

PRESS RELEASE

BNP PARIBAS FORTIS 2015 FULL YEAR RESULTS

**STRONG OPERATING PERFORMANCE
DESPITE PERSISTENTLY LOW INTEREST RATE ENVIRONMENT**

CUSTOMER LOANS¹ AT EUR 170 BILLION, +6.5%* vs. 31.12.2014
CUSTOMER DEPOSITS¹ AT EUR 173 BILLION, +4.8%* vs. 31.12.2014

**SOLID GROWTH IN CUSTOMER LOANS
REFLECTING THE IMPORTANT ROLE OF THE BANK
IN FINANCING THE ECONOMY**

REVENUES: EUR 7,235 MILLION, +5.2%* vs. 2014
**STRONG PERFORMANCE IN BELGIAN RETAIL BANKING
CONTINUED GROWTH IN TURKEY**

OPERATING EXPENSES: EUR 4,427 MILLION, +1.9%* vs. 2014
**FURTHER COST MANAGEMENT
HIGHER BELGIAN BANKING TAXES AND LEVIES
CONTINUED INVESTMENTS IN TURKEY**

NET INCOME: EUR 1,575 MILLION, +7.4%* vs. 2014

A FULLY LOADED BASEL 3 COMMON EQUITY TIER 1 RATIO² OF 12.5%

* Excluding non-recurrent items (see page 5 for more details)

¹ Customer deposits consist of amounts due to customers excluding repurchase agreements ('repos'). Customer loans are loans and receivables due from customers, excluding securities and reverse repos

² Ratio taking into account all the CRD4 rules with no transitory provisions



Max Jadot, CEO of BNP Paribas Fortis SA/NV commented: *"We realised strong results in 2015 with revenues up 5.2%* and net profit at 1,575 million euros, up 7.4%* compared to 2014, in spite of a persistently low interest rate environment. By financing the projects of our private clients and companies our lending portfolio increased by 3.9% in Belgian Retail Banking. With the deposits they have entrusted us, our deposit volumes increased by 3.8% over the same period. Our cost of risk remained low, and our liquidity and solvency ratios are robust. This confirms our ability to serve our clients, finance the Belgian economy and invest in the development of our bank.*

Our good results and the continued commitment of our colleagues allow us to focus on our ambition to support our clients in this rapidly changing world.

Client expectations are evolving rapidly, with new trends and innovation appearing everywhere. Today, more than ever, the tagline of BNP Paribas Fortis as 'the bank for a changing world' is appropriate. Digitisation and innovation are clearly key drivers of change in this new competitive landscape and are a strategic priority for us.

Digitisation and innovation also offer opportunities for the enhancement of our products and services portfolio for private clients. One illustration of this is 'Home on the Spot', our innovative app for housing loans which clients can use throughout their search for a suitable new home. Another is 'Hello home', an online offering for mortgage loans. Our improved Easy banking app passed the milestone of 1.5 million downloads in mid-December, making it one of the most successful banking apps in Belgium. At the end of the year, mobile session volume exceeded for the first time online sessions.

We also take an innovative approach in our ongoing commitment to promote sustainable business, for example the collaboration with the King Baudouin Foundation with regard to our Portfolio SRI Fund of Funds.

Also for our business clients it is our firm intention to serve as a catalyst for innovation and to support their projects. For start-ups some 140 starter coaches in our branches all over Belgium are available to provide advice and assistance. In our Innovation Hubs 70 specialists tailor to the needs of innovative scale-ups.

All this would not be possible without the commitment, flexibility and drive of our colleagues who made tremendous efforts in the further development of an integrated and digitised universal bank for our clients. Digitisation and new ways of working bring us important efficiency gains and internal co-creation is a key driver for cultural change. Finally and foremost, I would like to thank our clients for their continued trust in our bank."

* Excluding non-recurrent items



BNP PARIBAS
FORTIS

The bank
for a changing
world

The below analysis focuses on underlying business performance and excludes the following non-recurrent items: impacts of scope changes, evolution of foreign exchange rates and credit spreads, and other non-operating items (mainly composed of one-off results).

Revenues totalled EUR 7,235 million, up by 5.2%* compared to 2014. The underlying increase was mainly supported by a strong operating performance in Belgium, a continuing growth in Turkey and also by good results in Leasing and Personal Finance.

- In Belgian Retail Banking, revenues grew by 4.8%* mainly driven by higher interest income on loans (mainly on mortgage loans thanks to volume effects) and lower interest costs on issued debt and deposits, including savings accounts, triggered by the persistently low interest rates in 2015. The good performance on financial and credit fees also contributed to increase the revenues.
- In Turkey, revenues rose by 12.4%* driven by strong volume growth in both loans and deposits (respectively +15.7%* and +13.4%* compared to 2014) in line with our ambition.

Operating expenses and depreciations amounted to EUR 4,427 million, up by 1.9%* compared to 2014.

- In Belgium, costs slightly decreased by 0.7%* thanks to the effect of operating efficiency measures. Costs included Belgian banking taxes and levies, which, for the year 2015, amounted to a total amount of EUR 282 million, representing an increase of EUR 54 million compared to previous year. This included the Bank's national contributions for the Deposit Guarantee Scheme (DGS), the Financial Stability Contribution (FSC), a regular and an additional tax on saving deposits and, at European level, for the first time, contribution to the Single Resolution Fund (SRF).
- In Turkey, costs increased by 8.8%* due to continuing business expansion.

As a result, **gross operating income** rose by 11.1%* to EUR 2,808 million. The consolidated cost/income ratio stood at 61.2%.

Cost of risk stood at EUR 431 million, corresponding to 30 basis points of outstanding customer loans compared to 21 basis points in 2014. In Belgian Retail Banking, cost of risk remained very low, at 9 basis points of outstanding customer loans.

Share of earnings of equity-method entities was up 36.4%*, at EUR 206 million, mainly supported by better results in Leasing associates.

* Excluding non-recurrent items



BNP PARIBAS
FORTIS

The bank
for a changing
world

BNP Paribas Fortis generated EUR 1,575 million in **net income attributable to equity holders**, up by 7.4%* compared to last year, reflecting the good overall performance delivered in 2015.

The BNP Paribas Fortis **balance sheet total** amounted to EUR 274 billion at 31 December 2015, down by 1% compared to the end of 2014. The slight decrease mainly resulted from the completion of the merger between BNP Paribas Bank Polska and Bank BGŻ on 30 April 2015 and the related change in consolidation method.

From a geographical point of view – based on the location of the BNP Paribas Fortis companies – 67% of the assets are located in Belgium, 9% in Turkey, 8% in Luxembourg and 16% in other countries.

The Bank's **solvency** remained well above minimum regulatory requirements. At 31 December 2015, BNP Paribas Fortis' fully loaded Basel 3 Common Equity Tier 1 ratio¹ stood at 12.5% and the phased-in Basel 3 Common Equity Tier 1 ratio, at 14.2%.

Liquidity remained healthy, with a Liquidity Coverage Ratio (LCR) of 130%², customer deposits³ standing at EUR 173 billion and customer loans² at EUR 170 billion at 31 December 2015.

The BNP Paribas Fortis Board of Directors will propose at the Annual General Meeting of shareholders on 21 April 2016 not to distribute any **dividend**.

* Excluding non-recurrent items

¹ Ratio taking into account all the CRD4 rules with no transitory provisions

² The LCR is computed on a consolidated basis

³ Customer deposits consist of amounts due to customers excluding repurchase agreements ('repos'). Customer loans are loans and receivables due from customers, excluding securities and reverse repos



BNP PARIBAS
FORTIS

The bank
for a changing
world

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	2015	2014	non-recurrent items**		variance excl. non-recurrent items*	
			2015	2014	Δ EUR	Δ %
<i>in EUR million</i>	a	b	c	d	e	f
Net Banking Income	7,235	7,011	57	190	356	5.2%
Operating Expenses and Depreciation	(4,427)	(4,511)	(1)	(168)	(83)	1.9%
Gross Operating Income	2,808	2,500	56	22	274	11.1%
Cost of Risk	(431)	(283)	-	(15)	(163)	60.9%
Operating Income	2,377	2,217	56	7	111	5.0%
Share of Earnings of Equity-Method Entities	206	150	3	2	54	36.4%
Other Non-Operating Items	151	(3)	151	(3)	(0)	n.a.
Pre-Tax Income	2,734	2,364	210	5	165	7.0%
Corporate Income Tax	(718)	(701)	(15)	(16)	(18)	2.6%
Net Income Attributable to Minority Interests	(441)	(417)	19	(10)	(54)	13.2%
Net Income Attributable to Equity Holders	1,575	1,246	214	(21)	94	7.4%

* Variance excluding non-recurrent items is calculated as follow:

- $e = (a - c) - (b - d)$
- $f = e / (b - d)$

** Non-recurrent items in the Profit and Loss account include the following elements:

- Adjustments for constant scope mainly related to :
 - the transfer of activities of the BNP Paribas Fortis branch in Germany (Frankfurt) to the German branch of BNP Paribas in December 2014.
 - the merger between BNP Paribas Bank Polska and BGŻ that took place on 30 April 2015. Further to the merger, BNP Paribas Fortis got a stake of 28.35% in the new merged entity Bank BGŻ BNP Paribas taking the form of an investment in an associate.
- Adjustments for constant exchange rates.
- Credit spread-related items mainly included the impact of own credit risk, evolution of Debit Valuation Adjustment (DVA) and the Funding Valuation Adjustment (FVA).
- Other Non-operating items mainly related to the capital gain realised on the sale of the participation in Cronos (+68m) and the dilution capital gain on BNP Paribas Bank Polska (+82m)¹.

Non-recurrent items relating to the Balance Sheet include the adjustments for constant exchange rates.

¹ More information in the Annual Report 2015.



The financial information included in this press release is unaudited. Nevertheless, the consolidated net result amounting to EUR 1,575 million has been derived from the 2015 consolidated Financial Statements of BNP Paribas Fortis, which were closed by the Board of Directors on 03 March 2016.

The joint statutory auditors have substantially completed their audit on these Financial Statements and anticipate issuing the following audit report:

"Unqualified opinion on the 2015 consolidated Financial Statements with an emphasis of matter paragraph relating to the existence of claims for which the outcome remains uncertain."

The Financial Statements, including the audit reports by the accredited statutory auditors of BNP Paribas Fortis SA/NV, will be available early April at www.bnpparibasfortis.com.

Please note that the results of BNP Paribas Fortis SA/NV announced in this press release are the consolidated results of BNP Paribas Fortis SA/NV and do not cover the contribution of BNP Paribas Fortis to the consolidated results of BNP Paribas, which have a different scope (limited to Belgian Retail Banking) and take into account purchase accounting by BNP Paribas.

This document 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 and 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 Fortis and its subsidiaries and investments, developments at BNP Paribas Fortis and its subsidiaries, banking industry trends, future capital expenditure and acquisitions, changes in economic conditions globally or in BNP Paribas Fortis' 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 document is made at the date of this document. BNP Paribas Fortis does not recognise any obligation to publicly revise or update any forward-looking statements in the light of new information or future events. The information contained in this document as it relates to parties other than BNP Paribas Fortis 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.

Press Contact : **+32 (0)2 565 47 37**

BNP Paribas Fortis (www.bnpparibasfortis.com) offers the Belgian market a comprehensive package of financial services for private individuals, the self-employed, professionals, SMEs and public organisations. In the insurance sector, BNP Paribas Fortis works closely with Belgian market leader AG Insurance. The bank also provides wealthy individuals, corporations and public and financial institutions with custom solutions for which it can draw on BNP Paribas' know-how and international network.

BNP Paribas (www.bnpparibas.com) BNP Paribas has a presence in 75 countries with more than 185,000 employees, including 145,000 in Europe. It ranks highly in its two core activities: Retail Banking & Services (comprised of Domestic Markets and International Financial Services) and Corporate & Institutional Banking. In Europe, the Group has four domestic markets (Belgium, France, Italy and Luxembourg) and BNP Paribas Personal Finance is the leader in consumer lending. BNP Paribas is rolling out its integrated retail banking model across Mediterranean basin countries, in Turkey, in Eastern Europe and a large network in the western part of the United States. In its Corporate & Institutional Banking and International Financial Services activities, BNP Paribas also enjoys top positions in Europe, a strong presence in the Americas and solid and fast-growing businesses in Asia-Pacific.



BNP PARIBAS

FORTIS

**The bank
for a changing
world**