



PILLAR 3 – MARKET DISCIPLINE

BNP PARIBAS BANGKOK BRANCH

30 June 2017

REGULATOR : Bank of Thailand

VALIDATION DATE : July 21, 2017

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BNP PARIBAS BANGKOK BRANCH market disclosure

BNP Paribas considers its Group Pillar 3 communication to fully satisfy any disclosure to the Markets, especially for branches. The Group consolidated level is the most accurate one to perform analysis and should prevail to any other sub-consolidated/individual basis.

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document: <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 12: PILLAR1 RISK-WEIGHTED ASSETS AND CAPITAL REQUIREMENT on page 264)

BNP Paribas considers this chart to cover any extra disclosure that can be requested to one of its entities. The only purpose of what follows in the next pages is to meet Bank of Thailand requirements.

PILLAR 3 - DISCLOSURE TO THE MARKETS

BNP PARIBAS BANGKOK BRANCH

Minimum solvency ratio: 9.75%

Minimum solvency ratio: 9.125%

In Thousands of THB	30 June 2017		31 December 2016	
	Risk-weighted assets	Capital Requirements	Risk-weighted assets	Capital Requirements
CREDIT AND COUNTERPARTY RISK	34,342,168	3,348,361	43,194,121	3,941,464
Credit risk	34,342,168	3,348,361	43,194,121	3,941,464
Credit risk - Standardised approach	34,342,168	3,348,361	43,194,121	3,941,464
- Performing claims				
Central governments and central banks	1,332,217	129,891	2,802,027	255,685
Corporates	21,857,896	2,131,145	22,509,017	2,053,948
Institutions	11,105,547	1,082,791	17,836,316	1,627,564
Retail	687	67	772	70
Other exposures	687	67	772	70
Securitisation positions	-	-	-	-
Other non credit-obligation assets	45,821	4,468	45,989	4,196
- Non-performing claims				
Corporates	-	-	-	-
MARKET RISK	19,943,771	1,944,518	15,938,423	1,454,381
Internal model				
Standardised approach	19,943,771	1,944,518	15,938,423	1,454,381
OPERATIONAL RISK	1,908,874	186,115	2,139,124	195,195
Standardised approach	1,908,874	186,115	2,139,124	195,195
TOTAL	56,194,813	5,478,994	61,271,668	5,591,040

Capital Structure

The Capital of BNP Paribas Bangkok Branch (the Branch) is made of assets maintained in accordance with the Section 32 of the Financial Institutions Businesses Act B.E. 2551 minus deductible items as prescribed in the notification No. SorNorSor. 8/2558 Re: Components of Capital of Branches of Foreign Commercial Banks.

The Branch maintains assets in accordance with Section 32 of the Financial Institutions Business Act B.E. 2551. They are made of Bonds issued by the Bank of Thailand and the Ministry of Finance or guaranteed by the Ministry of Finance and debt instruments issued by state organizations or state enterprises established under specific laws.

The minimum level of assets required to be maintained as capital is the lower amount between the assets maintained under Section 32 and the result of the following:

3.1. Aggregated amounts of money brought in by the head office or any other branches abroad, the reserves and the net profits transferred to the head office account but still maintained in Thailand, minus net losses not yet compensated by the head office, or

3.2. Aggregated amounts of money brought in by the head office or any other branches abroad, the reserves and the net profits transferred to the head office account but still maintained in Thailand, minus net losses not yet compensated by the head office and net balances of inter office accounts when the Branch is a creditor of the head office or any other branches, parent or subsidiary companies.

Under no circumstances, the Branch can have assets under Section 32 lower than THB 2,000 millions as prescribed in the license for operating branches of foreign commercial bank in Thailand.

Table 1 : Capital Structure of Foreign Bank Branches

Unit : THB '000

Capital Structure	30 June 2017	31 December 2016
1. Assets required to be maintained under Section 32	9,988,435	9,952,597
2. Sum of net capital for maintenance of assets under Section 32 and net balance of inter-office accounts (2.1+2.2)	9,912,345	10,378,824
2.1 Capital for maintenance of assets under Section 32	9,537,383	9,877,090
2.2 Net balance of inter-office accounts which the branch is the debtor (the creditor) to the head office and other branches located in other countries, the parent company and subsidiaries of the head office	374,962	501,734
3. Total regulatory capital (3.1-3.2)	9,534,680	9,873,699
3.1 Total regulatory capital before deductions (The lowest amount among item 1 item 2 and item 2.1)	9,537,383	9,877,090
3.2 Deductions	2,703	3,391
4. Capital after deducting capital add-on arising from Single Lending Limit*	9,534,680	9,838,963

(*) Effective in January 2015

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 8: REGULATORY CAPITAL on page 260)

1. Capital adequacy

The Branch is required to comply with the Bank of Thailand's regulations and especially with the following notifications:

1. No. SorNorSor. 12/2555 Re: Supervisory Guidelines on Capital Provision for Commercial Banks
2. No. SorNorSor. 8/2558 Re: Components of Capital Fund of Branches of Foreign Commercial Banks
3. No. SorNorSor 15/2555 Re: Regulations for Credit Risk Asset Calculations for Commercial Banks Using the Standardised Approach
4. No. SorNorSor. 17/2555 Re: Regulation on the Calculation of Credit Equivalent Amount for OTC Derivatives
5. No. SorNorSor. 18/2555 Re: Regulation on Failed Trades and Non-Delivery versus Payment (Non-DvP) Transactions for Commercial Banks
6. No. SorNorSor. 94/2551 RE: Guideline on Supervision of Market Risk and Capital Requirement for Market Risk of Financial Institutions
7. No. SorNorSor. 95/2551 Re: Regulation on Minimum Capital Requirement for Operational Risk

For local regulatory reporting, the Capital Adequacy Ratio as at 31 December 2016 has been calculated using the Standardised approach for credit, market and operational risk. The Bank of Thailand issued the Notification No. FPG.12/2555 Re: Supervisory Guidelines on Capital Provision for Commercial Banks, to comply with global regulatory framework (Basel III) of Basel Committee on Banking Supervision (BCBS). During the period from 1 January, 2013 to 31 December 2015, the minimum capital requirement ratio is 8.5% of total risk assets and will be increasing to 9.125% (effective 1 January 2016), 9.75% (effective 1 January 2017), 10.375% (effective 1 January 2018) and 11.00%(effective 1 January 2019), respectively.

The ratio is computed locally on a monthly basis to satisfy the Bank of Thailand requirements. The capital adequacy of the Branch covers the needs of activities under normal and stressed conditions. The capital is in line with the strategy, the business plans and the risk management.

According to the Bank of Thailand Notification No. SorNorSor 22/2555 Single Lending Limit guideline, the Bank is required to disclose Capital- Net Add-on Deductions and Capital to Risk-weighted assets - Net Add-on Deductions, effective 1 January 2015 onwards.

Table 2 : Total Capital to Risk-weighted assets

unit : %

Ratio	30 June 2017	31 December 2016
Total Capital to Risk-weighted assets	16.97	16.11
Total Capital to Risk-weighted assets - Net Add-On Deduction*	16.90	16.06

(*) Effective in January 2015

In Y2016, the Bank increased the capital fund by borrowing fund from BNP Paribas Group USD 37.00 million, equivalent to Baht 1,295 million resulting in increasing the fund remitted into Thailand and the Bank has maintained the additional assets under section 32 in Bank of Thailand bonds.

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 1 : CAPITAL RATIOS on page 238 and TABLE 8: REGULATORY CAPITAL on page 260)

2. Risk Management

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (See 5.3 Risk Management on page 275-281)

3. Credit risk disclosures

The Credit risk management policy is presented in the registration document and the financial report - BNP Paribas, Pillar 3 disclosure. Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see 5.4 CREDIT RISK on page 282-319)

Under the standardised approach, the Branch has decided to use the following External credit assessment institution (ECAIs) notations to risk weight its exposures;

- Sovereign Exposures : Standard and Poor's
- Corporate Exposures : TRIS Rating and Fitch Ratings (Thailand)

The Procedures for Use of ECAI Credit Ratings are in line with Bank of Thailand's regulation No. SorNorSor. 15/2555 Re: Regulations for Credit Risk Asset Calculations for Commercial Banks Using the Standardised Approach

Credit risk mitigation under the Standardised Approach

To mitigate the credit risk, the Branch recognizes collateral under the comprehensive approach and applies haircuts as defined by the Bank of Thailand.

Table 3 Exposure of significant on-balance sheet assets and off-balance sheet items before credit risk mitigation

Unit : THB '000

Item	31 December 2016	31 December 2015
1. On-balance sheet assets (1.1 + 1.2 + 1.3)	60,992,191	74,556,316
1.1 Net loans ^{1/}	10,532,189	11,506,213
1.2 Net Investment in debt securities ^{2/}	18,454,348	22,002,913
1.3 Deposits (including accrued interest receivables)	665,007	3,487,577
1.4 Derivative asset	31,340,647	37,559,613
2. Off-balance sheet items ^{3/} (2.1 + 2.2 + 2.3)	2,696,942,517	3,001,026,292
2.1 Aval of bills, guarantees, and letter of credits	36,881,619	32,104,882
2.2 OTC derivatives ^{4/}	2,658,269,366	2,966,034,326
2.3 Undrawn committed line	1,791,533	2,887,084

^{1/} Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

^{2/} Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

^{3/} Before multiplying credit conversion factor

^{4/} Including equity-related derivatives

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 24: CREDIT RISK EXPOSURE BY GEOGRAPHICAL REGION on page 288)

Table 4 Exposure of significant on-balance sheet assets and off-balance sheet items before credit risk mitigation classified by country or geographic area of debtor

Unit : THB '000

Country or geographic area of debtor	31 December 2016								
	On-balance sheet assets					Off-balance sheet items ^{2/}			
	Total	Net loans ^{1/}	Net investment in debt securities ^{2/}	Deposits	Derivative Assets	Total	Aval of bills, guarantees of borrowings, and letter of credits	OTC derivatives	Undrawn committed line
1. Thailand	57,212,101	10,422,971	18,454,348	643,777	27,691,004	2,078,093,278	20,011,017	2,056,290,728	1,791,533
2. Outside Thailand	3,780,090	109,218	-	21,230	3,649,642	618,849,239	16,870,601	601,978,638	-
Total	60,992,191	10,532,189	18,454,348	665,007	31,340,647	2,696,942,517	36,881,619	2,658,269,366	1,791,533

Unit : THB '000

Country or geographic area of debtor	31 December 2015								
	On-balance sheet assets					Off-balance sheet items ^{2/}			
	Total	Net loans ^{1/}	Net investment in debt securities ^{2/}	Deposits	Derivative Assets	Total	Aval of bills, guarantees of borrowings, and letter of credits	OTC derivatives	Undrawn committed line
1. Thailand	71,021,329	11,379,806	22,002,913	3,483,502	34,155,107	2,323,968,599	19,303,516	2,301,778,000	2,887,084
2. Outside Thailand	3,534,987	126,407	-	4,075	3,404,506	677,057,693	12,801,367	664,256,326	-
Total	74,556,316	11,506,213	22,002,913	3,487,577	37,559,613	3,001,026,292	32,104,882	2,966,034,326	2,887,084

Note:

^{1/} Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

^{2/} Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

^{3/} Before multiplying credit conversion factor

The classified assets of the Branch are split in Pass, Special mention, Substandard, Doubtful, and Doubtful loss categories according to the regulation of the Bank of Thailand No.Sor Nor Sor 31/2008 Re Classification and Provision of Financial Institutions. The defaults and impairment of assets follow the provisioning rules issued by the Bank of Thailand.

The Branch calculates general provision and specific provision based on Bank of Thailand's regulation No. Sor Nor Sor 31/2008 Re Classification and Provision of Financial Institutions.

Table 5 Exposure of significant on-balance sheet assets and off balance sheet items before credit risk mitigation classified by residual maturity

Unit : THB '000

Item	31 December 2016			31 December 2015		
	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total
1. On-balance sheet assets (1.1 + 1.2 + 1.3)	37,355,588	23,636,604	60,992,191	45,622,588	28,933,728	74,556,316
1.1 Net loans ^{1/}	10,291,398	240,792	10,532,189	11,308,737	197,476	11,506,213
1.2 Net Investment in debt securities ^{2/}	17,069,420	1,384,929	18,454,348	21,447,735	555,178	22,002,913
1.3 Deposits (including accrued interest receivables)	665,007	-	665,007	3,487,577	-	3,487,577
1.4 Derivative asset	9,329,763	22,010,884	31,340,647	9,378,538	28,181,075	37,559,613
2. Off-balance sheet items^{3/} (2.1 + 2.2 + 2.3)	1,215,419,274	1,481,523,243	2,696,942,517	1,299,448,353	1,701,577,939	3,001,026,292
2.1 Aval of bills, guarantees of borrowings, and letter of credits	14,937,901.66	21,943,717	36,881,619	14,837,184	17,267,698	32,104,882
2.2 OTC derivatives	1,198,689,840	1,459,579,526	2,658,269,366	1,281,724,085	1,684,310,241	2,966,034,326
2.3 Undrawn committed line	1,791,533	-	1,791,533	2,887,084	-	2,887,084

^{1/} Including accrued interest receivables and net of deferred incomes, allowances for doubtful accounts and allowances for revaluation from debt restructuring and including net loans of interbank and money market.

^{2/} Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

^{3/} Before multiplying credit conversion factor



Table 6 Loans and investment in debt securities before credit risk mitigation classified by country or geographic area of debtors and by asset classification specified by the Bank of Thailand

Unit : THB '000

Geographic area of debtor	31 December 2016						Investment in debt securities Doubtful loss
	Loans including accrued interest receivables ^{1/}					Total	
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss		
1. Thailand	10,112,309	-	-	-	-	10,112,309	43,834
2. Outside Thailand	109,996	-	-	-	-	109,996	-
Total	10,597,189	-	-	-	-	10,222,305	43,834

^{1/} Including outstanding amounts of loans and interest receivable receivables of interbank and money market

Unit : THB '000

Geographic area of debtor	31 December 2015						Investment in debt securities Doubtful loss
	Loans including accrued interest receivables ^{1/}					Total	
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss		
1. Thailand	11,443,529	-	-	-	-	11,443,529	592
2. Outside Thailand	127,684	-	-	-	-	127,684	-
Total	11,571,213	-	-	-	-	11,571,213	592

^{1/} Including outstanding amounts of loans and interest receivable receivables of interbank and money market

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 24: CREDIT RISK EXPOSURE BY GEOGRAPHICAL REGION on page 288)

Table 7 Provisions and bad debt written-off during period on loan & investment in debt securities classified by geographic area of debtor

Unit : THB '000

Geographic area of debtor	31 December 2016			
	Loans including accrued interest receivables ^{1/}			Specific provision for Investment in debt securities
	General provision ^{2/}	Specific provision	Bad debt written-off during period	
1. Thailand	-	-	-	43,834
2. Outside Thailand	-	-	-	-
Total	65,000	-	-	43,834

Geographic area of debtor	31 December 2015			
	Loans including accrued interest receivables ^{1/}			Specific provision for Investment in debt securities
	General provision ^{2/}	Specific provision	Bad debt written-off during period	
1. Thailand	-	-	-	592
2. Outside Thailand	-	-	-	-
Total	65,000	-	-	592

^{1/} Including provision and bad debt written-off during period of loans including accrued interest receivables of interbank and money market^{2/} Disclosed in total amount

Table 8 Loans and accrued interests before credit risk mitigation classified by type of business and by asset classification specified by the Bank of Thailand

Unit : THB '000

Type of business	31 December 2016					Total
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss	
Agriculture and mining	-	-	-	-	-	-
Manufacturing and commerce	3,104,499	-	-	-	-	3,104,499
Real estate business and construction	512,662	-	-	-	-	512,662
Public utilities and services	2,300,406	-	-	-	-	2,300,406
Housing loans	772	-	-	-	-	772
Interbank	4,678,850	-	-	-	-	4,678,850
Total	10,597,189	-	-	-	-	10,597,189

Unit : THB '000

Type of business	31 December 2015					Total
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss	
Agriculture and mining	687,962	-	-	-	-	687,962
Manufacturing and commerce	4,383,072	-	-	-	-	4,383,072
Real estate business and construction	1,171,258	-	-	-	-	1,171,258
Public utilities and services	-	-	-	-	-	-
Housing loans	936	-	-	-	-	936
Interbank	5,327,986	-	-	-	-	5,327,986
Total	11,571,213	-	-	-	-	11,571,213

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 25 : CREDIT RISK EXPOSURE BY INDUSTRY- CORPORATE ASSETS CLASS on page 290)

Table 9 Provisions and bad debt written-off during period for loans classified by types of business

Unit : THB '000

Type of business	31 December 2016			31 December 2015		
	General provision ^{1/}	Specific provision	Bad debt written-off during period	General provision ^{1/}	Specific provision	Bad debt written-off during period
Agriculture and mining	-	-	-	-	-	-
Manufacturing and commerce	-	-	-	-	-	-
Real estate business and construction	-	-	-	-	-	-
Public utilities and services	-	-	-	-	-	-
Others	-	-	-	-	-	-
- Interbank and money market	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total	65,000	-	-	65,000	-	-

1/ Disclosed in total amount

Table 10 Reconciliation of change in provisions on loans

Item	31 December 2016			31 December 2015		
	General provision	Specific provision	Bad debt written-off during period	General provision	Specific provision	Bad debt written-off during period
Provisions at the beginning of the period	65,000	-	-	70,000	-	-
Bad debts written-off during the period	-	-	-	-	-	-
Increases (Decreases) of provisions during the period	-	-	-	(5,000)	-	-
Provisions at the end of the period	65,000	-	-	65,000	-	-

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 39: EXPOSURES IN DEFAULT AND PROVISIONS BY BASEL ASSET CLASS on page 314

Table 11 Exposure of on-balance sheet assets* and off-balance sheet items* classified by type of assets under the SA

Unit : THB '000

	31 December 2016			31 December 2015		
	On balance sheet assets	Off balance sheet item **	Total	On balance sheet assets	Off balance sheet item **	Total
1. Performing claims	59,158,280	59,500,169	118,658,449	68,861,271	59,233,933	128,095,204
1.1 Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	17,166,792	6,149,483	23,316,274	24,809,725	3,064,359	27,874,084
1.2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	5,917,567	20,928,351	26,845,918	134,736	37,532,217	37,666,953
1.3 Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	112,446	32,422,336	32,534,781	6,242,291	18,637,358	24,879,649
1.4 Claims on retail portfolios	772	-	772	936	-	936
1.5 Housing loans	-	-	-	-	-	-
1.6 Other assets	35,960,704	-	35,960,704	37,673,583	-	37,673,583
2. Non-performing claims	-	-	-	-	-	-
3. First-to-default credit derivatives and Securitisation	-	-	-	-	-	-
Total	59,158,280	59,500,169	118,658,449	68,861,271	59,233,933	128,095,204

* After multiplying with credit conversion factor and specific provision

** Including all Repo-style transactions (including Reverse repo transactions)

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 35: STANDARDISED CREDIT RISK EXPOSURE BY STANDARD ASSET CLASS on page 309

Credit risk exposures under the SA*

Table 12 : Exposure of net on-balance sheet assets and off-balance sheet items** after adjusted by credit risk mitigation for each type of asset, classified by risk weight under the SA

unit : THB'000

Type of asset	Risk weight (%)	31 December 2016								
		Rated outstanding amount				Unrated outstanding amount				
		0	20	50	100	150	0	20	75	100
Performing claims										
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns		12,305,530	7,704,494	2,190,244	1,116,006					
2. Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms		-	14,216,274	3,945,746	14,372,761					
3. Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate		-	1,627,283	503,096	24,715,539					
4. Claims on retail portfolios										772
5. Claims on housing loans										
6. Other assets						35,914,715				45,989
	Risk weight (%)			50	100	150				
Non-performing claims^{1/}					-					
Capital deduction items prescribed by the Bank of Thailand										

* Including insignificant credit portfolios using the SA of the commercial banks that use the IRB

** After multiplying credit conversion factor

^{1/} For the portion claims with no credit risk mitigation of which risk weight are determined by the proportion of provision to total amount of claims

unit : THB'000

Type of asset	31 December 2015									
	Risk weight (%)	Rated outstanding amount					Unrated outstanding amount			
		0	20	50	100	150	0	20	75	100
Performing claims										
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	10,335,261	17,250,910	287,912	-						
2. Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	166,337	15,255,357	6,410,732	15,834,526						
3. Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	-	673,344	386,971	23,819,333						
4. Claims on retail portfolios										936
5. Claims on housing loans										
6. Other assets						37,593,289				80,294
	Risk weight (%)		50	100	150					
Non-performing claims^{1/}				-						
Capital deduction items prescribed by the Bank of Thailand										

* Including insignificant credit portfolios using the SA of the commercial banks that use the IRB

** After multiplying credit conversion factor

^{1/} For the portion claims with no credit risk mitigation of which risk weight are determined by the proportion of provision to total amount of claims

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 36: EU CRS – STANDARDISED CREDIT RISK EAD on page 310)

4. Market risk disclosures

Details, about how market risks of the Branch are managed, are given in Registration document and financial report - BNP Paribas, Pillar 3 disclosure.

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see 5.7 MARKET RISK on page 340-359)

Table 13 Capital for market risk under the SA

unit : THB'000

Capital for market risk	30 June 2017	31 December 2016
1. Capital for Interest Rate Risk	1,303,081	1,240,258
2. Capital for Equity Price Risk	-	-
3. Capital for Foreign Exchange Risk	292,421	214,123
4. Capital for Commodity Price Risk	-	-
Total Capital for Market Risk	1,595,502	1,454,381



5. Operational risk disclosures

Details about the operational risk management of the Branch are given in Registration document and financial report - BNP Paribas, Pillar 3 disclosure.

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see 5.9 OPERATIONAL, COMPLIANCE AND REPUTATION RISKS on page 371-377)

For local regulatory reporting, the Branch uses the standard approach to calculate the equivalent factors of operations risk-weighted assets as at 31 December 2016.

6. Equity exposure disclosures

Table 14 Equity exposures in banking book

Unit : THB '000

Equity exposures	31 December 2016	31 December 2015
1. Equity exposures		
1.1 Equities listed and publicly traded in the Stock Exchange		
- Book value	0.00	0.00
- Fair value	0.00	0.00
1.2 Other equities	0.00	0.00
2. Gains (losses) of sale of equities in the reporting period	0.00	0.00
3. Net surplus (deficit) from revaluation of available for sale equities	0.00	0.00
4. Minimum capital requirements for equity exposures classified by the calculation methods		
- SA	0.00	0.00
- IRB	0.00	0.00
5. Equity values for commercial banks applying IRB which the Bank of Thailand allows to use SA	0.00	0.00
Total	0.00	0.00

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see MARKET RISK RELATED TO BANKING ACTIVITIES > EQUITY RISK on page 354-355)

7. Interest rate risk in banking book disclosures

Details about the interest rate risk in the banking book of the Branch are given in Registration document and financial report - BNP Paribas, Pillar 3 disclosure.

Table 15 The effect of changes in interest rates (change 100 bps) to net earnings

Unit : THB '000

Currency	Impact to Net Interest income (NII)	
	31 December 2016	31 December 2015
Baht	51,188	40,638
USD	-16,739	-14,907
EURO	1,058	-366
Others	-460	-86
Total impact to Net Interest Income	35,048	25,279
% of Net Interest Income expected in the next 1 year	10.80	9.41

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see MARKET RISK RELATED TO BANKING ACTIVITIES >Sensitivity of revenues to global interest rate risk on page 357-358)

8. Regulatory Capital during the transitional period to Basel III

The Bank of Thailand's notification No.FPG 4/2556 Capital disclosure for the Commercial Banks, effective 1 January 2013, requires the Commercial bank to disclose the regulatory capital during the transitional period to Basel III. The disclosure is consistent with the BCBS's composition of capital disclosure requirement: June 2012 which prescribes the deduction from capital.

Transitional arrangements under Basel III require that certain capital components be deducted from capital starting from 2014.

Table 16 Total regularoty capital of the Foreign Bank Branch during the transitional period to

Unit : THB '000

Regulatory Capital and Deductions under Basel III	30 June 2017	31 December 2016
Regulatory Capital	9,537,383	9,877,090
Deductions	2,703	3,391
Net Regulatory Capital	9,534,680	9,873,699

1/ Intangible assets e.g. software licenses, phase-out at 100% p.a. in 2014

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2016 Registration Document : <https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports> (see TABLE 8: REGULATORY CAPITAL on page 260)



Appendix

BNP PARIBAS GROUP KEY DOCUMENTS & FIGURES	HYPERLINKS
Registration Document (incl. Group Pillar 3, part 5)	https://invest.bnpparibas.com/en/registration-documents-annual-financial-reports
Annual Report	https://invest.bnpparibas.com/en/annual-reports
Results	https://invest.bnpparibas.com/en/results
Information Statement	https://invest.bnpparibas.com/en/information-statement