Interim financial statements
for the period ending 30 June 2013

BNP Paribas Arbitrage Issuance B.V.

Herengracht 537
1017 BV Amsterdam
The Netherlands
Chamber of Commerce Amsterdam No. 33215278

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MANAGING DIRECTOR'S REPORT

Description and principal activity of the Company
BNP Paribas Arbitrage Issuance B.V. (the Company) was incorporated on November 10, 1989 under the law of the Netherlands.

The principal objectives of the Company are to issue securities, such as warrants, certificates, private placements, notes, to enter into related OTC agreements and to issue and acquire financial instruments of any nature for account of various entities of the BNP Paribas group.

Audit committee
The Company qualifies as an organisation of public interest pursuant Dutch and EU law. By making use of the exemption for groups the Company did not install an audit committee. The Company belongs to the BNP Paribas group which has an audit committee that complies with international corporate governance rules.

Operating result
The net profit for the period was EUR 9,831 (the six months' period ended 30 June 2012 profit EUR 11,989).

Liquidity and shareholder's equity
No significant changes to liquidity resources occurred. Equity increased with the result for the period. Liquidity and capital resources are considered sufficient given the size and nature of the Company.

Risks and uncertainties
Market risk
The Company takes on exposure to market risks arising from positions in interest rates, currency exchange rates, commodities and equity products, all of which are exposed to general and specific market movements. However, all issued securities are hedged by OTC option and swap agreements with BNP Paribas group entities and therefore these risks are completely mitigated.

Credit risk
The Company has significant concentration of credit risks as all OTC contracts are acquired from its parent companies and other group companies. Taking into consideration the objective and activities of the Company and the fact that the BNP Paribas group is under supervision of the French central bank management considers these risks as acceptable. The long term senior debt of BNP Paribas is rated (A+) by Standard & Poor's and (A2) by Moody's.

Liquidity risk
The Company has significant liquidity risk exposure. To mitigate this exposure, the Company entered into netting agreements with its parent company and other group companies.

Employees
The Company employs no personnel.

Future outlook
It is expected that the activities of the Company in the second half of 2013 will remain on the same level as in the first half of 2013.

Statement
To the best of our knowledge we declare that:
1. the interim financial statements at June 30, 2013 give a fair view of the assets, the financial position and the profit of the Company; and
2. the interim financial report at June 30, 2013 gives a fair view of the Company's condition on balance sheet date, the development of the Company during the financial period ended June 30, 2013 and all material risks to which the Company is exposed.

Amsterdam, August 29, 2013
The Managing Director,

Signed by
BNP Paribas Trust B.V.

BALANCE SHEET AT JUNE 30, 2013
(before appropriation of the net result)

	Notes	30.06.2013 EUR	31.12.2012 EUR
ASSETS			
Financial fixed assets			
OTC contracts	1	24,797,525,203	25,920,374,991
Current assets			
OTC contracts	1	15,190,145,421	11,220,954,221
Taxes receivable		74,383	60,413
Accounts receivable group		485,137	911,608
Cash at banks		385,991	322,102
		15,191,090,932	11,222,248,344
TOTAL ASSETS		**39,988,616,135**	37,142,623,335
SHAREHOLDER'S EQUITY AND LIABILITIES			
Shareholder's equity	2		
Share capital issued and paid up		45,379	45,379
Retained earnings		344,035	321,504
Result for the period		9,831	22,531
		399,245	389,414
Long term liabilities			
Issued securities	3	24,797,525,203	25,920,374,991
Current liabilities			
Issued securities	3	15,190,145,421	11,220,954,221
Other liabilities – non group		238,136	338,777
– group		308,130	565,932
		15,190,691,687	11,221,858,930
TOTAL EQUITY AND LIABILITIES		**39,988,616,135**	37,142,623,335

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED JUNE 30, 2013

	Notes	**Period 1.1 to 30.6.2013** EUR	**Period 1.1 to 30.6.2012** EUR
Net result financial instruments	4	0	0
Fee income and other income	5	149,051	180,590
Operating income		149,051	180,590
Operating expenses			
General and administrative expenses		(135,501)	(164,173)
Operating result		13,550	16,417
Interest income		95	99
Interest expenses and similar charges		(1,356)	(1,570)
Profit before taxation		12,289	14,946
Corporate income tax	6	(2,458)	(2,957)
Profit after taxation		**9,831**	11,989

CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2013

	Period 1.1 to 30.6.2013	**Period 1.1 to 30.6.2012**
	EUR	EUR
Cash flow from operating activities		
Issuing of securities against OTC coverage	0	0
Received reimbursed issuing expenses	2,775,541	2,536,445
Received reimbursed general expenses	293,397	109,791
Paid issuing expenses	(2,678,171)	(2,567,594)
Paid general expenses	(171,070)	(96,803)
Taxes	82,968	62,962
Cash flow from operating activities	302,666	44,801
Cash flow from financing activities	(250,000)	0
Cash flow from investing activities	0	0
Increase cash at banks	52,666	44,801
Movements in cash at banks		
Cash at banks at January 1	322,102	348,387
Increase cash at banks	52,666	44,801
Cash at banks	374,768	393,188

Refer to page 11 for the principles for preparation of the cash flow statement.

SHAREHOLDER'S EQUITY AT JUNE 30, 2013

	30.06.2013	31.12.2012
	EUR	EUR
Shareholder's equity		
Share capital issued and paid up	45,379	45,379
Retained earnings	344,035	321,504
Result for the period	9,831	22,531
TOTAL SHAREHOLDER'S EQUITY	399,245	**389,414**

NOTES TO THE FINANCIAL STATEMENTS

GENERAL

BNP Paribas Arbitrage Issuance B.V. (the Company), having its registered address at Amsterdam, was incorporated under the law of the Netherlands on November 10, 1989 as a private limited liability company.

The principal objectives of the Company are to issue securities, such as warrants, certificates, private placements, notes, to enter into related OTC agreements and to issue and acquire financial instruments of any nature for account of various entities of the BNP Paribas group.

All outstanding shares of the Company are owned by BNP Paribas S.A., Paris, France, which company consolidates the figures of the Company. The annual reports of BNP Paribas S.A. can be found on the website www.bnpparibas.com.

SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation
The semi-annual accounts of the Company are prepared in accordance with accounting principles generally accepted in the Netherlands and in conformity with the Dutch Guideline for Annual Reporting 394 on Interim Reports. All amounts are stated in euros, the reporting currency, unless stated otherwise.

The accounting principles of the Company are summarised below. These accounting principles have all been applied consistently throughout the financial year and the preceding year unless indicated otherwise.

Accounting convention
The accounts are prepared under the historical cost convention, except for derivatives that are measured at fair value with changes through profit and loss.

Going concern basis of accounting
The interim financial statements have been prepared on a going concern basis. The Company has agreements with BNP Paribas group entities to recharge its operating expenses, with a margin of 10%.

Use of estimates and judgements
The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the interim financial statements is included in note 3.

Recognition of income and expenses
The net result financial instruments includes capital gains and losses, currency results, interest income and expense and changes in fair value on the issued securities and related OTC contracts. As the Company enters into an OTC option or swap agreement with a BNP Paribas group company at each issue of securities at exactly the same terms and conditions of the issued security, there is a complete hedge of the economic risk of the Company. Therefore, the net result on the derivatives equals zero and is recorded on a net basis.

Fee income, other income and general and administrative expenses are taken in the year to which they relate. Profits are recognised in the year they are realised; losses are taken as soon as they are foreseeable.

If securities are exercised against the Company, the Company fulfils its obligation by exercising the related OTC contracts with entities of the BNP Paribas group as the case may be. Issued securities and related OTC contracts are released simultaneously. Issued securities not exercised at maturity and the related OTC contracts are released without any further future obligation for the Company.

Valuation of assets and liabilities - general
Unless indicated otherwise, assets and liabilities are stated at amortised cost.

Financial instruments
Financial instruments include accounts receivable and accounts payable, cash at banks and cash equivalents, issued securities and acquired OTC contracts.

Financial assets and liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are derecognised when those contractual provisions are expired or transferred.

Non-derivative financial instruments are measured and accounted for at fair value upon initial recognition and subsequently at amortised cost.

Derivatives (Issued securities and OTC's)
Derivatives are measured and accounted for at fair value upon initial recognition and at subsequent dates. Gains and losses are directly recognised in profit and loss. Fair value is defined as the amount for which an asset could be exchanged, or a liability could be settled, between knowledgeable, willing parties in an arm's length transaction. On initial recognition, the value of a derivative is generally the transaction price (i.e. the value of the consideration paid or received). Reference is made to note 3 for details about the determination of fair values.

The fair values of OTC contracts are calculated in the same way as their related issued securities.

The Company does not apply hedge accounting.

Currencies
The functional currency of the Company is the euro.

Balance sheet items (not being derivatives) denominated in currencies other than the euro are translated at the rate of exchange prevailing on balance sheet date in principle as given by the European Central Bank. Transactions in foreign currencies during the reporting period have been incorporated at the rate of settlement.

The premiums of the issued securities and the cost of the related OTC contracts are denominated in different currencies. Moreover, the underlying contracts of the securities have their own currency denominations, which are often based on a basket of currencies. The net effect of the currency risk is nil though, as this risk is completely hedged. The currency risk is not specified, as this information is not readily available and can only be obtained at unreasonable high cost.

Corporate income tax
Tax on result is calculated by applying the rates for the financial year to the result in the profit and loss account.

PRINCIPLES FOR PREPARATION OF THE CASH FLOW STATEMENT

The cash flow statement is prepared according to the direct method and consists of cash movements only. Paid interest is taken into account under paid general expenses.

Netting agreements between the Company and entities of the BNP Paribas group have been drawn up for all flows resulting from securities and OTC contracts to avoid that payments have to be made for these flows. This procedure is reflected in the cash flow report under the heading "Issuing of securities against OTC coverage".

FINANCIAL RISK MANAGEMENT

Market risk
The Company takes on exposure to market risks arising from positions in interest rates, currency exchange rates, commodities and equity products, all of which are exposed to general and specific market movements. However, all issued securities are hedged by OTC option and swap agreements with BNP Paribas group entities and therefore these risks are completely mitigated.

Credit risk
The Company has a significant concentration of credit risks as all OTC contracts are acquired from its parent company and other group companies. Taking into consideration the objective and activities of the Company and the fact that BNP Paribas S.A. is under supervision of the French central bank management considers these risks as acceptable. The long term senior debt of BNP Paribas is rated (A+) by Standard & Poor's and (A2) by Moody's.

Liquidity risk
The Company has significant liquidity risk exposure. To mitigate this exposure, the Company entered into netting agreements with its parent company and other group companies.

RELATED PARTY TRANSACTIONS

The Company has entered into various agreements with its parent company and other group companies relating to the issuing of securities, the hedging of the related exposures and the reimbursement of costs. Taking into account the position of the Company within the Group these agreements are at arms-length and have as objective to limit cash flow, credit and market risks.

NOTES TO THE BALANCE SHEET

1. OTC contracts
For all issued securities OTC contracts with BNP Paribas group companies are agreed having the same characteristics as the issued securities. This means that the underlying quantity, issue price, strike, parity, maturity and quoted price for exercise are identical.
Refer to note 3 for the details of the issued securities and hence the OTC contracts.

2. Shareholder's equity
Share capital:
The Company's authorised share capital amounts to EUR 225,000 (225,000 common shares of EUR 1 each), of which 45,379 shares are issued and fully paid-up.

During the financial year under review, there have been no changes in the authorised, issued or paid up capital.

Retained earnings:
The movement is as follows:

	EUR	EUR
	2013	2012
Opening balance	321,504	300,271
Appropriation result previous year	22,531	21,233
Closing balance	344,035	321,504

3. Issued securities
The Company establishes securities programmes and issues securities such as warrants, notes and certificates exercisable pursuant to the terms and conditions of such securities programmes. Entities of the BNP Paribas group have agreed to purchase the securities at the same time. The entities of the BNP Paribas group distribute the securities to third parties. BNP Paribas S.A. acts as guarantor for the securities programmes towards the third parties.

The issued securities and related OTC contracts can be specified as follows:

Comparison market value to nominal value:

2013	Fair value	Nominal value
	EUR	EUR
- Up to 1 year	15,190,145,421	16,452,995,772
- From 1- 5 years	17,804,924,499	20,202,620,969
- Exceeding 5 years	6,992,600,704	6,672,280,803
Total as per June 30, 2013	39,987,670,624	43,327,897,544

2012	Fair value	Nominal value
	EUR	EUR
- Up to 1 year	11,220,954,221	11,804,216,403
- From 1- 5 years	20,934,848,357	22,737,098,491
- Exceeding 5 years	4,985,526,634	5,107,114,736
Total as per December 31, 2012	37,141,329,212	39,648,429,630

Specification (fair value) based on method of valuation

2013	Level 1	Level 2	Level 3	Total
	EUR	EUR	EUR	EUR
Warrants				
underlying shares	0	4,290,283,702	1,061,870,222	5,352,153,924
underlying indices	0	1,484,549,058	118,557,728	1,603,106,786
underlying currencies	0	28,302,593	0	28,302,593
underlying commodities	0	38,124,492	880,282	39,004,774
underlying funds	0	12,452,726	0	12,452,726
underlying credits	0	2	0	2
underlying interest rates	4,702,601	2,485,153	0	7,187,754
	4,702,601	5,856,197,726	1,181,308,232	7,042,208,559
Certificates				
underlying shares	0	5,808,912,310	354,429,465	6,163,341,775
underlying indices	0	19,715,890,297	3,408,457,904	23,124,348,201
underlying currencies	1,643,731	172,832,436	0	174,476,167
underlying commodities	0	950,882,123	140,610,371	1,091,492,494
underlying funds	0	419,406,980	296,066,207	715,473,187
underlying credits	5,136,894	285,119,692	0	290,256,586
underlying interest rates	0	75,486,465	0	75,486,465
	6,780,625	27,428,530,303	4,199,563,947	31,634,874,875
MTN’s				
underlying shares	0	40,184,545	4,922,622	45,107,167
underlying indices	0	1,228,599,735	36,880,288	1,265,480,023
	0	1,268,784,280	41,802,910	1,310,587,190
Total as per June 30, 2013	11,483,226	34,553,512,309	5,422,675,089	39,987,670,624

2012	**Level 1** EUR	**Level 2** EUR	**Level 3** EUR	**Total** EUR
Warrants				
underlying shares	0	4,584,161,414	1,054,577,458	5,638,738,872
underlying indices	0	1,099,497,684	27,273,281	1,126,770,965
underlying currencies	0	13,821,020	0	13,821,020
underlying commodities	0	18,976,059	2,772,823	21,748,882
underlying funds	0	34,221,497	0	34,221,497
underlying futures	0	0	0	0
underlying credits	0	2,698,436	0	2,698,436
underlying interest rates	4,660,235	50,165	0	4,710,400
	4,660,235	5,753,426,275	1,084,623,562	6,842,710,072
Certificates				
underlying shares	0	5,507,125,696	272,415,125	5,779,540,821
underlying indices	0	18,073,776,050	2,374,598,498	20,448,374,548
underlying currencies	6,518,650	136,155,408	0	142,674,058
underlying commodities	0	1,359,334,304	155,509,266	1,514,843,570
underlying funds	0	450,284,856	389,002,960	839,287,816
underlying futures	0	65,660,005	26,346,030	92,006,035
underlying credits	36,947,766	327,045,475	0	363,993,241
underlying interest rates	0	110,657,654	0	110,657,654
	43,466,416	26,030,039,448	3,217,871,879	29,291,377,743
MTN's				
underlying shares	0	17,291,684	0	17,291,684
underlying indices	0	940,378,912	49,570,801	989,949,713
	0	957,670,596	49,570,801	1,007,241,397
Total per December 31, 2012	48,126,651	32,741,136,319	4,352,066,242	37,141,329,212

Fair value is determined:
- based on quoted prices in an active market (level 1); or
- using valuation techniques involving:
  mathematical calculation methods based on accepted financial theories, and
  parameters derived in some cases from the prices of instruments traded in active markets (level 2), and in others from statistical estimates or other quantitative methods resulting from the absence of an active market (level 3).

Whether or not a market is active is determined by a variety of factors. Characteristics of an inactive market include a significant decline in the volume and level of trading activity in identical or similar instruments reduced availability of prices from information providers, a significant variation in available prices between market participants or a lack of recent observed transaction prices are not current.

Level 1 Use of quoted prices in an active market
If quoted prices in an active market are available, they are used to determine fair value. These represent directly quoted prices for identical derivatives.

Level 2
Valuations are determined using generally accepted models (discounted cash flows, Black-Scholes model, interpolation techniques) based on quoted market prices for similar instruments or underlying financial instruments. These models use market parameters calibrated on the basis of observable data such as yield curves, implicit volatility layers of options, default rates and loss assumptions. The parameters are derived from median market prices of equities, indices, currencies, commodities, inter-bank interest rate curves and/or interest swap rates and are adjusted for liquidity and credit risk.

Level 3
The securities are valued using internally developed techniques, which are entirely based on assumptions or on partially non-observable active markets. In the absence of observable inputs, these instruments are measured on initial recognition in a way that reflects the transaction price, regarded as the best indication of fair value. Valuations derived from these models are adjusted for liquidity risk if applicable.

The fair value of unlisted equity derivatives is measured in comparison with recent transactions in the equity of the company in question carried out with an independent third party on an arm’s length basis. If no such points of reference are available, the valuation is determined either on the basis of generally accepted practices or of the group’s share of net assets calculated using the most recent information available.

The majority of the issued securities are not traded actively in active markets. All given estimated fair values are related to the market conditions prevailing at June 30, 2013; the future values may differ. The fair values using the valuation techniques described under Level 2 and Level 3 are for certain extend subjective and are based on assumptions.

When issued, securities are publicly offered or privately placed. Sometimes privately placed securities are listed for the secondary market. Listed securities are listed on stock exchanges in- and outside of the European Union; the related OTC contracts are not listed.

No accrued interest is presented in the balance sheet because the accrued interest is part of the market value of the derivatives as disclosed in the balance sheet. The net result on the derivatives equals zero and is recorded on a net basis in the profit and loss account, see note 4.

Conditions that can influence the future cash flow
In general it is assumed that the securities and the related OTC contracts are exercised at the exercise dates mentioned in the final terms of the securities against the fair value as determined. Based on these two assumptions the above specification based on maturity has been prepared. Netting agreements between the Company and entities of the BNP Paribas group have been drawn up for all flows resulting from securities and OTC contracts to avoid that payments have to be made for these flows. Conditions that could influence future cash flows will have therefore no impact on the cash flow of the Company.

NOTES TO THE PROFIT & LOSS ACCOUNT

4. Net result financial instruments
The net result derivatives includes capital gains and losses, currency results, interest income and expense and changes in fair value on the issued securities and related OTC contracts. As the Company enters into an OTC option or swap agreement with a BNP Paribas group company at each issue of securities at exactly the same terms and conditions of the issued security, there is a complete hedge of the economic risk of the Company. Therefore, the net result on the derivatives equals zero and is recorded on a net basis.

5. Fee income and other income
Other income concerns general and administrative expenses of the Company increased with an up-count of 10%, based on a cost plus agreement concluded for an indefinite period of time. These costs have been or will be invoiced to BNP Paribas group companies.

6. Corporate income tax
The corporate income tax is the estimated charge for the period amounting to EUR 2,458. The rates for the financial year 2013 are 20% and 25%. The effective rate for the period is 20%.

Issuing expenses and remunerations
Issuing expenses are expenses related to the issuing of the securities for account of the Company and are reimbursed by BNP Paribas group companies, if charged to the Company.

The sole director of the Company has charged a management fee of EUR 20,163 over the reporting period (over the first six months of 2012: EUR 25,063).

A fee of EUR 27,243 will be charged by Mazars Paardekooper Hoffman Accountants N.V. (“Mazars”) to the Company for the financial year 2013 as audit fee (2012: EUR 26,500). An additional amount of EUR 5,550 has been charged to the Company during the reporting period for audit-related fees (2012: EUR 1,710 and Deloitte Accountants B.V.: EUR 7,350). No other fees were paid to member firms and affiliates of Mazars in 2013 and 2012.

Commitments, contingencies and off-balance items
The Company has issued securities with pledged collateral. The value of the pledged collateral amounts to EUR 187,675,285 (2012: EUR: 87,292,748).

Employees
The Company employs no personnel.

Amsterdam, August 29, 2013
The Managing Director,

Signed by
BNP Paribas Trust B.V.

OTHER INFORMATION

STATUTORY ARRANGEMENTS CONCERNING THE APPROPRIATION OF PROFITS

In accordance with article 20 of the articles of association of the Company, profits are at the disposal of the general meeting of shareholders.

SUBSEQUENT EVENTS

No subsequent events have occurred.

REVIEW

The review report is included on the next page.

MAZARS

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REVIEW REPORT

To the managing director of
BNP Paribas Arbitrage Issuance B.V.

INTRODUCTION

We have reviewed the accompanying interim financial information of BNP Paribas Arbitrage Issuance B.V., Amsterdam, which comprises the balance sheet as at 30 June 2013, the profit and loss account for the six-month period ended at 30 June 2013 and the notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with the Dutch Guideline for Annual Reporting 394 on Interim Reports. Our responsibility is to express a conclusion on this interim financial information based on our review.

SCOPE

We conducted our review in accordance with Dutch law including Standard 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at 30 June 2013 is not prepared, in all material respects, in accordance with the Dutch Guideline for Annual Reporting 394 on Interim Reports.

Amsterdam, 29 August 2013

MAZARS PAARDEKOOPER HOFFMAN ACCOUNTANTS N.V.

w.s. drs. C.A. Harteveld RA

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MAZARS PAARDEKOOPER HOFFMAN ACCOUNTANTS N.V.
WITH ITS REGISTERED OFFICE IN ROTTERDAM (KVK ROTTERDAM NR. 24402415).