



**PILLAR 3 – MARKET DISCIPLINE**

**BNP PARIBAS BANGKOK BRANCH**

**31 DECEMBER 2017**

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**REGULATOR : Bank of Thailand**

**VALIDATION DATE : 29<sup>th</sup> Mar 2018**

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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 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 13: RISK-WEIGHTED ASSETS AND CAPITAL REQUIREMENT (EU OV1) on page 279)

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.

### RISK-WEIGHTED ASSETS AND CAPITAL REQUIREMENT

In millions of THB	RWAs		Capital requirements
	31 December 2017	31 December 2016	31 December 2017
<b>1 Credit risk</b>	<b>33,332</b>	<b>43,194</b>	<b>3,250</b>
2 Of which standardised approach	33,332	43,194	3,250
4 Of which advanced IRB approach			
5 Of which equity positions under the simple risk-weighted approach			
<b>6 Counterparty Credit Risk</b>	<b>-</b>	<b>-</b>	<b>-</b>
7 Of which mark-to-market			
10 Of which internal model method (IMM)			
11 Of which CCP - default fund contributions			
12 Of which CVA			
<b>14 Securitisation exposures in the banking book</b>	<b>-</b>	<b>-</b>	<b>-</b>
15 Of which IRB approach (IRB)			
16 Of which IRB supervisory formula approach (SFA)			
17 Of which internal assessment approach (IAA)			
18 Of which standardised approach			
<b>19 Market risk</b>	<b>20,327</b>	<b>15,938</b>	<b>1,982</b>
20 Of which standardised approach	20,327	15,938	1,982
21 Of which IMA			
<b>23 Operational risk</b>	<b>1,772</b>	<b>2,139</b>	<b>173</b>
24 Of which basic indicator approach			
25 Of which standardised approach	1,772	2,139	173
26 Of which advanced measurement approach (AMA)			
<b>27 Amounts below the thresholds for deduction (subject to 250% risk weight)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>29 TOTAL</b>	<b>55,432</b>	<b>61,272</b>	<b>5,405</b>

## 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.

Capital Structure	31 December 2017	31 December 2016
1. Assets required to be maintained under Section 32	9,556,349	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)	9,632,543	10,371,840
2.1 Capital for maintenance of assets under Section 32	9,298,481	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	334,062	494,750
3. Total regulatory capital (3.1-3.2)	9,296,460	9,873,699
3.1 Total regulatory capital before deductions (The lowest amount among item 1 item 2 and item 2.1)	9,298,481	9,877,090
3.2 Deductions	2,021	3,391
4. Capital after deducting capital add-on arising from Single Lending Limit*	9,296,460	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 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 10: REGULATORY CAPITAL on page 277)

## 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 2017 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 2017), 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	31 December 2017	31 December 2016
Total Capital to Risk-weighted assets	16.77	16.11
Total Capital to Risk-weighted assets - Net Add-On Deduction*	16.77	16.06

(\*) Effective in January 2015

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 1 : CAPITAL RATIOS on page 246 and TABLE 10: REGULATORY CAPITAL on page 277 )

## 2. Risk Management

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2017 Registration Document : [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (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 2017 Registration Document : [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see 5.4 CREDIT RISK on page 299-341)

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 2017	31 December 2016
<b>1. On-balance sheet assets (1.1 + 1.2 + 1.3)</b>	<b>44,973,281</b>	<b>60,992,191</b>
1.1 Net loans <sup>1/</sup>	11,978,797	10,532,189
1.2 Net Investment in debt securities <sup>2/</sup>	15,987,764	18,454,348
1.3 Deposits (including accrued interest receivables)	246,584	665,007
1.4 Derivative asset	16,760,136	31,340,647
<b>2. Off-balance sheet items <sup>3/</sup> (2.1 + 2.2 + 2.3)</b>	<b>2,336,057,154</b>	<b>2,696,942,517</b>
2.1 Aval of bills, guarantees, and letter of credits	31,806,061	36,881,619
2.2 OTC derivatives <sup>4/</sup>	2,302,617,048	2,658,269,366
2.3 Undrawn committed line	1,634,045	1,791,533

<sup>1/</sup> 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.

<sup>2/</sup> Including accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

<sup>3/</sup> Before multiplying credit conversion factor

<sup>4/</sup> Including equity-related derivatives

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 24: CREDIT RISK EXPOSURE BY GEOGRAPHICAL REGION (EU CRB-C) on page 306)

**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 2017								
	On-balance sheet assets					Off-balance sheet items <sup>2/</sup>			
	Total	Net loans <sup>1/</sup>	Net investment in debt securities <sup>2/</sup>	Deposits	Derivative Assets	Total	Aval of bills, guarantees of borrowings, and letter of credits	OTC derivatives	Undrawn committed line
1. Thailand	39,874,573	10,542,381	15,987,764	233,935	13,110,493	1,685,503,323	12,904,683	1,670,964,594	1,634,045
2. Outside Thailand	5,088,707	1,436,416	-	12,649	3,649,642	650,553,831	18,901,378	631,652,454	-
<b>Total</b>	<b>44,973,281</b>	<b>11,978,797</b>	<b>15,987,764</b>	<b>246,584</b>	<b>16,760,136</b>	<b>2,336,057,154</b>	<b>31,806,061</b>	<b>2,302,617,048</b>	<b>1,634,045</b>

Unit : THB '000

Country or geographic area of debtor	31 December 2016								
	On-balance sheet assets					Off-balance sheet items <sup>2/</sup>			
	Total	Net loans <sup>1/</sup>	Net investment in debt securities <sup>2/</sup>	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	-
<b>Total</b>	<b>60,992,191</b>	<b>10,532,189</b>	<b>18,454,348</b>	<b>665,007</b>	<b>31,340,647</b>	<b>2,696,942,517</b>	<b>36,881,619</b>	<b>2,658,269,366</b>	<b>1,791,533</b>

Note:

<sup>1/</sup> 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.

<sup>2/</sup> Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

<sup>3/</sup> 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 2017			31 December 2016		
	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total	Maturity not exceeding 1 year	Maturity exceeding 1 year	Total
<b>1. On-balance sheet assets (1.1 + 1.2 + 1.3)</b>						
1.1 Net loans <sup>1/</sup>	30,761,819	14,211,462	44,973,281	37,355,588	23,636,604	60,992,191
1.2 Net Investment in debt securities <sup>2/</sup>	10,906,145	1,072,652	11,978,797	10,291,398	240,792	10,532,189
1.3 Deposits (including accrued interest receivables)	13,892,835	2,094,930	15,987,764	17,069,420	1,384,929	18,454,348
1.4 Derivative asset	246,584	-	246,584	665,007	-	665,007
1.4 Derivative asset	5,716,256	11,043,880	16,760,136	9,329,763	22,010,884	31,340,647
<b>2. Off-balance sheet items<sup>3/</sup> (2.1 + 2.2 + 2.3)</b>						
2.1 Aval of bills, guarantees of borrowings, and letter of credits	1,134,299,508	1,201,757,646	2,336,057,154	1,215,419,274	1,481,523,243	2,696,942,517
2.2 OTC derivatives	24,015,227.77	7,790,833	31,806,061	14,937,902	21,943,717	36,881,619
2.2 OTC derivatives	1,108,650,235	1,193,966,813	2,302,617,048	1,198,689,840	1,459,579,526	2,658,269,366
2.3 Undrawn committed line	1,634,045	-	1,634,045	1,791,533	-	1,791,533

<sup>1/</sup> 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.

<sup>2/</sup> Excluding accrued interest receivables and net of allowances for revaluation of securities and allowances for impairment of securities

<sup>3/</sup> 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 2017						Investment in debt securities Doubtful loss
	Loans including accrued interest receivables <sup>1/</sup>						
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss	Total	
1. Thailand	10,612,847	-	-	-	-	10,612,847	13,941
2. Outside Thailand	1,450,950	-	-	-	-	1,450,950	-
<b>Total</b>	<b>12,063,797</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,063,797</b>	<b>13,941</b>

<sup>1/</sup> Including outstanding amounts of loans and interest receivable receivables of interbank and money market

Unit : THB '000

Geographic area of debtor	31 December 2016						Investment in debt securities Doubtful loss
	Loans including accrued interest receivables <sup>1/</sup>						
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss	Total	
1. Thailand	10,487,193	-	-	-	-	10,487,193	43,834
2. Outside Thailand	109,996	-	-	-	-	109,996	-
<b>Total</b>	<b>10,597,189</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,597,189</b>	<b>43,834</b>

<sup>1/</sup> 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 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 24: CREDIT RISK EXPOSURE BY GEOGRAPHICAL REGION (EU CRB-C) on page 306)

**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 2017			
	Loans including accrued interest receivables <sup>1/</sup>			Specific provision for Investment in debt securities
	General provision <sup>2/</sup>	Specific provision	Bad debt written-off during period	
1. Thailand	-	-	-	13,941
2. Outside Thailand	-	-	-	-
<b>Total</b>	<b>85,000</b>	<b>-</b>	<b>-</b>	<b>13,941</b>

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

<sup>1/</sup> Including provision and bad debt written-off during period of loans including accrued interest receivables of interbank and money market

<sup>2/</sup> 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 2017					Total
	Normal	Special mentioned	Substandard	Doubtful	Doubtful loss	
Agriculture and mining	-	-	-	-	-	-
Manufacturing and commerce	4,688,102	-	-	-	-	4,688,102
Real estate business and construction	75,239	-	-	-	-	75,239
Public utilities and services	3,150,250	-	-	-	-	3,150,250
Housing loans	601	-	-	-	-	601
Interbank	4,149,604	-	-	-	-	4,149,604
<b>Total</b>	<b>12,063,797</b>	-	-	-	-	<b>12,063,797</b>

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
<b>Total</b>	<b>10,597,189</b>	-	-	-	-	<b>10,597,189</b>

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 25 : CREDIT RISK EXPOSURE BY INDUSTRY (EU-CRB-D) on page 310)

**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 2017			31 December 2016		
	General provision <sup>1/</sup>	Specific provision	Bad debt written-off during period	General provision <sup>1/</sup>	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	-	-	-	-	-	-
<b>Total</b>	<b>85,000</b>	-	-	<b>65,000</b>	-	-

1/ Disclosed in total amount

**Table 10 Reconciliation of change in provisions on loans**

Item	31 December 2017			31 December 2016		
	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	20,000	-	-	(5,000)	-	-
Provisions at the end of the period	<b>85,000</b>	-	-	<b>65,000</b>	-	-

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 39: DEFAULTED EXPOSURES AND PROVISIONS BY BASEL ASSET CLASS (EU CR1-A) on page 333

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 2017			31 December 2016		
	On balance sheet assets	Off balance sheet item **	Total	On balance sheet assets	Off balance sheet item **	Total
<b>1. Performing claims</b>	<b>42,265,684</b>	<b>43,547,994</b>	<b>85,813,678</b>	<b>59,158,280</b>	<b>59,500,169</b>	<b>118,658,449</b>
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	13,095,523	5,841,726	18,937,249	17,166,792	6,149,483	23,316,274
1.2 Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	7,910,264	16,142,076	24,052,340	5,917,567	20,928,351	26,845,918
1.3 Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate	538,404	21,564,192	22,102,597	112,446	32,422,336	32,534,781
1.4 Claims on retail portfolios	601	-	601	772	-	772
1.5 Housing loans	-	-	-	-	-	-
1.6 Other assets	20,720,891	-	20,720,891	35,960,704	-	35,960,704
<b>2. Non-performing claims</b>	-	-	-	-	-	-
<b>3. First-to-default credit derivatives and Securitisation</b>	-	-	-	-	-	-
<b>Total</b>	<b>42,265,684</b>	<b>43,547,994</b>	<b>85,813,678</b>	<b>59,158,280</b>	<b>59,500,169</b>	<b>118,658,449</b>

\* 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 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 34: STANDARDISED CREDIT RISK EXPOSURE BY STANDARD ASSET CLASS (EU CR4) on page 328

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 2017								
		Rated outstanding amount				Unrated outstanding amount				
		0	20	50	100	150	0	20	75	100
<b>Performing claims</b>										
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns		15,455,242	500,889	1,308,174	1,672,944					
2. Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms			11,225,950	6,126,443	4,750,203					
3. Claims on corporates, non-central government public sector entities (PSEs) treated as claims on corporate			456,883	890,205	22,705,252					
4. Claims on retail portfolios										601
5. Claims on housing loans										
6. Other assets							20,661,818			59,073
	Risk weight (%)			50	100	150				
<b>Non-performing claims<sup>1/</sup></b>										
<b>Capital deduction items prescribed by the Bank of Thailand</b>										

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

\*\* After multiplying credit conversion factor

<sup>1/</sup> 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

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	31 December 2016									
	Risk weight (%)	Rated outstanding amount					Unrated outstanding amount			
		0	20	50	100	150	0	20	75	100
<b>Performing claims</b>										
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					
<b>Non-performing claims<sup>17</sup></b>				-						
<b>Capital deduction items prescribed by the Bank of Thailand</b>										

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

\*\* After multiplying credit conversion factor

<sup>17</sup> 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 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 35: STANDARDISED CREDIT RISK EAD (EU CR5) on page 329)

## 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 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see 5.7 MARKET RISK on page 366-380)

Table 13 Capital for market risk under the SA

unit : THB'000

Capital for market risk	31 December 2017	31 December 2016
1. Capital for Interest Rate Risk	1,881,036	1,240,258
2. Capital for Equity Price Risk	-	-
3. Capital for Foreign Exchange Risk	100,889	214,123
4. Capital for Commodity Price Risk	-	-
<b>Total Capital for Market Risk</b>	<b>1,981,926</b>	<b>1,454,381</b>

## 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 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see 5.9 OPERATIONAL RISKS on page 396 - 402)

For local regulatory reporting, the Branch uses the standard approach to calculate the equivalent factors of operations risk-weighted assets as at 31 December 2017.

## 6. Equity exposure disclosures

Table 14 Equity exposures in banking book

Unit : THB '000

Equity exposures	31 December 2017	31 December 2016
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
<b>Total</b>	0.00	0.00

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see MARKET RISK RELATED TO BANKING ACTIVITIES on page 380-383)

## 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 2017	31 December 2016
Baht	51,896	51,188
USD	-16,869	-16,739
EURO	24	1,058
Others	-735	-460
Total impact to Net Interest Income	34,317	35,048
% of Net Interest Income expected in the next 1 year	9.55	10.80

Please refer to the BNP Paribas Group Pillar 3 information, which can be found under part 5 within the 2017 Registration Document : [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see see MARKET RISK RELATED TO BANKING ACTIVITIES on page 380-383 , TABLE 75: SENSITIVITY OF REVENUES TO GLOBAL INTEREST RATE RISK ON A 50 BASIS POINT INCREASE OR DECREASE IN THE INTEREST RATE page 382)

## 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 regulatory capital of the Foreign Bank Branch during the transitional period to Basel III

Unit : THB '000

Regulatory Capital and Deductions under Basel III	31 December 2017	31 December 2016
Regulatory Capital	9,298,481	9,877,090
Deductions	2,021	3,391
Net Regulatory Capital	9,296,460	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 2017 Registration Document [https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp\\_paribas-160317.pdf](https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf) (see TABLE 10: REGULATORY CAPITAL on page 277)



## Appendix

<b>BNP PARIBAS GROUP KEY DOCUMENTS &amp; FIGURES</b>	<b>HYPERLINKS</b>
Registration Document (incl. Group Pillar 3, part 5)	<a href="https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf">https://invest.bnpparibas.com/sites/default/files/documents/ddr2017-gb-bnp_paribas-160317.pdf</a>
Annual Report	<a href="https://invest.bnpparibas.com/en/annual-reports">https://invest.bnpparibas.com/en/annual-reports</a>
Results	<a href="https://invest.bnpparibas.com/en/results">https://invest.bnpparibas.com/en/results</a>
Information Statement	<a href="https://invest.bnpparibas.com/en/information-statement">https://invest.bnpparibas.com/en/information-statement</a>