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**Non-collateralised Structured Products**

**Launch Announcement for Derivative Warrants (“Warrants”)**

**to be issued by**

**BNP PARIBAS ARBITRAGE ISSUANCE B.V.**

*(incorporated in the Netherlands with its statutory seat in Amsterdam)*

**unconditionally and irrevocably guaranteed by**

**BNP Paribas (“Guarantor”)**

*(incorporated in France)*

**Sponsor**

**BNP Paribas Securities (Asia) Limited**

**Particulars of Warrants**

We intend to issue the following Warrants:

<b>Warrants</b>	
<b>Stock code(s)</b>	<b>10308</b>
<b>Liquidity Provider broker ID</b>	9692
<b>Issue size</b>	100,000,000 Warrants
<b>Type</b>	European style cash settled Call warrants
<b>Commodity Futures</b>	NYMEX Light, Sweet Crude Oil December 2015 Futures Contract
<b>Unit</b>	Barrel
<b>Relevant Exchange</b>	New York Mercantile Exchange, Inc., or its successor or assign
<b>Board Lot</b>	10,000 Warrants
<b>Issue Price per Warrant (HK\$)</b>	0.25
<b>Strike Price (US\$)</b>	90.00
<b>Entitlement</b>	One Unit
<b>Number of Warrant(s) per Entitlement</b>	300 Warrants
<b>Launch Date</b>	24 October 2014
<b>Issue Date</b>	30 October 2014
<b>Listing Date</b>	31 October 2014
<b>Valuation Date<sup>A</sup></b>	17 November 2015
<b>Expiry Date<sup>†</sup></b>	18 November 2015
<b>Implied Volatility*</b>	39.00%
<b>Effective Gearing*</b>	2.49x
<b>Gearing*</b>	8.32x
<b>Premium*</b>	23.98%

<sup>†</sup> If such day is a Saturday, Sunday or public holiday in Hong Kong, the immediately succeeding day which is not a Saturday, Sunday or public holiday in Hong Kong.

<sup>A</sup> If such date is not a Commodity Futures Trading Day, the immediately succeeding Commodity Futures Trading Day. “**Commodity Futures Trading Day**” means a day on which the Relevant Exchange is scheduled to open for trading.

\* This data may not be comparable to similar information provided by other issuers of derivative warrants. Each issuer may use different pricing models.

### How much will you receive on expiry?

You are not required to deliver any exercise notice and the Warrants will be automatically exercised on the Expiry Date. You will receive a Cash Settlement Amount per board lot in Hong Kong dollars (net of Exercise Expenses, if any) calculated as follows (if positive):

*For a series of Call Warrants:*

$$\frac{\text{Entitlement} \times (\text{Closing Price} - \text{Strike Price}) \times \text{one Board Lot}}{\text{Number of Warrant(s) per Entitlement}}$$

(converted into Hong Kong dollar at the Exchange Rate)

*For a series of Put Warrants:*

$$\frac{\text{Entitlement} \times (\text{Strike Price} - \text{Closing Price}) \times \text{one Board Lot}}{\text{Number of Warrant(s) per Entitlement}}$$

(converted into Hong Kong dollar at the Exchange Rate)

If the Cash Settlement Amount is equal to or less than the Exercise Expenses, no amount is payable by us.

“**Closing Price**” means the settlement price per Unit of the Commodity Futures on the Relevant Exchange, stated in the United States dollar, as announced or published by the Relevant Exchange on the Valuation Date, subject to our right to determine the closing price in good faith on the Valuation Date upon the occurrence of the Market Disruption Event as described further in product condition 4 of the Warrants.

“**Exchange Rate**” means the mid-quote for the exchange rate between United States dollar and Hong Kong dollar (expressed as the number of units of Hong Kong dollar per one unit of United States dollar) taken by us, at or about 2:00 p.m., Hong Kong time on the Valuation Date, from Reuters page “ASFI” or such replacement page on the Thomson Reuters service that displays the information currently displayed on Reuters page “ASFI” or, if the Thomson Reuters service ceases to display such information, such page that displays such information on such other service as may be selected by us in accordance with the product conditions of the Warrants.

“**Exercise Expenses**” means any charges or expenses including any taxes or duties which are incurred in respect of the exercise of the Warrants.

### Listing of the Warrants

We will make an application to the Stock Exchange for listing of and permission to deal in the Warrants on the Stock Exchange.

### Where do you obtain quotes?

You may request to obtain a quote for the Warrants by calling the following telephone number:

<i>Liquidity Provider:</i>	BNP Paribas Securities (Asia) Limited
<i>Telephone number:</i>	+852 2108 5600
<i>Address:</i>	59th-63rd Floors, Two International Finance Centre, 8 Finance Street, Central, Hong Kong

We do not have any special arrangements in place with any brokers with respect to our Warrants.

### **Where can you inspect the relevant documents?**

The following documents (“**Listing Documents**”), each in separate English and Chinese versions, are available for inspection until the Expiry Date at BNP Paribas Securities (Asia) Limited, 59th-63rd Floors, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

- 1 our base listing document dated 2 April 2014, the addendum to the base listing document dated 5 May 2014 and the addendum to the base listing document dated 8 September 2014; and
- 2 the supplemental listing document for the Warrants to be dated on or about 30 October 2014.

## IMPORTANT INFORMATION

### *Unsecured nature of the Warrants*

The issue of the Warrants was authorised by our board of directors on 2 June 2014. The Warrants constitute our general, unsecured and contractual obligations and of no other person, and the Guarantee executed by the Guarantor in respect of the Warrants constitutes the general, unsecured and contractual obligations of the Guarantor and of no other person. The Warrants will rank equally among themselves and with all our other unsecured obligations and all other unsecured obligations of the Guarantor (save for those obligations preferred by law) upon our liquidation. You are relying upon our creditworthiness and the creditworthiness of the Guarantor. If we become insolvent or default on our obligations under the Warrants, or the Guarantor becomes insolvent or defaults on its obligations under the Guarantee, you may not be able to recover all or even part of the amount due under the Warrants (if any).

### *Guarantor*

Our obligations in relation to the Warrants will be unconditionally and irrevocably guaranteed by the Guarantor.

### *Credit ratings*

The Issuer's long term credit rating is:

Rating agency	Rating as of the Launch Date
Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.	A+ (negative outlook)

The Guarantor's long term credit ratings are:

Rating agency	Rating as of the Launch Date
Moody's Investors Service, Inc., New York	A1 (negative outlook)
Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc.	A+ (negative outlook)
Fitch Ratings S.A.S.	A+ (stable outlook)

### *Are we regulated by any bodies referred to in Rule 15A.13(2) or (3)?*

We are not regulated by any of the bodies referred to in Rule 15A.13(2) or (3) of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited. The Guarantor is regulated by the Hong Kong Monetary Authority. The Guarantor is also regulated by Comité des Etablissements de Crédit et des Entreprises d'Investissement.

### *Selling restriction*

The Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and will not be offered, sold, delivered or traded, at any time, indirectly or directly, in the United States or to, or for the account or benefit of, any U.S. person (as defined in the Securities Act).

### *Investment risks*

The price of the Warrants may fall in value as rapidly as it may rise and you may sustain a total loss of your investment. If the Cash Settlement Amount is equal to or less than the Exercise Expenses, no amount is payable by us.

We or the Liquidity Provider may be the only market participant for the Warrants. The secondary market for the Warrants may be limited.

You must:

- carefully study the risk factors set out in the relevant Listing Documents;
- fully understand the potential risks and rewards and independently determine whether the Warrants are appropriate for you given your objectives, experience, financial and operational resources, and other relevant circumstances; and
- consult with such advisers as you deem necessary to assist yourself in making these determinations.