Growing Profitably

BNP Paribas
Growing Profitably

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All growth rates and comparisons indicated in this presentation are on a comparable accounting standard basis, except where expressly provided otherwise. Growth rates between the year 2005 results and the year 2004 results are the result of comparison of the year 2005 results calculated on the basis of the IFRS accounting standards, as adopted by the European Union for 2005, and a simulated restatement of the year 2004 results applying the same standards. The corresponding simulated figures have not been audited.
Presentation Overview

Achievements

Strong Platforms Well Positioned for Growth

Value Creation Levers

Conclusion
A Track Record of Growth and Value Creation

- **Net Earnings per Share**
  - Undiluted EPS based on the average number of shares outstanding

- **Dividend per Share**

  **Compounded Annual Growth Rate 1993-2005**
  - Net earnings per share: +26.5% per annum
  - Dividend per share: +22.4% per annum

*EU-IFRS
Highly Profitable Core Businesses

- Retail Banking representing over 50% of Revenues
- Major Investment Banking franchise
- Sizeable Asset Management platform

BNL acquisition to substantially enhance retail banking franchise

2005 Revenues
€21.3bn

- Asset Management & Services
  - Revenues: €3.6bn
  - Pre-tax ROE: 33%

- Corporate & Investment Banking
  - Revenues: €6.4bn
  - Pre-tax ROE: 32%

- International Retail Banking and Financial Services
  - Revenues: €6.0bn
  - Pre-tax ROE: 37%

- French Retail Banking
  - Revenues: €5.3bn
  - Pre-tax ROE: 29%

Growing Profitably Achievements
Strong Acceleration in Revenue Growth

- Robust organic revenue growth: +11.2% 2005/2004*; +20.8% 1Q06/1Q05
- Targeted acquisitions strategy generates extra revenue growth: +3.4% 2005/2004*; +7.3% 1Q06/1Q05

* EU-IFRS standards excluding BNP Paribas Capital
Achievements

Growing Profitably

Multiple Growth Drivers

Business lines with revenue growth surpassing 15%

BancWest
Cetelem
Emerging Markets
UCB
Equity Derivatives
Energy Commodities
Export Project
Wealth & Asset Management
Securities Services
Insurance

Contribution of these growth drivers to revenue rise: 86% 1Q06/1Q05

UCB: Union de Crédit pour le Bâtiment
Strong Platforms
Well Positioned for Growth
A Unique Position in Europe

France
- 10 million customers
- 100,000 Private Banking clients
- 460,000 professionals
- 58,000 corporate and institutional clients

Italy
- 10 million customers (BNL, Findomestic…)
- 11,000 Private Banking clients
- 55,000 corporate and public clients

Two powerful domestic bases
Significant positions within the French retail market

Retail Banking
- #2 in consumer lending with 19% market share (1)
- #4 in mortgages with 11% market share (2)
- #1 in leasing with 20% market share

Asset Management and Services
- #1 in private banking: assets €50bn and 100,000 customers
- #2 in mutual funds with 8.3% market share
- #4 in life insurance with 7.5% market share

(1) BNP Paribas branch network and Cetelem combined
(2) BNP Paribas branch network and UCB combined
Strong Platforms Well Positioned for Growth

Growing Profitably

French Retail Banking
Innovative and High-Performing

- **Accounts**
  - Rise in the number of individual cheque and deposit accounts:
    - 2000: +72,700
    - 2001: +97,000*
    - 2002: +104,000
    - 2003: +120,100
    - 2004: +128,000
    - 2005: +155,000

- **Cross selling**
  - Revenues from cross selling between Corporate and Investment Banking and French Retail Banking (100 reference in 2002):
    - 2002: 100
    - 2003: 263
    - 2004: 425
    - 2005: 538

- **Success of multi-channel banking confirmed**
  - Customer contacts generated by the multi-channel customer contact system: +40%/2004
  - bnpparibas.net portal usage: +30%/2004

- **Major sales drive at the business centres**: cross selling x5 in 3 years

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*plus 30,000 customers transferred from the Treasury network*
Italy

Attractive Banking Market

**Mortgage loans**
Penetration levels and growth rates (2005)

- U.K.: 23
- Germany: 22
- France: 19
- Italy: 18

**Consumer loans**
Penetration levels and growth rates (2005)

- U.K.: 4.7
- France: 2.8
- Germany: 2.1
- Spain: 1.6
- The Netherlands: 1.5
- Italy: 1.1

**Life Insurance**
Penetration levels and growth rate (2005)

- France: 17.9
- Germany: 15.4
- Spain: 9.6
- Italy: 9.6

Growth rates higher than peer group

Source: Observatoire de l’épargne européenne

**Growing Profitably**

**Value Creation Levers**
Strong Platforms Well Positioned for Growth

A Strong Presence Across the Board

- 2.6mn retail customers
- 706 branches
- 11,000 “Private Banking” cust.
- 14 private banking centres
- 39,000 corporate customers
- 63 corporate centres
- 2005 NBI €2.9bn
- 17,000 employees

Consumer Finance (Findomestic (3))
- Mortgage
- Car Fleet Management
- Leasing

Asset Management
- Securities Services
- Private Banking
- Insurance

Corporate and Investment Banking
- Corporate Finance
- Fixed Income
- ALM
- Project Finance
- Export Finance
- Trade Finance
- Acquisition Finance
- FIG
- Equities

2005 NBI over €750mn (1)
Over 3,700 employees (2)

Strong potential for value creation

*(1) Estimated on the basis of management accounts (2) Including 100% of Findomestic employees (3) 50% JV with CR Firenze

Growing Profitably

13
#1 consumer lending group in Continental Europe
#2 in leasing equipment
#2 in car fleet management
Pan-European mortgage platform
Europe

Cetelem: Leader in Consumer Finance

- Leading market positions
  - #1 in Italy: Findomestic
  - #3 in Spain
  - Central Europe: #1 in Hungary, #2 in Romania, #3 in the Czech Rep. and Slovakia

- France: reinforced franchise
  - Synergies from Laser-Cofinoga confirmed, €62mn pre-tax income by 2009

- Outside France: continued strong growth
  - Half of new loan production outside France
  - Outstandings outside France: CAGR 2001-2005 +21.1%

#1 consumer lending group in Continental Europe

Growing Profitably

Strong Platforms Well Positioned for Growth
BancWest: A Growing Retail Franchise

- The Western United States: a large and fast growing market
  - 2004 GDP: $3,777bn\(^{(1)}\), +5.9%/2003
  - Population 2005: 99mn\(^{(2)}\)

- BancWest: a strong franchise
  - 739 branches in 20 states
  - 4.2 million accounts

- Significant organic and acquisition-driven growth
  - Net banking income in 2005 €1,877m, +21.4% / 2004
  - Loans +25.6%, deposits +24.6% (CAGR 2000-2005)
  - Net Income\(^{(3)}\): CAGR 2000-2005 +22.3%
  - Full effect of Commercial Federal acquisition still to come

- Opportunities for further consolidation

7th largest commercial bank in the Western US

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\((1)\) Source: Global Insight \((2)\) Source: SNL \((3)\) US GAAP
Mediterranean Basin and Gulf Region
- 2005 GDP: $975bn*, +6.3%/2004
- Population 2004: 250mn**
- Number of branches: 384
- Number of accounts: 0.8mn
- Increased branch opening program

Far Eastern Europe (Russia, Ukraine)
- Population 2004: 191mn**
- Program underway to open 150 branches in Russia
- Acquisition of UkrSibbank in Ukraine finalised (830 branches)

Sources: *IMF; ** World Bank
• #1 in global custody
• #3 in private banking
• #1 in online brokerage and savings
• Leader in corporate real estate services in Continental Europe
Strong Platforms Well Positioned for Growth

Growing Profitably

Overall presence in more than 40 countries with 17,000 employees at end 2005

- #2 in creditor insurance
- #5 in global custody
- #7 in private banking in Latin America and Asia
Strong Platforms Well Positioned for Growth

Growing Profitably

Asset Management and Services
A Fast Growing Model

- Strong inflows in Assets under Management: €34.1bn in 2005, 10% of AuM

- Brisk growth in Insurance: revenues up 17.3% in 2005
- Fast growth in alternative and structured products
- Leading position in Multimanagement: €33.6bn Assets under Management* in the US and Europe

- Assets under Management: €451bn*
- Assets under Custody: €3,291bn*

* As at 31.03.06
Corporate and Investment Banking
A Major Player, an Effective Business Model

A comprehensive global network
- Presence in 52 countries
- Major player in Europe
- Very strong presence in the U.S. and in Japan, giving critical mass to global franchises
- Well established footprints in regions with major growth potential: Greater China, Brazil, Russia

A powerful platform
A well balanced business mix

2005 Revenues
- Equity and Advisory 25%
- Fixed Income 33%
- Financing businesses 42%
Corporate and Investment Banking
A Major Player, an Effective Business Model

Market Growth Drivers
- Accelerated development of Asia, India
- Emergence of new asset classes & enhanced liquidity
- M&A activity
- Increasing role of Financial Sponsors

BNP Paribas Franchises
- Project Finance
- Energy & Commodities
- Acquisition Finance
- Leveraged Finance

Financing and Corporate Finance
- Increasing need for active ALM and Risk Management
- Innovation & sophistication in mature markets
- Financial deepening in emerging markets

Market leadership in fast growing segments

Growing Profitably
Strong Platforms Well Positioned for Growth
Corporate and Investment Banking
A Major Player, an Effective Business Model

A benchmark cost/income ratio

*Cost/income ratio for scopes similar to CIB based on data published over the last 4 quarters available
Corporate and Investment Banking
A Major Player, an Effective Business Model

High level of profitability on average over the cycle

* 2001 to 2003 figures based on French accounting standards; 2004 and 2005 figures based on EU IFRS accounting standards
Corporate and Investment Banking
A Major Player, an Effective Business Model

The highest Corporate and Investment Banking revenue growth of all European banks

Growing Profitably
Strong Platforms Well Positioned for Growth
Value Creation Levers
Cost/income ratio: 2006 targets

- FRB: maintaining a positive annual jaws effect by at least one point
- IRFS: capitalise on cost synergies resulting from acquisitions
- AMS: generate a positive jaws effect after the substantial investments made in 2005
- CIB: maintain one of the best cost/income ratios in the industry
Remain Vigilant in Risk Management

- Very low 2005 cost of risk in a very positive business cycle

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost of Risk (bp)</th>
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<tbody>
<tr>
<td>2000</td>
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<td>2005</td>
<td>18</td>
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<td>1Q06</td>
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- Maintain a prudent policy
- Final phase of the validation process of advanced models (Basle 2)
  - Improve lending risk portfolio parameters
  - Continue to enhance market risk management tools
  - Analyse incurred and potential operational risks in the business lines and corporate functions, and major scenarios at the corporate level
Optimise Capital Management

- Capital employed in a manner consistent with the strategy announced
  - Sustained organic growth: +13.8% of weighted assets in 2005
  - Growth through acquisitions: €2bn in acquisitions in 2005
  - Dividend: 2.60 euros per share compared to 2 euros in 2004

- Financing of the acquisition of BNL finalised
  - €5.5bn capital increase completed
  - €1.4bn in hybrid debt issues completed

- Maintained a tier one capital ratio above 7% after the acquisitions of BNL and UkrSibbank
  - Proforma Tier one capital ratio: 7.2%, including the acquisitions of BNL and UkrSibbank and hybrid debt issues
Significant Value Creation Opportunity in Italy

- Significant value creation opportunity
  - Cost synergies of €250m pre-tax
  - Revenue synergies of €150m pre-tax profits
  - Synergies fully achieved in 2009
  - Accretive as early as 2008, including €450m restructuring charges and pre tax allowance for balance sheet adjustments of €800m
  - Return on Invested Equity > cost of capital from 2008 onwards

- Full integration process launched
  - Friendly deal, positive management reaction
  - All businesses and functions involved
  - Proven integration experience
  - Rolling out in Italy a model that has proved successful
Pursue Selective Acquisition Policy

- **Strict financial criteria**
  - Near-term accretive effect
  - Return on Invested Equity higher than cost of capital

- **Limited execution risk**

- **Regional and business priorities maintained**
  - Strengthening of retail banking franchises as a matter of priority, add-on acquisitions in other businesses
  - Regions: Europe, US and, selectively, in emerging markets
BNP Paribas
Growing Profitably

Conclusion
Conclusion

Powerful growth dynamic

High profitability of each of the core businesses

Group’s discipline maintained

BNL: a new and decisive milestone in BNP Paribas’ development
BNP Paribas
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