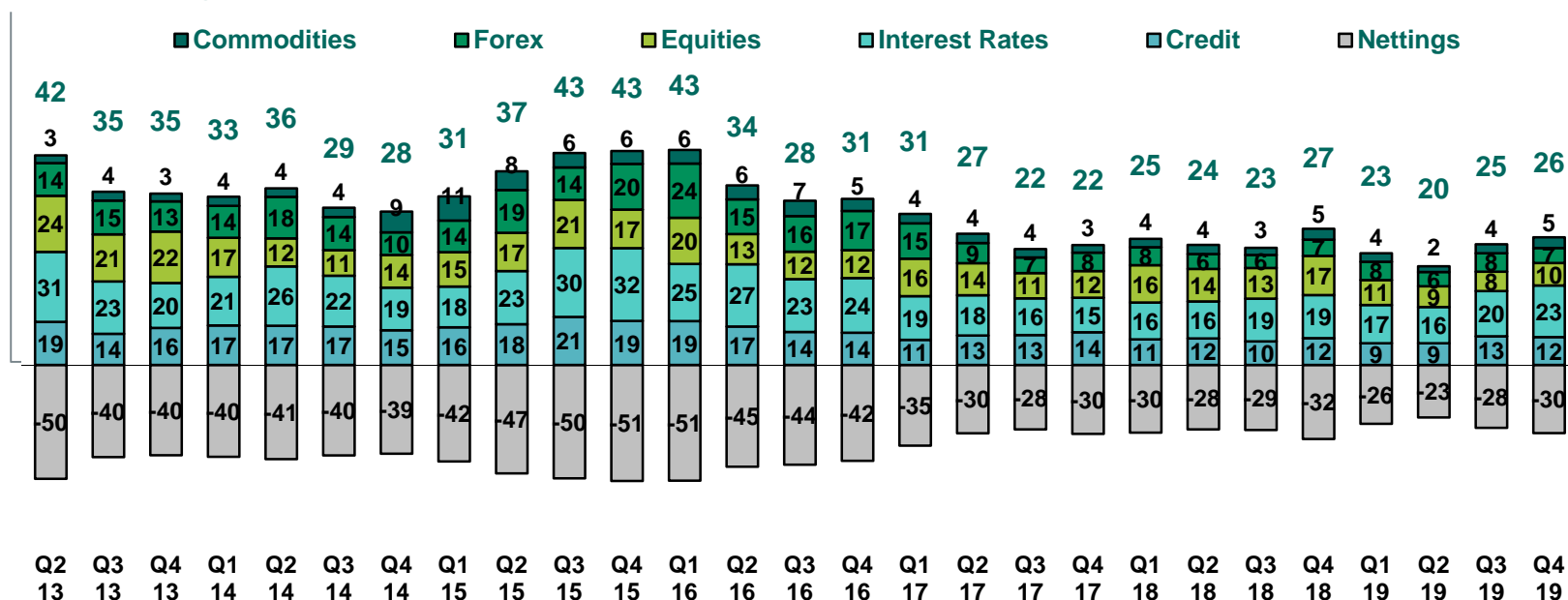
1. Excluding the effect of the creation of the Capital Markets platform (transfer of €55m of revenues from Global Markets to Corporate Banking in 4Q19)



# Corporate and Institutional Banking

## Market Risks - 4Q19

### ● Average 99% 1-day interval VaR



### ● VaR at a low level this quarter<sup>1</sup>

- Slight increase on interest rates, equities and commodities offset by a decrease on forex and credit
- No backtesting excess reported this quarter
- Only 22 backtesting excesses over VaR recorded since 01.01.2007 (of which one in 2019), or less than 2 per year over a long period including the crisis, confirming the soundness of the internal VaR calculation model (1 day, 99%)

1. VaR calculated for the monitoring of market limits; 2. Theoretical loss excluding intraday result and commissions earned

# Corporate and Institutional Banking

## Corporate Banking - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	1,210	1,102	+9.8%	1,039	+16.4%	4,312	3,923	+9.9%
Operating Expenses and Dep.	-668	-622	+7.4%	-600	+11.4%	-2,599	-2,493	+4.2%
Gross Operating Income	541	480	+12.8%	440	+23.1%	1,713	1,430	+19.8%
Cost of Risk	-80	-91	-12.1%	-88	-8.9%	-223	-32	n.s.
Operating Income	461	389	+18.7%	352	+31.0%	1,490	1,399	+6.5%
Non Operating Items	3	36	-91.5%	4	-25.9%	13	57	-76.8%
Pre-Tax Income	464	424	+9.4%	356	+30.4%	1,503	1,456	+3.2%
Cost/Income	55.2%	56.5%	-1.3 pt	57.7%	-2.5 pt	60.3%	63.5%	-3.2 pt
Allocated Equity (€bn)						12.5	12.2	+2.6%

- **Revenues: +4.8% vs. 4Q18 excluding the effect of the creation of Capital Markets<sup>1</sup>**
  - Growth in all regions driven in particular by EMEA and APAC
  - Good growth of average outstanding loans (+8.3%<sup>2</sup> vs. 4Q18) and deposits (+9.6%<sup>2</sup> vs. 4Q18)
  - Good growth of the transaction businesses (cash management and trade finance)
- **Operating expenses: +2.6% vs. 4Q18 excluding the effect of the creation of Capital Markets**
  - Positive jaws effect (+2.2 pts excluding the effect of the creation of Capital Markets)
  - Good containment of operating expenses due to cost saving measures
- **Cost of risk: level**

1. Transfer of €55m of revenues from Global Markets to Corporate Banking in 4Q19; 2. At constant exchange rates

# Corporate and Institutional Banking

## Securities Services - 4Q19

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19/ 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
Revenues	551	627	-12.2%	535	+3.0%	2,198	2,179	+0.9%
Operating Expenses and Dep.	-444	-438	+1.2%	-449	-1.2%	-1,833	-1,733	+5.7%
Gross Operating Income	107	189	-43.2%	86	+25.0%	365	446	-18.1%
Cost of Risk	0	4	-86.5%	2	-79.1%	4	8	-44.5%
Operating Income	108	193	-44.1%	88	+22.2%	369	453	-18.5%
Non Operating Items	0	0	-36.4%	2	-87.8%	0	0	+24.5%
Pre-Tax Income	108	193	-44.0%	91	+19.2%	370	454	-18.5%
Cost/Income	80.5%	69.9%	+10.6 pt	84.0%	-3.5 pt	83.4%	79.5%	+3.9 pt
Allocated Equity (€bn)						0.9	0.9	+8.6%

### Revenues: -12.2% vs. 4Q18

- +4.2% excluding the positive effect of the revaluation of an equity stake in 4Q18
- Continued business growth as a result of the increase in asset volumes and in the number of transactions

### Operating expenses: +1.2% vs. 4Q18

- As a result of business development

	31.12.19	31.12.18	%Var/ 31.12.18	30.09.19	%Var/ 30.09.19
<b>Securities Services</b>					
Assets under custody (€bn)	10,542	9,305	+13.3%	10,540	+0.0%
Assets under administration (€bn)	2,512	2,324	+8.1%	2,530	-0.7%
	4Q19	4Q18	4Q19/4Q18	3Q19	4Q19/3Q19
Number of transactions (in million)	25.5	24.0	+6.1%	24.6	+3.4%



# Corporate and Institutional Banking

## Transactions – 4Q19



### UK – Shell

USD 4.0bn – triple-tranche 5yr, 10yr & 30yr FXD notes  
 EUR 3.0bn – triple-tranche 8yr, 12yr and 20yr FXD notes  
 Active bookrunner  
 November 2019



### France – EDF

USD 2.0bn 50yr Senior Unsecured, EUR 1.25bn 30yr Senior Unsecured, EUR 500m PNC8 Hybrid notes coupled with a Liability Management tender offer. Active bookrunner, only bank across all transactions - November/December 2019



### Brazil – Federative Republic of Brazil

USD 500m tap of its new USD 2.5bn 2050 bonds and outstanding 2029 bonds including a switch/tender intraday component. Bookrunner, Billing & Delivery bank  
 October 2019



### France – Française des jeux

EUR 1.9 bn – Largest Initial public offering in France since 2005. Exclusive advisor to the French state in the preparatory phase, Global Coordinator of the institutional offering & Joint Bookrunner of the retail offering. November 2019



### France – Verallia

EUR 963m – Initial public offering, the largest private equity led IPO since 2005. Joint Global coordinator October 2019  
 EUR 2bn post-IPO financing. MLA & Boorunner  
 October 2019



### Belgium / Hong Kong – Budweiser Brewing Company APAC Limited

USD 5.75bn IPO in Hong Kong  
 Joint Bookrunner  
 September 2019



### USA – Abbvie

USD 30Bn, 10-tranche Senior Notes offering in support of Abbvie's acquisition of Allergan.  
 Bridge Participant and Joint Bookrunner  
 November 2019



### Brazil – Syngenta

BRL 680MM – Securitization of local receivables  
 Structuring Bank & Joint Bookrunner  
 November 2019



### Taiwan – Ørsted Wind Power TW Holding A/S

NTD 4bn and NTD 8bn Green Bond  
 Joint Mandated Lead Arranger, Sole Green Advisor,  
 Coordination Bank, Documentation Bank  
 November 2019



### France – AXA Group

Reappointed to provide AXA Group with global custody, depositary bank, order reception and transmission, transfer agency and international distribution services in seven European markets. October 2019

# Corporate and Institutional Banking

## Rankings and Awards - 4Q19

- **Global Markets:**

- #1 all EMEA bonds and #1 all bonds in euros by volume and number of deals (Dealogic, 2019)
- #8 all international bonds and #3 all global Green bonds by volume (Dealogic, 2019)
- Eurobond House of the Year and FX Derivatives House of the Year (IFR Awards 2019)
- Currency derivatives House of the Year (Risk Awards 2020)
- Derivatives House of the Year (Energy Risk Asia Awards 2019)

- **Securities Services:**

- European hedge fund administrator of the year (Funds Europe Awards 2019 – November 2019)

- **Corporate Banking:**

- #1 EMEA syndicated loans bookrunner by volume and number of deals (Dealogic, 2019)
- #1 European Corporate Investment Grade DCM by volume and number of deals (Dealogic, 2019)
- #1 EMEA Equity-Linked by volume and number of deals (Dealogic, 2019)
- #1 in European Large Corporate Banking and N°1 in European Large Corporate Cash Management (Greenwich Share Leaders, January 2020)



# Corporate Centre- 4Q19

€m	4Q19	4Q18	3Q19	2019	2018
Revenues	-45	-1	27	71	479
<i>Operating Expenses and Dep.</i>	-529	-605	-363	-1,728	-1,965
<i>Incl. Transformation, Restructuring and Adaptation Costs</i>	-420	-481	-256	-1,217	-1,235
Gross Operating Income	-574	-606	-336	-1,657	-1,486
Cost of Risk	-60	-74	-1	-58	-110
Operating Income	-634	-680	-337	-1,715	-1,596
Share of Earnings of Equity-Method Entities	14	25	19	81	84
Other Non Operating Items	62	-88	20	786	353
Pre-Tax Income	-558	-743	-299	-848	-1,159

## ● Revenues

- Lower Contribution of Principal Investment compared to 4Q18

## ● Operating expenses

- Transformation costs – 2020 plan: -€175m (-€385m in 4Q18)
- Restructuring costs<sup>1</sup>: -€163m (-€97m in 4Q18)
- Additional adaptation costs – departure plans<sup>2</sup>: -€81m (€0m in 4Q18)

## ● Other non operating items

- Capital gain on the sale of a building: +€101m

1. Related in particular to the integration of Raiffeisen Bank Polska and the discontinuation or restructuring of certain businesses (in particular BNP Paribas Switzerland);  
2. Related in particular to BNL bc, CIB and BancWest;

# Corporate Centre - 2019

## ● Reminder:

Contribution of First Hawaiian Bank (FHB) to the income statement reallocated retroactively to the Corporate Centre effective from 1st January 2018<sup>1</sup>

- 2018 reminder: revenues (€359m), operating expenses (€189m) and cost of risk (€13m)

## ● Operating expenses

- Transformation costs – 2020 plan: - €744m (-€1,106m in 2018)
- Restructuring costs<sup>2</sup>: -€311m (-€129m in 2018)
- Additional adaptation costs – departure plans<sup>3</sup>: -€162m (€0m in 2018)

## ● Other non operating items

- Capital gain from the sale of 16.8% of SBI Life and deconsolidation of the residual stake<sup>4</sup>: +€1,450m
- Capital gain on the sale of a building: +€101m
- Goodwill impairments: -€818m
- 2018 reminders:
  - Capital gain on the sale of a building (+€101m)
  - Booking of the capital gain from the sale of 30.3% of First Hawaiian Bank(+€286m)

1. See new quarterly series published on 29 March 2019, FHB no more fully consolidated from 1st August 2018; 2. Related in particular to the integration of Raiffeisen Bank Polska and the discontinuation or restructuring of certain businesses (in particular BNP Paribas Switzerland); 3. Related in particular to BNL bc, Asset Management and BancWest; 4. 5.2% residual stake in SBI Life

# Breakdown of the Transformation Costs of the Businesses Presented in the Corporate Centre - 4Q19

€m	2019	4Q19	3Q19	2Q19	1Q19	2018	4Q18	3Q18	2Q18	1Q18
<b>Retail Banking &amp; Services</b>	<b>-468</b>	<b>-138</b>	<b>-100</b>	<b>-141</b>	<b>-88</b>	<b>-639</b>	<b>-209</b>	<b>-145</b>	<b>-161</b>	<b>-124</b>
Domestic Markets	-276	-83	-59	-93	-41	-332	-117	-79	-76	-60
French Retail Banking	-140	-43	-40	-32	-26	-194	-69	-48	-45	-33
BNL bc	-17	-7	-2	-7	-2	-25	-12	-5	-4	-3
Belgian Retail Banking	-95	-25	-11	-50	-10	-84	-26	-21	-20	-18
Other Activities	-23	-9	-7	-4	-4	-29	-10	-6	-7	-7
<b>International Financial Services</b>	<b>-192</b>	<b>-55</b>	<b>-41</b>	<b>-49</b>	<b>-47</b>	<b>-307</b>	<b>-92</b>	<b>-66</b>	<b>-85</b>	<b>-64</b>
Personal Finance	-59	-19	-12	-14	-14	-80	-21	-15	-23	-22
International Retail Banking	-55	-18	-13	-16	-9	-97	-27	-22	-30	-19
Insurance	-24	-9	-5	-6	-4	-54	-18	-11	-14	-9
Wealth and Asset Management	-54	-10	-11	-13	-20	-76	-25	-18	-19	-14
<b>Corporate &amp; Institutional Banking</b>	<b>-248</b>	<b>-29</b>	<b>-72</b>	<b>-72</b>	<b>-75</b>	<b>-449</b>	<b>-161</b>	<b>-101</b>	<b>-106</b>	<b>-81</b>
Corporate Banking	-86	-25	-22	-18	-21	-122	-58	-7	-41	-15
Global Markets	-120	7	-40	-42	-45	-261	-89	-75	-47	-50
Securities Services	-42	-11	-9	-12	-9	-66	-14	-19	-17	-16
Corporate Centre	-28	-8	-6	-8	-5	-18	-15	-1	-1	-0
<b>TOTAL</b>	<b>-744</b>	<b>-175</b>	<b>-178</b>	<b>-222</b>	<b>-168</b>	<b>-1,106</b>	<b>-385</b>	<b>-248</b>	<b>-267</b>	<b>-206</b>





**BNP PARIBAS**

GROUP RESULTS

DIVISION RESULTS

2020 OBJECTIVES

4Q19 DETAILED RESULTS

**APPENDIX**

# BNP Paribas Group - 2019

	4Q19	4Q18	4Q19 / 4Q18	3Q19	4Q19 / 3Q19	2019	2018	2019 / 2018
<i>€m</i>								
<b>Group</b>								
Revenues	11,333	10,160	+11.5%	10,896	+4.0%	44,597	42,516	+4.9%
Operating Expenses and Dep.	-8,032	-7,678	+4.6%	-7,421	+8.2%	-31,337	-30,583	+2.5%
Gross Operating Income	3,301	2,482	+33.0%	3,475	-5.0%	13,260	11,933	+11.1%
Cost of Risk	-966	-896	+7.8%	-847	+14.0%	-3,203	-2,764	+15.9%
Operating Income	2,335	1,586	+47.2%	2,628	-11.2%	10,057	9,169	+9.7%
Share of Earnings of Equity-Method Entities	129	195	-33.9%	143	-9.9%	586	628	-6.7%
Other Non Operating Items	65	-98	n.s.	34	+91.3%	751	411	+82.7%
Non Operating Items	194	97	+99.9%	177	+9.5%	1,337	1,039	+28.7%
Pre-Tax Income	2,529	1,683	+50.3%	2,805	-9.8%	11,394	10,208	+11.6%
Corporate Income Tax	-582	-144	n.s.	-767	-24.1%	-2,811	-2,203	+27.6%
Net Income Attributable to Minority Interests	-98	-97	+1.0%	-100	-2.0%	-410	-479	-14.4%
Net Income Attributable to Equity Holders	1,849	1,442	+28.2%	1,938	-4.6%	8,173	7,526	+8.6%
Cost/income	70.9%	75.6%	-4.7 pt	68.1%	+2.8 pt	70.3%	71.9%	-1.7 pt

## Corporate income tax: average tax rate of 24.2% in 2019

- Low tax rate on the long term capital gain from the sale of SBI Life

# Number of Shares and Earnings per Share

## Number of Shares

<i>in millions</i>	31-Dec-19	31-Dec-18
Number of Shares (end of period)	1,250	1,250
Number of Shares excluding Treasury Shares (end of period)	1,249	1,248
Average number of Shares outstanding excluding Treasury Shares	1,248	1,248

## Earnings per Share

<i>in millions</i>	31-Dec-19	31-Dec-18
Average number of Shares outstanding excluding Treasury Shares	1,248	1,248
Net income attributable to equity holders	8,173	7,526
Remuneration net of tax of Undated Super Subordinated Notes	-414	-367
Exchange rate effect on reimbursed Undated Super Subordinated Notes	-14	0
Net income attributable to equity holders, after remuneration and exchange rate effect on Undated Super Subordinated Notes	7,745	7,159
Net Earnings per Share (EPS) in euros	6.21	5.73

# Capital Ratios and Book Value Per Share

## Capital Ratios

	31-Dec-19	31-Dec-18
Total Capital Ratio (a)	15.5%	15.0%
Tier 1 Ratio (a)	13.5%	13.1%
Common equity Tier 1 ratio (a)	12.1%	11.8%

(a) CRD4, on risk-weighted assets of €669 bn as at 31.12.19 and €647 bn as at 31.12.18

## Book value per Share

<i>in millions of euros</i>	31-Dec-19	31-Dec-18	
Shareholders' Equity Group share	107,453	101,467	(1)
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	2,145	510	
of which Undated Super Subordinated Notes	8,689	8,230	(2)
of which remuneration net of tax payable to holders of Undated Super Subordinated Notes	90	77	(3)
<b>Net Book Value (a)</b>	<b>98,674</b>	<b>93,160</b>	(1)-(2)-(3)
Goodwill and intangibles	11,669	12,270	
<b>Tangible Net Book Value (a)</b>	<b>87,005</b>	<b>80,890</b>	
Number of Shares excluding Treasury Shares (end of period) in millions	1,249	1,248	
<b>Book Value per Share (euros)</b>	<b>79.0</b>	<b>74.7</b>	
<i>of which book value per share excluding valuation reserve (euros)</i>	<i>77.3</i>	<i>74.3</i>	
<b>Net Tangible Book Value per Share (euros)</b>	<b>69.7</b>	<b>64.8</b>	

(a) Excluding Undated Super Subordinated Notes and remuneration net of tax payable to holders of Undated Super Subordinated Notes

# Return on Equity and Permanent Shareholders' Equity

## ● Calculation of Return on Equity

<i>in millions of euros</i>	31-Dec-19	31-Dec-18
Net income Group share	8,173	7,526
Remuneration net of tax of Undated Super Subordinated Notes and exchange effect	-428	-367
Net income Group share used for the calculation of ROE/ROTE	7,745	7,159
Average permanent shareholders' equity, not revaluated (a)	90,770	87,257
Return on Equity (ROE)	8.5%	8.2%
Average tangible permanent shareholders' equity, not revaluated (b)	78,801	74,901
Return on Tangible Equity (ROTE)	9.8%	9.6%

(a) Average Permanent shareholders' equity: average of beginning of the year and end of the period, including notably annualised net income with exceptional items, contribution to SRF and taxes not annualised (Permanent Shareholders' equity = Shareholders' equity attributable to shareholders - changes in assets and liabilities recognised directly in equity - Undated Super Subordinated Notes - remuneration net of tax payable to holders of Undated Super Subordinated Notes - dividend distribution assumption);

(b) Average Tangible permanent shareholders' equity: average of beginning of the year and end of the period, including notably annualised net income with exceptional items, contribution to SRF and taxes not annualised (Tangible permanent shareholders' equity = permanent shareholders' equity - intangible assets - goodwill)

## ● Permanent Shareholders' Equity Group share, not revaluated

<i>in millions of euros</i>	31-Dec-19	31-Dec-18	
Net Book Value	98,674	93,160	(1)
of which changes in assets and liabilities recognised directly in equity (valuation reserve)	2,145	510	(2)
of which 2018 dividend		3,768	(3)
of which 2019 dividend distribution assumption	3,871		(4)
Permanent shareholders' equity, not revaluated (a)	92,658	88,882	(1)-(2)-(3)-(4)
Goodwill and intangibles	11,669	12,270	
Tangible permanent shareholders' equity, not revaluated (a)	80,989	76,612	

(a) Excluding Undated Super Subordinated Notes, remuneration net of tax payable to holders of Undated Super Subordinated Notes and after dividend distribution assumption

# A Solid Financial Structure

## ● Doubtful loans/gross outstandings

	31-Dec-19	31-Dec-18
Doubtful loans (a) / Loans (b)	2.2%	2.6%

(a) Impaired loans (stage 3) to customers and credit institutions, not netted of guarantees, including on-balance sheet and off-balance sheet and debt securities measured at amortized costs or at fair value through shareholders' equity; (b) Gross outstanding loans to customers and credit institutions, on-balance sheet and off-balance sheet and including debt securities measured at amortized costs or at fair value through shareholders' equity (excluding insurance)

## ● Coverage ratio

€bn	31-Dec-19	31-Dec-18
Allowance for loan losses (a)	17.1	19.9
Doubtful loans (b)	23.1	26.2
Stage 3 coverage ratio	74.0%	76.2%

(a) Stage 3 provisions; (b) Impaired loans (stage 3) to customers and credit institutions, on-balance sheet and off-balance sheet, netted of guarantees received, including debt securities measured at amortized costs or at fair value through shareholders' equity (excluding insurance)

## ● Liquidity Coverage Ratio and Immediately available liquidity reserve

€bn	31-Dec-19	31-Dec-18
Liquidity Coverage Ratio	125%	132%
Immediately available liquidity reserve (a)	309	308

(a) Liquid market assets or eligible to central banks (counterbalancing capacity) taking into account prudential standards, notably US standards, minus intra-day payment systems needs

# Common equity Tier 1 Ratio

## ● Common equity Tier 1 ratio<sup>1</sup> (Accounting capital to prudential capital reconciliation)

<i>€bn</i>	31-Dec-19	30-Sep-19	31-Dec-18
<b>Consolidated Equity</b>	<b>111.8</b>	<b>111.6</b>	<b>105.7</b>
Undated super subordinated notes	-8.7	-9.7	-8.2
2018 dividend			-3.8
2019 project of dividend distribution	-3.9 <sup>2</sup>	-3.0	
Regulatory adjustments on equity <sup>3</sup>	-2.0	-2.1	-1.2
Regulatory adjustments on minority interests	-2.6	-2.6	-2.5
Goodwill and intangible assets	-11.4	-11.3	-12.2
Deferred tax assets related to tax loss carry forwards	-0.4	-0.4	-0.6
Other regulatory adjustments	-1.0	-0.8	-0.6
Deduction of Irrevocable payments commitments <sup>4</sup>	-0.6	-0.6	-0.5
<b>Common Equity Tier One capital</b>	<b>81.2</b>	<b>81.1</b>	<b>76.1</b>
<b>Risk-weighted assets</b>	<b>669</b>	<b>677</b>	<b>647</b>
<b>Common Equity Tier 1 Ratio</b>	<b>12.1%</b>	<b>12.0%</b>	<b>11.8%</b>

1. CRD4; 2. Subject to the approval of the Annual General Meeting on 19 May 2020; 3. Including Prudent Valuation Adjustment; 4. New SSM general requirement

# Medium/Long Term Wholesale Funding

2019 MLT funding programme : €41.4bn issued

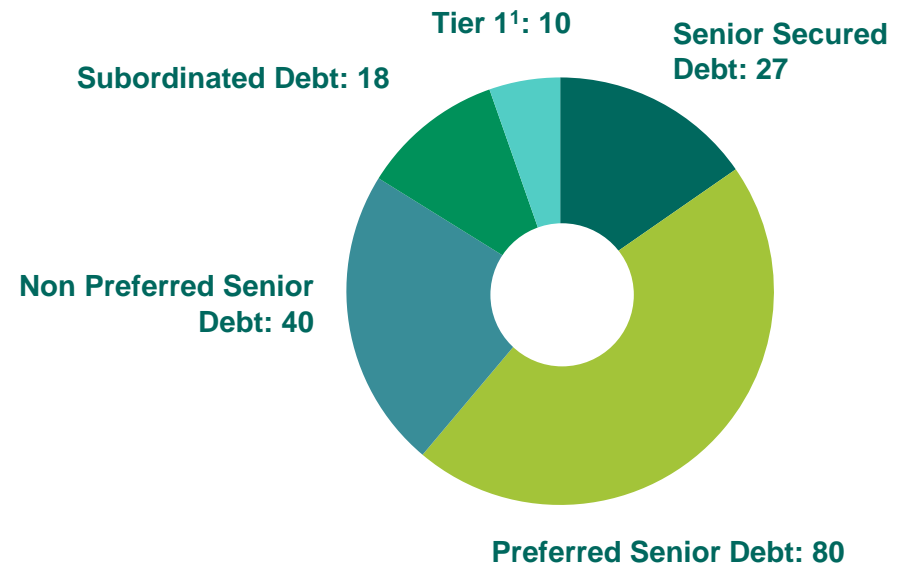
## Capital Instruments: €3.3bn

- AT1: \$1.5bn (€1.3bn equiv.), issued on 18.03.19, Perp Non Call 5, 6.625% coupon
- AT1: AUD 300m (€185m equiv.), issued on 03.07.19, Perp Non Call 5.5, 4.5% s.a. coupon
- Tier 2: €1.8bn equiv., issued under various formats, average maturity of 11 years

## Senior Debt: €38.1bn

- Non Preferred Senior (NPS): €16.2bn; average maturity of 6.5 years
- Structured products (Preferred Senior Debt): €15.8bn; average maturity of 2.1 years
- Secured funding: €5.1bn; average maturity of 2.7 years
- Local wholesale funding: €1bn; average maturity of 5.9 years

## Wholesale MLT funding outstanding breakdown as at 31.12.19 (€175bn):



1. Debt qualified prudentially as Tier 1 booked as subordinated debt or as equity



# Medium/Long Term Wholesale Funding 2020 Programme

2020 MLT wholesale funding programme<sup>1</sup>: €35bn

## ● 2020 MLT regulatory issuance plan: €17bn

- Out of which capital instruments: €4bn
  - Tier 2: €1bn issued on 08.01.20, 12NC7<sup>2</sup>, at mid-swap+120 bp
- Out of which Non Preferred Senior debt: €13bn
  - \$2bn (€1.8bn), issued on 06.01.20, 11NC10, US Treasuries+125 bp
  - £850m (€1bn) 7.9Y issued on 07.01.20, UK Treasuries+130 bp
  - AUD 300m (€185m), issued on 10.01.20, 7.5Y fixed and floating rate notes dual tranche, 2.50% s.a. coupon / 3mBBSW +135 bp

## ● Other senior debt: €18bn

- Structured products (Preferred Senior): ~€15bn
- Secured funding and local wholesale funding: ~€3bn

 **Over 25% of the regulatory issuance plan realised as of end of January 2020**

1. Subject to market conditions, indicative amounts; 2. 12-year maturity, callable on year 7 only

# TLAC Ratio above the requirement, 2020 target of 21% already reached in 2019 without the senior preferred allowance

## ● TLAC requirement as at 31.12.19: 20.17% of RWA

- Including capital conservation buffer, GSIB buffer and countercyclical capital buffer

## ● TLAC requirement as at 31.12.19: 6% of leverage ratio exposure

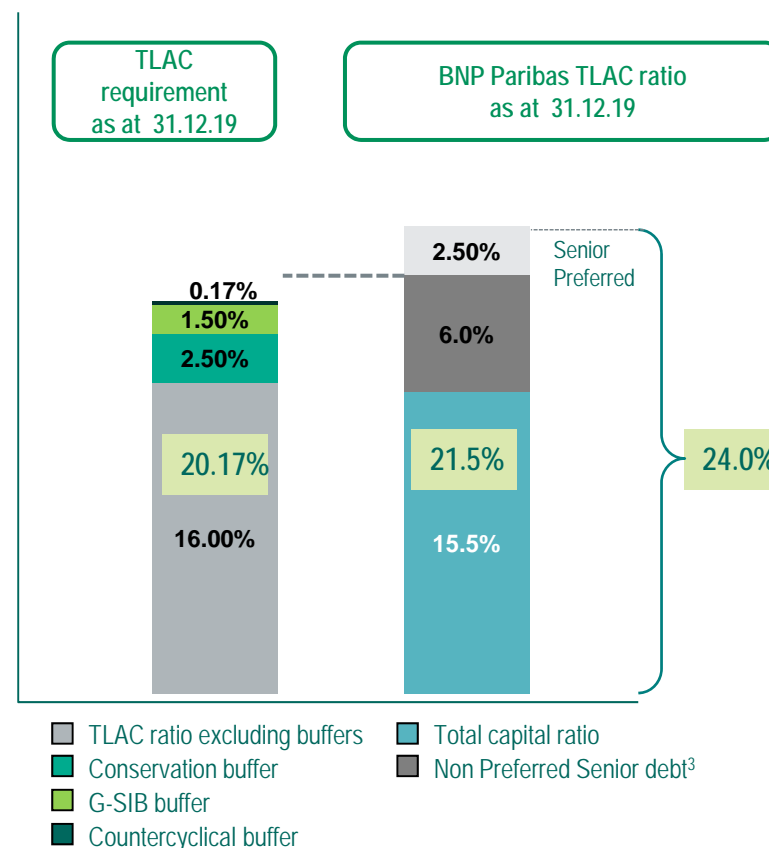
## ● BNP Paribas TLAC ratio as at 31.12.19 <sup>1</sup>:

✓ **21.5% of RWA**<sup>2</sup>:

✓ Total capital of **15.5%** as at 31.12.19

✓ **6.0%** of Non Preferred Senior debt<sup>3</sup>

✓ **7.3% of leverage ratio exposure**<sup>2</sup>

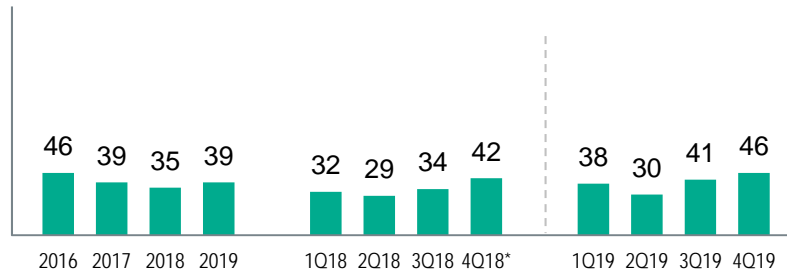


1. In accordance with Regulation (EU) No. 2019/876, article 72ter paragraphs 3 and 4, some preferred senior debt instruments (amounting to EUR 18,294 million as at 31 December 2019) are eligible within the limit of 2.5% of risk-weighted assets. 2. TLAC ratio reaches 21.5% of RWA and 7.3% of leverage ratio exposure, without the above Senior Preferred allowance. Should BNP Paribas use this option, the TLAC ratio would reach 24.0% of RWA. 3. Principal amount outstanding and other regulatory adjustments, including amortised portion of Tier 2 instruments with residual maturity over 1 year ;

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

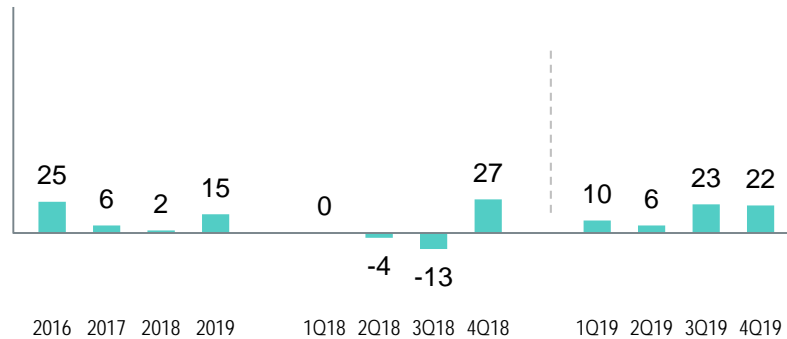
Cost of risk/Customer loans at the beginning of the period (in bp)

## Group



- Cost of risk: €966m
  - + €119m vs. 3Q19
  - + €70m vs. 4Q18
- Cost of risk at a low level

## CIB - Corporate Banking



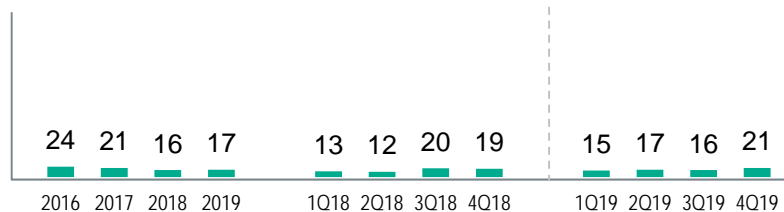
- Cost of risk: €80m
  - -€8m vs. 3Q19
  - -€11m vs. 4Q18
- Low cost of risk
- Reminders: positive effect of write-backs from 1Q18 to 3Q18

\* 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)

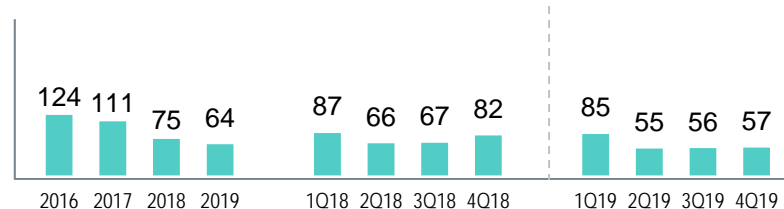
Cost of risk/Customer loans at the beginning of the period (in bp)

## FRB



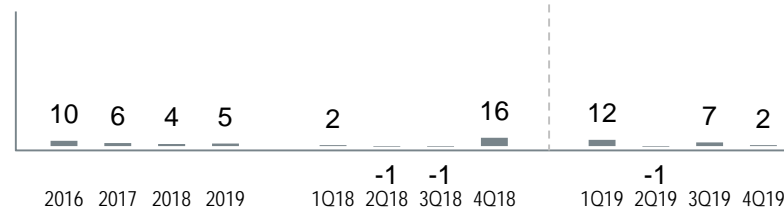
- Cost of risk: €98m
  - +€23m vs. 3Q19
  - +€13m vs. 4Q18
- Low cost of risk

## BNL bc



- Cost of risk: €109m
  - Stable vs. 3Q19
  - -€5m vs. 4Q18
- Continued decrease in the cost of risk

## BRB

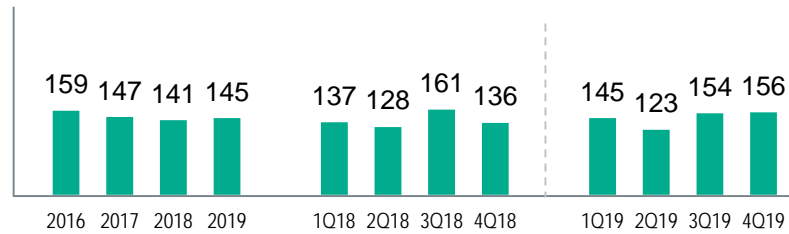


- Cost of risk: €5m
  - -€15m vs. 3Q19
  - -€39m vs. 4Q18
- Very low cost of risk

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

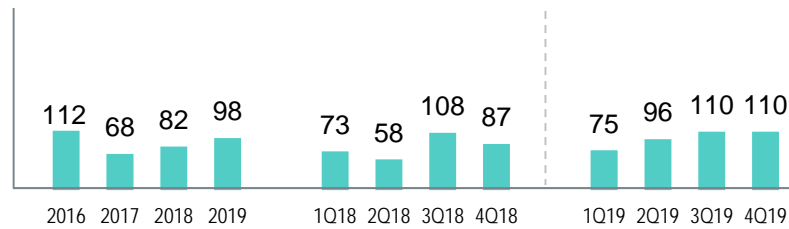
Cost of risk/Customer loans at the beginning of the period (in bp)

## Personal Finance



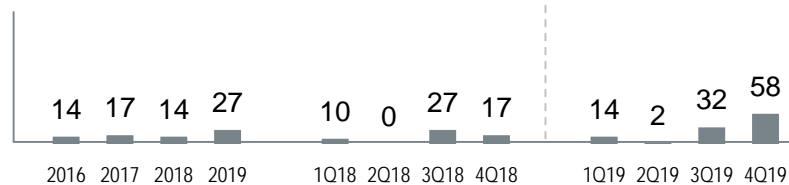
- Cost of risk: €370m
  - +€5m vs. 3Q19
  - +€71m vs. 4Q18
- Stable cost of risk

## Europe-Mediterranean



- Cost of risk: €113m
  - +€2m vs. 3Q19
  - +€36m vs. 4Q18
- Moderate increase in the cost of risk in Turkey

## BancWest



- Cost of risk: €84m
  - +€41m vs. 3Q19
  - +€62m vs. 4Q18
- Increase in the cost of risk this quarter (two specific files)

# Variation in the Cost of Risk by Business Unit (1/2)

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

	2016	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19	2019
<b>Domestic Markets<sup>1</sup></b>												
Loan outstandings as of the beg. of the quarter (€bn)	344.4	362.3	397.2	398.4	404.1	405.7	401.3	411.0	412.6	416.4	416.1	414.0
Cost of risk (€m)	1,515	1,356	270	204	251	322	1,046	307	214	245	254	1,021
Cost of risk (in annualised bp)	44	37	27	20	25	32	26	30	21	24	24	25
<b>FRB<sup>1</sup></b>												
Loan outstandings as of the beg. of the quarter (€bn)	144.3	155.9	187.5	185.4	184.2	183.9	185.2	189.2	189.8	191.2	191.4	190.4
Cost of risk (€m)	342	331	59	54	90	85	288	72	83	75	98	329
Cost of risk (in annualised bp)	24	21	13	12	20	19	16	15	17	16	21	17
<b>BNL bc<sup>1</sup></b>												
Loan outstandings as of the beg. of the quarter (€bn)	77.4	78.3	78.1	77.6	78.8	79.7	78.6	78.0	77.6	77.1	75.9	77.2
Cost of risk (€m)	959	871	169	127	131	164	592	165	107	109	109	490
Cost of risk (in annualised bp)	124	111	87	66	67	82	75	85	55	56	57	64
<b>BRB<sup>1</sup></b>												
Loan outstandings as of the beg. of the quarter (€bn)	96.4	100.4	102.0	104.3	109.4	109.9	106.4	111.0	111.9	114.5	114.6	113.0
Cost of risk (€m)	98	65	6	-2	-4	43	43	34	-3	20	5	55
Cost of risk (in annualised bp)	10	6	2	-1	-1	16	4	12	-1	7	2	5

1. With Private Banking at 100%

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

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

	2016	2017	1Q18	2Q18	3Q18	4Q18	2018	1Q19	2Q19	3Q19	4Q19	2019
<b>BancWest<sup>1</sup></b>												
Loan outstandings as of the beg. of the quarter (€bn)	60.3	64.9	51.1	49.4	52.1	52.8	51.3	53.7	54.5	54.7	57.5	55.1
Cost of risk (€m)	85	111	12	0	35	22	70	18	2	43	84	148
Cost of risk (in annualised bp)	14	17	10	0	27	17	14	14	2	32	58	27
<b>Europe-Mediterranean<sup>1</sup></b>												
Loan outstandings as of the beg. of the quarter (€bn)	39.1	38.2	38.2	38.2	39.0	35.7	37.7	40.6	40.7	40.4	41.1	40.7
Cost of risk (€m)	437	259	70	55	105	78	308	77	97	112	113	399
Cost of risk (in annualised bp)	112	68	73	58	108	87	82	75	96	110	110	98
<b>Personal Finance</b>												
Loan outstandings as of the beg. of the quarter (€bn)	61.4	68.7	80.6	82.9	85.9	87.8	84.3	90.9	93.7	94.7	94.7	93.5
Cost of risk (€m)	979	1,009	276	265	345	299	1,186	329	289	366	370	1,354
Cost of risk (in annualised bp)	159	147	137	128	161	136	141	145	123	154	156	145
<b>CIB - Corporate Banking</b>												
Loan outstandings as of the beg. of the quarter (€bn)	118.7	123.5	131.1	127.0	139.3	135.5	132.6	138.0	146.0	150.2	148.0	145.6
Cost of risk (€m)	292	70	-1	-13	-46	91	31	35	21	88	80	223
Cost of risk (in annualised bp)	25	6	0	-4	-13	27	2	10	6	23	22	15
<b>Group<sup>2</sup></b>												
Loan outstandings as of the beg. of the quarter (€bn)	709.8	738.6	776.9	780.8	804.2	791.7	788.4	807.9	826.3	836.4	837.8	827.1
Cost of risk (€m)	3,262	2,907	615	567	686	896	2,764	769	621	847	966	3,203
Cost of risk (in annualised bp)	46	39	32	29	34	45	35	38	30	41	46	39

1. With Private Banking at 100%; 2. Including cost of risk of market activities, International Financial Services and Corporate Centre

# Basel 3 Risk-Weighted Assets<sup>1</sup>

## ● Risk-Weighted Assets<sup>1</sup>: €669bn as at 31.12.19 (€647bn as at 31.12.18)

- Increase in risk-weighted assets related to credit risk net of the impact of securitisations

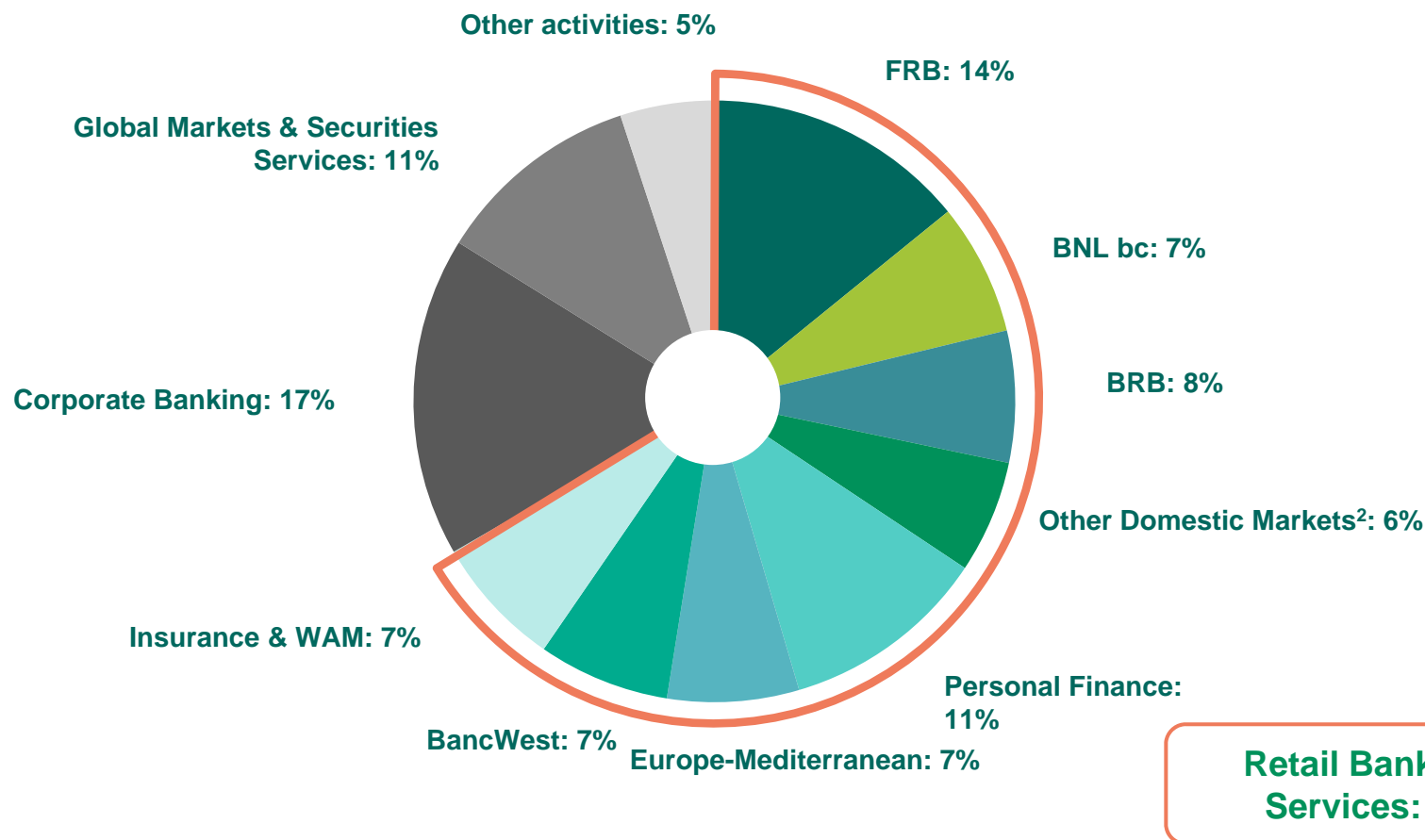
€bn	31.12.19	30.09.19	31.12.18
Credit Risk	524	527	504
Operational Risk	69	70	73
Counterparty Risk	30	34	27
Market / Foreign exchange Risk	19	20	20
Securitisation positions in the banking book	11	10	7
Others <sup>2</sup>	16	16	17
<b>Total RWA<sup>1</sup></b>	<b>669</b>	<b>677</b>	<b>647</b>

1. CRD4; 2. Including the DTAs and significant investments in entities in the financial sector subject to 250% weighting



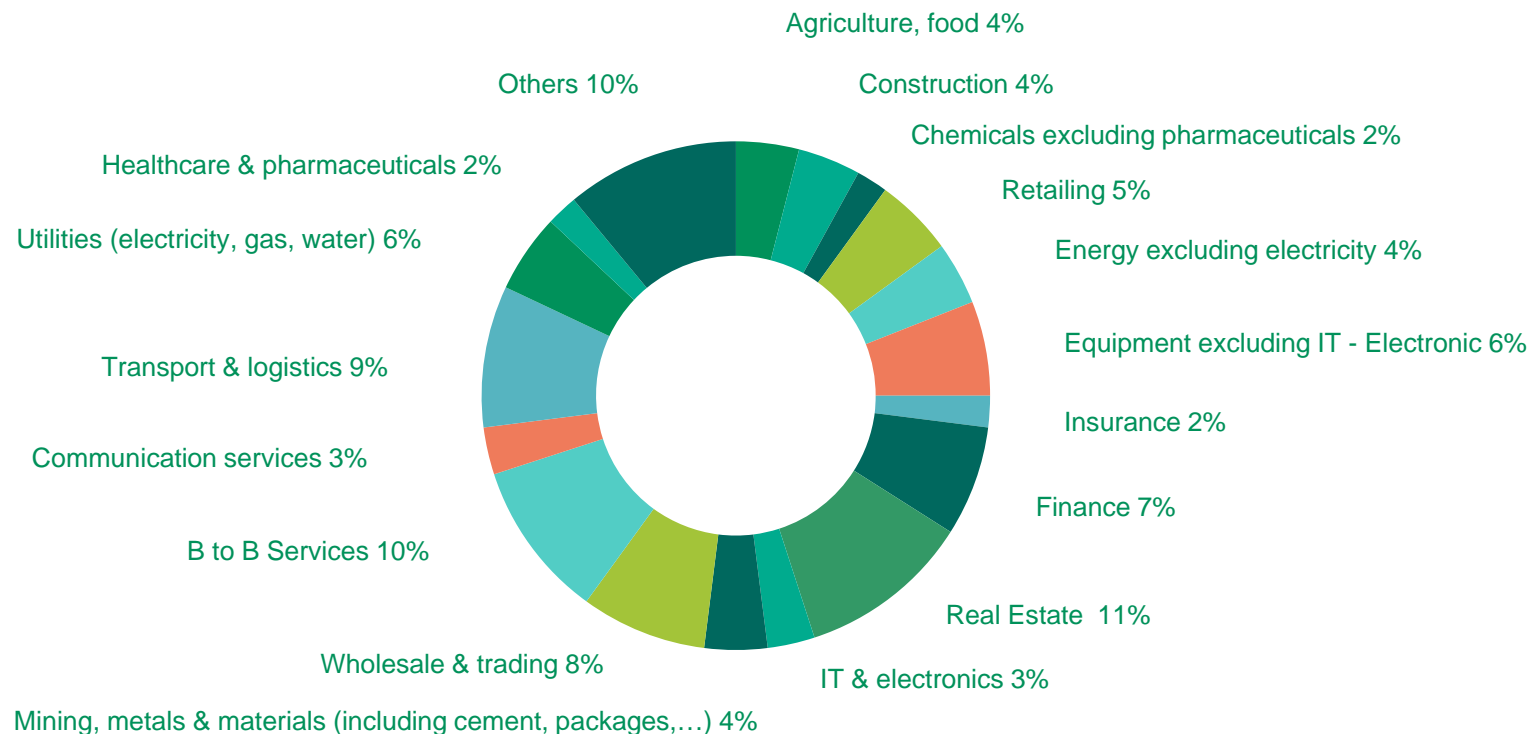
# Basel 3<sup>1</sup> Risk-Weighted Assets by Business

● — Basel 3 risk-weighted assets<sup>1</sup> by business as at 31.12.2019



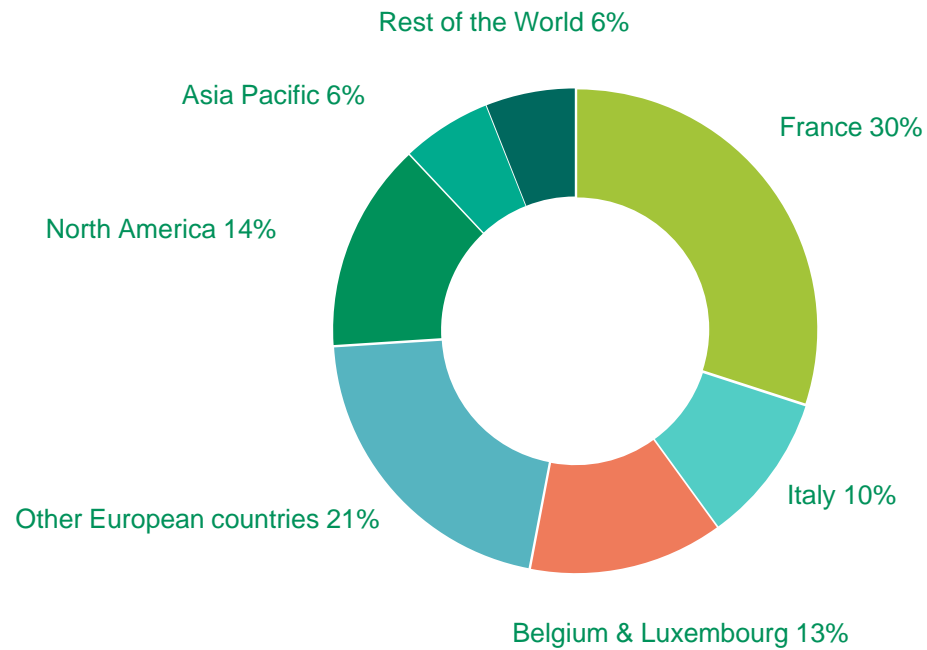
1. CDR 4 . 2. Including Luxembourg

# Breakdown of Commitments by Industry (Corporate Asset Class)



**Total gross commitments on and off-balance sheet, unweighted  
(corporate asset class) = €97bn as at 31.12.2019**

# Breakdown of Commitments by Region



**Total gross commitments on and off balance sheet, unweighted  
= €1,581bn as at 31.12.2019**