



Paris, Tuesday, 16 December 2008

## **PRESS RELEASE**

### **BNP Paribas**

#### **Due to recent extremely unfavourable market conditions the bank's CIB division is loss making over the first 11 months of 2008**

#### **The Group is largely profitable over the same period**

Given the market dislocation and the extreme volatility, aggravated by Lehman's bankruptcy and its violent market repercussions, which have continued since the end of September, BNP Paribas' Corporate and Investment Banking (CIB) division has realised negative revenues in November, as it did in October.

Given the high cost of risk, CIB's pre-tax profit for the first 11 months of the year registered a €710 million loss (including the €350 million impact of the Madoff affair).

Due to the enduringly difficult environment, BNP Paribas' CIB division will implement a package of measures :

- Reduce both market risk and bonds inventories
- Evolve products to meet clients' new requirements (development of flow products and simpler derivative products)
- Adapt the platforms and the means allocated notably to the fixed income credit business and to the most complex products
- Consider measures which could lead to a reduction of worldwide staffing levels in CIB of around 5%.

BNP Paribas is one of the leading CIB players which has resisted best to this unprecedented financial crisis. With this strategy of facing up to the crisis and making the necessary adjustments, CIB will continue to focus on its client franchises, within its markets and financing businesses, and will remain among the industry's best performers.

Thanks to the Group's diverse activities and the dominance of retail banking in its business mix, BNP Paribas, naturally, is largely profitable over the first 11 months of the year.



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**About BNP Paribas**

BNP Paribas ([www.bnpparibas.com](http://www.bnpparibas.com)) is a European leader in global banking and financial services and is one of the 3 strongest banks in the world according to Standard & Poor's. The group is present in 85 countries, with more than 171,000 employees, including 131.000 in Europe. The group holds key positions in three major segments: Corporate and Investment Banking, Asset Management & Services and Retail Banking. Present throughout Europe in all of its business lines, the bank's two domestic markets in retail banking are France and Italy. BNP Paribas also has a significant presence in the United States and strong positions in Asia and the emerging markets.

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