FIRST QUARTER 2018 RESULTS

PRESS RELEASE
Paris, 4 May 2018

BUSINESS GROWTH DRIVEN BY DOMESTIC MARKETS AND INTERNATIONAL FINANCIAL SERVICES IN THE CONTEXT OF ECONOMIC RECOVERY IN EUROPE

OUTSTANDING LOANS: +2.7% vs. 1Q17

UNFAVOURABLE FOREIGN EXCHANGE EFFECT AND LACKLUSTRE MARKET CONTEXT VS. 1ST QUARTER 2017 IN EUROPE

REVENUES OF THE OPERATING DIVISIONS: -1.4% vs. 1Q17

GOOD COST CONTAINMENT BUT BOOKING THIS QUARTER OF ALMOST THE ENTIRE INCREASE IN TAXES FOR THE YEAR*

OPERATING EXPENSES OF THE OPERATING DIVISIONS: +1.0% vs. 1Q17
(STABLE EXCLUDING IFRIC 21)

COST OF RISK STILL LOW

+3.9% vs. 1Q17 (32 bp)**

NET INCOME GROUP SHARE HELD UP WELL

€1,567m
(-3.8% vs. 1Q17 excluding exceptional items & IFRIC 21)

BUSINESS GROWTH

SOLID RESULTS IN LINE WITH THE TRAJECTORY OF THE 2020 PLAN

* APPLICATION OF IFRIC 21 TAXES; ** COST OF RISK/CUSTOMER LOANS AT THE BEGINNING OF THE PERIOD (IN ANNUALISED BP)

BNP PARIBAS

The bank for a changing world

The Board of Directors of BNP Paribas met on 3 May 2018. The meeting was chaired by Jean Lemierre and the Board examined the Group's results for the first quarter 2018.

BUSINESS GROWTH BUT UNFAVOURABLE EXCHANGE RATE EFFECT AND LACKLUSTRE MARKET CONTEXT VS. 1ST QUARTER 2017 IN EUROPE

BNP Paribas delivered solid results this quarter. There was good business development in the context of economic recovery in Europe but results recorded an unfavourable exchange rate effect as well as the impact of a lacklustre market context compared to the first quarter of last year.

Revenues totalled 10,798 million euros, down by 4.4% compared to the first quarter 2017 which included the exceptional impact of +148 million euros in capital gain from the sale of Shinhan shares.

The revenues of the operating divisions were down by 1.4%, reflecting an unfavourable foreign exchange effect: they were up at Domestic Markets[1] (+0.4%) due to the good business development partly offset by the low interest rate environment, up significantly at International Financial Services (+3.8%), driven by the development of the businesses, but down by 9.8% at CIB due to a lacklustre market context in Europe compared to the first quarter 2017.

At 8,260 million euros, the Group's operating expenses were up by 1.7% compared to the first quarter 2017. They included the exceptional -211 million euro impact of businesses' transformation costs and acquisitions' restructuring costs[2] (-110 million euros in the first quarter 2017).

Operating expenses also included this quarter for 1,109 million euros almost the whole amount of taxes and contributions for the year pursuant to the application of IFRIC 21 Taxes (1,029 million euros in the first quarter 2017). These taxes and contributions included in particular the 572 million euro contribution to the Single Resolution Fund (469 million euros in the first quarter 2017).

Excluding exceptional items (up by 101 million euros) and the impact of IFRIC 21 (up by 80 million euros), operating expenses were thus down by 0.6%, which reflects their good containment.

The operating expenses of the operating divisions rose by 1.0% compared to the first quarter 2017 but were stable excluding the impact of IFRIC 21: they were up by 2.4%[3] for Domestic Markets[1] with a rise in the specialised businesses related to business development but down in the domestic networks (France, Belgium, Italy, Luxembourg), up by 3.9%[3] for International Financial Services as a result of business growth, but down by 7.2%[3] for CIB due to cost saving measures.

The gross operating income of the Group thus totalled 2,538 million euros, down by 20.1% and by 7.3% for the operating divisions (-3.7% excluding IFRIC 21).

The cost of risk was still at a low level this quarter, at 615 million euros (592 million euros in the first quarter 2017) or 32 basis points of outstanding customer loans (as in the first quarter 2017). This low level reflects in particular the good control of risk at loan origination, the low interest rate environment and the continued improvement in Italy.

The Group's operating income, at 1,923 million euros (2,586 million euros in the first quarter 2017), was thus down by 25.6%. It was down by 9.8% for the operating divisions (-5.0% excluding IFRIC 21).

---

[1] Including 100% of Private Banking in the domestic networks (excluding PEL/CEL effects)
[2] In particular, LaSer, Bank BGZ, DAB Bank and GE LLD
[3] Excluding the impact of IFRIC 21

Non operating items totalled 333 million euros (168 million euros in the first quarter 2017). They included this quarter the exceptional +101 million euros impact of capital gain from the sale of a building.

Pre-tax income, which came to 2,256 million euros (2,754 million euros in the first quarter 2017), was thus down by 18.1%. It was down by 7.6% for the operating divisions (-3.6% excluding IFRIC 21).

Net income attributable to equity holders was 1,567 million euros, down by 17.3% compared to the first quarter 2017 but by only 3.8% excluding exceptional items and IFRIC 21[1].

The return on equity excluding exceptional items[2] was thus 10.2%. The return on tangible equity excluding exceptional items[2] came to 11.9%.

As at 31 March 2018, the fully loaded Basel 3 common equity Tier 1 ratio[3] was 11.6% and takes into account the full implementation of IFRS 9. The fully loaded Basel 3 leverage ratio[4] came to 4.1%. The Liquidity Coverage Ratio was 120% at 31 March 2018. Lastly, the Group's immediately available liquidity reserve was 321 billion euros, equivalent to over one year of room to manoeuvre in terms of wholesale funding.

The net book value per share reached 73.6 euros, equivalent to a compounded annual growth rate of 5.3% since 31 December 2008, illustrating the continuous value creation throughout the cycle.

The Group is actively implementing the 2020 transformation plan, an ambitious programme of new customer experiences, digital transformation and operating efficiency (175 million euros in cost savings this quarter, or 709 million euros since the launch of the programme at the beginning of 2017). The results this quarter are in line with the expected trajectory towards the plan's objectives.

The Group continues to strengthen its internal control and compliance systems. It also pursues an ambitious corporate social and environmental policy designed to have a positive impact on society with significant initiatives in favour of social and environmental innovation, ethical responsibility and low carbon economy.

*
* *

[1] Effect of exceptional items after tax: -56 million euros (+76 million euros in the first quarter 2017)
Effect of taxes and contributions subject to IFRIC 21 after tax: 946 million euros (856 million euros in the first quarter 2017)
[2] Without annualising taxes and contributions subject to IFRIC 21
[3] Ratio taking into account all the CRD4 rules with no transitory provisions
[4] Ratio taking into account all the CRD4 rules at 2019 with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014

RETAIL BANKING & SERVICES

DOMESTIC MARKETS

Domestic Markets reported a good business drive. Outstanding loans were up by 5.3% compared to the first quarter 2017 with good growth in loans in the domestic networks and the specialised businesses (Arval, Leasing Solutions). Deposits were up by 6.6% with strong growth in all countries. Private banking reported good asset inflows (1.2 billion euros) and Hello bank! continued its growth with a rise in the number of new customers (110,000 this quarter, or +15% compared to the first quarter 2017).

The operating division developed new customer experiences and continued the digital transformation. It sped up mobile usages with the implementation of new features for mobile payments and digital customer onboardings now representing one-third of new clients. The operating division thus reported, compared to the first quarter 2017, a significant increase in the number of active mobile users in the networks (+21%) with an average of 17 connections per month (+10%). It also adapted its offering to different banking uses with Nickel[1] in France which enjoys good growth (already 900,000 accounts opened) and *LyfPay*, a universal mobile payment solution, which reports 2,500 daily downloads of the app and will be rolled out in over 500 Casino stores across France. Lastly, the operating division is streamlining and optimizing the local commercial network in order to enhance customer service and cut costs.

Revenues[2], at 3,969 million euros, were up by 0.4% compared to the first quarter 2017, the effect of business growth being still largely offset by the impact of low interest rates.

Operating expenses[2] (2,971 million euros) were up by 3.2% compared to the first quarter 2017 (+2.4% excluding the impact of IFRIC 21), the effect of the business development of the specialised business being partly offset by the average 0.3%[3] decrease in the retail networks' costs.

Gross operating income[2] was down by 6.9%, at 998 million euros, compared to the same quarter last year (-2.8% excluding IFRIC 21).

The cost of risk was down by 15.4% compared to the first quarter 2017, due in particular to the continued decrease at BNL bc.

Thus, after allocating one-third of Domestic Markets Private Banking's net income to the Wealth Management business (International Financial Services division), the division reported 658 million euros in pre-tax income[4], down by 7.0% compared to the first quarter 2017 but by only 1.5% excluding the impact of IFRIC 21.

French Retail Banking (FRB)

FRB continued its good business drive in the context of economic recovery in France. Outstanding loans were up by 7.2% compared to the first quarter 2017 with sustained growth in loans to individual and corporate clients. For mortgage loans, the sharp decline of renegotiations and early repayments since June 2017 was confirmed. Deposits were up by 7.0%, driven by the strong growth in current accounts. Life insurance performed well with a 3.1% increase in outstandings compared to 31 March 2017. The growth in private banking's assets under management was sustained (+4.4% compared to 31 March 2017) thanks to an asset inflow drive.

[1] New name of Compte-Nickel
[2] Including 100% of Private Banking in France (excluding PEL/CEL effects), Italy, Belgium and Luxembourg
[3] Excluding the impact of IFRIC 21
[4] Excluding PEL/CEL effects of +1 million euros compared to -2 million euros in the first quarter 2017

The business also continued the digital transformation with the development of an offering to purchase creditor protection insurance online and in real-time for mortgage loans, making insurance immediately available to customers in over 80% of cases. Separately, BNP Paribas Factor continued the digitalisation of processes with the capacity to finance invoices in less than 8 hours; already over 80% of its customers use electronic invoices.

Revenues[1] totalled 1,594 million euros, down by 1.6% compared to the first quarter 2017. Net interest income[1] was down by 2.4% despite business growth due to less renegotiation and early repayment penalties compared to the high level in the first quarter 2017. For their part, fees[1] were down by 0.6% with a slight decline in corporate customers' financial fees.

At 1,189 million euros, operating expenses[1] were up by 0.4% compared to the first quarter 2017. They were down by 0.5% excluding the impact of IFRIC 21, as a result of the optimization of the network and the streamlining of the management set-up.

Gross operating income[1] thus came to 405 million euros, down by 7.2% compared to the same quarter last year (-4.0% excluding IFRIC 21).

The cost of risk[1] was still low, at 59 million euros (79 million euros in the first quarter 2017). It was 13 basis points of outstanding customer loans.

Thus, after allocating one-third of French Private Banking's net income to the Wealth Management business (International Financial Services division), FRB posted 306 million euros in pre-tax income[2], down by 4.1% compared to first quarter 2017 but by only 0.7% excluding the impact of IFRIC 21.

BNL banca commerciale (BNL bc)

The deposits of BNL bc grew by 7.0% with a sharp rise in current accounts. Off balance sheet savings reported very good performance: life insurance outstandings rose by 7.1% and mutual fund outstandings were up by 8.4% compared to 31 March 2017. Lastly, while outstanding loans were down by 1.3% compared to the first quarter 2017, they were quasi-stable excluding the impact of the sale of a portfolio of non-performing loans this quarter[3].

BNL bc continued to develop new customer journeys and digital transformation with the launch of *MyBiz*, a new app for SMEs offering mobile access to a wide range of banking services including applying for loans.

Revenues[4] were down 2.0% compared to the first quarter 2017, at 713 million euros. Net interest income[4] was down by 6.6% due to the persistently low interest rate environment. Fees[4] were up by 5.9% in connection with the sustained development of off balance sheet savings and private banking.

Operating expenses[4], at 480 million euros, rose by 2.4% (+1.8% excluding the impact of IFRIC 21) as a result of selected business initiatives.

Gross operating income[4] thus totalled 233 million euros, down by 9.8% compared to the same quarter last year (-7.3% excluding the impact of IFRIC 21).

[1] Including 100% of Private Banking in France (excluding PEL/CEL effects)
[2] Excluding PEL/CEL effects of +1 million euros compared to -2 million euros in the first quarter 2017
[3] Sale of a portfolio of non-performing loans for a total of 0.8 billion euros
[4] Including 100% of Private Banking in Italy

The cost of risk[1], at 87 basis points of outstanding customer loans, was down by 59 million euros compared to the first quarter 2017.

Thus, after allocating one-third of Italian Private Banking's net income to the Wealth Management business (International Financial Services division), BNL bc confirmed the gradual recovery of its profitability and posted 51 million euros in pre-tax income or almost a three-fold increase over the first quarter 2017 level (18 million euros).

Belgian Retail Banking

BRB reported sustained business activity. Loans were up by 5.0% compared to the first quarter 2017 with a good growth in corporate loans and a rise in mortgage loans. Deposits rose by 4.8% thanks in particular to growth in current accounts. Off balance sheet savings outstandings rose by 0.6% compared to 31 December 2017.

The business continued the digital transformation and the development of new customer journeys with the launch of *Be.Connected*, a new branch concept enabling customers to experience the full range of digital service offering.

BRB's revenues[2] were up by 0.3%, compared to the first quarter 2017, at 934 million euros: net interest income[2] rose by 0.4%, the volume growth being almost entirely offset by the impact of the low interest rate environment. Fees[2] were stable.

Operating expenses[2] rose by 1.5% compared to the first quarter 2017, at 835 million euros. They were down by 1.2% excluding the impact of IFRIC 21 thanks to the effect of cost saving measures (optimization of the network and streamlining of the management set-up).

Gross operating income[2], at 99 million euros, was down by 9.0% compared to the same quarter last year. It was however up by 2.6% excluding the impact of IFRIC 21.

The cost of risk[2] was very low this quarter at 2 basis points of outstanding customer loans (6 million euros). It was negligible in the first quarter 2017.

After allocating one-third of Belgian Private Banking's net income to the Wealth Management business (International Financial Services division), BRB generated 79 million euros in pre-tax income, down by 17.9% compared to the first quarter 2017 but up by 0.7% excluding IFRIC 21.

Other Domestic Markets business units (Arval, Leasing Solutions, Personal Investors, Nickel and Luxembourg Retail Banking)

Domestic Markets' specialised businesses continued their good drive: the financed fleet of Arval grew by 7.3% and the financing outstandings of Leasing Solutions were up by 8.2%[3] compared to the first quarter 2017; the assets under management of Personal Investors were up by 8.0% compared to 31 March 2017 and lastly Nickel[4] reported over 80,000 account openings this quarter.

The outstanding loans of Luxembourg Retail Banking (LRB) rose by 10.0% compared to the first quarter 2017, with strong growth in mortgage and corporate loans. Deposits were up by 12.0% with good inflows notably in the corporate segment.

[1] Including 100% of Private Banking in Italy
[2] Including 100% of Private Banking in Belgium
[3] At constant scope and exchange rates
[4] New name of Compte-Nickel

There was increased cooperation between the businesses with, for LRB, a new offering of long-term car rental to individuals in partnership with Arval and, for Consorsbank, consumer loans offered online together with Personal Finance.

The revenues[1] of the five businesses, which totalled 728 million euros, were up on the whole by 8.0% compared to the first quarter 2017 due to scope effects and business development.

Operating expenses[1] rose by 15.3% compared to the first quarter 2017, to 467 million euros as a result of scope effects and development of the businesses, as well as the costs to launch new digital services, in particular at Arval and Leasing Solutions.

The cost of risk[1] was up by 22 million euros compared to the first quarter 2017, at 36 million euros due in particular to a one-off 14 million euros provision linked to a change in method at Arval.

Thus, the pre-tax income of these five business units, after allocating one-third of Luxembourg Private Banking's net income to the Wealth Management business (International Financial Services division), was 222 million euros (-19.0% compared to the first quarter 2017 but -13.9% excluding the one-off provision at Arval).

*

*   *

[1] Including 100% of Private Banking in Luxembourg

INTERNATIONAL FINANCIAL SERVICES

International Financial Services reported a sustained business drive: loans grew by 12.1%[1] at Personal Finance and by 3.8%[1] at International Retail Banking[2], and all the savings and insurance businesses generated good asset inflows (+12.9 billion euros). The operating division actively implemented its digital transformation and new technologies across all the businesses.

At 4,060 million euros, revenues were up by 3.8% compared to the first quarter 2017 despite an unfavourable foreign exchange effect this quarter. It rose by 5.5% at constant scope and exchange rates, up in all the businesses.

Operating expenses, which totalled 2,609 million euros, were up by 4.1% compared to the same quarter last year, as a result of business development (+5.1% at constant scope and exchange rates and excluding IFRIC 21).

Gross operating income came to 1,451 million euros, up by 3.4% compared to the first quarter 2017 (+6.2% at constant scope and exchange rates and excluding IFRIC 21).

The cost of risk, at 365 million euros, rose by 50 million compared to the first quarter 2017. It was still at a low level.

International Financial Services' pre-tax income thus totalled 1,281 million euros, up by 4.8% compared to the first quarter 2017 (+2.8% at constant scope and exchange rates and excluding IFRIC 21), reflecting the continued profitable growth of the operating division.

Personal Finance

Personal Finance continued its strong business drive. Outstanding loans were up by +12.1%[1] compared to the first quarter 2017, driven by an increase in demand in a favourable context in Europe and the effect of new partnerships. The business signed new business agreements with Hyundaï in France and Carrefour in Poland and is successfully implementing the integration of General Motors Europe's financing activities[3]. It continued to expand its digital footprint and new technologies with already 72% of contracts signed electronically in France, Italy and Spain.

The revenues of Personal Finance were up by 12.7% compared to the first quarter 2017, to 1,354 million euros (+7.9% at constant scope and exchange rates), in connection with the rise in volumes and the positioning on products with a better risk profile. They were driven in particular by a good growth in Italy, Spain and Germany.

Operating expenses were up by 14.4% compared to the first quarter 2017, at 725 million euros. They were up by 4.9% at constant scope and exchange rates and excluding the impact of IFRIC 21, as a result of business development.

Gross operating income thus came to 629 million euros, up by 10.8% compared to the first quarter 2017.

The cost of risk amounted to 276 million euros (240 million euros in the first quarter 2017). At 137 basis points of outstanding customer loans, it was low (146 basis points in the first quarter 2017).

Personal Finance's pre-tax income thus came to 373 million euros, up by 5.5% compared to the first quarter 2017, reflecting the business' good development.

[1] At constant scope and exchange rates
[2] Europe-Mediterranean and BancWest
[3] Acquisition finalised on 31 October 2017

Europe-Mediterranean

Europe-Mediterranean reported a good business growth. Outstanding loans rose by 4.8%[1] compared to the first quarter 2017 with a good sales and marketing drive in Turkey. Deposits grew by 5.1%[1], up in all regions. The business continued to expand its digital offering with in particular the gradual rollout at TEB of a new branch format including digital services via a new generation of ATMs.

The business also announced this quarter the acquisition of the core banking operations of Raiffeisen Bank Polska[2] which will enable BGZ BNP Paribas to strengthen its position as the 6th largest bank in Poland (combined market share, at the end of 2017, of more than 6% in loans and deposits). The acquisition price corresponds to about 87% of the book value of the acquired businesses and the acquisition is expected to have a positive 1% impact on the net earnings per share of BNP Paris in 2020.

At 581 million euros, Europe-Mediterranean's revenues[3] were up by 7.0%[1] compared to the first quarter 2017, as a result of volume increase.

Operating expenses[3], at 416 million euros, rose by 4.2%[1] compared to the same quarter last year, due to business development.

The cost of risk[3], which totalled 70 million euros, is stable at a moderate level (67 million euros in the first quarter 2017). It was 73 basis points of outstanding customer loans.

After allocating one-third of Turkish Private Banking's net income to the Wealth Management business, Europe-Mediterranean generated 191 million euros in pre-tax income, up sharply (+17.6%[4] compared to the same quarter last year).

BancWest

BancWest continued its strong business drive. Deposits were up by 9.0%[1] with a sharp rise in current and savings accounts. Loans were up by 3.2%[1] compared to the first quarter 2017 (+4.2% excluding the impact of a securitisation in the fourth quarter 2017) with good growth in loans to corporate and individuals. Private Banking's assets under management (13.3 billion U.S. dollars as at 31 March 2018) were up by 11.6%[1] compared to 31 March 2017. BancWest also continued to expand its digital footprint with 8,000 accounts opened online, or a two-fold increase over the first quarter 2017 level.

Revenues[5], at 683 million euros, were up by 3.5%[1] compared to the first quarter 2017, as a result of volume growth.

At 495 million euros, operating expenses[5] rose by only 1.7%[1] compared to the first quarter 2017, reflecting cost containment and producing a positive 1.8[1] point jaws effect.

The cost of risk[5] (20 million euros) was still low (22 million euros in the first quarter 2017). It was 13 basis points of outstanding customer loans.

---

[1] At constant scope and exchange rates
[2] Excluding the foreign currency retail mortgage loan portfolio and excluding a limited amount of other assets; closing of the transaction expected in the fourth quarter 2018, subject to the execution of the final documentation and regulatory approvals
[3] Including 100% of Private Banking in Turkey
[4] At constant scope and exchange rates (+27.7% at historical scope and exchange rates)
[5] Including 100% of Private Banking in the United States

Thus, after allocating one-third of U.S. Private Banking's net income to Wealth Management business, BancWest posted 162 million euros in pre-tax income, up by 8.9%[1] reflecting the business' solid operating performance.

Insurance and Wealth and Asset Management

Insurance and Wealth and Asset Management's businesses continued their growth. Assets under management[2] reached 1,051 billion euros as at 31 March 2018 (+0.9% as compared to 31 March 2017). They were stable compared to 31 December 2017 as the 12.9 billion euros net asset inflows (very good net asset inflows at Wealth Management in particular in France and in Asia; strong asset inflows at Asset Management into bond, money market and equity funds; good asset inflows in Insurance concentrated in unit-linked policies) was offset by the -9.3 billion euro performance effect related to the unfavourable market evolution and the negative -4.7 billion euro foreign exchange effect due in particular to the depreciation of the U.S. dollar.

As at 31 March 2018, assets under management[2] broke down as follows: Asset Management (424 billion euros), Wealth Management (362 billion euros), Insurance (237 billion euros) and Real Estate Services (28 billion euros).

Insurance continued its sustained business development both in savings and protection insurance with good growth in France and internationally. The business continued its partnership initiatives: forthcoming launch in Japan of new insurance products together with the SuMiTrust network and launch in May of the first sales of car and home owner's insurances under the new partnership in France with Matmut.

In Insurance, revenues, at 661 million euros, rose by 10.8% compared to the first quarter 2017 due to strong business drive. Operating expenses, at 367 million euros, rose by 12.8%, as a result of business development. After taking into account the good performance of the associated companies, pre-tax income was thus up by 13.3% compared to the first quarter 2017 at 369 million euros.

The business of Insurance and Wealth and Asset Management was up with good drive in all the businesses. Wealth Management announced the acquisition of ABN Amro's activities in Luxembourg[3] (5.6 billion euros in private banking and 2.7 billion euros in life insurance); the Asset Management business continued its digital transformation with the first use of blockchain technology to invest in funds; the Real Estate Services business continued its sustained business growth, particularly in the brokerage business in Germany.

Wealth and Asset Management's revenues (795 million euros) rose by 2.8% compared to the first quarter 2017 reflecting a good overall performance despite less capital gains at Asset Management. Operating expenses totalled 614 million euros (+6.6% compared to the first quarter 2017). They were up by 4.8% excluding specific transformation projects at Asset Management and costs related to the acquisition of Strutt & Parker at Real Estate Services. The cost of risk was negligible but it was a net write-back of 14 million euro in the first quarter 2017. At 187 million euros, Wealth and Asset Management's pre-tax income, after receiving one-third of the net income of private banking in the domestic markets, in Turkey and in the United States, was down by 13.9% compared to the first quarter 2017.

*
*   *

[1] At constant scope and exchange rates (-8.5% at historical scope and exchange rates given an unfavourable exchange effect)
[2] Including distributed assets
[3] Closing expected in the third quarter 2018 subject to regulatory approvals

CORPORATE AND INSTITUTIONAL BANKING (CIB)

CIB operated this quarter in a lacklustre market environment in Europe compared to the first quarter 2017 which recorded significant volumes. The operating division however continued to successfully develop its client base.

Revenues, at 2,906 million euros, were down by 9.8% (of which 2.9 points came from the unfavourable foreign exchange effect) compared to high level in the first quarter 2017.

At 1,498 million euros, Global Markets' revenues were down by 14.6% compared to the first quarter 2017. The pick-up in volatility starting from the end of January resulted in a wait-and-see attitude by FICC[1] clients and a recovery in client volumes for Equity and Prime Services. The revenues of FICC[1], at 805 million euros, were thus down by 31.4% compared to a very high base in the first quarter 2017 which had recorded significant volumes. Client business in rates and forex was weak this quarter and the primary market in Europe reported limited activity. The business did however perform well in the Americas region which benefited from a favourable market. It confirmed its strong positions on bond issues where the business ranked number 2 for all bond issues in euros and number 8 for all international bond issues. Revenues of the Equity and Prime Services business, at 692 million euros, were up very sharply (+19.4%) driven in particular by a recovery in client volumes in equity derivatives. The VaR, which measures market risks, was still very low (25 million euros).

The business continued its digital transformation with the rollout of the *Symphony* communication and workflow automation tool across the front office teams and the good development of the *Smart Derivatives, Cortex* and *Centric* digital platforms.

Securities Services' revenues, at 505 million euros, rose by 5.7% compared to the first quarter 2017, as a result of the very good business drive and the positive effect of new mandates. Assets under custody and under administration were thus up by 5.3% compared to 31 March 2017 and the number of transactions rose by 5.1% compared to the same quarter last year. The business continued to win significant new mandates (e.g. *Intermediate Capital Group*) and finalised its strategic partnership in the United States with Janus Henderson Investors (138 billion U.S. dollars in assets under custody). Securities Services also announced this quarter the acquisition of the depositary banking business of Banco BPM in Italy[2]. The business also continued to develop joint offers with Global Markets, in particular in the execution and netting of derivatives, forex and collateral management.

Corporate Banking's revenues, at 904 million euros, recorded this quarter an unfavourable foreign exchange effect (5.7 point impact) and were thus down by 8.8% compared to the first quarter 2017 which included a significant level of fees: they decreased in the Americas region due to the foreign exchange effect and the discontinuation of financing of non-conventional oil and gas, were down slightly in Europe and grew in Asia Pacific. The business reported good performance in the transaction businesses (cash management, trade finance) in Europe and Asia. It thus strengthened its client positions on large corporates in Europe where its penetration rate reached 41% in Cash Management and 65% in Corporate Banking[3]. Loans, at 127.4 billion euros, were up by 1.4%[4] compared to the first quarter 2017. Deposits, at 123.2 billion euros, were down by 3.2%[4]. The business confirmed its strong positions and ranked number 2 for syndicated financing and number 2 for equity linked issues in the EMEA region[5].

---

[1] Fixed Income, Currencies and Commodities
[2] Closing of the transaction expected in the second quarter 2018
[3] *Greenwich Share Leader* 2018 Survey
[4] At constant scope and exchange rates
[5] Europe, Middle East and Africa

At 2,389 million euros, CIB's operating expenses were down by 4.7% compared to the first quarter 2017 (-7.2% excluding IFRIC 21[1]). They benefited from cost saving measures which have already generated 297 million euros in savings since 2016. The operating division continued its initiatives in this area with in particular the automation under way of 200 processes and the implementation of three end-to-end projects (credit process, FX cash and client onboarding).

The gross operating income of CIB was thus down by 27.8%, at 517 million euros (-14.4% excluding IFRIC 21).

CIB reported a net 31 million euro provision write-back, as the provisions were more than offset by write-backs (54 million euros in net write-backs in the first quarter 2017). The cost of risk was a net write-back of 28 million euros for Global Markets (net provision of 3 million euros in the first quarter 2017) and was negligible at Corporate Banking where the provisions were offset by write-backs (net write-back of 57 million euros in the first quarter 2017).

CIB thus generated 558 million euros in pre-tax income, down by 28.2% (-15.3% excluding IFRIC 21) compared to the first quarter 2017 which had benefited in Europe from a buoyant context for FICC activities.

*
*   *

CORPORATE CENTRE

Corporate Centre revenues totalled 11 million euros compared to 358 million euros in the first quarter 2017. They included this quarter a lesser contribution by Principal Investments compared to a high level in the first quarter 2017 which also recorded the exceptional impact of a +148 million euro capital gain from the sale of Shinhan shares.

Operating expenses totalled 374 million euros compared to 308 million euros in the first quarter 2017. They included the exceptional impact of -206 million euros in the transformation costs (-90 million euros in the first quarter 2017) and -5 million euros in acquisitions' restructuring costs[2] (-20 million in the first quarter 2017).

The cost of risk totalled 11 million euros (11 million euros in the first quarter 2017).

Non-operating items totalled 132 million euros (11 million euros in the first quarter 2017). They included this quarter the exceptional impact of a +101 million euro capital gain on the sale of a building.

The Corporate Centre's pre-tax income was thus -242 million euros compared to +49 million euros in the first quarter 2017.

*
*   *

[1] Amount of taxes and contributions subject to IFRIC 21 for CIB: 482 million euros (451 million euros in the first quarter 2017)
[2] In particular, LaSer, Bank BGZ, DAB Bank and GE LLD

FINANCIAL STRUCTURE

The Group's balance sheet is very solid.

The impacts of the first application of the new IFRS 9 accounting standard were limited and fully taken into account as of 1st January 2018: -1.1 billion euros impact on shareholders' equity not revaluated[1] (2.5 billion euro impact on shareholders' equity revaluated[2]) and ~-10 bp on the fully loaded Basel 3 common equity Tier 1 ratio[3]. This ratio also reflects as of 1st January 2018 the impact of ~-10 bp of the supervisor's new general requirement to deduct irrevocable payment commitments from the prudential capital. The fully loaded Basel 3 common equity Tier 1 ratio[3] thus came to 11.6% pro forma as at 1st January 2018.

It was also 11.6% as at 31 March 2018 due primarily to the quarter's net income after taking into account a 50% dividend pay-out ratio (+10 bp) and the rise in risk-weighted assets excluding the foreign exchange effect (-10 bp). The foreign exchange effect is overall limited on the ratio.

The Basel 3 fully loaded leverage ratio[4], calculated on total Tier 1 capital, totalled 4.1% as at 31 March 2018.

The Liquidity Coverage Ratio stood at 120% as at 31 March 2018.

The Group's liquid and asset reserve immediately available totalled 321 billion euros, which is equivalent to more than one year of room to manoeuvre in terms of wholesale funding.

The evolution of these ratios illustrates the Group's ability to manage its balance sheet in a disciplined manner within the regulatory framework.

*
* *

Commenting on these results, Chief Executive Officer Jean-Laurent Bonnafé stated:

"BNP Paribas delivered a solid performance this quarter with 1.6 billion euros in net income.

The business is growing in the context of economic recovery in Europe and the Group has strengthened its competitive positions. Costs are well under control and the cost of risk is still at a low level.

Even if the market context was lacklustre in Europe compared to the first quarter 2017, the results are in line with the trajectory of the 2020 plan and the achievement of its targets."

*
* *

1 Shareholders' equity excluding valuation reserves
2 Shareholders' equity including valuation reserves
3 Taking into account all the rules of the CRD4 directives with no transitory provisions. Subject to the provisions of Article 26.2 of Regulation (EU) No 575/2013
4 Taking into account all the rules of the CRD4 directives in 2019 with no transitory provisions, calculated according to the delegated act of the European Commission dated 10 October 2014

BNP PARIBAS

The bank for a changing world

CONSOLIDATED PROFIT AND LOSS ACCOUNT

€m	1Q18	1Q17	1Q18 / 1Q17	4Q17	1Q18 / 4Q17
Revenues	**10,798**	**11,297**	**-4.4%**	**10,532**	**+2.5%**
Operating Expenses and Dep.	-8,260	-8,119	+1.7%	-7,621	+8.4%
Gross Operating Income	**2,538**	**3,178**	**-20.1%**	**2,911**	**-12.8%**
Cost of Risk	-615	-592	+3.9%	-985	-37.6%
Operating Income	**1,923**	**2,586**	**-25.6%**	**1,926**	**-0.2%**
Share of Earnings of Equity-Method Entities	162	165	-1.8%	175	-7.4%
Other Non Operating Items	171	3	n.s.	21	n.s.
Non Operating Items	**333**	**168**	**+98.2%**	**196**	**+69.9%**
Pre-Tax Income	**2,256**	**2,754**	**-18.1%**	**2,122**	**+6.3%**
Corporate Income Tax	-558	-752	-25.8%	-580	-3.8%
Net Income Attributable to Minority Interests	-131	-108	+21.3%	-116	+12.9%
Net Income Attributable to Equity Holders	**1,567**	**1,894**	**-17.3%**	**1,426**	**+9.9%**
Cost/Income	**76.5%**	**71.9%**	**+4.6 pt**	**72.4%**	**+4.1 pt**

BNP Paribas' financial disclosures for the first quarter 2018 are contained in this press release and in the presentation attached herewith.
All legally required disclosures, including the Registration document, are available online at http://invest.bnpparibas.com in the "Results" section and are made public by BNP Paribas pursuant to the requirements under Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the Autorité des Marchés Financiers' general rules.

1Q18– RESULTS BY CORE BUSINESSES

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Other Activities	Group
Revenues		**3,820**	**4,060**	**2,906**	**10,787**	**11**	**10,798**
	%Change/1Q17	+0.3%	+3.8%	-9.8%	-1.4%	-96.8%	-4.4%
	%Change/4Q17	+1.4%	-1.6%	+10.7%	+2.5%	-2.6%	+2.5%
Operating Expenses and Dep.		-2,888	-2,609	-2,389	-7,886	-374	-8,260
	%Change/1Q17	+3.2%	+4.1%	-4.7%	+1.0%	+21.4%	+1.7%
	%Change/4Q17	+11.8%	+3.6%	+26.9%	+12.9%	-41.3%	+8.4%
Gross Operating Income		**933**	**1,451**	**517**	**2,901**	**-363**	**2,538**
	%Change/1Q17	-7.5%	+3.4%	-27.8%	-7.3%	n.s.	-20.1%
	%Change/4Q17	-21.3%	-9.7%	-30.5%	-18.0%	-42.0%	-12.8%
Cost of Risk		-269	-365	31	-604	-11	-615
	%Change/1Q17	-15.7%	+16.0%	-42.8%	+4.0%	-1.3%	+3.9%
	%Change/4Q17	-27.0%	+3.4%	n.s.	-38.8%	n.s.	-37.6%
Operating Income		**664**	**1,086**	**548**	**2,297**	**-374**	**1,923**
	%Change/1Q17	-3.7%	-0.3%	-28.9%	-9.8%	n.s.	-25.6%
	%Change/4Q17	-18.7%	-13.4%	+14.2%	-9.9%	-40.1%	-0.2%
Share of Earnings of Equity-Method Entities		-6	137	9	140	22	162
Other Non Operating Items		1	58	2	61	110	171
Pre-Tax Income		**659**	**1,281**	**558**	**2,498**	**-242**	**2,256**
	%Change/1Q17	-6.5%	+4.8%	-28.2%	-7.6%	n.s.	-18.1%
	%Change/4Q17	-20.1%	-11.6%	+13.8%	-9.6%	-62.2%	+6.3%

€m		Domestic Markets	International Financial Services	CIB	Operating Divisions	Other Activities	Group
Revenues		**3,820**	**4,060**	**2,906**	**10,787**	**11**	**10,798**
	1Q17	3,807	3,909	3,223	10,939	358	11,297
	4Q17	3,768	4,126	2,626	10,520	12	10,532
Operating Expenses and Dep.		-2,888	-2,609	-2,389	-7,886	-374	-8,260
	1Q17	-2,799	-2,506	-2,506	-7,811	-308	-8,119
	4Q17	-2,582	-2,519	-1,883	-6,984	-637	-7,621
Gross Operating Income		**933**	**1,451**	**517**	**2,901**	**-363**	**2,538**
	1Q17	1,008	1,404	717	3,129	49	3,178
	4Q17	1,185	1,608	744	3,536	-625	2,911
Cost of Risk		-269	-365	31	-604	-11	-615
	1Q17	-319	-315	54	-581	-11	-592
	4Q17	-369	-353	-264	-986	1	-985
Operating Income		**664**	**1,086**	**548**	**2,297**	**-374**	**1,923**
	1Q17	689	1,089	770	2,548	38	2,586
	4Q17	817	1,254	480	2,551	-625	1,926
Share of Earnings of Equity-Method Entities		-6	137	9	140	22	162
	1Q17	11	128	8	146	19	165
	4Q17	7	141	13	160	15	175
Other Non Operating Items		1	58	2	61	110	171
	1Q17	5	6	0	11	-8	3
	4Q17	1	54	-1	54	-33	21
Pre-Tax Income		**659**	**1,281**	**558**	**2,498**	**-242**	**2,256**
	1Q17	705	1,222	778	2,705	49	2,754
	4Q17	825	1,449	491	2,764	-642	2,122
Corporate Income Tax							-558
Net Income Attributable to Minority Interests							-131
Net Income Attributable to Equity Holders							**1,567**

QUARTERLY SERIES

€m	1Q18	4Q17	3Q17	2Q17	1Q17
GROUP					
Revenues	**10,798**	**10,532**	**10,394**	**10,938**	**11,297**
Operating Expenses and Dep.	-8,260	-7,621	-7,133	-7,071	-8,119
Gross Operating Income	**2,538**	**2,911**	**3,261**	**3,867**	**3,178**
Cost of Risk	-615	-985	-668	-662	-592
Operating Income	**1,923**	**1,926**	**2,593**	**3,205**	**2,586**
Share of Earnings of Equity-Method Entities	162	175	150	223	165
Other Non Operating Items	171	21	230	33	3
Pre-Tax Income	**2,256**	**2,122**	**2,973**	**3,461**	**2,754**
Corporate Income Tax	-558	-580	-828	-943	-752
Net Income Attributable to Minority Interests	-131	-116	-102	-122	-108
Net Income Attributable to Equity Holders	**1,567**	**1,426**	**2,043**	**2,396**	**1,894**
Cost/Income	**76.5%**	**72.4%**	**68.6%**	**64.6%**	**71.9%**

€m	1Q18	4Q17	3Q17	2Q17	1Q17
RETAIL BANKING & SERVICES Excluding PEL/CEL Effects					
Revenues	**7,879**	**7,881**	**7,707**	**7,737**	**7,719**
Operating Expenses and Dep.	-5,497	-5,101	-4,854	-4,784	-5,305
Gross Operating Income	**2,383**	**2,780**	**2,853**	**2,953**	**2,414**
Cost of Risk	-634	-722	-662	-686	-634
Operating Income	**1,748**	**2,058**	**2,191**	**2,267**	**1,780**
Share of Earnings of Equity-Method Entities	132	147	162	174	139
Other Non Operating Items	59	55	361	16	11
Pre-Tax Income	**1,939**	**2,261**	**2,714**	**2,457**	**1,930**
Allocated Equity (€bn, year to date)	52.8	51.4	50.9	50.7	50.6

€m	1Q18	4Q17	3Q17	2Q17	1Q17
RETAIL BANKING & SERVICES					
Revenues	**7,880**	**7,894**	**7,714**	**7,738**	**7,717**
Operating Expenses and Dep.	-5,497	-5,101	-4,854	-4,784	-5,305
Gross Operating Income	**2,384**	**2,793**	**2,860**	**2,955**	**2,412**
Cost of Risk	-634	-722	-662	-686	-634
Operating Income	**1,749**	**2,071**	**2,198**	**2,269**	**1,778**
Share of Earnings of Equity-Method Entities	132	147	162	174	139
Other Non Operating Items	59	55	361	16	11
Pre-Tax Income	**1,940**	**2,273**	**2,721**	**2,458**	**1,927**
Allocated Equity (€bn, year to date)	52.8	51.4	50.9	50.7	50.6

€m	1Q18	4Q17	3Q17	2Q17	1Q17
DOMESTIC MARKETS (including 100% of Private Banking in France, Italy, Belgium and Luxembourg)* Excluding PEL/CEL Effects					
Revenues	**3,969**	**3,897**	**3,918**	**3,951**	**3,952**
Operating Expenses and Dep.	-2,971	-2,653	-2,599	-2,488	-2,880
Gross Operating Income	**998**	**1,244**	**1,319**	**1,463**	**1,072**
Cost of Risk	-270	-370	-311	-355	-319
Operating Income	**727**	**874**	**1,008**	**1,108**	**753**
Share of Earnings of Equity-Method Entities	-6	7	23	21	11
Other Non Operating Items	1	1	3	1	5
Pre-Tax Income	**723**	**882**	**1,034**	**1,130**	**769**
Income Attributable to Wealth and Asset Management	-65	-70	-64	-78	-61
Pre-Tax Income of Domestic Markets	**658**	**812**	**970**	**1,052**	**707**
Allocated Equity (€bn, year to date)	24.4	24.6	24.3	24.1	23.8

€m	1Q18	4Q17	3Q17	2Q17	1Q17
DOMESTIC MARKETS (including 2/3 of Private Banking in France, Italy, Belgium and Luxembourg)					
Revenues	**3,820**	**3,768**	**3,786**	**3,803**	**3,807**
Operating Expenses and Dep.	-2,888	-2,582	-2,524	-2,417	-2,799
Gross Operating Income	**933**	**1,185**	**1,262**	**1,387**	**1,008**
Cost of Risk	-269	-369	-310	-356	-319
Operating Income	**664**	**817**	**952**	**1,031**	**689**
Share of Earnings of Equity-Method Entities	-6	7	22	21	11
Other Non Operating Items	1	1	3	1	5
Pre-Tax Income	**659**	**825**	**977**	**1,053**	**705**
Allocated Equity (€bn, year to date)	24.4	24.6	24.3	24.1	23.8

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

€m	1Q18	4Q17	3Q17	2Q17	1Q17
FRENCH RETAIL BANKING (including 100% of Private Banking in France)*					
Revenues	**1,595**	**1,554**	**1,592**	**1,607**	**1,618**
Incl. Net Interest Income	*891*	*888*	*904*	*886*	*909*
Incl. Commissions	*704*	*665*	*688*	*721*	*708*
Operating Expenses and Dep.	-1,189	-1,175	-1,183	-1,116	-1,184
Gross Operating Income	**406**	**379**	**409**	**492**	**434**
Cost of Risk	-59	-107	-65	-80	-79
Operating Income	**347**	**272**	**344**	**412**	**355**
Non Operating Items	0	0	1	0	0
Pre-Tax Income	**346**	**272**	**344**	**412**	**356**
Income Attributable to Wealth and Asset Management	-39	-38	-36	-40	-39
Pre-Tax Income of French Retail Banking	**307**	**234**	**309**	**372**	**316**
Allocated Equity (€bn, year to date)	9.2	9.4	9.4	9.3	9.2

€m	1Q18	4Q17	3Q17	2Q17	1Q17
FRENCH RETAIL BANKING (including 100% of Private Banking in France)* Excluding PEL/CEL Effects					
Revenues	**1,594**	**1,541**	**1,585**	**1,606**	**1,620**
Incl. Net Interest Income	*890*	*876*	*897*	*885*	*912*
Incl. Commissions	*704*	*665*	*688*	*721*	*708*
Operating Expenses and Dep.	-1,189	-1,175	-1,183	-1,116	-1,184
Gross Operating Income	**405**	**366**	**402**	**490**	**436**
Cost of Risk	-59	-107	-65	-80	-79
Operating Income	**346**	**259**	**337**	**411**	**358**
Non Operating Items	0	0	1	0	0
Pre-Tax Income	**345**	**259**	**337**	**411**	**358**
Income Attributable to Wealth and Asset Management	-39	-38	-36	-40	-39
Pre-Tax Income of French Retail Banking	**306**	**221**	**302**	**371**	**319**
Allocated Equity (€bn, year to date)	9.2	9.4	9.4	9.3	9.2

€m	1Q18	4Q17	3Q17	2Q17	1Q17
FRENCH RETAIL BANKING (including 2/3 of Private Banking in France)					
Revenues	**1,517**	**1,481**	**1,518**	**1,531**	**1,541**
Operating Expenses and Dep.	-1,151	-1,140	-1,145	-1,079	-1,146
Gross Operating Income	**367**	**341**	**374**	**452**	**395**
Cost of Risk	-59	-107	-65	-80	-79
Operating Income	**307**	**234**	**308**	**372**	**316**
Non Operating Items	0	0	0	0	0
Pre-Tax Income	**307**	**234**	**309**	**372**	**316**
Allocated Equity (€bn, year to date)	9.2	9.4	9.4	9.3	9.2

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

** Reminder on PEL/CEL provision: this provision, accounted in the French Retail Banking's revenues, takes into account the risk generated by Plans Epargne Logement (PEL) and Comptes Epargne Logement (CEL) during their whole lifetime.*

€m	1Q18	4Q17	3Q17	2Q17	1Q17
PEL/CEL effects	1	13	7	1	-2

€m	1Q18	4Q17	3Q17	2Q17	1Q17
BNL banca commerciale (Including 100% of Private Banking in Italy)*					
Revenues	**713**	**732**	**719**	**729**	**727**
Operating Expenses and Dep.	-480	-457	-445	-430	-469
Gross Operating Income	**233**	**275**	**274**	**299**	**258**
Cost of Risk	-169	-218	-203	-222	-228
Operating Income	**63**	**57**	**71**	**77**	**30**
Non Operating Items	0	0	0	0	0
Pre-Tax Income	**63**	**57**	**71**	**77**	**30**
Income Attributable to Wealth and Asset Management	-12	-11	-9	-12	-12
Pre-Tax Income of BNL bc	**51**	**46**	**63**	**65**	**18**
Allocated Equity (€bn, year to date)	5.4	5.8	5.8	5.7	5.7

€m	1Q18	4Q17	3Q17	2Q17	1Q17
BNL banca commerciale (Including 2/3 of Private Banking in Italy)					
Revenues	**691**	**710**	**699**	**707**	**706**
Operating Expenses and Dep.	-470	-447	-434	-420	-460
Gross Operating Income	**221**	**263**	**265**	**287**	**247**
Cost of Risk	-170	-217	-203	-222	-228
Operating Income	**51**	**46**	**62**	**65**	**18**
Non Operating Items	0	0	0	0	0
Pre-Tax Income	**51**	**46**	**63**	**65**	**18**
Allocated Equity (€bn, year to date)	5.4	5.8	5.8	5.7	5.7

€m	1Q18	4Q17	3Q17	2Q17	1Q17
BELGIAN RETAIL BANKING (Including 100% of Private Banking in Belgium)*					
Revenues	**934**	**894**	**921**	**930**	**931**
Operating Expenses and Dep.	-835	-601	-570	-560	-823
Gross Operating Income	**99**	**293**	**351**	**370**	**108**
Cost of Risk	-6	-15	-23	-28	1
Operating Income	**93**	**278**	**328**	**343**	**109**
Share of Earnings of Equity-Method Entities	-3	2	17	6	-4
Other Non Operating Items	1	1	3	2	0
Pre-Tax Income	**92**	**281**	**347**	**351**	**106**
Income Attributable to Wealth and Asset Management	-13	-19	-18	-25	-10
Pre-Tax Income of Belgian Retail Banking	**79**	**262**	**329**	**325**	**96**
Allocated Equity (€bn, year to date)	5.6	5.3	5.2	5.2	5.1

€m	1Q18	4Q17	3Q17	2Q17	1Q17
BELGIAN RETAIL BANKING (Including 2/3 of Private Banking in Belgium)					
Revenues	**887**	**849**	**879**	**882**	**889**
Operating Expenses and Dep.	-803	-577	-547	-537	-790
Gross Operating Income	**85**	**272**	**332**	**346**	**99**
Cost of Risk	-4	-14	-23	-28	1
Operating Income	**80**	**259**	**309**	**317**	**99**
Share of Earnings of Equity-Method Entities	-3	2	17	6	-4
Other Non Operating Items	1	1	3	2	0
Pre-Tax Income	**79**	**262**	**329**	**325**	**96**
Allocated Equity (€bn, year to date)	5.6	5.3	5.2	5.2	5.1

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

€m	1Q18	4Q17	3Q17	2Q17	1Q17
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 100% of Private Banking in Luxembourg)*					
Revenues	**728**	**730**	**692**	**686**	**674**
Operating Expenses and Dep.	-467	-420	-400	-382	-405
Gross Operating Income	**261**	**310**	**292**	**304**	**269**
Cost of Risk	-36	-30	-19	-26	-14
Operating Income	**225**	**279**	**273**	**278**	**256**
Share of Earnings of Equity-Method Entities	-2	5	5	14	14
Other Non Operating Items	-1	0	0	0	5
Pre-Tax Income	**223**	**284**	**277**	**292**	**274**
Income Attributable to Wealth and Asset Management	-1	-1	-1	-1	-1
Pre-Tax Income of Other Domestic Markets	**222**	**283**	**277**	**291**	**274**
Allocated Equity (€bn, year to date)	4.2	4.0	3.9	3.9	3.9

€m	1Q18	4Q17	3Q17	2Q17	1Q17
OTHER DOMESTIC MARKETS ACTIVITIES INCLUDING LUXEMBOURG (Including 2/3 of Private Banking in Luxembourg)					
Revenues	**725**	**727**	**690**	**683**	**671**
Operating Expenses and Dep.	-464	-419	-399	-381	-403
Gross Operating Income	**260**	**309**	**291**	**303**	**269**
Cost of Risk	-36	-30	-19	-26	-14
Operating Income	**225**	**278**	**272**	**277**	**255**
Share of Earnings of Equity-Method Entities	-2	5	5	14	14
Other Non Operating Items	-1	0	0	0	5
Pre-Tax Income	**222**	**283**	**277**	**291**	**274**
Allocated Equity (€bn, year to date)	4.2	4.0	3.9	3.9	3.9

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

€m	1Q18	4Q17	3Q17	2Q17	1Q17
INTERNATIONAL FINANCIAL SERVICES					
Revenues	**4,060**	**4,126**	**3,928**	**3,935**	**3,909**
Operating Expenses and Dep.	-2,609	-2,519	-2,330	-2,367	-2,506
Gross Operating Income	**1,451**	**1,608**	**1,598**	**1,568**	**1,404**
Cost of Risk	-365	-353	-352	-331	-315
Operating Income	**1,086**	**1,254**	**1,246**	**1,237**	**1,089**
Share of Earnings of Equity-Method Entities	137	141	140	153	128
Other Non Operating Items	58	54	358	14	6
Pre-Tax Income	**1,281**	**1,449**	**1,744**	**1,405**	**1,222**
Allocated Equity (€bn, year to date)	28.3	26.8	26.5	26.6	26.7

€m	1Q18	4Q17	3Q17	2Q17	1Q17
PERSONAL FINANCE					
Revenues	**1,354**	**1,280**	**1,222**	**1,220**	**1,201**
Operating Expenses and Dep.	-725	-639	-575	-579	-634
Gross Operating Income	**629**	**641**	**647**	**641**	**568**
Cost of Risk	-276	-271	-273	-225	-240
Operating Income	**353**	**369**	**375**	**415**	**328**
Share of Earnings of Equity-Method Entities	15	19	21	30	20
Other Non Operating Items	4	0	24	0	5
Pre-Tax Income	**373**	**389**	**420**	**445**	**353**
Allocated Equity (€bn, year to date)	7.0	5.8	5.5	5.4	5.3

€m	1Q18	4Q17	3Q17	2Q17	1Q17
EUROPE-MEDITERRANEAN (Including 100% of Private Banking in Turkey)*					
Revenues	**581**	**581**	**573**	**590**	**592**
Operating Expenses and Dep.	-416	-414	-403	-420	-424
Gross Operating Income	**165**	**167**	**170**	**170**	**168**
Cost of Risk	-70	-62	-60	-70	-67
Operating Income	**96**	**105**	**110**	**100**	**101**
Share of Earnings of Equity-Method Entities	41	49	47	53	48
Other Non Operating Items	54	3	1	-1	0
Pre-Tax Income	**191**	**158**	**159**	**152**	**150**
Income Attributable to Wealth and Asset Management	-1	-1	0	-1	-1
Pre-Tax Income of EUROPE-MEDITERRANEAN	**191**	**157**	**158**	**151**	**149**
Allocated Equity (€bn, year to date)	4.8	4.9	5.0	5.0	5.0

€m	1Q18	4Q17	3Q17	2Q17	1Q17
EUROPE-MEDITERRANEAN (Including 2/3 of Private Banking in Turkey)					
Revenues	**579**	**579**	**571**	**588**	**590**
Operating Expenses and Dep.	-415	-413	-401	-419	-423
Gross Operating Income	**164**	**167**	**170**	**169**	**167**
Cost of Risk	-70	-62	-60	-70	-67
Operating Income	**95**	**105**	**110**	**99**	**100**
Share of Earnings of Equity-Method Entities	41	49	47	53	48
Other Non Operating Items	54	3	1	-1	0
Pre-Tax Income	**191**	**157**	**158**	**151**	**149**
Allocated Equity (€bn, year to date)	4.8	4.9	5.0	5.0	5.0

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

€m	1Q18	4Q17	3Q17	2Q17	1Q17
BANCWEST (Including 100% of Private Banking in United States)*					
Revenues	**683**	**738**	**734**	**762**	**761**
Operating Expenses and Dep.	-495	-483	-482	-513	-556
Gross Operating Income	**188**	**255**	**251**	**249**	**205**
Cost of Risk	-20	-20	-32	-38	-22
Operating Income	**168**	**235**	**219**	**211**	**183**
Share of Earnings of Equity-Method Entities	0	0	0	0	0
Other Non Operating Items	0	1	3	1	-1
Pre-Tax Income	**168**	**236**	**222**	**212**	**182**
Income Attributable to Wealth and Asset Management	-6	-6	-5	-5	-5
Pre-Tax Income of BANCWEST	**162**	**230**	**217**	**206**	**177**
Allocated Equity (€bn, year to date)	5.9	6.4	6.4	6.6	6.7

€m	1Q18	4Q17	3Q17	2Q17	1Q17
BANCWEST (Including 2/3 of Private Banking in United States)					
Revenues	**669**	**724**	**720**	**748**	**748**
Operating Expenses and Dep.	-487	-475	-474	-505	-548
Gross Operating Income	**182**	**249**	**246**	**243**	**200**
Cost of Risk	-20	-20	-32	-38	-22
Operating Income	**162**	**229**	**214**	**206**	**178**
Non Operating Items	0	1	3	1	-1
Pre-Tax Income	**162**	**230**	**217**	**206**	**177**
Allocated Equity (€bn, year to date)	5.9	6.4	6.4	6.6	6.7

€m	1Q18	4Q17	3Q17	2Q17	1Q17
INSURANCE					
Revenues	**661**	**636**	**662**	**619**	**597**
Operating Expenses and Dep.	-367	-317	-311	-297	-326
Gross Operating Income	**294**	**319**	**351**	**322**	**271**
Cost of Risk	0	5	1	-1	-1
Operating Income	**294**	**324**	**352**	**321**	**271**
Share of Earnings of Equity-Method Entities	75	53	63	55	54
Other Non Operating Items	0	49	325	0	1
Pre-Tax Income	**369**	**425**	**740**	**376**	**326**
Allocated Equity (€bn, year to date)	8.7	7.8	7.7	7.7	7.8

€m	1Q18	4Q17	3Q17	2Q17	1Q17
WEALTH AND ASSET MANAGEMENT					
Revenues	**795**	**907**	**753**	**760**	**773**
Operating Expenses and Dep.	-614	-675	-569	-567	-576
Gross Operating Income	**181**	**233**	**183**	**193**	**198**
Cost of Risk	0	-5	12	4	14
Operating Income	**181**	**228**	**195**	**197**	**212**
Share of Earnings of Equity-Method Entities	5	19	8	15	5
Other Non Operating Items	0	1	5	14	0
Pre-Tax Income	**187**	**248**	**208**	**226**	**217**
Allocated Equity (€bn, year to date)	1.9	1.9	1.9	1.9	1.9

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

€m	1Q18	4Q17	3Q17	2Q17	1Q17
CORPORATE AND INSTITUTIONAL BANKING					
Revenues	**2,906**	**2,626**	**2,658**	**3,197**	**3,223**
Operating Expenses and Dep.	-2,389	-1,883	-1,897	-1,988	-2,506
Gross Operating Income	**517**	**744**	**761**	**1,209**	**717**
Cost of Risk	31	-264	10	118	54
Operating Income	**548**	**480**	**772**	**1,328**	**770**
Share of Earnings of Equity-Method Entities	9	13	-2	5	8
Other Non Operating Items	2	-1	8	15	0
Pre-Tax Income	**558**	**491**	**778**	**1,349**	**778**
Allocated Equity (€bn, year to date)	19.9	21.1	21.4	21.9	22.1

€m	1Q18	4Q17	3Q17	2Q17	1Q17
CORPORATE BANKING					
Revenues	**904**	**1,050**	**948**	**1,176**	**991**
Operating Expenses and Dep.	-691	-603	-546	-590	-691
Gross Operating Income	**213**	**447**	**402**	**586**	**299**
Cost of Risk	1	-209	4	78	57
Operating Income	**214**	**238**	**407**	**664**	**356**
Non Operating Items	9	5	6	19	7
Pre-Tax Income	**223**	**243**	**413**	**683**	**364**
Allocated Equity (€bn, year to date)	11.9	12.4	12.5	12.7	12.6

€m	1Q18	4Q17	3Q17	2Q17	1Q17
GLOBAL MARKETS					
Revenues	**1,498**	**1,073**	**1,234**	**1,523**	**1,754**
incl. FICC	*805*	*592*	*801*	*883*	*1,174*
incl. Equity & Prime Services	*692*	*482*	*433*	*640*	*580*
Operating Expenses and Dep.	-1,275	-875	-958	-997	-1,424
Gross Operating Income	**223**	**198**	**276**	**526**	**330**
Cost of Risk	28	-57	6	39	-3
Operating Income	**251**	**142**	**281**	**565**	**327**
Share of Earnings of Equity-Method Entities	1	5	-6	-1	0
Other Non Operating Items	0	1	6	3	0
Pre-Tax Income	**252**	**147**	**281**	**567**	**326**
Allocated Equity (€bn, year to date)	7.1	7.8	8.0	8.4	8.7

€m	1Q18	4Q17	3Q17	2Q17	1Q17
SECURITIES SERVICES					
Revenues	**505**	**503**	**476**	**498**	**478**
Operating Expenses and Dep.	-423	-405	-392	-400	-390
Gross Operating Income	**82**	**98**	**84**	**97**	**87**
Cost of Risk	1	2	0	1	0
Operating Income	**83**	**100**	**84**	**99**	**87**
Non Operating Items	0	0	0	0	0
Pre-Tax Income	**83**	**100**	**84**	**99**	**88**
Allocated Equity (€bn, year to date)	0.8	0.9	0.9	0.9	0.8

€m	1Q18	4Q17	3Q17	2Q17	1Q17
CORPORATE CENTRE					
Revenues	**11**	**12**	**22**	**3**	**358**
Operating Expenses and Dep.	-374	-637	-382	-300	-308
Incl. Restructuring and Transformation Costs	*-211*	*-456*	*-222*	*-168*	*-110*
Gross Operating Income	**-363**	**-625**	**-361**	**-297**	**49**
Cost of Risk	-11	1	-16	-94	-11
Operating Income	**-374**	**-625**	**-377**	**-391**	**38**
Share of Earnings of Equity-Method Entities	22	15	-10	44	19
Other Non Operating Items	110	-33	-139	2	-8
Pre-Tax Income	**-242**	**-642**	**-525**	**-346**	**49**

BALANCE SHEET AS AT 31 MARCH 2018

In millions of euros	31 March 2018	1 January 2018
ASSETS		
Cash and balances at central banks	210,134	178,433
Financial instruments at fair value through profit or loss		
Securities	200,535	130,521
Loans and repurchase agreements	234,170	144,948
Derivative financial instruments	226,162	229,896
Derivatives used for hedging purposes	11,727	13,721
Financial assets at fair value through equity		
Debt securities	54,455	57,151
Equity securities	2,424	2,330
Financial assets at amortised cost		
Loans and advances to credit institutions	23,900	20,356
Loans and advances to customers	734,053	731,219
Debt securities	67,085	65,971
Remeasurement adjustment on interest-rate risk hedged portfolios	2,807	3,064
Financial investments of insurance activities	231,016	227,712
Current and deferred tax assets	7,231	7,369
Accrued income and other assets	100,335	92,961
Equity-method investments	5,897	6,221
Investment property	879	852
Property, plant and equipment	24,885	24,148
Intangible assets	3,340	3,327
Goodwill	9,482	9,571
TOTAL ASSETS	**2,150,517**	**1,949,771**
LIABILITIES		
Deposits from central banks	445	1,471
Financial instruments at fair value through profit or loss		
Securities	101,480	67,087
Deposits and repurchase agreements	279,360	174,645
Issued debt securities	54,191	50,490
Derivative financial instruments	219,205	227,644
Derivatives used for hedging purposes	14,145	15,682
Financial liabilities at amortised cost		
Deposits from credit institutions	100,623	76,503
Deposits from customers	789,912	760,941
Debt securities	153,981	148,156
Subordinated debt	16,523	15,951
Remeasurement adjustment on interest-rate risk hedged portfolios	2,226	2,372
Current and deferred tax liabilities	2,128	2,234
Accrued expenses and other liabilities	88,727	80,472
Technical reserves and other insurance liabilities	211,431	210,494
Provisions for contingencies and charges	10,814	11,084
TOTAL LIABILITIES	**2,045,191**	**1,845,226**
EQUITY		
Share capital, additional paid-in capital and retained earnings	*97,543*	*89,893*
Net income for the period attributable to shareholders	*1,567*	*7,759*
Total capital, retained earnings and net income for the period attributable to shareholders	**99,110**	**97,652**
Unrealised or deferred gains and losses	992	1,767
Shareholders' equity	**100,102**	**99,419**
Minority interests	**5,224**	**5,126**
TOTAL EQUITY	**105,326**	**104,545**
TOTAL LIABILITIES AND EQUITY	**2,150,517**	**1,949,771**

As of 1 January 2018, the BNP Paribas Group has applied the new accounting standards IFRS 9 and IFRS 15, and has carried out changes in the presentation of the financial statements:

- Financial instruments of insurance entities, which continue to be recognised according to IAS 39 until 31 December 2020, have been grouped on separate lines of the balance sheet;
- Financial instruments held by non-insurance entities have been classified and measured in accordance with IFRS 9;
- The other following changes have been implemented:
    - Securities transactions, previously recognised at trade date, are now recognised at settlement date. This new representation of securities converges with rules applied for liquidity ratios;
    - In order to align the definition of “credit institutions” in the financial statements with the definition used in regulatory reportings, outstanding balances with some counterparties were reclassified from “Loans and advances to credit institutions” to “Loans and advances to customers”;
    - Securities previously recognised in “Loans and receivables” were grouped in “Debt securities” within “Financial assets at amortised cost” and “ Instruments designated as at fair value through profit or loss” have been split by instrument type within “Financial instruments at fair value through profit or loss”;
    - IFRS 15 “Revenue from Contracts with Customers” has been applied without any significant change to the balance sheet.

Main impacts of these changes are detailed in the 1st update of the 2017 Registration document.

ALTERNATIVE PERFORMANCE MEASURES (APM) ARTICLE 223-1 OF THE AMF'S GENERAL REGULATION

Alternative Performance Measures	Definition	Reason for use
Revenues of the operating divisions	Sum of the revenues of Domestic Markets (with Revenues of Domestic Markets including 2/3 of Private Banking in France, Italy, Belgium and Luxembourg), IFS and CIB Revenues for BNP Paribas Group = Revenues of the operating divisions + Revenues of Corporate Centre Reconciliation with the revenues of the Group is provided in the table "Results by core businesses".	Representative measure of the BNP Paribas Group's operating performance
Revenues excluding PEL/CEL effects	Revenues excluding PEL/CEL effects Reconciliation with the revenues of the Group is provided in the table "Quarterly series".	Representative measure of the revenues of the period excluding changes in the provision that accounts for the risk generated by PEL and CEL accounts during their lifetime
Profit & Loss account of retail banking activity with 100% of Private Banking	Profit & Loss account of a retail banking activity including the whole Profit & Loss account of private banking Reconciliation with the revenues of the Group is provided in the table "Quarterly series".	Representative measure of the performance of retail banking activity including the total performance of private banking (before sharing the profit & loss account with the Wealth Management business, private banking being under a joint responsibility of retail banking (2/3) and Wealth Management business (1/3))
Evolution of operating expenses excluding IFRIC 21	Evolution of operating expenses excluding taxes and contributions subject to IFRIC 21 Details of the impact of IFRIC 21 is provided in the slide "Breakdown of taxes and contributions subject to IFRIC 21" of the results' presentation	Representative measure of the operating expenses' evolution in the 1st quarter excluding taxes and contributions subject to IFRIC 21 booked almost entirely for the whole year in the 1st quarter.
Cost of risk/Customer loans at the beginning of the period (in basis points)	Cost of risk (in €m) divided by customer loans at the beginning of the period Details of the calculation are disclosed in the Appendix "Cost of risk on Outstandings" of the results' presentation	Measure of the risk level by business in percentage of the volume of outstanding loans
Net income Group share excluding exceptional items	Net income attributable to equity holders excluding exceptional items Details of exceptional items are disclosed in the slide "Main Exceptional Items" of the results' presentation	Measure of BNP Paribas Group's net income excluding non-recurring items of a significant amount or items that do not reflect the underlying operating performance, notably transformation and restructuring costs
Return on Equity (ROE)	Details of the calculation of ROE are disclosed in the Appendix "Return on Equity and Permanent Shareholders' Equity" of the results' presentation	Measure of the BNP Paribas Group's return on equity
Return on Tangible Equity (ROTE)	Details of the calculation of ROTE are disclosed in the Appendix "Return on Equity and Permanent Shareholders' Equity" of the results' presentation	Measure of the BNP Paribas Group's return on tangible equity

Methodology – Comparative analysis at constant scope and exchange rates

The method used to determine the effect of changes in scope of consolidation depends on the type of transaction (acquisition, sale, etc.). The underlying purpose of the calculation is to facilitate period-on-period comparisons.

In case of acquired or created entity, the results of the new entity are eliminated from the constant scope results of current-year periods corresponding to the periods when the entity was not owned in the prior-year.
In case of divested entities, the entity's results are excluded symmetrically for the prior year for quarters when the entity was not owned.
In case of change of consolidation method, the policy is to use the lowest consolidation percentage over the two years (current and prior) for results of quarters adjusted on a like-for-like basis.

Comparative analysis at constant exchange rates are prepared by restating results for the prior-year quarter (reference quarter) at the current quarter exchange rate (analysed quarter). All of these calculations are performed by reference to the entity's reporting currency.

Reminder

Operating expenses: sum of salary and employee benefit expenses, other operating expenses and depreciation, amortisation and impairment of property, plant and equipment. In the whole document, the terms operating expenses or costs can be used indifferently.

Operating divisions: they consist of 3 divisions:

- Domestic Markets including: French Retail Banking (FRB), BNL banca commerciale (BNL bc), Belgium Retail Banking (BRB), Other Domestic Markets activities including Arval, Leasing Solutions, Personal Investors and Luxembourg Retail Banking (LRB);
- International Financial Services (IFS) including: Europe-Mediterranean, BancWest, Personal Finance, Insurance, Wealth & Asset Management (WAM) that includes Asset Management, Wealth Management and Real Estate Services;
- Corporate and Institutional Banking (CIB) including: Corporate Banking, Global Markets, Securities Services.

The figures included in this presentation are unaudited. For 2018 they are based on the new accounting standard IFRS 9 Financial Instruments whereas the Group has opted not to restate the previous years, as envisaged under the new standard.

This presentation includes forward-looking statements based on current beliefs and expectations about future events. Forward-looking statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future events, operations, products and services, and statements regarding future performance and synergies. Forward-looking statements are not guarantees of future performance and are subject to inherent risks, uncertainties and assumptions about BNP Paribas and its subsidiaries and investments, developments of BNP Paribas and its subsidiaries, banking industry trends, future capital expenditures and acquisitions, changes in economic conditions globally or in BNP Paribas' principal local markets, the competitive market and regulatory factors. Those events are uncertain; their outcome may differ from current expectations which may in turn significantly affect expected results. Actual results may differ materially from those projected or implied in these forward looking statements. Any forward-looking statement contained in this presentation speaks as of the date of this presentation. BNP Paribas undertakes no obligation to publicly revise or update any forward-looking statements in light of new information or future events. It should be recalled in this regard that the Supervisory Review and Evaluation Process is carried out each year by the European Central Bank, which can modify each year its capital adequacy ratio requirements for BNP Paribas.
The information contained in this presentation as it relates to parties other than BNP Paribas or derived from external sources has not been independently verified and no representation or warranty expressed or implied is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of, the information or opinions contained herein. None of BNP Paribas or its representatives shall have any liability whatsoever in negligence or otherwise for any loss however arising from any use of this presentation or its contents or otherwise arising in connection with this presentation or any other information or material discussed.
The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding.

Investor Relations & Financial Information

Stéphane de Marnhac +33 (0)1 42 98 46 45
Lisa Bugat +33 (0)1 42 98 23 40
Livio Capece Galeota +33 (0)1 42 98 43 13
Philippe Regli +33 (0)1 43 16 94 89
Claire Sineux +33 (0)1 42 98 31 99

Fax +33 (0)1 42 98 21 22

E-mail: investor.relations@bnpparibas.com

https://invest.bnpparibas.com

BNP PARIBAS

The bank
for a changing
world