



BNP PARIBAS | The bank for a changing world

BNP Paribas

Resilient in the Crisis

Georges Chodron de Courcel

Chief Operating Officer

Sal Oppenheim Conference, Zurich

18 November 2008

Disclaimer

This presentation contains forward-looking statements about BNP Paribas, Fortis Bank NV/SA and certain of their affiliates and the proposed tie-up that had been announced. Forward-looking statements include financial projections and estimates and their underlying assumptions and perspectives regarding plans, objectives and outcomes expected with respect to future events, operations, products and services, and assumptions regarding future performance and synergies. Many factors, a number of which are beyond BNP Paribas' control, could cause actual outcomes to differ significantly from expected outcomes. Among these factors are the securing of required regulatory authorisations, the approval of BNP Paribas shareholders, the development of the businesses of BNP Paribas or Fortis Bank NV/SA and their subsidiaries, banking and financial services and insurance industry trends, future capital expenditures and acquisitions, changes in the global economy or in BNP Paribas' and Fortis Bank NV/SA's key local markets, the competitiveness of the market and regulatory factors. The occurrence of these events is uncertain and their outcomes may differ from current expectations which may in turn significantly affect expected outcomes. Actual outcomes may differ materially from those expected or implied in forecasts. BNP Paribas undertakes no obligation to publicly revise or update any forecasts.

The information contained in this presentation, to the extent it relates to parties other than BNP Paribas or comes from external sources, has not been independently verified and no expressed or implied representations or warranties are made or given in relation thereto, and no certainty is given that information or opinions contained herein are true, correct, accurate or complete. Neither BNP Paribas nor its agents or representatives may be held any liability for any negligence or for any other reason in connection with any losses arising from any use of this presentation or its contents or otherwise arising from this presentation or any other materials or information to which it may make reference.

2007 results of operating divisions with Basel II normative equity as released on 2 April 2008



9M08 Highlights

- €4.4bn net profit despite an unprecedented deepening of the crisis since September
 - After ~€1.9bn post-tax* direct impact of the financial crisis over 9 months
 - Numerous critical situations and failures in the financial services industry
- BNP Paribas's growing attractiveness across all businesses
 - Arrival of new customers
 - Further growth in commitments towards the economy
 - Very large inflows in deposits and assets under management
- Announcement of the takeover of Fortis in Belgium and Luxembourg
 - Expansion of the pan-European footprint
 - Creation of the Eurozone's number one franchise by deposit base
 - Capital base increased without dilution



A further strengthened position

**Pre-tax: €2.7bn in 9M08, €1.9bn after tax assuming a 30% tax rate*





A Robust Business Model

Less Affected than Peers by the Crisis

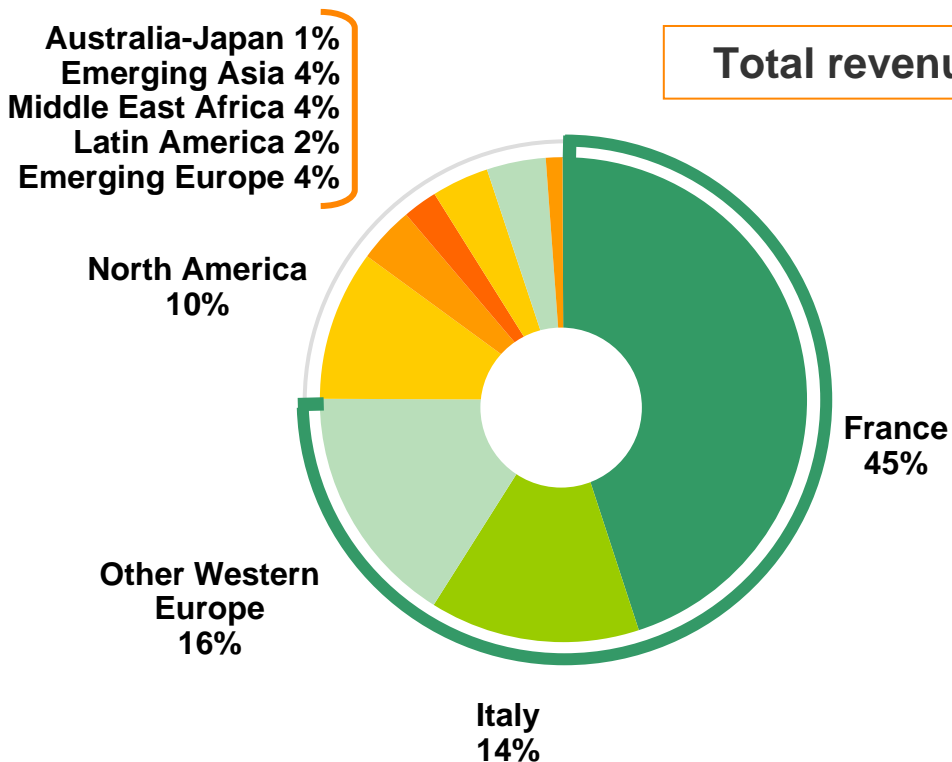
Gaining Market Share

Fortis: a Compelling Strategic Move

Conclusion

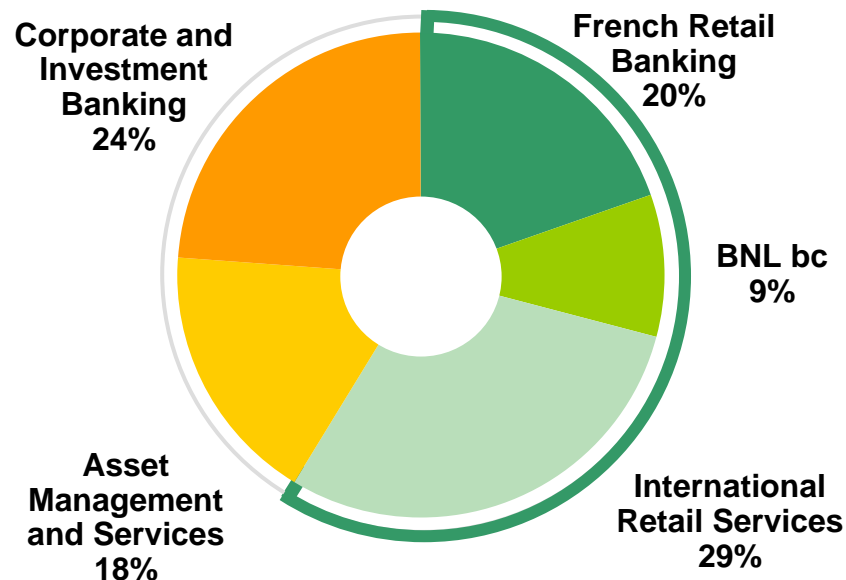
Strong and Diversified Revenue Streams

Revenues* split by geography



Western Europe 75%

Revenues* split by division



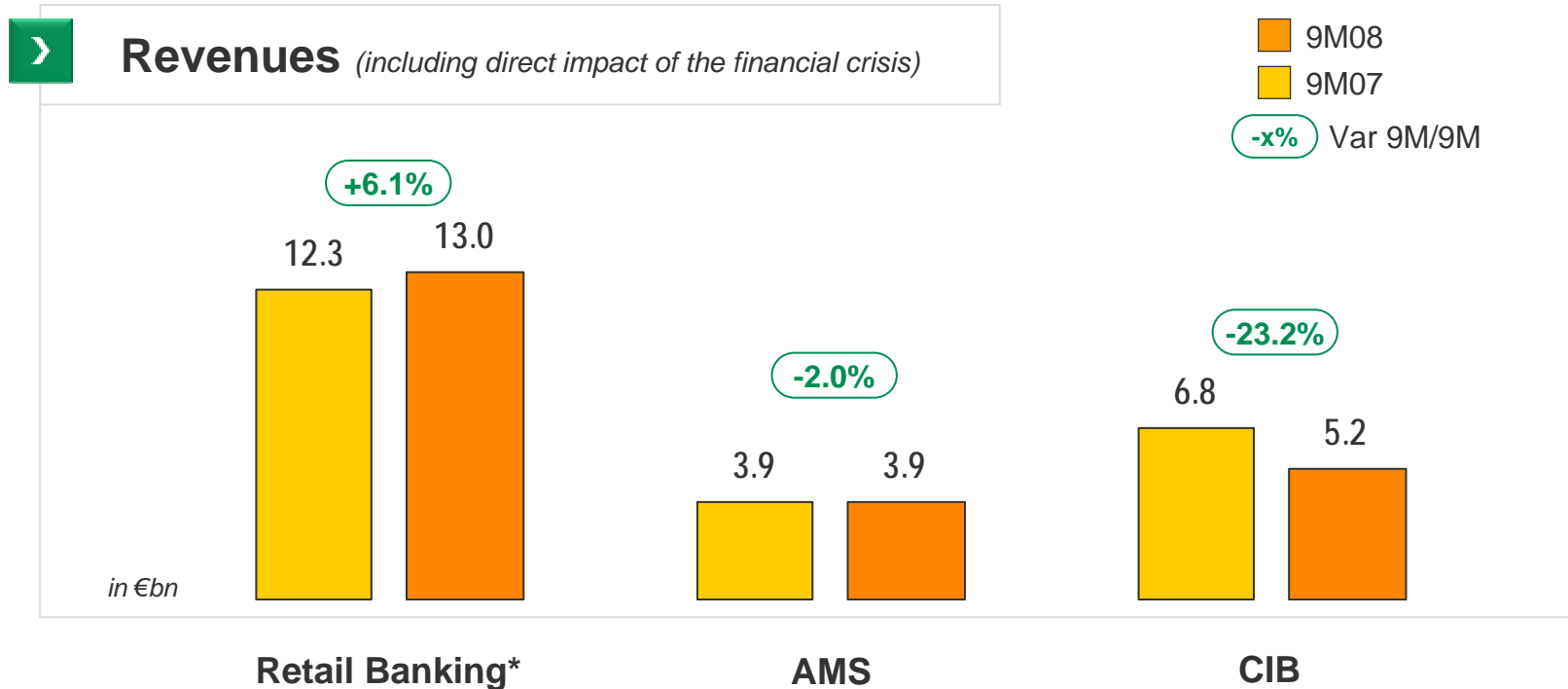
Retail 58%

*Revenues from operating divisions, including direct impact of the financial crisis



9M08

Revenues Have Held up Well in all Operating Divisions



Revenues of the operating divisions down only 4%/9M07 despite the impact of the financial crisis

**Including 100% of French Private Banking and excluding PEL/CEL effects and including 100% of Italian Private Banking*





A Robust Business Model

Less Affected than Peers by the Crisis

Gaining Market Share

Fortis: a Compelling Strategic Move

Conclusion

Managing the Bank Through the Crisis

- BNP Paribas not immune, but well equipped to deal with market dislocations
 - Limited exposure to the more toxic assets
 - Very limited proprietary trading
 - Hands-on management of each market and counterparty risk situation
- Close risk monitoring of the areas affected by the deteriorating economic environment
 - Personal Finance, BancWest and CIB
 - Recovery teams bolstered

 **Strong risk awareness and hands-on crisis management, key ingredients of BNP Paribas outperformance**

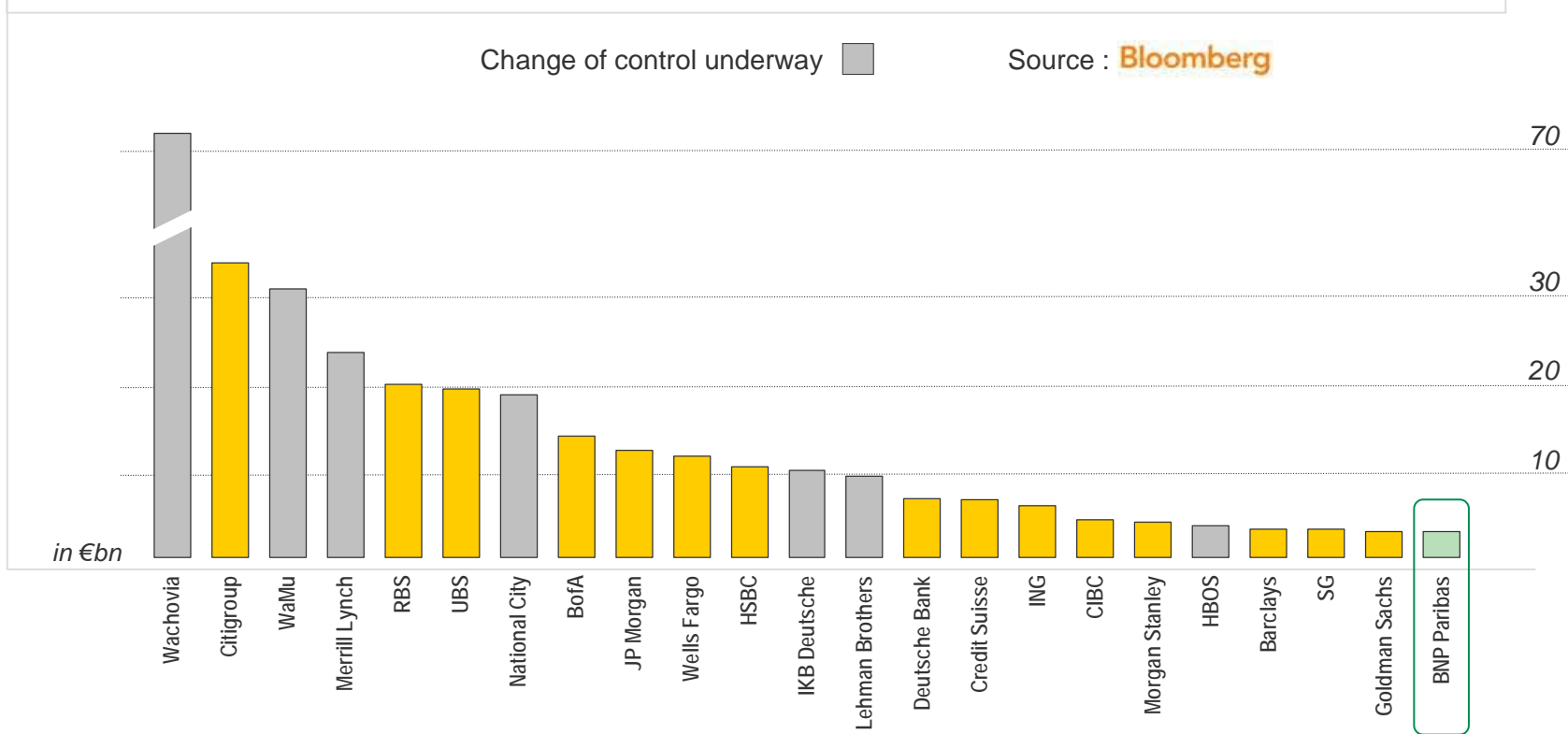


2008

Impact of the Financial Crisis



Total of write-downs and credit losses stemming from the crisis in 2008

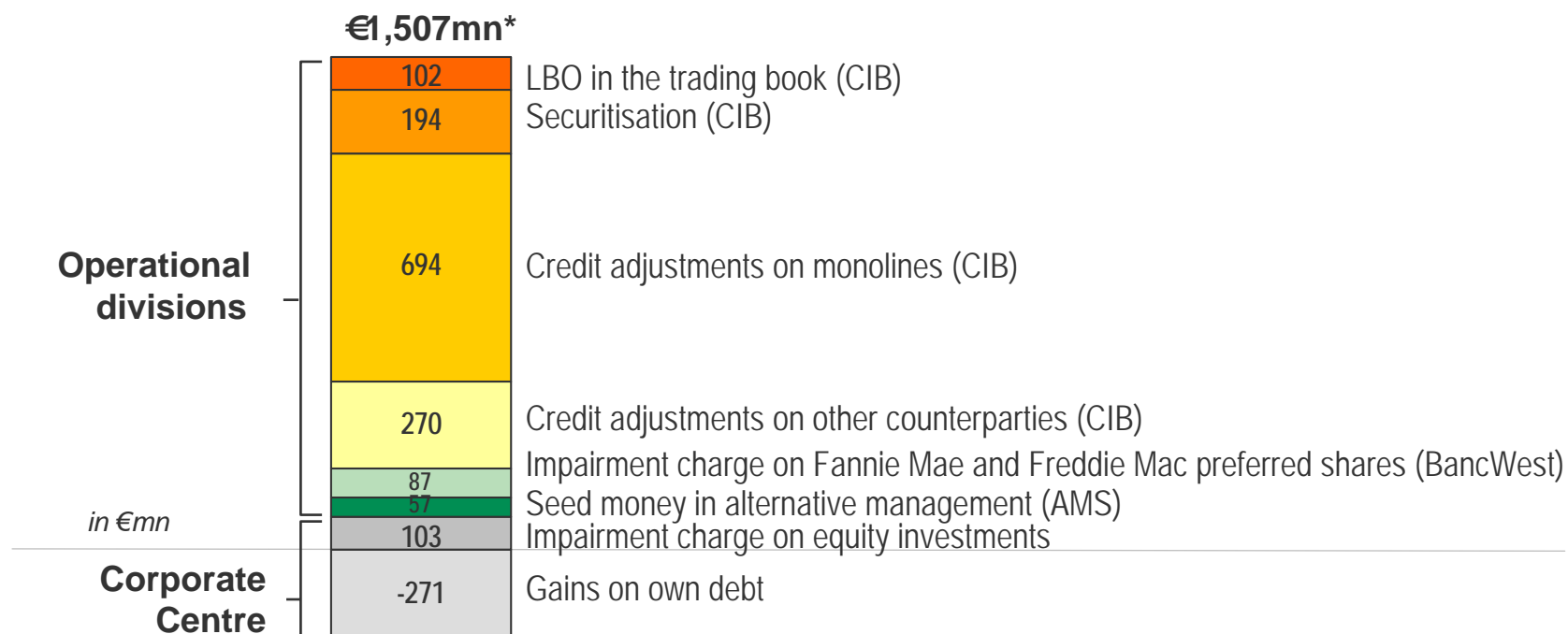


BNP Paribas less impacted than peers



Direct Impact of the Financial Crisis

9M08 Revenues



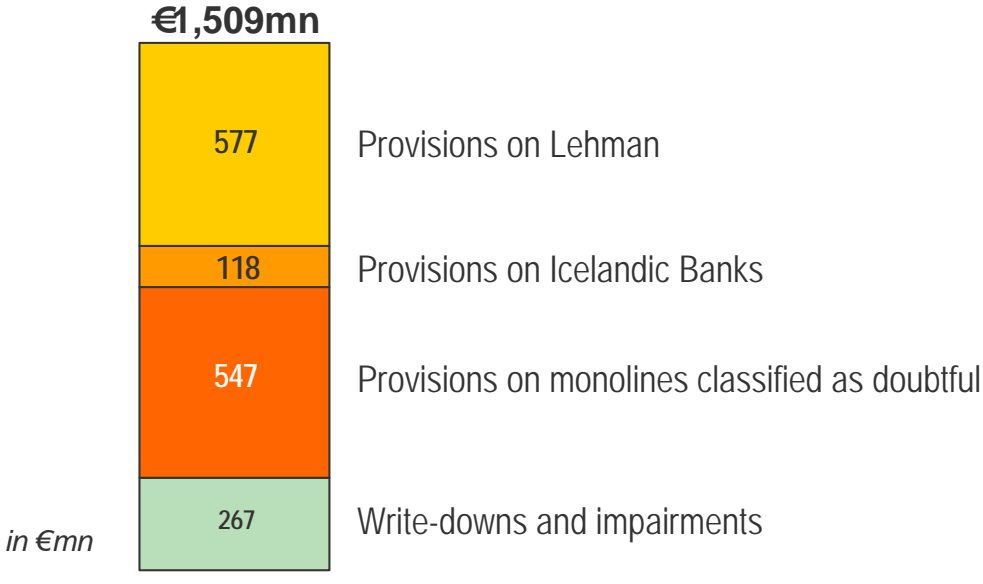
Impact limited to 6% of operational division revenues

* Excluding gains on own debt



Direct Impact of the Financial Crisis

9M08 Cost of Risk



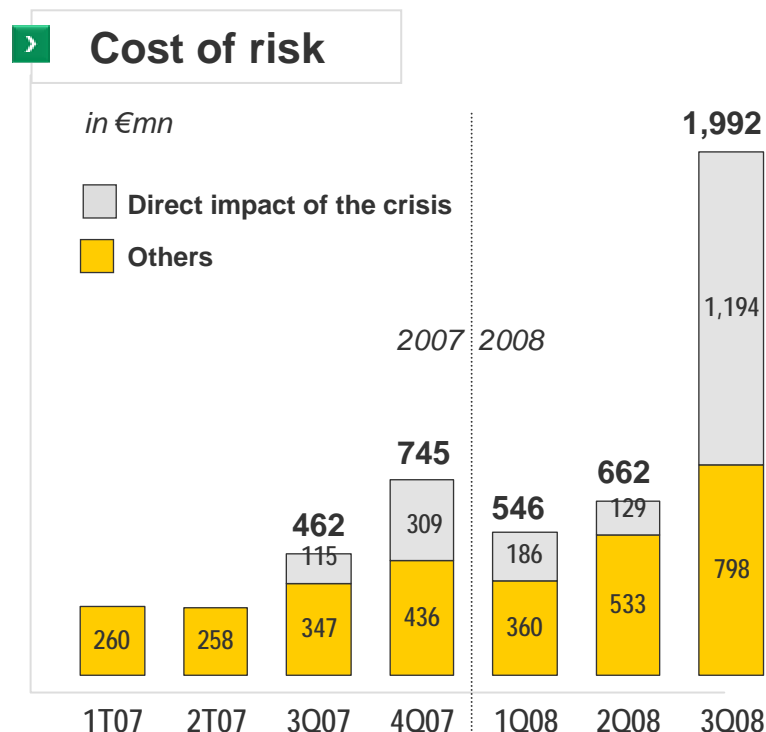
Almost half of the impact of the financial crisis on cost of risk linked to one-off bank failures



Weathering the Deteriorating Economic Environment

9M08 Cost of Risk Trend

- Cost of risk: €3,200mn (+€2,220mn/9M07)
- Direct impact of the financial crisis: €1,509mn (+€1,394mn/9M07)
- Cost of risk excluding the direct impact of the financial crisis: €1,691mn (+€826mn/9M07)
 - BancWest (+€147mn): principally on home builders and in consumer lending
 - Personal Finance (+€304mn): principally in consumer lending in Spain and in the countries of Eastern Europe
 - Corporate and Investment Banking (+€213mn): provisions of €59mn in 9M08 compared to €154mn write-backs in 9M07
 - No significant deterioration in France and Italy



**Impact of the financial crisis
and of the downturn in the environment**



Weathering the Deteriorating Economic Environment

BancWest Loan Portfolio

- **Loan portfolio:** limited deterioration in the crisis

- **30-day delinquency rates (3Q08 vs 2Q08):**

First Mortgage Loans	152bp vs 115bp
Home Equity Loans	83bp vs 72bp
Consumer Loans	145bp vs 114bp

- **Negligible exposure to subprime loans:**

€0.3bn as at 30.09.08

- **Exposure to the US home builder sector:**

€2.0bn, of which €1.4bn drawn

- **Non Performing Loans/Loans:**

131bp in 3Q08 vs 115bp in 2Q08

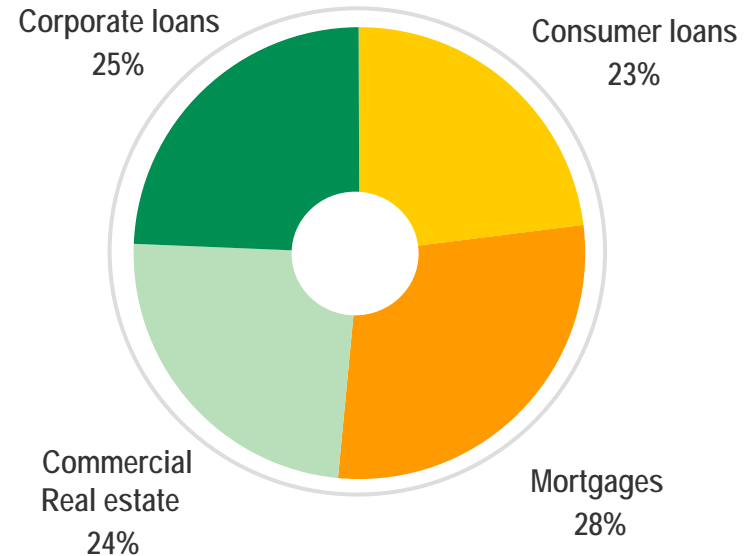
- **Net charge-offs (€63mn):**

70bp in 3Q08 vs 88bp in 2Q08

- **Allowance for loan losses:** 134bp of outstanding loans in 3Q08 vs 128bp in 2Q08



**Outstanding loans in
3Q08: €38.2bn**



Conservative origination policy: majority of personal loans to super prime customers



Weathering the Deteriorating Economic Environment

Personal Finance

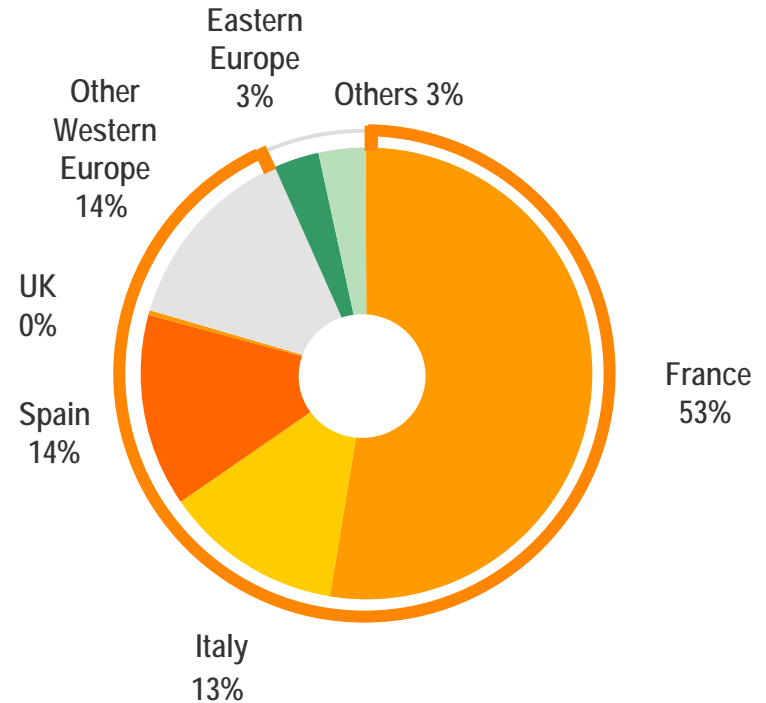
● Quality portfolio

- 94% Western Europe
- Limited exposure to Eastern Europe
- Cards represent only ~25-30% of outstandings depending on countries
- Very limited subprime exposure

● Taking action to face the downturn in the economy

- Accelerated implementation of the cost cutting programmes
- Slowing down new loan production where appropriate
- Staffing up loan recovery teams

➤ Consolidated outstandings in 3Q08: €76.9bn



Mainly Western European portfolio



Weathering the Deteriorating Economic Environment

High Quality and Well Diversified CIB Portfolio

- A selective credit policy

- 95% of Excellent, Good and Average exposure
- Consistently prudent in sensitive sectors : Subprime, LBOs, Real Estate...

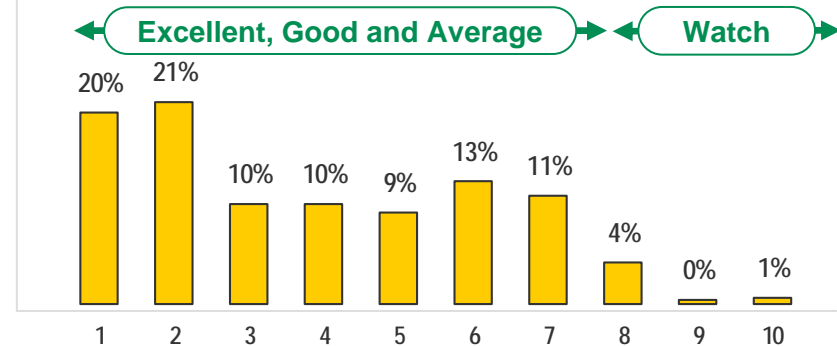
- Good quality of the portfolio

- Plain vanilla loan book <20% of CIB's RWA
- Specialised finance book highly collateralised, notably in the energy and commodity sector
- LBO portfolio composed almost exclusively of senior tranches (96%) and broadly diversified (~200 transactions)

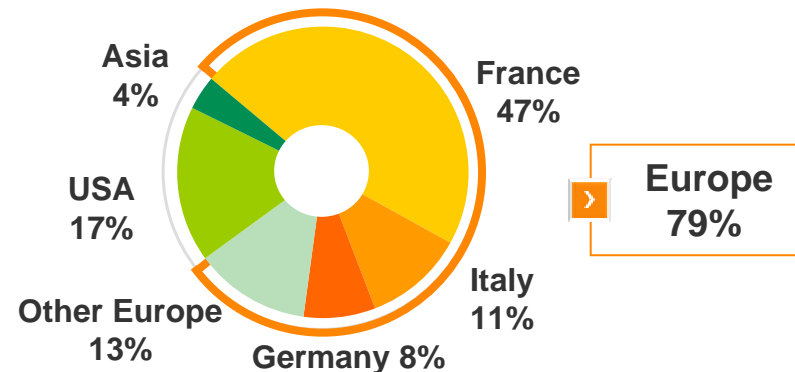
- Highly diversified portfolio

- Average top 20 exposures = 6.2% of Adjusted Tangible Equity* vs a median of 7.7% for the top 50 European banks**
- Granularity maintained through time

Exposure by internal rating (Dec. 07)



LBO final take portfolio



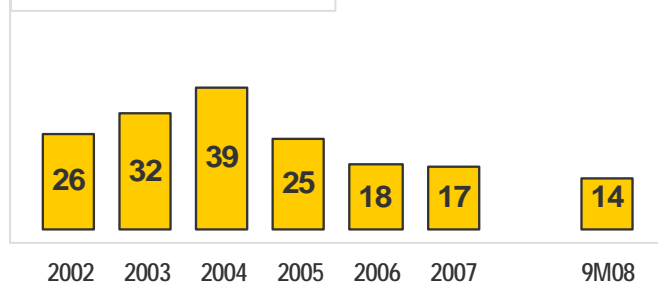
A consistently prudent risk policy throughout the cycle



Weathering the Deteriorating Economic Environment Sound Domestic Markets

> French Retail Banking

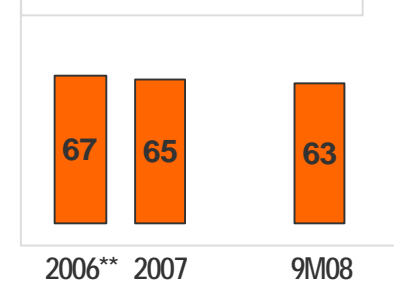
> Cost of risk*



- One of the safest retail banking markets
 - Mortgages essentially at fixed-rate and well secured
 - Efficient corporate risk management thanks to the business centre set up

> BNL bc

> Cost of risk*



- A low risk business model
 - Sound mortgage practices, similar to France
 - Corporates: higher margins/higher risks
 - Past dues over 90 days already classified as doubtfuls and provisioned (BNP Paribas standards)

> Outperforming peers

* Net provisions/Basel I risk-weighted assets (in bp), annualised for 9M08 **Pro-forma on a full-year basis



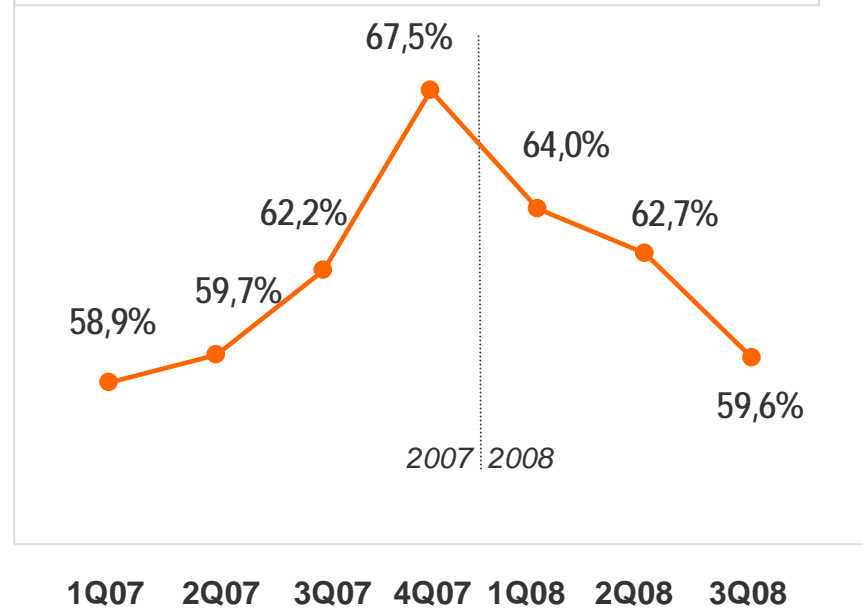
Reacting to the Deteriorating Economic Environment

Good Cost Control

> Operating expenses trend*



> Cost/income ratio*



- CIB's capital markets bonuses calculated on pre-tax income

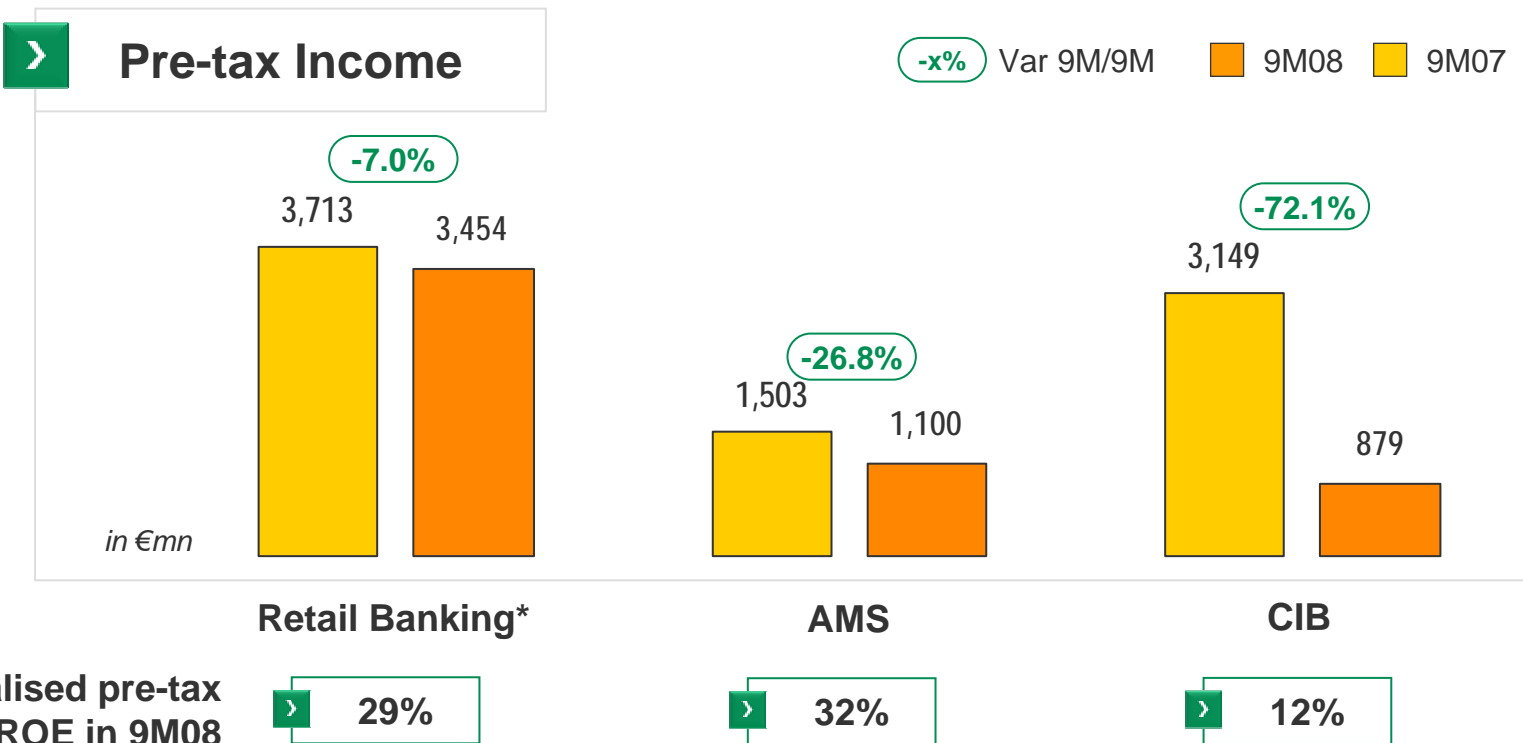
> Proactive and flexible cost management

* Operating divisions ** BNL Proforma in 1Q06



9M08

A Resilient Model in the Face of a Deepening Crisis



All business units contributed profits
Annualised post-tax group ROE: 13%

*Including 2/3 of Italian and French Private Banking, excluding PEL/CEL effects





A Robust Business Model

Less affected than peers by the crisis

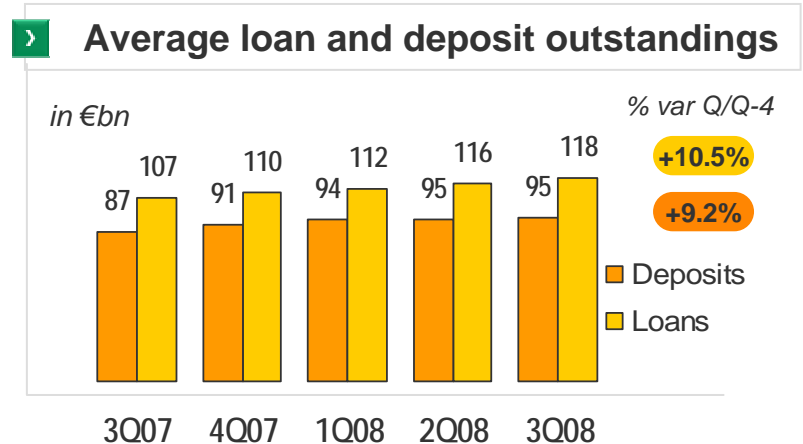
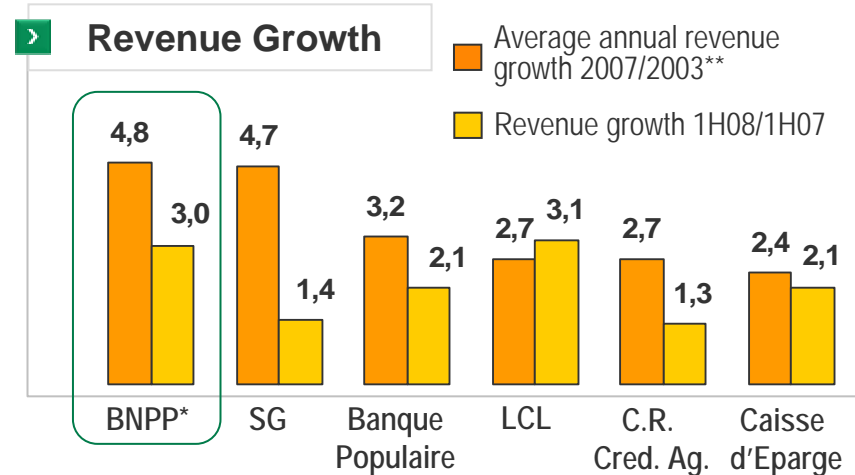
Gaining Market Share

Fortis: a Compelling Strategic Move

Conclusion

French Retail Banking Outperforming in a Sound Market

- Franchise focused on the more profitable urban areas
- Record customer acquisition : +230,000 in 2007, +150,000 in 9M08
- #1 in Private Banking, successful JV with the retail network
- Corporate customers: a unique business model in France to foster cross selling and target high quality clients
- Sustained growth in both loan and deposit outstandings
 - Loan growth 3Q08/3Q07: Individual customers +7.1%, Corporates +15.1%



Well positioned to grow market share

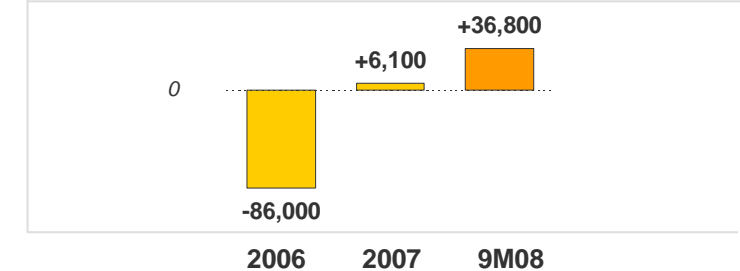


BNL banca commerciale

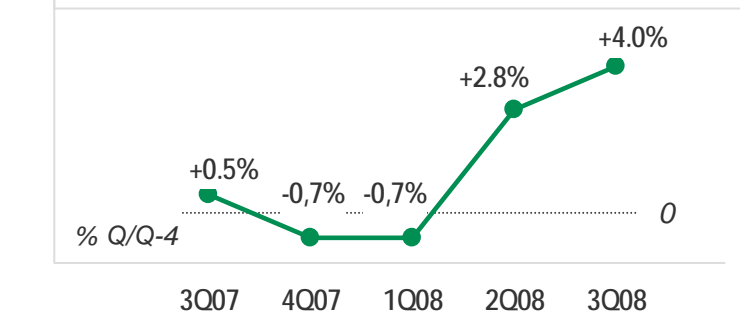
Regaining Market Shares

- Italy: an attractive banking market
 - Slow growing economy, but under-penetrated market
- Leverage the Group's expertise and economies of scale
 - Individual customers: roll out a multi-channel offering unparalleled in Italy
 - Corporate customers: become the benchmark bank in Italy thanks to a best-in-class CIB platform and a leading position in the Mediterranean area
- Healthy growth in loans and deposits, regained market shares
 - Individual and small business customers: outstanding loans +11.2%/3Q07, deposits +4.0%/3Q07
 - Corporates: Loan outstandings: +18.6%/3Q07
 - Continued export finance growth: +15.5% 9M08/9M07
 - 11 Italian Desks in operation across the Group's international network

> Increase in the number of individual cheque and deposit accounts



> Growth in individual and small business client deposits



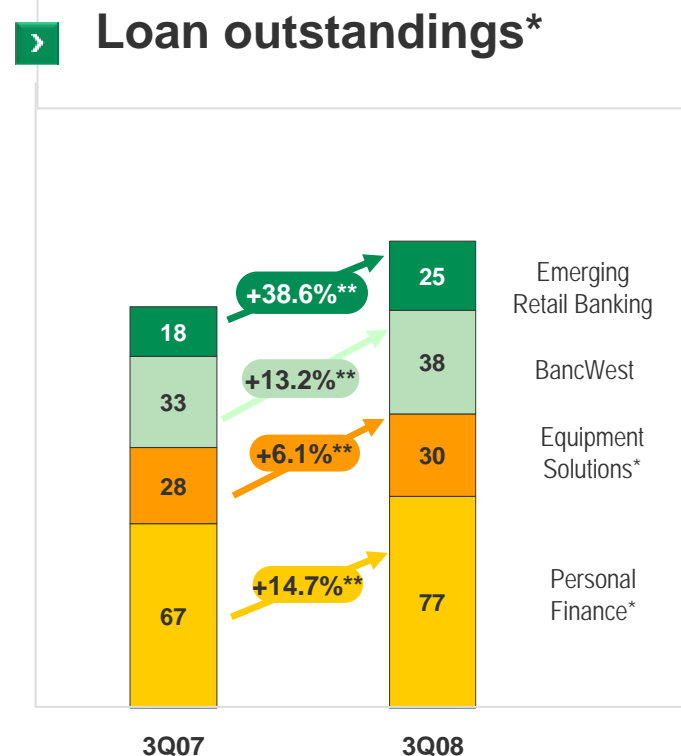
Major growth driver thanks to the integration dynamics



International Retail Services

Strong Business Development Drive

- Growing the Customer Base through branch banking and specialised finance
 - 4.5 million customers (+25%/3Q07) in the emerging retail banking networks
 - Opened 211 branches since 30 Sept. 2007
- Sharp growth in outstandings 3Q08/3Q07
 - BancWest: deposits +7.7%**
 - Emerging retail banking: deposits +27.7%**
 - Personal finance: loans +14.7%**
- Improving operating efficiency
 - Share platforms and reduce their number



➤ **Sustained business growth**



Asset Management & Services

Robust inflows in a Challenging Environment

- Assets under management: €542bn as at 30.09.2008

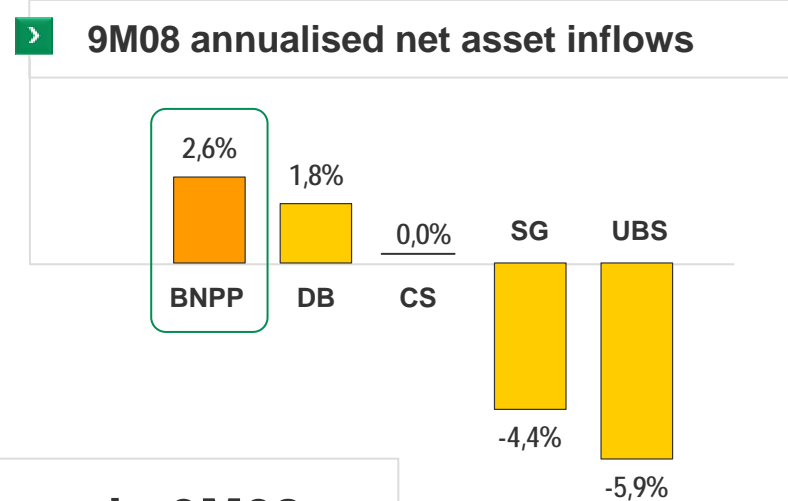
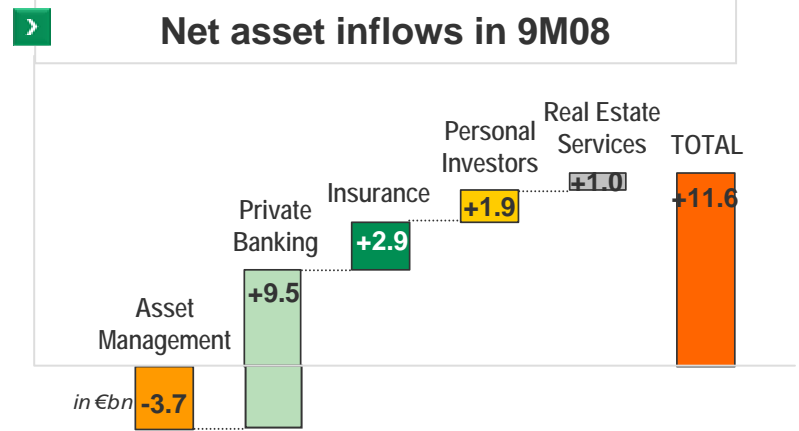
- Down only 8% vs 30.09.07, flat on 30.06.08
- Positive impact of net asset inflows

- Recognised expertise

- #1 for Private Banking in France
- #1 for Securities Services in Europe

- Resilient business model

- Cross selling between a wide range of investment services
- Large access to clients through complementary distribution channels
- Individuals represent ca 61% of AuM



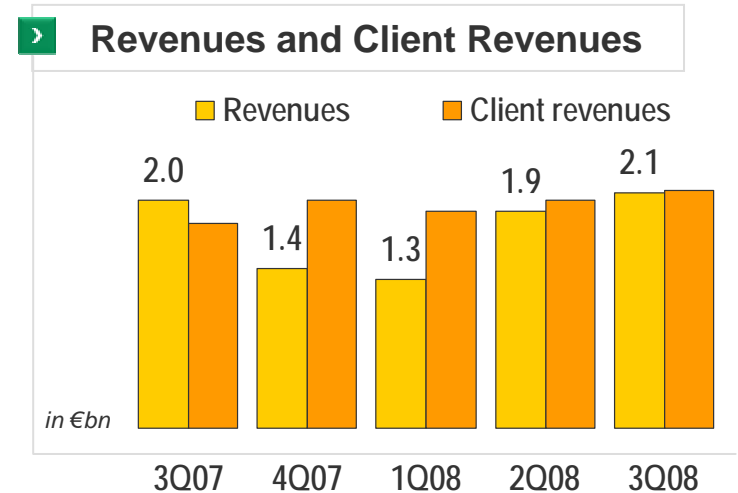
➤ €11.6bn net asset inflows in 9M08



Corporate and Investment Banking

Good Business Momentum

- Steadily increasing client driven business
 - Improving competitive position
- Worldwide leadership in Equity derivatives confirmed
 - Leadership bolstered by the acquisition of Bank of America's Prime brokerage
- Good relative performance in Fixed Income
 - Especially in Interest Rates and Forex
- Very resilient financing businesses
 - Strong revenue growth in Energy, Commodities, Project and Corporate acquisition Finance
 - Significantly improved conditions



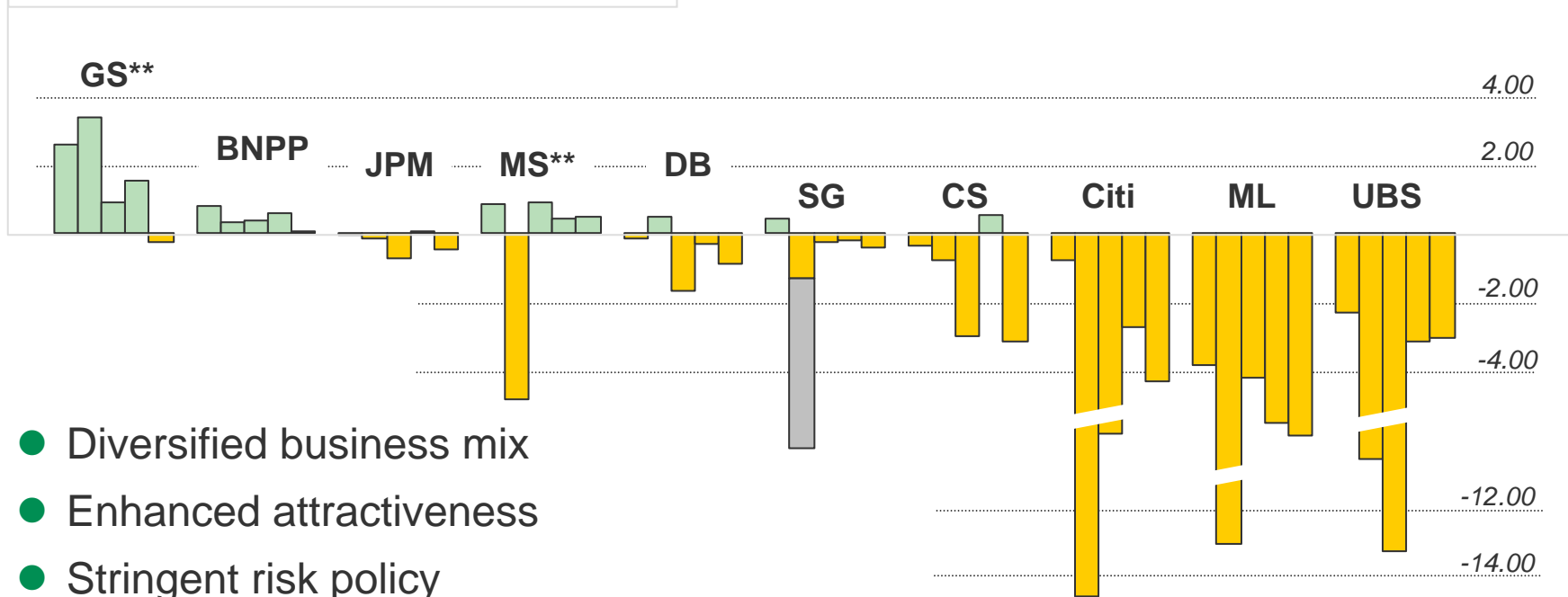
**Very sustained client business
in a market experiencing unprecedented turbulence**



Corporate and Investment Banking A Resilient Model Since the Crisis Began



15-month CIB Pre-tax Income in €bn, excluding own debt gains*



- Diversified business mix
- Enhanced attractiveness
- Stringent risk policy



Further improvement in the competitive position



A Solid Capital Base

- A 7.6% Tier 1 ratio which, given BNP Paribas' risk profile, ensures the sector's best credit quality, as confirmed by:

> The regulator

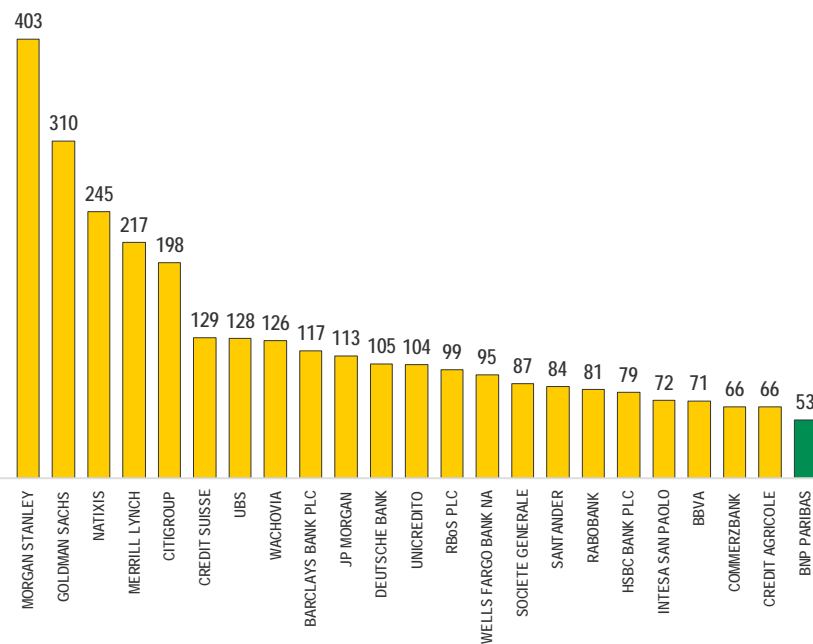
*"The Banque de France would like to stress that all of the banking groups concerned currently have entirely satisfactory levels of own funds. These levels are **consistent with or exceed those required of each credit institution by France's Commission bancaire depending on the nature of its activities and its risk profile.**" (Bank of France, 20 October 2008 press release)*

> The rating agencies

- Moody's: Aa1 reaffirmed on 7th Oct. 08 (stable outlook)
- S&P: AA+ updated on 6th Oct. 08 (neg. outlook)
- Fitch: AA reaffirmed on 21st Oct. 08 (stable outlook)

> The market

5-year senior CDS spreads in bp as at 7.11.08



Source : **Bloomberg**



No pressure to raise capital





A Robust Business Model

Less affected than peers by the crisis

Gaining Market Share

Fortis: a Compelling Strategic Move

Conclusion

BNP Paribas & Fortis

The Leading Retail Bank in Belgium and Luxembourg

● Network

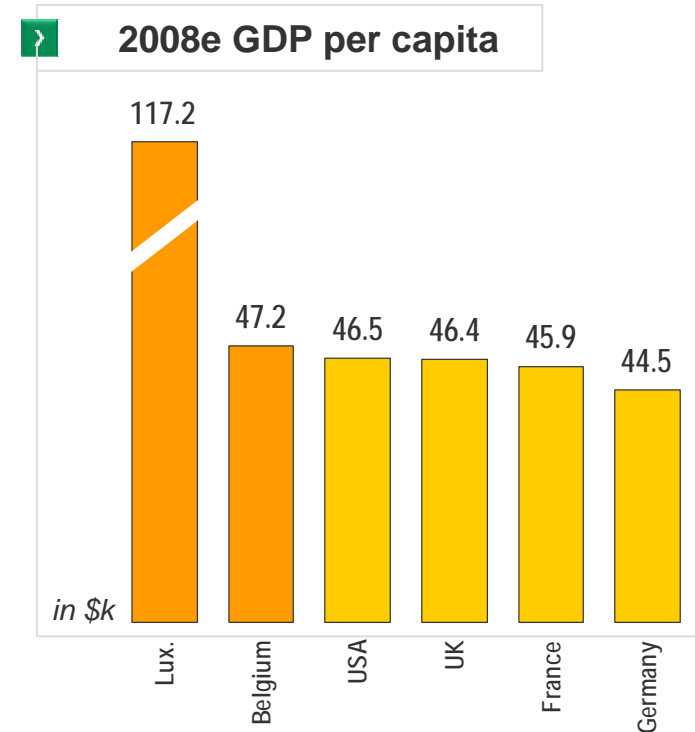
- Branches
- Private banking centres
- Business centres

● Clients

● Market position

- Retail banking (deposits)
- Consumer lending

	Belgium	Luxembourg
Branches	1,064	37
Private banking centres	10	3
Business centres	22	1
Clients	3m	280k
Retail banking (deposits)	#1	#1
Consumer lending	#2	#2



A unique opportunity to acquire #1 positions in two of the wealthiest countries in Europe



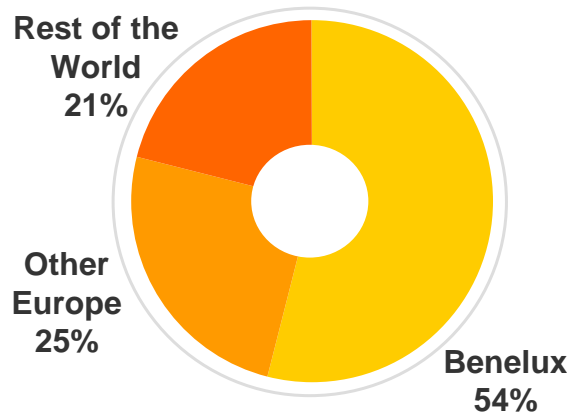
BNP Paribas & Fortis

Reaching Top 5 in European Asset Management

> Fortis Investment Management

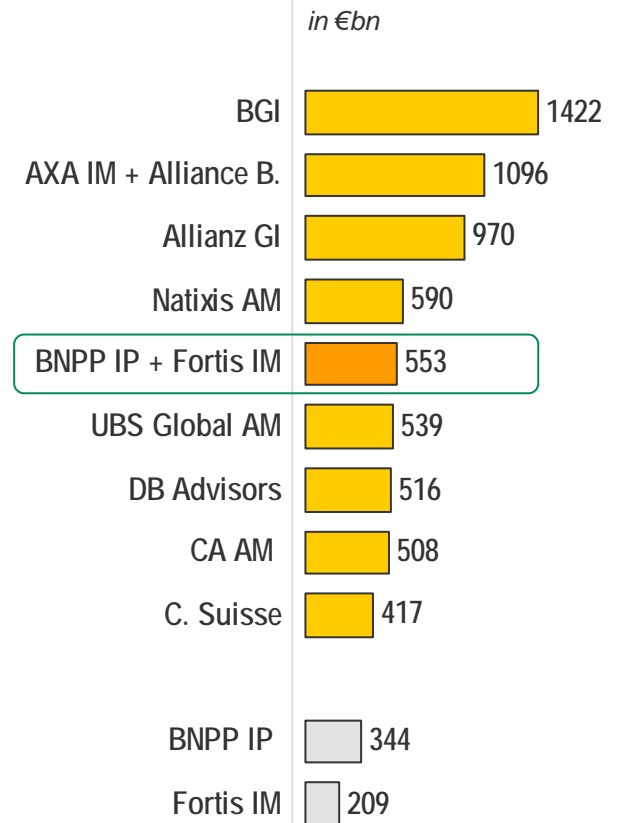
- AuM: €209bn as at 30.06.08
- 30 locations around the world
- A strong retail share : 50%

> Split by Geography



Source – Fortis

> European asset managers by total assets



Source – IPE ranking Europe July / August 08



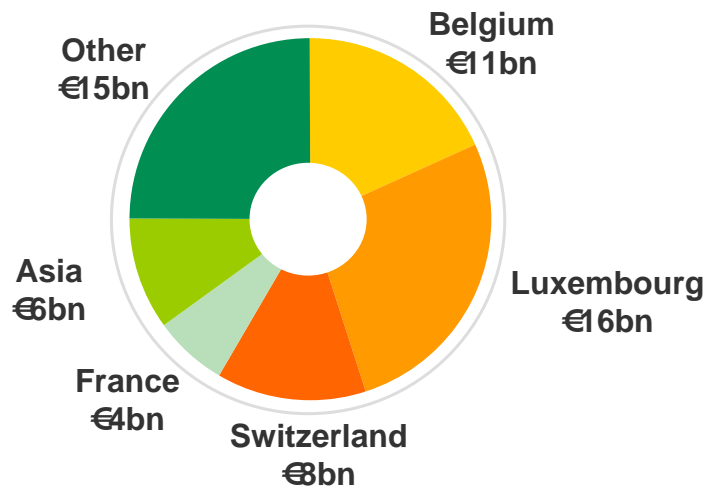
BNP Paribas & Fortis

Creating the #1 Private Bank in the Eurozone

Fortis Private Bank

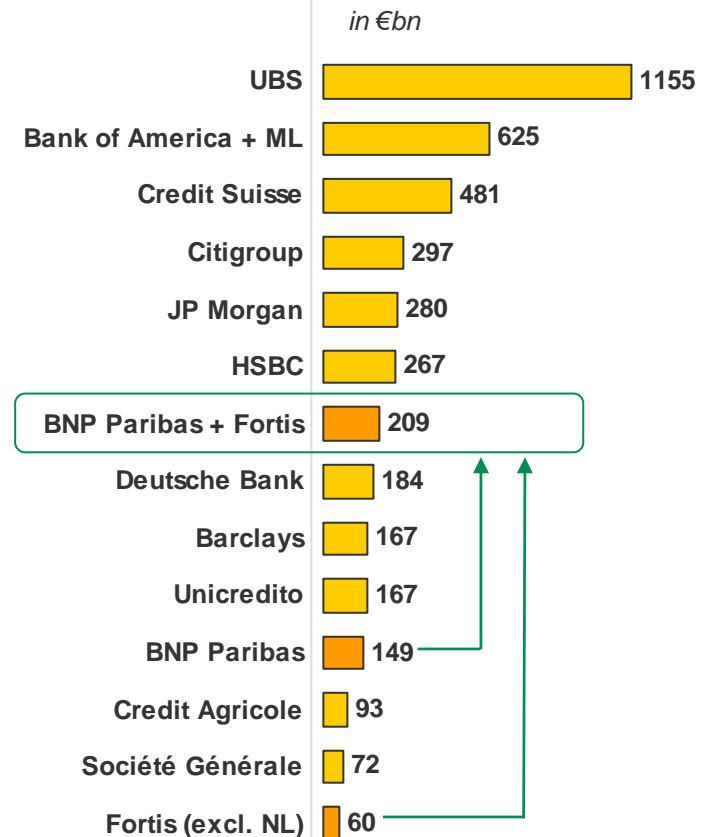
- €60bn* assets under management (as at 30.06.08)
- Leading positions in the Benelux and substantial presence in Switzerland and Guernsey

AuM: Split by Geography



* Estimated Fortis Private Bank AuM without the Netherlands

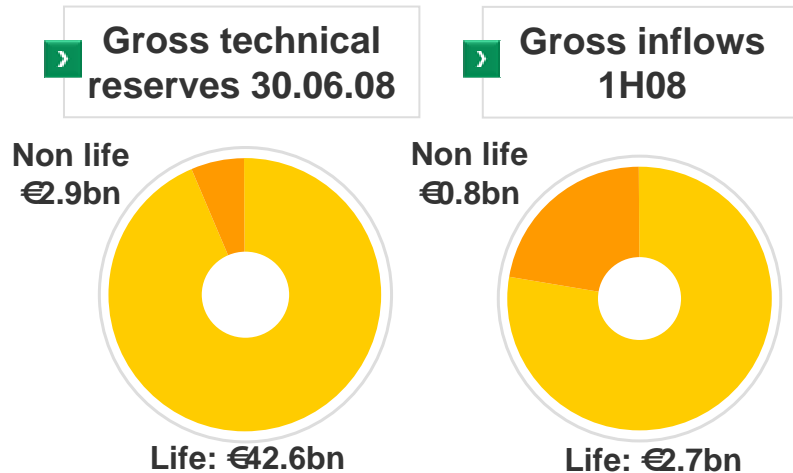
Assets under management as at 30.06.08



BNP Paribas & Fortis

A European Leader in Life Insurance

- No. 1 in Belgium (29% market share in life insurance)



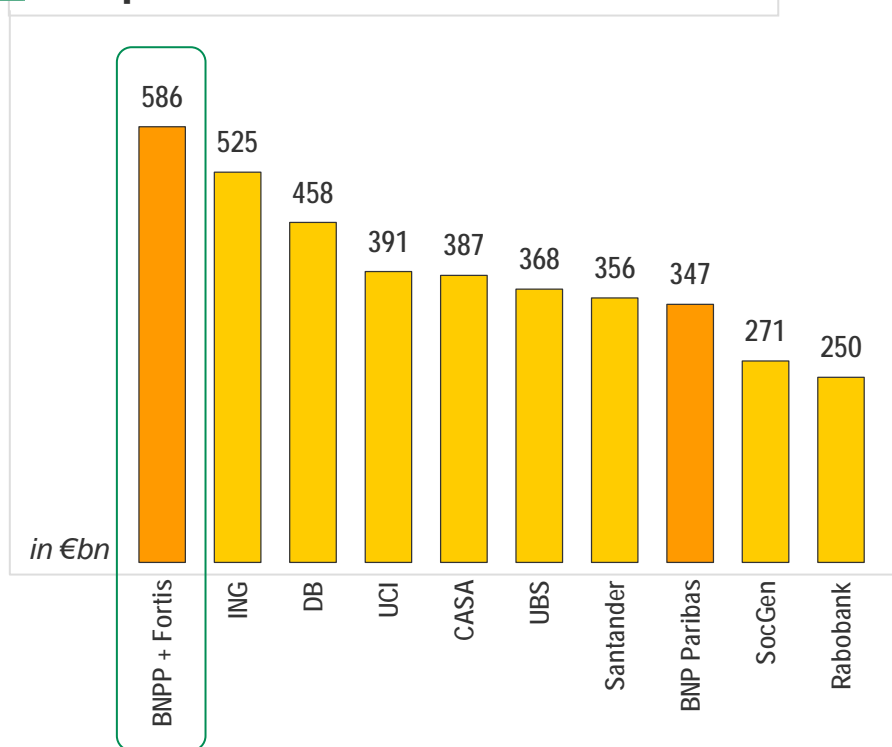
- Diversified distribution channels
 - Bancassurance (leader in Belgium) and already successfully integrated into the bank
 - Brokers (#1)*
 - Agents
 - Fintro network

- Enlarge product offering combining Fortis Insurance Belgium and BNP Paribas Assurance strengths for distribution in the group's networks
- Expand best-practices in multi-channel distribution in France, Belgium and Luxembourg
- Optimize IT and back-office platforms
- Total proforma technical reserves of ~€145bn



- Deal accretive as early as year 1
 - €500mn in synergies per year starting from 2011
 - No goodwill
- Limited execution risk
 - Similar French and Belgian banking models
 - Strong integration culture
- Financial strength further bolstered
 - Transfer of the high risk structured credit portfolio to a SPV (10% stake)
 - Tier1 ratio improved 35bp
 - #1 in the Eurozone by deposits

Deposits as at December 2007



A deal fully consistent with BNP Paribas' strategy





A Robust Business Model

Less affected than peers by the crisis

Gaining Market Share

Fortis: a Compelling Strategic Move

Conclusion

Conclusion



**Profits in each division
despite the unprecedented deepening of the financial crisis**



**Strong business momentum
and enhanced attractiveness of all of BNP Paribas' businesses**



**A stronger position in Europe
with the Fortis acquisition
and the pursuit of sustained organic growth**

