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Non-collateralised Structured Products

**Notice of Valuation of Residual Value of
250,000,000 European Style (Cash Settled) Category R Callable Bear Contracts 2016-2017
relating to the Hang Seng Index (the "CBBCs")
(Stock Code : 69786)**

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
(incorporated in France)

Sponsor
BNP Paribas Securities (Asia) Limited

Announcement

BNP PARIBAS ARBITRAGE ISSUANCE B.V. (the "**Issuer**") gives notice that under the terms and conditions of the CBBCs (the "**Conditions**"), following the occurrence of the Mandatory Call Event ("**MCE**") of the CBBCs at 10:21:42 on 20 February 2017, the Residual Value has been determined to be HK\$197.70 per Board Lot (such Board Lot being 10,000 CBBCs).

The Residual Value is determined by the Issuer by reference to the following formula:

$$\text{Residual Value per Board Lot} = \frac{(\text{Strike Level} - \text{Maximum Index Level}) \times \text{Index Currency Amount} \times \text{one Board Lot}}{\text{Divisor}}$$

Where:

- (a) "**Index Currency Amount**" means HK\$1.00;
- (b) "**Divisor**" means 10,000;
- (c) "**Strike Level**" is 24,400.00; and
- (d) "**Maximum Index Level**" means the highest Spot Level of the Index during the MCE Valuation Period, being 24,202.34

Subject to Settlement Disruption Event, all eligible CBBC holders will receive the Residual Value (if any)(net of any Exercise Expenses) on 23 February 2017, being three CCASS Settlement Days following the MCE Valuation Date.

Capitalised terms not defined in this announcement have the meaning given to them in the Conditions.

Hong Kong, 20 February 2017