

Summary Note

Prepared in accordance with the regulations adopted by CONSOB with Decision no. 11971 of 14 May 1999, as subsequently amended, and with Article 24 of Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC



UniCredit S.p.A.

Registered office – Via Alessandro Specchi 16, Rome

Central Management Office – Piazza Cordusio, Milan

Entered in the Register of Banks and Parent Company of the UniCredit Banking Group, entered in the Register of Banking Groups under no. 02008.1

Rome Trade and Companies Register, Tax Code and VAT No 00348170101

Share capital subscribed and fully paid-up: Euro 12,148,463,316.00

Member of the Interbank Deposit Protection Fund and the National Deposit Guarantee Fund

Summary Note filed with CONSOB on 4 January 2012, pursuant to the notice of approval in a memorandum dated 4 January 2012, file no. 12000920.

The publication of the Summary Note does not represent any opinion of CONSOB on the investment opportunity proposed or on the merit of the data and information contained therein.

The Summary Note must be read in conjunction with the UniCredit S.p.A. Registration Document filed with CONSOB on 15 December 2011, pursuant to the notice of approval in a memorandum dated 14 December 2011, file no. 11098908, and the Securities Note filed with CONSOB on 4 January 2012, pursuant to the notice of approval in a memorandum dated 4 January 2012, file no. 12000920.

The Registration Document, the Securities Note and the Summary Note jointly comprise the Prospectus for the offering and admission to listing of ordinary shares of UniCredit S.p.A.

The Summary Note, the Securities Note and the Registration Document are available to the public at the premises of UniCredit S.p.A. in Rome, Via A. Specchi, 16, from the Central Management Office of UniCredit S.p.A. in Milan, Piazza Cordusio, the premises of UniCredit CAIB Poland S.A. in Emilii Plater 53, 00-113 Warsaw, Poland, from Centralny Dom Maklerski Pekao Spolka Akcyjna in ul. Woloska 18, 02-675, Warsaw, Poland, from Bank Pekao S.A. in ul. Grzybowska 53/57, 00-950, Warsaw, Poland, from UniCredit Bank A.G. in Arabellastr. 12, 81925 Munich in Bavaria, Germany, from UniCredit Bank Austria in Julius Tandler Platz 3, A-1090 Vienna, Austria, from Borsa Italiana in Milan, Piazza degli Affari 6, and on the websites of the Issuer at <http://www.unicreditgroup.eu> and of the Warsaw Stock Exchange (*Gięlda Papierów Wartościowych w Warszawie SA*) at <http://www.gpw.com.pl>.

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DEFINITIONS

A list of the most common definitions and terms used in the Summary Note is provided below. Unless specified otherwise, these definitions and terms (stated in singular or plural form) have the meanings indicated below.

2008 Consolidated Reports and Financial Statements	The consolidated financial statements of the Group for the financial year ended 31 December 2008, subjected to an audit, together with the report on operations and the report of the External Auditors.
2009 Consolidated Reports and Financial Statements	The consolidated financial statements of the Group for the financial year ended 31 December 2009, subjected to an audit, together with the report on operations and the report of the External Auditors.
2010 Consolidated Reports and Financial Statements	The consolidated financial statements of the Group for the financial year ended 31 December 2010, subjected to an audit, together with the report on operations and the report of the External Auditors.
2010-2015 Strategic Plan	The strategic plan of the UniCredit Group, approved by the Company's Board of Directors on 14 November 2011 and containing strategic guidelines and operating, financial and capital objectives for 2013 and 2015.
2011 Condensed Interim Consolidated Financial Statements	The interim consolidated financial statements of the Group for the period ended 30 September 2011, subjected to a limited audit by the External Auditors.
BA or Bank Austria	UniCredit Bank Austria AG, having its registered office in Vienna, Austria, formerly named Bank Austria Creditanstalt AG until 27 September 2009.
Banca CRT	Banca Cassa di Risparmio di Torino S.p.A.
Banca d'Italia	The central bank of the Republic of Italy.
Banco di Sicilia	Banco di Sicilia S.p.A. (now merged into UniCredit).
Bank Pekao	Bank Polska Kasa Opieki S.A.
Borsa Italiana	Borsa Italiana S.p.A., having its registered office at Piazza degli Affari 6, Milan.
Capitalia	Capitalia S.p.A.
CASHES	Convertible and Subordinated Hybrid Equity-linked Securities maturing on 15 December 2050 issued by Bank of New York and exchangeable into UniCredit ordinary shares.
Cassamarca	Cassamarca – Cassa di Risparmio della Marca Trevigiana S.p.A.

CEE Countries	Poland, Russia, Slovakia, Slovenia, Bosnia, Romania, Latvia, Estonia, Lithuania, Ukraine, Kyrgyzstan, Azerbaijan, Kazakhstan, Croatia, Serbia, Bulgaria, Turkey, Czech Republic and Hungary, in which the UniCredit Group operates.
Civil Code	Royal Decree 262 of 16 March 1942, as subsequently amended and supplemented.
Clearstream	Clearstream Banking Aktiengesellschaft, with registered office in Frankfurt (Germany), Mergenthalerallee 61, 65760.
CONSOB	Commissione Nazionale per le Società e la Borsa, having its registered office at Via G. B. Martini 3, Rome.
Consolidated Banking Act or TUB	Legislative Decree no. 385 of 1 September 1993, as subsequently amended and supplemented.
Consolidated Financial Act or TUF	Legislative Decree no. 58 of 24 February 1998, as subsequently amended and supplemented.
Consolidated Financial Statements as at 31 December 2008	The consolidated financial statements of the Group for the financial year ended 31 December 2008, subjected to an audit by the External Auditors.
Consolidated Financial Statements as at 31 December 2009	The consolidated financial statements of the Group for the financial year ended 31 December 2009, subjected to an audit by the External Auditors.
Consolidated Financial Statements as at 31 December 2010	The consolidated financial statements of the Group for the financial year ended 31 December 2010, subjected to an audit by the External Auditors.
Consolidated Interim Report as at 30 September 2011	The condensed interim consolidated financial statements, subjected to a limited audit, together with the interim report on operations as at 30 September 2011.
Corporate By-Laws	The corporate by-laws of the Issuer in force as at the Date of the Summary Note.
Corporate Governance Code	The Corporate Governance Code for listed companies prepared and approved by the Corporate Governance Committee of Borsa Italiana, published in March 2006, as subsequently amended.
CRV	Cassa di Risparmio di Verona Vicenza Belluno e Ancona Banca S.p.A.
Date of the Summary Note	The date of publication of the Summary Note.

Directive 2003/71/EC	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010.
EBA	The European Banking Authority established by Regulation (EC) No 1093/2010 of the European Parliament and of the Council of 24 November 2010.
European Central Bank or ECB	The central bank responsible for the single European currency, the Euro. Its main function is to preserve the purchasing power of the currency and thus maintain price stability in the Eurozone, which comprises the 17 countries of the European Union which have adopted the single currency since 1999.
Eurozone	The 17 countries of the European Union which use the Euro as their currency.
External Auditors	KPMG S.p.A., having its registered office at Via Vittor Pisani, 25, Milan, entered in the Special Register of Auditors mentioned in Article 161 of the TUF (Consolidated Financial Act). Article 161 of the TUF, repealed by Article 40 of Legislative Decree no. 39/2010, remains applicable, pursuant to Article 43, paragraph 1 of the said Decree, until the date of coming into force of the regulations of the Ministry of Economy and Finance provided for therein.
FinecoBank	FinecoBank S.p.A.
Group or UniCredit Group	UniCredit and its subsidiaries within the meaning of Article 2359 of the Civil Code and Article 93 of the TUF (Consolidated Financial Act).
Issuers' Regulations	The regulations approved by CONSOB through Decision no. 11971 of 14 May 1999, as subsequently amended and supplemented.
Market Offering	The market offering pursuant to Article 2441, paragraph 3 of the Civil Code, of the unexercised Subscription Rights at the end of the Subscription Period.
Monte Titoli	Monte Titoli S.p.A., having its registered office in Piazza degli Affari 6, Milan.
MTA or Electronic Share Market	The Electronic Share Market organised and managed by Borsa Italiana.
NDS	The National Depository for Securities (KDPW S.A.), with registered office at Książęca 4, 00-498, Warsaw.

New Shares	The maximum number 3,859,602,938 of new ordinary shares with no par value issued by the Company in the Offering.
Offer Price	The price at which each New Share is offered under the scope of the Offering, namely Euro 1.943.
Offering	The offering of 3,859,602,938 New Shares to shareholders of UniCredit in the ratio of 2 New Shares for every ordinary and/or saving UniCredit share already held.
One4C Project	The project carried out during the course of 2010 which involved, among other things, the merger by incorporation into UniCredit of UniCredit Banca, UniCredit Banca di Roma, Banco di Sicilia, UniCredit Corporate Banking, UniCredit Private Banking, UniCredit Family Financing Bank and UniCredit Bancassurance Management & Administration.
Pioneer I.M. SGR	Pioneer Investment Management S.G.R.p.A.
Post-Issue Amount of UniCredit Share Capital	The share capital of the Issuer represented by ordinary shares and savings shares following the transaction if the Rights Issue is fully subscribed.
Registration Document	<p>The registration document relating to the Issuer, filed with CONSOB on 15 December 2011, pursuant to the notice of approval in a memorandum dated 14 December 2011, file no. 11098908.</p> <p>The Registration Document is available to the public at the premises and Central Management Office of UniCredit S.p.A. and on the Company's website at www.unicreditgroup.eu, as well as at the other locations indicated in the Summary Note.</p>
Regulation (EC) No 809/2004	Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.
Rights Issue	The increase in share capital of up to a maximum of Euro 7,500,000,000 including any premium, to be carried out (even if not fully subscribed) through the issue of ordinary shares with no par value, with standard dividend rights, to be offered to existing holders of ordinary shares and savings shares of the Company, pursuant to Article 2441 of the Civil Code, as approved by the Extraordinary Shareholders' Meeting of 15 December 2011, under the Offering.
Summary Note	This summary note.

Subscription Period	Take-up period for the Offering, which runs from 9 January 2012 to 27 January 2012 inclusive in Italy, Germany and Austria, and from 12 January 2012 to 27 January 2012 inclusive in Poland.
Subscription Rights	Subscription rights valid for subscription of 2 New Shares for every ordinary and/or savings share held.
Securities Note	Securities note filed with CONSOB on 4 January 2012, pursuant to the notice of approval in a memorandum dated 4 January 2012, file no. 12000920.
UCB AG or HVB	UniCredit Bank AG, having its registered office in Munich, Bavaria (Germany), a wholly-owned subsidiary of UniCredit, formerly named Bayerische Hypo und Vereinsbank AG until 15 December 2009.
Underwriters	Merrill Lynch International, Mediobanca – Banca di Credito Finanziario S.p.A., Banca IMI S.p.A., BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Société Générale, UBS Limited, ING Bank N.V., RBC Europe Limited, The Royal Bank of Scotland plc, Banco Santander S.A., Nomura International plc, Banco Bilbao Vizcaya Argentaria S.A., Crédit Agricole Corporate and Investment Banking, Mizuho International plc, MPS Capital Services S.p.A., Banca Akros S.p.A., Gruppo Bipiemme Banco Pololare di Milano, Banca Carige S.p.A., Banca Aletti & C. S.p.A., Equita SIM S.p.A., Intermonte SIM S.p.A., Investec Bank plc and Keefe, Bruyette & Woods Ltd.
UniCredit Banca	UniCredit Banca S.p.A. (now merged into UniCredit).
UniCredit Banca di Roma	UniCredit Banca di Roma S.p.A. (now merged into UniCredit).
UniCredit Banking Group	The “UniCredit Group” banking group, consisting of the parent company UniCredit S.p.A. and its subsidiaries within the meaning of Articles 60 and 61 of the TUB (Consolidated Banking Act), entered in the Register of Banking Groups under no. 02008.1.
UniCredit Corporate Banking	UniCredit Corporate Banking S.p.A. (formerly UniCredit Banca d’Impresa S.p.A.) (now merged into UniCredit).
UniCredit Family Financing Bank	UniCredit Family Financing Bank S.p.A. (formerly UniCredit Consumer Financing Bank S.p.A.) (now merged into UniCredit).
UniCredit Leasing	UniCredit Leasing S.p.A.
UniCredit or the Company or the Issuer	UniCredit S.p.A., having its registered office at Via A. Specchi, 16, Rome, and its Central Management Office at Piazza Cordusio, Milan.

UniCredit Private Banking

UniCredit Private Banking S.p.A. (now merged into UniCredit).

GLOSSARY

Below is a list of technical terms used in the Summary Note. Unless specified otherwise, these terms have the meanings given below.

ABS	Acronym for Asset Backed Securities; these are debt securities generally issued by a special-purpose entity, guaranteed by portfolios of assets of various types, such as bank loans, consumer credit and receivables deriving from credit-card transactions. Principal and interest payments are subject to the performance of the securitised assets and the existence of any further security guaranteeing the bond. ABSs are divided into tranches (senior, mezzanine and junior) according to the priority with which principal and interest will be paid.
Asset management	Activities concerned with the management and administration, in various forms, of capital assets entrusted by customers.
Bancassurance	Term used to refer to all relationships that may arise between banks and insurance companies, both from the point of view of corporate structures and in relation to the creation of integrated distribution systems. With regard to the latter aspect, the sale of insurance products through bank branches is of particular significance.
Basel 2	International agreement on capital requirements for banks in relation to the risks that they assume. This agreement has been assimilated, at national level, by the respective supervisory authorities, including, for the Republic of Italy, Banca d'Italia.
Basel 3	International agreement, begun in 2009 and still being finalised, on the revision of Basel 2, containing modifications to prudential regulations on matters including the capital and liquidity of banks. It is envisaged that the new prudential requirements will come into force gradually between 1 January 2013 and 31 December 2019.
CDO	Acronym for Collateralised Debt Obligation, which is a debt security issued by an entity with loans, bonds, ABS or other CDOs as the underlying assets. CDOs make it possible to derecognise assets in the bank's balance sheet and also to arbitrage the differences in yield between the securitised assets and the bonds issued by the vehicle.
Common Equity Tier 1	The primary component of capital under Basel 3 rules, consisting principally of paid-up ordinary share capital, related premium reserves, profit for the period, reserves, shareholders' equity attributable to minority interests (which can be included within given limits) and other regulatory changes.
Common Equity ratio	The coefficient of solvency expressed by the relationship between Common Equity Tier 1 and Risk-Weighted Assets, calculated on the basis of the Basel 3 rules.

Core Tier 1 Capital	The component of Tier 1 Capital with the highest loss absorption requirements, represented by Tier 1 Capital net of innovative capital instruments not eligible as Core Tier 1 Capital.
Core Tier 1 Ratio	Relationship between Core Tier 1 Capital and Risk-Weighted Assets (RWA).
Factoring	Contract for the sale of trade receivables to a specialised company for cash flow management purposes. May be associated with financing provided to the seller.
FTE	Acronym for Full Time Equivalent, referring to the calculation of personnel numbers for the hours actually worked and/or paid by the Group.
Hedge fund	Mutual fund that uses hedging instruments to achieve better results in terms of risk/return ratio.
Investment Banking	The activity of intermediation in the buying and selling of financial instruments and, either in conjunction with this activity or separately from it, the activity of portfolio management.
Leasing	Agreement whereby one party (the lessor) grants to the other party (the lessee), for a given period of time, the enjoyment of an item acquired or constructed by the lessor at the lessee's request, in return for a periodic fee, with the lessee having the option of acquiring ownership of the item under predetermined conditions on expiry of the leasing agreement.
PPA	Acronym for Purchase Price Allocation, meaning, within the scope of application of IFRS 3 and, more specifically, of accounting by the Purchase Method: <ul style="list-style-type: none">(i) the recording in the purchaser's balance sheet, on the acquisition date, of the fair value of the net assets of the acquired businesses, even if not previously entered in the balance sheet of those businesses; and(ii) any positive (or negative) difference between (i) the purchase price and (ii) the fair value of the net assets acquired, entered in the purchaser's balance sheet as goodwill.
Private Banking	Range of personalised services of high quality and complexity aimed at a limited number of customers with complex available funds and financial needs.
Rating	Assessment of the quality of a company or its issued debt securities on the basis of that company's financial soundness and outlook. This assessment is carried out by specialised agencies or by the bank on the basis of internal models.

Regulatory Capital or Total Capital	Banks' assets that are valid for the purposes of regulatory rules, calculated by adding the Tier 1 Capital – which is eligible without limitation – to the Tier 2 Capital, which is eligible up to the maximum limit of the Tier 1 Capital less, subject to specific and detailed procedures, the holdings and equity interests possessed in other credit and/or financial institutions. Banca d'Italia, in the Regulatory Instructions and in the Instructions for the Compilation of Reports on Regulatory Capital and Capital Ratios, gives detailed limits and procedures for the calculation of Regulatory Capital. For further details, see the Instructions for the Compilation of Reports on Regulatory Capital and Capital Ratios issued by Banca d'Italia.
Return on Equity or RoE	The ratio between net income and the average of share capital, share premium reserves, reserves and valuation reserves.
RWA (Risk-Weighted Assets)	Risk-weighted value of balance sheet and off-balance sheet assets. Depending on the type of assets, the level of risk is calculated using either internal methods (validated by the regulatory authorities) or standardised methods. The assets included among Risk-Weighted Assets and the related weighting criteria are detailed in the "New Provisions for the Prudential Supervision of Banks" (Circular no. 263 of 27 December 2006, as subsequently amended).
Securitisation	Operation to transfer the risk associated with financial or real assets to a special-purpose entity, accomplished by transferring the underlying assets or by using derivative contracts. Such operations are governed principally by Law 130 of 30 April 1999.
Tier 1 capital	Paid-up capital, reserves, innovative capital instruments and profits for the period represent the highest-quality asset elements. Added to these are the positive "solvency filters" of the Tier 1 capital. The total of these elements, net of treasury shares or interests, intangible assets, losses for the period and those recorded in previous financial years, as well as the negative "solvency filters" of the Tier 1 capital, constitute the "Tier 1 capital". Banca d'Italia may demand the deduction of other elements which, due to their nature, might result in a "watering down" of the Tier 1 capital. For further details, see the Instructions for the Compilation of Reports on Regulatory Capital and Capital Ratios issued by Banca d'Italia.
Tier 2 Capital	Valuation reserves, innovative capital instruments not counted as Tier 1 Capital, hybrid capitalisation instruments, subordinated liabilities, net implicit capital gains on equity interests and other positive elements constitute the asset elements of second-best quality. Added to these are the positive "solvency filters" of the Tier 2 Capital. The total of the above elements, less net implicit capital losses on equity interests, other negative elements and the negative "solvency filters" of the Tier 2 Capital constitute the Tier 2 Capital. For further details, see the Instructions for the Compilation of Reports on Regulatory Capital and Capital Ratios issued by Banca d'Italia.

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SUMMARY NOTE

This Summary Note summarises the risks and essential features associated with the Issuer and the Group to which it pertains, the business sector in which the Issuer and the Group operate, as well as the New Shares which are the subject of the Offering.

In order to evaluate the investment correctly, investors are invited to assess the information in the Summary Note together with the risk factors and the remaining information in the Registration Document and the Securities Note.

The following warnings are expressly given:

- (a) the Summary Note should be read as an introduction together with the Securities Note and the Registration Document;
- (b) any decision, by investors, to invest in the New Shares that are the subject of the Offering, should be based on a thorough examination of the Summary Note, and the Securities Note and the Registration Document as well;
- (c) if an action before the judicial authorities with regard to the information contained in the Summary Note, the Securities Note and/or the Registration Document is proposed, the investor may be bound, according to applicable national legislation, to pay for the cost of translating the Summary Note, the Securities Note and/or the Registration Document before the start of the proceedings;
- (d) civil responsibility is incumbent on the persons who have written the Summary Note, including any translation, only if the Summary Note is misleading, inaccurate or inconsistent if read together with the other part of the Securities Note and the Registration Document.

The terms starting in capital letters are defined in the “Definitions” section of the Summary Note.

(A) Risk factors

With regard to the investment that is the subject of the Offering, the risk factors that should be considered before any decision is taken are listed below. For a description of these risks, see (i) Chapter 4 of the Registration Document (included in Chapter 11 of the Securities Note) as far as the specific risk factors relating to the Issuer and the Group to which it pertains are concerned as well as relating to the business sector and markets in which the Issuer and the UniCredit Group operate; and (ii) Chapter 2 of the Securities Note as far as the specific risk factors associated with the New Shares that are the subject of the Offering are concerned.

Risks factors relating to the Issuer and the Group it heads

- (a) *Risks associated with the impact of current macroeconomic uncertainties on the UniCredit Group’s performance*
- (b) *Risks associated with the Eurozone debt crisis*
- (c) *Risks associated with UniCredit exposure to sovereign debt*
- (d) *Liquidity risk*
- (e) *Risks related to intra-group exposure*

- (f) *Market risks*
- (g) *Risks connected with customer commission trends in light of the performance of financial markets*
- (h) *Systemic risk*
- (i) *Risks connected with the UniCredit Group's activities in different geographical areas*
- (j) *Risks connected with assumptions and methods of valuing the UniCredit Group's assets*
- (k) *Credit risks*
- (l) *Counterparty risk in derivative operations*
- (m) *Risks connected with impairment losses relating to goodwill, other intangible assets and investments*
- (n) *Risks connected with failure to implement the 2010-2015 Strategic Plan*
- (o) *Risks connected with deferred tax assets*
- (p) *Operational risk and risks relating to IT system management*
- (q) *Operations carried out via structured credit securities*
- (r) *Risks connected with leveraged finance activities and investments in companies in the private equity and hedge fund sectors*
- (s) *Risks connected with exposure to commercial real estate trends*
- (t) *Risks connected with pensions*
- (u) *Risks connected with risk monitoring methods and the validation of such methods*
- (v) *Risks connected with non-banking activities*
- (w) *Risks connected with financing activities in the naval sector*
- (x) *Risks connected with legal proceedings in progress and regulatory authority measures*
- (y) *Risks arising from tax disputes*
- (z) *Risks connected with the ratings assigned to the Issuer and its subsidiaries*
- (aa) *Risks connected with the limits on voting rights set out in the Corporate By-Laws of the Issuer*
- (bb) *Risks connected with forecast data and estimates, key statements and information on the outlook of the reference market and the Group's competitive position*

Risk factors relating to the sector and the markets in which the Issuer and the UniCredit Group operate

- (a) *Risks connected with competition in the banking and financial sector*
- (b) *Risks connected with the outlook for regulation of the banking and financial sector and other rules applicable to the Group*

(c) *Risks connected with the reduction of liquidity support for the system*

Risks factors relating to the shares that are the subject of the offering

(a) *Risks associated with the liquidity and volatility of the New Shares*

(b) *Risks associated with the performance of the Subscription Rights market*

(c) *Underwriting commitments and risks associated with the partial execution of the Rights Issue*

(d) *Risks associated with the dilutive effects of the RoE*

(e) *Dilutive effects*

(f) *Exclusion of markets in which the Offering is not permitted*

(g) *Risks associated with potential conflicts of interest*

(B) Information about the Issuer

The Issuer

The Issuer is a joint-stock company established in Genoa through a private agreement dated 28 April 1870 expiring on 31 December 2100, having its registered office at Via A. Specchi 16, Rome, and Central Management Office in Piazza Cordusio, Milan, entered in the Rome Trade and Companies Register under no. 00348170101. The Issuer is also entered in the Register of Banks and is the parent company of the UniCredit Banking Group, entered in the Register of Banking Groups under no. 02008.1, and is a member of the Interbank Deposit Protection Fund and National Deposit Guarantee Fund in Italy.

Share capital issued

At the Date of the Summary Note, the share capital subscribed and paid in by the Company is equal to Euro 12,148,463,316.00, broken down into (a) 1,927,425,171 ordinary shares and (b) 2,423,898 savings shares, all with no par value.

Corporate purpose

Pursuant to Article 4 of the Corporate By-Laws, the purpose of the Company is:

“to engage in deposit-taking and lending in its various forms, in Italy and abroad, operating wherever in accordance with prevailing norms and practice. It may execute, while complying with prevailing legal requirements, all permitted transactions and services of a banking and financial nature. In order to achieve its corporate purpose as efficiently as possible, the Bank may engage in any activity that is instrumental or in any case related to the above. The Company may, in compliance with current legal provisions, issue bonds and acquire shareholdings in Italy and abroad”.

History and development of the Issuer and the Group

UniCredit (formerly UniCredito Italiano S.p.A.) and the group of companies of the same name pertaining to it, were created from the merger, which took place in October 1998, between the then Credito Italiano S.p.A., founded in 1870 under the name of Banca di Genova, and Unicredito S.p.A., the latter being a holding company which held the controlling interest in Banca CRT, CRV and Cassamarca. As a result of this merger, the Credito Italiano Group and the Unicredito Group joined forces with their products and complementary

geographic cover in order to compete more effectively in the banking and financial services markets, both in Italy and Europe, thereby creating the UniCredit Group.

Since its creation the Group has continued to expand in Italy and in Eastern European countries, both through acquisitions and through planned growth, also consolidating its role in important sectors outside of Europe, such as asset management in the United States of America.

Specifically, this expansion has recently featured:

- the merger with the HVB group, which took place through an exchange offering promoted by UniCredit on 26 August 2005 to take control of HVB and the companies pertaining to it. Following this offering, completed during the course of 2005, UniCredit acquired a 93.93% stake of the share capital of HVB;
- the merger with the Capitalia Group, which took place through the incorporation of Capitalia into UniCredit, which took effect from 1 October 2007.

On 13 April 2010, in order to meet the various expectations of customers and the need for territorial proximity which emerged in the new international banking context, the UniCredit Board of Directors approved the One4C Project which led to the merger by incorporation, with effect from 1 November 2010, of UniCredit Banca, UniCredit Banca di Roma, Banco di Sicilia, UniCredit Corporate Banking, UniCredit Private Banking, UniCredit Family Financing Bank and UniCredit Bancassurance Management & Administration S.c.r.l. into UniCredit.

The launch of the project to reorganise the structures and instrumental companies in the Group's Global Banking Services area (hereafter "GBS") was approved at the end of 2010; its realisation, organisation and operation, which is in the course of being implemented, includes the gradual and progressive reorganisation of the Group structures and instrumental companies.

Lastly, with a view to improving the commercial efficiency of UniCredit in the private customer segment, on 22 March 2011 the UniCredit Board of Directors approved the partial spin-off project, in favour of UniCredit, of the private customer capital management business unit of Pioneer I.M. SGR. Banca d'Italia issued authorisation for the spin-off in question on 27 June 2011, the deed of demerger was signed on 14 December 2011 and the operation is expected to take effect from 1 January 2012.

Other recent events

In October 2011, the EBA, in collaboration with the competent authorities, conducted a capital exercise involving 71 banks throughout Europe, including UniCredit, with a view to creating a one-off temporary capital buffer in response to the current financial and sovereign debt crisis, intended to restore stability in the Eurozone and confidence among investors. The buffer is not intended to cover losses caused by sovereign risk, but to reassure the markets that the banks are capable of resisting a series of shocks whilst maintaining sufficient capital. The EBA has also called for a buffer which would bring the Core Tier 1 Ratio to 9% by the end of June 2012. Based on the data recorded as at 30 September 2011, UniCredit's total capital requirement is estimated at Euro 7,974 million.

Furthermore, UniCredit has been included in the list of global systemically important financial institutions published on 4 November 2011 by the Financial Stability Board. The entities included in the list, which will be updated each year, will be subject to increased oversight and will be required, in collaboration with the supervisory authorities, to draw up (by 2012) suitable recovery and resolution plans, in order to prevent situations of extreme tension arising from a substantial loss suffered by a single entity from turning into a

systemic risk. These institutions will also be subject to an additional loss absorbency requirement, meaning they will be required to build up a further capital cushion made up of Common Equity Tier 1.

For further information on the history and development of the Issuer and the Group, refer to Chapter 5, Paragraphs 5.1.5 and 5.1.6 of the Registration Document, updated in Chapter 11 of the Securities Note.

Structure of the Group

UniCredit is the parent company of the UniCredit Group and, in addition to banking activity, performs the function of directing, governing and controlling the banking, financial and auxiliary companies.

The Issuer, as a bank carrying out direction and coordination activities for the UniCredit Banking Group pursuant to Article 61, paragraph four, of the TUB (Consolidated Banking Act), issues, as part of its duties of direction and coordination, and in the interest of the stability of the UniCredit Banking Group, provisions for the UniCredit Banking Group members which also covers the execution of the instructions given by the supervisory authorities.

For further information about the organisational structure of the UniCredit Group, refer to Chapter 7 of the Registration Document.

Overview of activities

The UniCredit Group is a major global financial institution with a strong presence in 22 Countries, a presence in 28 international markets, through representative offices and branches, and a total workforce of 160,552 FTE (Full Time Equivalent) employees at 30 September 2011.

The Group claims a position of primary importance in terms of the number of branches in Italy, in addition to a well-established presence in several of the richest geographic areas in Western Europe (namely Germany and Austria), and has gained major standing in terms of total assets managed in many of the 19 CEE Countries in which it operates.

At 30 June 2011, the UniCredit Group held a market share, in terms of branches, equal to (i) 13.2% in Italy, (ii) 2.2% in Germany, through UCB AG, and (iii) 5.9% in Austria, through Bank Austria.

In the year ended 31 December 2010, the UniCredit Group generated revenues of Euro 26,347 million.

At 30 September 2011, the UniCredit Group generated revenues equal to Euro 19,108 million, with a net income of Euro -9,320 million.

In addition, at 30 September 2011, with total assets of Euro 950.3 billion, the Group brought in more than Euro 559.2 billion in direct deposits from customers and securities and the total of loans to customers stood at Euro 562.4 billion.

The UniCredit Group asset portfolio is widely diversified by sector and geographic area, with a strong focus on commercial banking, and includes credit intermediation, asset management and private banking, intermediation in international financial markets (sales and trading), investment banking, leasing, factoring and bancassurance activities (the distribution of insurance products through its branches).

UniCredit adopts an organisational model based on a divisional structure¹ safeguarding business units as well as products and services as described below.

At the Date of the Summary Note, the organisational structure of the UniCredit Group is based on (i) Divisions specialised by business or geographic area; (ii) Asset Management; and (iii) Group Corporate Centre.

Notwithstanding the descriptions used to identify the different structures from an organisational point of view, the various functions overseeing the product and service business units are classified, in relation to the nature of the responsibility, as follows (a) Business Line; (b) Product Line; (c) Key Business Function; (d) Service Line; and (e) Key Service Function.

Main activities

From 1 January 2011, the main activities of the Group were divided into the following sectors of activity:

- (i) *Family & Small Medium Enterprise Network Italy* (“**F&SME Network Italy**”);
- (ii) *Family & Small Medium Enterprise Network Germany* (“**F&SME Network Germany**”);
- (iii) *Family & Small Medium Enterprise Network Austria* (“**F&SME Network Austria**”);
- (iv) *Family & Small Medium Enterprise Network Poland* (“**F&SME Network Poland**”);
- (v) *Family & Small Medium Enterprise Factories* (“**F&SME Factories**”);
- (vi) *Corporate & Investment Banking* (“**CIB**”);
- (vii) *Private Banking*;
- (viii) *Asset Management*;
- (ix) *Central and Eastern Europe* (“**CEE**”); and
- (x) *Group Corporate Centre*.

For further details about the main activities of the Group, see Chapter 6, Paragraph 6.1.3 of the Registration Document.

¹ The organisational model of the Group involves the divisionalisation of the Group banks according to levels of divisionalisation differentiated by country, based on size, stage of development and rate of growth of each market.

The tables below contain the main income statement figures of the UniCredit Group relating to the various business units with reference to the periods ended 30 September 2011 and 30 September 2010.

OPERATING INCOME

<i>(in millions of Euros)</i>	30 September 2011	30 September 2010
<i>F&SME Network Italy</i>	5,097	4,917
<i>F&SME Network Germany</i>	1,218	1,137
<i>F&SME Network Austria</i>	874	865
<i>F&SME Network Poland</i>	869	802
<i>F&SME Total Factories</i>	1,486	1,432
<i>CIB</i>	6,006	5,923
<i>Private Banking</i>	682	664
<i>Asset Management</i>	603	613
<i>CEE</i>	3,529	3,470
<i>Group Corporate Centre</i>	-1,256	-223
Total	19,108	19,600

OPERATING PROFIT

<i>(in millions of Euros)</i>	30 September 2011	30 September 2010
<i>F&SME Network Italy</i>	1,794	1,485
<i>F&SME Network Germany</i>	138	96
<i>F&SME Network Austria</i>	209	235
<i>F&SME Network Poland</i>	341	279
<i>F&SME Total Factories</i>	835	804
<i>CIB</i>	3,955	3,869
<i>Private Banking</i>	256	239
<i>Asset Management</i>	257	258
<i>CEE</i>	1,894	1,893
<i>Group Corporate Centre</i>	-2,233	-1,162
Total	7,446	7,996

PROFIT BEFORE TAX

<i>(in millions of Euros)</i>	30 September 2011	30 September 2010
<i>F&SME Network Italy</i>	312	3
<i>F&SME Network Germany</i>	98	13
<i>F&SME Network Austria</i>	60	35
<i>F&SME Network Poland</i>	270	192
<i>F&SME Total Factories</i>	353	243
<i>CIB</i>	2,043	2,186
<i>Private Banking</i>	237	229
<i>Asset Management</i>	252	248
<i>CEE</i>	1,122	922
<i>Group Corporate Centre</i>	-3,228	-1,416
Total	1,519	2,655

For further information relating to each business unit of the UniCredit Group, refer to Chapter 6, Paragraph 6.1.3 of the Registration Document.

Main shareholders

According to the shareholder register, in the notifications received pursuant to the current regulations and other information available, at 29 December 2011 the shareholders, directly or indirectly, owning ordinary shares representing more than 2% of UniCredit ordinary share capital, were:

Shareholders	Ordinary shares ¹	Shareholding of ordinary share capital
Mediobanca – Banca di Credito Finanziario S.p.A. ²	101,129,378 ³	5.247%
International Petroleum Investment Company (<i>indirectly through Aabar Luxembourg Sarl</i>)	96,200,000	4.991%
Central Bank of Libya of which:	96,142,187	4.988%
- <i>directly</i>	85,957,914	4.460%
- <i>indirectly through Libyan Foreign Bank</i>	10,184,273	0.528%
Fondazione Cassa di Risparmio di Verona, Vicenza, Belluno e Ancona ²	81,155,000	4.211%
Fondazione Cassa di Risparmio di Torino ²	63,973,492	3.319%
Carimonte Holding S.p.A. ²	56,081,000	2.910%
Libyan Investment Authority ^{2,4}	50,000,000	2.594%
Allianz SE (<i>indirectly through the subsidiaries</i>)	39,384,733	2.043%

¹ Number of shares after reverse splits.

² Stake held directly.

³ 96,756,406 shares linked to servicing the subordinated loan converting into shares (CASHES loan) are of benefit to UniCredit and pledged in favour of The Bank of New York (Luxembourg) S.A., the issuer of the above-mentioned loan; the voting rights of these shares are suspended for the entire duration of the usufruct. For more details on the rights and obligations resulting from the usufruct agreement, see Chapter 22, Paragraph 22.4 of the Registration Document.

⁴ Holding subject to the measures set out in Regulation (EU) No 204/2011 of 2 March 2011, as subsequently amended by Regulation (EU) No 1360/2011 of 20 December 2011, and Implementing Regulation (EU) No 233/2011 of 10 March 2011. The exercising of administrative rights and capital rights relating to shares owned is frozen, in compliance with the above-mentioned measures.

It should, however, be pointed out that, pursuant to Article 5 of the UniCredit Corporate By-Laws, no one having voting rights can exercise them, for an amount of Company shares of more than 5% of the share capital with voting rights. For the purpose of calculating this threshold, the total shareholding pertaining to the holding company, individual or legal entity or company, to all the direct or indirect subsidiaries and to the associated companies should be taken into account, as well as shares held through trustees and/or third parties and/or those for which the voting rights are allocated to any party other than the holder; on the other hand, it is not necessary to take into account shareholdings included in the investment funds portfolio managed by subsidiaries or associated companies.

For further information, see Chapter 18 of the Registration Document, as updated in Chapter 11 of the Securities Note as well as in Chapter 21, Paragraph 21.2.6 of the Registration Document.

Identity of Members of the Board of Directors, Auditors, other directors and accountants of UniCredit**Board of Directors**

The members of the Board of Directors in office at the Date of the Summary Note are listed in the table below.

Name and Surname	Position	Place and date of birth
Dieter Rampl ¹	Chairman	Munich, Germany, 5 September 1947
Luigi Castelletti ²	First Deputy Chairman	Ferrara di Monte Baldo (VR), 19 April 1955
Farhat Omar Bengdara ²	Deputy Chairman	Benghazi, Libya, 27 September 1965
Vincenzo Calandra Buonauro ²	Deputy Chairman	Reggio Emilia, 21 August 1946
Fabrizio Palenzona ¹	Deputy Chairman	Novi Ligure (AL), 1 September 1953
Federico Ghizzoni ^{3 4}	CEO	Piacenza, 14 October 1955
Giovanni Belluzzi ²	Director	Mirandola (MO), 10 December 1943
Manfred Bischoff ²	Director	Calw, Germany, 22 April 1942
Donato Fontanesi ²	Director	Castelnovo di Sotto (RE), 30 January 1943
Francesco Giacomini ¹	Director	San Polo di Piave (TV), 2 August 1951
Friedrich Kadrnoska ²	Director	Vienna, Austria, 28 June 1951
Marianna Li Calzi ²	Director	Campobello di Licata (AG), 21 March 1949
Luigi Maramotti ²	Director	Reggio Emilia, 12 March 1957
Antonio Maria Marocco ²	Director	Rivoli (TO), 15 September 1934
Carlo Pesenti ²	Director	Milan, 30 March 1963
Lucrezia Reichlin ²	Director	Rome, 14 August 1954
Hans-Jürgen Schinzler ²	Director	Madrid, Spain, 12 October 1940
Theodor Waigel ²	Director	Ursberg – Oberrohr (Germany), 22 April 1939
Anthony Wyand ²	Director	Crowborough, United Kingdom, 24 November 1943
Franz Zwickl ²	Director	Vienna, Austria, 11 November 1953

¹ Director meeting the requirements of independence established by Article 148 of the TUF.

² Director meeting the requirements of independence established by Article 148 of the TUF and Article 3 of the Corporate Governance Code.

³ Director not meeting the requirements of independence established by Article 148 of the TUF or Article 3 of the Corporate Governance Code.

⁴ Director co-opted on 30 September 2010 following the resignation of Alessandro Profumo (on 21 September 2010) and confirmed by the Shareholders' Meeting on 29 April 2011.

For further information about the members of the UniCredit Board of Directors, see Chapter 14, Paragraph 14.1.1 of the Registration Document, updated in Chapter 11, Paragraph 11.9 of the Securities Note.

Board of Auditors

The members of the Board of Statutory Auditors in office at the Date of the Summary Note are listed in the table below.

Name and Surname	Office	Place and date of birth
Maurizio Lauri	Chairman	Rome, 16 August 1962
Cesare Bioni	Full Auditor	Casolino d'Erba (CO), 1 October 1944
Vincenzo Nicastro	Full Auditor	Rome, 22 February 1947
Michele Rutigliano	Full Auditor	Milan, 6 October 1953
Marco Ventoruzzo	Full Auditor	Milan, 4 October 1973
Massimo Livatino	Substitute Auditor	Parma, 5 August 1964
Paolo Domenico Sfameni	Substitute Auditor	Milan, 25 November 1965

For further information about the members of the UniCredit Board of Statutory Auditors, see Chapter 14, Paragraph 14.1.2 of the Registration Document.

General management and senior managers

Below is a list of the senior managers of the Company and the position they held at the Date of the Summary Note (“**Key Management Personnel**”).

Name and Surname	Position
Federico Ghizzoni	CEO and General Manager
Roberto Nicastro	General Manager with responsibility for F&SME, Private Banking and CEE divisions and scope of activities for “Italy” reporting to the Country Manager Italy
Paolo Fiorentino	Deputy General Manager – Chief Operating Officer responsible specifically for organisational, operational and service functions (“GBS” functions)
Jean-Pierre Mustier	Deputy General Manager – Responsible for the CIB division
Nadine Farida Faruque	General Counsel & Group Compliance Officer
Kallol Karl Guha	Group Chief Risk Officer
Marina Natale	Chief Financial Officer and Manager in charge of preparing corporate accounting documents
Paolo Cornetta	Group Human Resources Manager
Ranieri de Marchis	Head of Internal Audit

For further information about the senior managers of UniCredit, see Chapter 14, Paragraph 14.1.3 of the Registration Document.

External Auditors

The company entrusted with auditing the Company accounts for the financial years 2007-2012 is KPMG S.p.A. with offices at Via Vittor Pisani 25, Milan, entered in the special Register of external auditors under Article 161 of the TUF².

Employees

At 30 September 2011, the Group workforce consisted of a total of 173,501 employees. In order to carry out its activities, at 30 September 2011 the Group drew on a total of 5,038 temporary workers, project workers and interns, and on the same date the Group employed 7,333 persons on fixed-term contracts.

For further information, see Chapter 17 of the Registration Document.

(C) Terms of the Offering and timetable**Terms of the Offering**

The New Shares that are the subject of the Offering come from the Capital Increase approved by the Extraordinary Shareholders’ Meeting of the Issuer on 15 December 2011 which specifically approved the following: “1) to approve an increase in the share capital to be released by a contribution in cash of a total maximum amount of Euro 7,500,000,000 including any issue premium, in divisible form, by 30 June 2012, through the issue of ordinary shares, with regular dividends, to be offered to holders of ordinary shares and holders of savings shares of the Company, pursuant to Article 2441, paragraphs one, two and three, of the Civil Code; 2) to give the Board of Directors the widest-ranging powers to: (i) define, close to the launch of the offering, the definitive amount of the capital increase; (ii) determine, as a result of the provisions in (i), the number of shares to issue, the option ratio and the issue price (including any premium), taking into

² Article 161 of the TUF, repealed by Article 40 of Legislative Decree no. 39/2010, remains applicable, pursuant to Article 43, paragraph 1 of the said Decree, until the date of coming into force of the regulations of the Ministry of Economy and Finance provided for therein.

account, among other things, for the purpose of determining the issue price, market conditions in general and the performance of the stock, as well as the economic, capital and financial performance of the Company and taking into consideration market practice for similar transactions; (iii) determine the schedule for the approval of the capital increase, specifically for the launch of the offering of subscription rights as well as the later offer on the stock exchange of any rights that were not exercised at the end of the subscription period, with regard to the final deadline of 30 June 2012. If the capital increase is not fully subscribed by 30 June 2012, the share capital will be understood to have been increased by an amount equal to the subscriptions collected.”.

On 4 January 2012, the Board of Directors of the Company resolved to issue a maximum of 3,859,602,938 new issue ordinary shares, with the same characteristics as the outstanding shares, to be offered as an option to shareholders at a price of Euro 1.943 per share in the ratio of 2 new issue shares for every ordinary and/or savings share held, up to a maximum equivalent value of Euro 7,499,208,508.53.

The table below contains important information relating to the Offering.

Important information	
Total equivalent value of the Offering	Euro 7,499,208,508.53
Number of New Shares that make up the Offering	3,859,602,938
Option ratio	2 New Shares for every ordinary and/or savings share held
Offer Price	Euro 1.943 per New Share
Percentage of share capital of the Company represented by shares that make up the Offering after the Capital Increase (assuming it is fully subscribed)	66.7%
Number of shares of the Company after the Capital Increase (assuming it is fully subscribed)	5,789,452,007
Post-issue amount of UniCredit share capital (assuming it is fully subscribed)	Euro 19,647,671,824.53

For further details relating to the Offering, see Chapter 5 of the Securities Note.

Offering recipients and markets

The New Shares will be offered as an option to all holders of ordinary and savings shares of the Company.

The Registration Document, the Securities Note and the Summary Note (which jointly comprise a Prospectus) are valid in Italy and, following the procedure in Article 11, paragraph 1 of the Issuer's Regulations, in Germany, Austria and Poland. For the purposes of the procedure in Article 11, paragraph 1, of the Issuer's Regulations, the Registration Document and the Securities Note have been translated into English and the Summary Note into English, German and Polish. The Offering is therefore promoted exclusively in the Italian, German, Austrian and Polish markets based on the Registration Document, Securities Note and the Summary Note, and subject to the provisions below for the offering to certain investors abroad. The Offering is aimed, indiscriminately and all things being equal, at all UniCredit shareholders without limitation or exclusion of the subscription rights, but it is not and will not be promoted, directly or indirectly, to investors resident in the United States of America, Canada, Japan or Australia, or in any other country in which this offer is not authorised without the approval of competent authorities or applicable legal exemptions or regulations (together with the United States of America, Canada, Japan and Australia, the “**Excluded Countries**”). Similarly, any applications coming directly or indirectly from the United States of America, Canada, Japan and Australia, or from Excluded Countries, where these applications are in violation of local regulations, will not be accepted.

The Offering is not and will not be promoted or announced, directly or indirectly, and cannot be accepted, directly or indirectly, in or from the Excluded Countries by any means, either through the postal services or any other means of communication of a national or international means (including, by way of example, the postal system, fax, telex, e-mail, telephone and the internet) of the Excluded Countries, or through any of the national regulated markets of the Excluded Countries, or any other method. Applications for the Offering made, directly or indirectly, in violation of the above limitations will be considered invalid and will not be accepted. Shareholders resident in the United States of America, Canada, Japan and Australia or in the Excluded Countries therefore cannot exercise and/or sell Subscription Rights pursuant to the applicable regulations. These persons should therefore take specific legal advice on the subject before undertaking any action. The Issuer reserves the right to not allow these persons to exercise and/or sell the aforementioned Subscription Rights if it finds that they are in violation of the laws and/or regulations applicable in other Countries.

The New Shares and related Subscription Rights have not been and will not be registered pursuant to the United States Securities Act of 1933 and subsequent amendments (the “**Securities Act**”), or pursuant to the corresponding regulations in force in other Excluded Countries.

UniCredit has also prepared an information memorandum in English (the “International Offering Circular”) in relation to the offering to institutional investors intended for: (i) in the United States of America, “qualified institutional buyers”, as defined by Rule 144A adopted pursuant to the Securities Act (“**QIBs**”), through private placements under Section 4(2) of the Securities Act; and (ii) outside the United States of America, institutional investors in accordance with the provisions of “Regulation S” issued pursuant to the Securities Act. The International Offering Circular, included in the “Canadian Wrapper”, could be intended for “accredited investors” in the provinces of Canada but not the territories.

For further details, see Chapter 5, Paragraph 5.2.1, of the Securities Note.

Offering application methods

Applications to the Offering will take place through subscribing to special forms prepared by the intermediary authorities belonging, directly or indirectly, to the centralised management system of Monte Titoli, Clearstream and NDS, which will at least contain the identification elements of the Offering and the following information reproduced in a way that it is easy to read.

- the warning that the applicant may receive a copy of the Registration Document, the Securities Note and the Summary Note, free of charge; and
- reference to the “Risk Factors” contained in Chapter 4 of the Registration Document (integrated in Chapter 11 of the Securities Note) and in Chapter 2 of the Securities Note.

A facsimile of the subscription form in Italian, English and Polish will also be available at the registered office of the Issuer and the Central Management Office for intermediaries which request it.

For further details about the methods and times for exercising Subscription Rights, UniCredit shareholders and holders of German, Austrian or Polish Subscription Rights are invited to contact their own bank, intermediary or financial adviser. Specifically, in Poland, the purpose and the form of the documents required for exercising Subscription Rights and the principles of acting through a representative should comply with the procedures for authorised intermediaries who accept the subscription form.

The Issuer shall not be responsible for any delays caused by authorised intermediaries in the execution of the provisions set forth by applicants in relation to participation in the Offering. The correctness and accuracy of participation procedures that take place via authorised intermediaries shall be checked by the latter.

In Italy, Germany and Austria Subscription Rights should be exercised, subject to forfeiture, during the Subscription Period, from 9 January 2012 to 27 January 2012, inclusive. In Poland, Subscription Rights should be exercised, subject to forfeiture, during the Subscription Period, from 12 January 2012 to 27 January 2012, inclusive.

Subscription Rights will be negotiable on the MTA from 9 January 2012 to 20 January 2012, inclusive, and on the Warsaw Stock Exchange from 12 January 2012 to 20 January 2012, inclusive.

The intermediaries shall be required to give the relevant instructions to Monte Titoli by 15:30 on the last day of the Subscription Period. Each subscriber must therefore submit their subscription application subject to the conditions and timeframe communicated to them by their intermediary, to ensure compliance with the above deadline. To this end, subscribers may need to submit their subscription applications sufficiently in advance of the above deadline.

Subscription Rights not exercised by 27 January 2012 inclusive will be offered on the MTA by the Issuer, pursuant to Article 2441, paragraph 3 of the Civil Code.

The table below shows the timetable for the Offering.

Timetable	Inclusive dates
Subscription Period in Italy, Germany and Austria	From 9 January 2012 to 27 January 2012
Subscription Period in Poland	From 12 January 2012 to 27 January 2012
Subscription Rights trading period in Italy	From 9 January 2012 to 20 January 2012
Subscription Rights trading period in Poland	From 12 January 2012 to 20 January 2012
Communication of results of the Offering	Within 5 working days of the closing of the Offering

Payment for and delivery of the New Shares

Full payment for the New Shares must be made at the time of subscription, to the authorised intermediary who has put forward the subscription request; the Issuer does not plan to levy any charges or incidental expenses on the applicant.

It should be noted that in Poland authorised intermediaries can request payment for expenses and fees, also as a result of the subscription currency of the New Shares (the Euro), which is different from the currency presently in circulation in Poland (the Zloty).

New Shares subscribed by the end of the Offering will be credited to the accounts of intermediaries belonging to the centralised Monte Titoli management system at the end of the accounting day of the last day of the Subscription Period and will therefore be available from the next settlement date.

New Shares subscribed by the end of the Market Offering will be credited to the accounts of intermediaries belonging to the centralised Monte Titoli management system at the end of the accounting day of the last day to exercise Subscription Rights, and will therefore be available from the next settlement date.

Due to the different methods of registering New Shares at Clearstream, NDS as well as at further centralised management systems, at which the New Shares could be deposited, in Germany, Poland and Austria, it is possible that New Shares may not be made available to the parties entitled under the terms indicated above

(with regard to the notification concerning the completed allocation see Chapter 5, Paragraph 5.2.4 of the Securities Note).

Dilutive effects

If the Subscription Rights are not exercised in full and the Rights Issue is fully subscribed, the shareholders which do not subscribe for the portion pertaining to the shares they already own will be subject to dilution of their holdings, as a percentage of the share capital, of a maximum of 66.7%.

With regard to holders of savings shares, the allocation of the right to subscribe for ordinary shares generates a dilutive effect on the holdings of holders of ordinary shares, which, moreover, in light of the small quantity of savings shares existing at the Date of the Summary Note, will not be significant.

Reasons for the Offering and use of the proceeds

The Rights Issue is aimed at strengthening UniCredit's regulatory capital structure in order to achieve a favourable position in the continuing uncertain macroeconomic climate as well as in the new regulatory framework for the banking and financial sector, also taking into consideration the requirements for financial institutions of global systemic importance.

More specifically, the pro-forma positive impact on the Core Tier 1 Ratio was 161 basis points at 30 September 2011, increasing the Core Tier 1 Ratio from 8.74% to 10.35%. This considers the effects of the free capital increase through the use of the share premium reserve with reference to the shares underlying CASHES, equal to 50 basis points.

The positive pro-forma impact on the Common Equity ratio, assuming the full application of the provisions of Basel 3 and the full subscription of the Rights Issue, is estimated to be 142 basis points at 30 September 2011, increasing the Common Equity ratio from 7.39% (this percentage includes the impact of the free capital increase through the use of the share premium reserve with reference to the shares underlying the CASHES equal to 44 basis points) to 8.81%.

Subscription commitments and guarantee

At the Date of the Summary Note, the shareholders Allianz SE, Carimonte Holding S.p.A., Fondazione Cassa di Risparmio di Modena, Fondazione Cassa di Risparmio di Torino and Fondazione del Monte di Bologna e Ravenna and Board Member Luigi Maramotti undertook to directly or indirectly subscribe New Shares in a percentage equal to 10.68% of the New Shares covered by the Offering. These obligations are subject to certain conditions including the lack of any extraordinary events that could have an impact on the Offering and/or on its success.

Furthermore, according to the contents of a press release, the shareholder Fondazione Cassa di Risparmio di Verona Vicenza Belluno e Ancona voted to subscribe New Shares in the amount of 3.51% of the Offering, with total funding coming from capital and reserves, and without the sale or Subscription Rights or use of borrowings.

In addition to the above, again as far as the Company is aware, although certain current shareholders did not make any binding commitments at the Date of the Summary Note, they initiated procedures in order to pursue the Rights Issue by subscribing a total of up to approximately 10% of the New Shares covered by the Offering, which when added to the above commitments, would result in a maximum subscription of approximately 24% of the New Shares covered by the Offering.

The guarantee agreement contains, inter alia, clauses which condition the effectiveness of the agreement obligations, including the theory of publishing a supplement for new negative and significant events (by this is meant events whose occurrence has not been mentioned in the Registration Document or in the Securities note) which have a significant negative impact on the success of the Offering, or clauses that give the Underwriters the right to withdraw from the agreement, among other things, in cases of “material adverse change” or “force majeure” in line with best international practice. For further details relating to the terms and conditions of the subscription and underwriting commitments, see Chapter 5, Paragraph 5.4.3 of the Securities Note.

(D) Important accounting and financial information

The financial information selected by the Group relating to the periods ended 30 September 2011 and 2010 and the years ended 31 December 2010, 2009 and 2008 is given below.

The tables below contain summaries of:

- the Group’s main restated consolidated balance sheet and cash flow figures as at 30 September 2011 and as at 31 December 2010, 2009 and 2008; and
- the main restated consolidated income statement figures for the period ended 30 September 2011 compared with the same period for 2010 and the years ended 31 December 2010, 2009 and 2008.

MAIN CONSOLIDATED INCOME STATEMENT FIGURES*Figures relating to years ended 31 December 2010, 2009 and 2008*

RECLASSIFIED INCOME STATEMENT FIGURES (in millions of Euros)	Year ended 31 December			2009 vs. 2008 (comparable)	
	2009 (comparable)	2008 ¹ (historical)	2008 ¹ (historical)		%
Net interest	17,304	18,373	18,373	(1,069)	-5.8%
Dividends and other income from equity investments	312	1,012	1,012	(700)	-69.2%
Net interest income	17,616	19,385	19,385	(1,769)	-9.1%
Net fees and commissions	7,780	9,093	9,093	(1,313)	-14.4%
Net trading, hedging and fair value income	1,803	(1,969)	(1,980)	3,772	n.s.
Net other expenses/income	373	368	368	5	1.4%
Net non-interest income	9,956	7,492	7,481	2,464	32.9%
OPERATING INCOME	27,572	26,877	26,866	695	2.6%
Payroll costs	(9,098)	(9,918)	(9,918)	820	-8.3%
Other administrative expenses	(5,408)	(6,019)	(6,019)	611	-10.2%
Recovery of expenses	463	557	557	(94)	-16.9%
Amortisation, depreciation and impairment losses on tangible and intangible assets	(1,281)	(1,312)	(1,312)	31	-2.4%
Operating expenses	(15,324)	(16,692)	(16,692)	1,368	-8.2%
OPERATING PROFIT	12,248	10,185	10,174	2,063	20.3%
Goodwill impairment	-	(750)	(750)	750	-100.0%
Provision for risks and charges	(609)	(344)	(344)	(265)	77.0%
Integration costs	(258)	(140)	(140)	(118)	84.3%
Net impairment losses on loans and provisions for guarantees and commitments	(8,313)	(3,700)	(3,700)	(4,613)	124.7%
Net income from investments	232	207	218	25	12.1%
PROFIT BEFORE TAX	3,300	5,458	5,458	(2,158)	-39.5%
Income tax for the period	(1,009)	(627)	(627)	(382)	60.9%
PROFIT (LOSS) FOR THE PERIOD	2,291	4,831	4,831	(2,540)	-52.6%
Minorities	(332)	(518)	(518)	186	-35.9%
NET PROFIT ATTRIBUTABLE TO THE GROUP BEFORE PPA	1,959	4,313	4,313	(2,354)	-54.6%
Purchase Price Allocation effect	(257)	(301)	(301)	44	-14.6%
NET PROFIT ATTRIBUTABLE TO THE GROUP	1,702	4,012	4,012	(2,310)	-57.6%

¹ The 2008 historical data are taken from the 2008 Consolidated Financial Statements and Reports; the 2008 comparable data are taken from the 2009 Consolidated Financial Statements and Reports where they have been restated following the reclassification of the operating results of private equity activity in 2009 (from "Net trading, hedging and fair value income" to "Net income from investments").

RECLASSIFIED INCOME STATEMENT FIGURES (in millions of Euros)	Year ended 31 December			2010 vs. 2009 (comparable)	
	2010	2009 ¹ (comparable)	2009 ¹ (historical)		%
Net interest	15,993	17,429	17,304	(1,436)	-8.2%
Dividends and other income from equity investments	408	312	312	96	30.8%
Net interest income	16,401	17,741	17,616	(1,340)	-7.6%
Net fees and commissions	8,455	7,655	7,780	800	10.5%
Net trading, hedging and fair value income	1,053	1,803	1,803	(750)	-41.6%
Net other expenses/income	438	373	373	65	17.4%
Net non-interest income	9,946	9,831	9,956	115	1.2%
OPERATING INCOME	26,347	27,572	27,572	(1,225)	-4.4%
Payroll costs	(9,205)	(9,098)	(9,098)	(107)	1.2%
Other administrative expenses	(5,479)	(5,408)	(5,408)	(71)	1.3%
Recovery of expenses	484	463	463	21	4.5%
Amortisation, depreciation and impairment losses on tangible and intangible assets	(1,283)	(1,281)	(1,281)	(2)	0.2%
Operating expenses	(15,483)	(15,324)	(15,324)	(159)	1.0%
OPERATING PROFIT	10,864	12,248	12,248	(1,384)	-11.3%
Goodwill impairment	(361)	-	-	(361)	n.s.
Provision for risks and charges	(765)	(609)	(609)	(156)	25.6%
Integration costs	(282)	(258)	(258)	(24)	9.3%
Net impairment losses on loans and provisions for guarantees and commitments	(6,892)	(8,313)	(8,313)	1,421	-17.1%
Net income from investments	(47)	232	232	(279)	n.s.
PROFIT BEFORE TAX	2,517	3,300	3,300	(783)	-23.7%
Income tax for the period	(641)	(1,009)	(1,009)	368	-36.5%
PROFIT (LOSS) FOR THE PERIOD	1,876	2,291	2,291	(415)	-18.1%
Minorities	(321)	(332)	(332)	11	-3.3%
NET PROFIT ATTRIBUTABLE TO THE GROUP BEFORE PPA	1,555	1,959	1,959	(404)	-20.6%
Purchase Price Allocation effect	(232)	(257)	(257)	25	-9.7%
NET PROFIT ATTRIBUTABLE TO THE GROUP	1,323	1,702	1,702	(379)	-22.3%

¹ The 2009 historical data are taken from the 2009 Consolidated Financial Statements and Reports; the 2009 comparable data are taken from the 2010 Consolidated Financial Statements and Reports where they have been restated following the reclassification of the placement of securities issued by UniCredit from "Net fees and commissions" to "Net interest" under the scope of the merger by incorporation of the issuer bank placement banks, which took place in November 2010.

Figures relating to the periods ended 30 September 2011 and 2010

RECLASSIFIED INCOME STATEMENT FIGURES <i>(in millions of Euros)</i>	Period ended 30		2011 vs. 2010	
	September		(comparable)	
	2011	2010 ¹ (comparable)		%
Net interest	11,618	11,739	(121)	-1.0%
Dividends and other income from equity investments	333	263	70	26.6%
Net fees and commissions	6,268	6,300	(32)	-0.5%
Net trading, hedging and fair value income	705	999	(294)	-29.4%
Net other expenses/income	184	299	(115)	-38.5%
OPERATING INCOME	19,108	19,600	(492)	-2.5%
Payroll costs	(7,032)	(7,009)	(23)	0.3%
Other administrative expenses	(4,153)	(4,072)	(81)	2.0%
Recovery of expenses	361	320	41	12.8%
Amortisation, depreciation and impairment losses on tangible and intangible assets	(838)	(843)	5	-0.6%
Operating expenses	(11,662)	(11,604)	(58)	0.5%
OPERATING PROFIT	7,446	7,996	(550)	-6.9%
Net impairment losses on loans and provisions for guarantees and commitments	(4,533)	(5,141)	608	-11.8%
NET OPERATING PROFIT	2,913	2,855	58	2.0%
Provision for risks and charges	(671)	(293)	(378)	129.0%
Integration costs	(180)	(27)	(153)	n.s.
Net income from investments	(543)	120	(663)	n.s.
RESULT BEFORE TAX	1,519	2,655	(1,136)	-42.8%
Income tax for the period	(1,167)	(1,104)	(63)	5.7%
RESULT	352	1,551	(1,199)	-77.3%
Minorities	(286)	(241)	(45)	18.7%
NET RESULT ATTRIBUTABLE TO THE GROUP BEFORE PPA	66	1,310	(1,244)	-95.0%
Purchase Price Allocation effect	(717)	(145)	(572)	n.s.
Goodwill impairment	(8,669)	(162)	(8,507)	n.s.
NET RESULT ATTRIBUTABLE TO THE GROUP	(9,320)	1,003	(10,323)	n.s.

¹ The 2010 data are taken from the Consolidated Interim Report on Operations as at 30 September 2011.

Starting from the first quarter of 2011 the PPA relating to the acquisition of HVB, previously broken down over several items in the income statement, is entirely allocated under the item "Purchase Price Allocation effect" (in the same way as for the PPA relating to the merger with Capitalia). The previous periods have been consistently restated.

Under the scope of the aggregation operation, which took place in November 2010, which involved the merger by incorporation of the placing banks into the issuing bank, the data, published on 30 September 2010, relating to the results of the placement activity of shares issued by UniCredit were reclassified from "Net commissions and fees" to "Net interest".

BALANCE SHEET FIGURES AS AT 30 SEPTEMBER 2011 AND AS AT 31 DECEMBER 2010, 2009 AND 2008

RECLASSIFIED BALANCE SHEET FIGURES							
<i>(in millions of Euros)</i>							
	30 September 2011	31 December			% Change		
		2010	2009	2008	First 9 months 2011	2010 vs. 2009	2009 vs. 2008
Total assets	950,296	929,488	928,760	1,045,612	2.2%	0.1%	-11.2%
Loans and advances to customers	562,447	555,653	564,986	612,480	1.2%	-1.7%	-7.8%
Deposits from customers and debt securities in issue	(559,231)	(583,238)	(596,396)	(591,290)	-4.1%	-2.2%	0.9%
<i>of which deposits from customers</i>	<i>(392,517)</i>	<i>(402,248)</i>	<i>(381,623)</i>	<i>(388,831)</i>	<i>-2.4%</i>	<i>5.4%</i>	<i>-1.9%</i>
<i>of which securities in issue</i>	<i>(166,714)</i>	<i>(180,990)</i>	<i>(214,773)</i>	<i>(202,459)</i>	<i>-7.9%</i>	<i>-15.7%</i>	<i>6.1%</i>
Deposits from banks	(139,476)	(111,735)	(106,800)	(177,677)	24.8%	4.6%	-39.9%
Loans and advances to banks	72,474	70,215	78,269	80,827	3.2%	-10.3%	-3.2%
Net interbank balance	(67,002)	(41,520)	(28,531)	(96,850)	61.40%	45.50%	-70.5%
Group portion of shareholders' equity	52,292	64,224	59,689	54,999	-18.6%	7.6%	8.5%
Assets managed ¹	164,943	186,672	175,823	166,737	11.6%	6.2%	5.4%

¹ Assets managed refer to assets under management by Asset Management business unit.

The financial information given above should be read together with Chapters 3, 9, 10 and 20 of the Registration Document.

(E) Documents accessible to the public

The following documents are available to the public at the registered office of UniCredit at Via A. Specchi 16, Rome, the Central Management Office in Piazza Cordusio, Milan, during office hours and on working days, at the UniCredit website www.unicreditgroup.eu as well as at Borsa Italiana:

- Corporate By-Laws;
- Registration Document;
- Securities Note;
- Summary Note;
- UniCredit Reports and Financial Statements as at 31 December 2010;
- UniCredit Group Reports and Consolidated Financial Statements as at 31 December 2010;
- UniCredit Reports and Financial Statements as at 31 December 2009;
- UniCredit Group Reports and Consolidated Financial Statements as at 31 December 2009;
- UniCredit Reports and Financial Statements as at 31 December 2008;
- UniCredit Group Reports and Consolidated Financial Statements as at 31 December 2008;
- Consolidated Interim Report on Operations as at 30 September 2011;
- Report on Corporate Governance and Ownership Structures as at 31 December 2010;

- Presentation relating to the 2010-2015 Strategic Plan approved by the Company Board of Directors on 14 November 2011; and
- the informative documents relating to the allocation of financial instruments to members of the company, employees or collaborators, in compliance with the provisions of Article 114-*bis* of the TUF.

Registration Document

Prepared in accordance with the regulations adopted by CONSOB with Decision no. 11971 of 14 May 1999, as subsequently amended and supplemented, and with Article 4 of European Commission Regulation (EC) no. 809/2004 of 29 April 2004 implementing Directive 2003/71/EC



UniCredit S.p.A.

Registered office – Via Alessandro Specchi 16, Rome

Central Management Office – Piazza Cordusio, Milan

Entered in the Register of Banks and Parent Company of the UniCredit Banking Group, entered in the Register of Banking Groups under no. 02008.1

Rome Trade and Companies Register, Tax Code and VAT No. 00348170101

Share capital subscribed and paid-up: Euro 9,649,245,346.50

Member of the Interbank Deposit Protection Fund and the National Deposit Guarantee Fund

Registration Document filed with CONSOB on 15 December 2011, following notification of the issue of the publication authorisation by means of note no. 11098908 of 14 December 2011.

The publication of the Registration Document does not represent any opinion of CONSOB on the investment opportunity proposed or on the merit of the data and information contained therein.

The Registration Document will be available to the public, as of the date of its publication and for the entire period of its validity, at the registered office and the Central Management Office of UniCredit S.p.A., as well as on the website www.unicreditgroup.eu and at the other locations indicated in the relevant Securities Note.

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DEFINITIONS

Below is a list of the definitions and terms used most frequently in the Registration Document. Unless specified otherwise, these definitions and terms (whether mentioned in the singular or plural) have the meanings given below.

2008 Consolidated Reports and Financial Statements	The consolidated financial statements of the Group for the financial year ended 31 December 2008, subjected to an audit, together with the report on operations and the report of the External Auditors.
2009 Consolidated Reports and Financial Statements	The consolidated financial statements of the Group for the financial year ended 31 December 2009, subjected to an audit, together with the report on operations and the report of the External Auditors.
2010 Consolidated Reports and Financial Statements	The consolidated financial statements of the Group for the financial year ended 31 December 2010, subjected to an audit, together with the report on operations and the report of the External Auditors.
2010-2015 Strategic Plan	The strategic plan of the UniCredit Group, approved by the Company's Board of Directors on 14 November 2011 and containing strategic guidelines and economic, financial and capital objectives for 2013 and 2015.
2011 Condensed Interim Consolidated Financial Statements	The interim consolidated financial statements of the Group for the period ended 30 September 2011, subjected to a limited audit by the External Auditors.
AGCM	Autorità Garante della Concorrenza e del Mercato.
Assicurazioni Generali	Assicurazioni Generali S.p.A.
BA or Bank Austria	UniCredit Bank Austria AG, having its registered office in Vienna (Austria) formerly named Bank Austria Creditanstalt AG until 27 September 2009.
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht, the German financial supervisory authority, having its registered office at Lurgiallee 12, Frankfurt am Main (Germany).
Banca CRT	Banca Cassa di Risparmio di Torino S.p.A.
Banca d'Italia	The central bank of the Republic of Italy.
Banco di Sicilia	Banco di Sicilia S.p.A. (now merged into UniCredit).
Bank BPH or BPH	Bank BPH S.A.
Bank Pekao	Bank Polska Kasa Opieki S.A.
Bipop Carire	Bipop Carire S.p.A.

Borsa Italiana	Borsa Italiana S.p.A., having its registered office at Piazza degli Affari 6, Milan.
Capitalia	Capitalia S.p.A.
CASHES	Convertible and Subordinated Hybrid Equity-linked Securities maturing on 15 December 2050 issued by Bank of New York and exchangeable into UniCredit ordinary shares.
Cassamarca	Cassamarca – Cassa di Risparmio della Marca Trevigiana S.p.A.
CEE Countries	Poland, Russia, Slovakia, Slovenia, Bosnia, Romania, Latvia, Estonia, Lithuania, Ukraine, Kyrgyzstan, Azerbaijan, Kazakhstan, Croatia, Serbia, Bulgaria, Turkey, Czech Republic and Hungary, in which the UniCredit Group operates.
Civil Code	Italian Royal Decree no. 262 of 16 March 1942, as subsequently amended and supplemented.
CONSOB	Commissione Nazionale per le Società e la Borsa, having its registered office at Via G.B. Martini 3, Rome.
Consolidated Banking Act or TUB	Legislative Decree no. 385 of 1 September 1993, as subsequently amended and supplemented.
Consolidated Financial Act or TUF	Legislative Decree no. 58 of 24 February 1998, as subsequently amended and supplemented.
Consolidated Financial Statements as at 31 December 2008	The consolidated financial statements of the Group for the financial year ended 31 December 2008, subjected to an audit by the External Auditors.
Consolidated Financial Statements as at 31 December 2009	The consolidated financial statements of the Group for the financial year ended 31 December 2009, subjected to an audit by the External Auditors.
Consolidated Financial Statements as at 31 December 2010	The consolidated financial statements of the Group for the financial year ended 31 December 2010, subjected to an audit by the External Auditors.
Consolidated Interim Report as at 30 September 2011	The condensed interim consolidated financial statements, subjected to a limited audit, together with the interim report on operations as at 30 September 2011.
Corporate By-Laws	The corporate by-laws of the Issuer in force as at the Date of the Registration Document.
Corporate Governance Code	The Corporate Governance Code for listed companies prepared and approved by the Corporate Governance Committee of Borsa Italiana, published in March 2006, as subsequently amended.

CRV	Cassa di Risparmio di Verona Vicenza Belluno e Ancona Banca S.p.A.
Frankfurt Stock Exchange	The Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) operated by Deutsche Börse AG, having its registered office at Neue Börsenstrasse 1, 60487 Frankfurt, Germany.
DAB Bank	DAB Bank AG.
DAB Group	DAB Bank AG, direktanlage.at AG and SRQ FinanzPartner AG.
Date of the Registration Document	The date of publication of this Registration Document.
Direktanlage.at	direktanlage.at AG.
Directive 2003/71/EC	Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010.
EBA	The European Banking Authority established by Regulation (EC) No 1093/2010 of the European Parliament and of the Council of 24 November 2010.
ESCB	The European System of Central Banks, a body constituted by the ECB and the national central banks of the 27 member states of the European Union, irrespective of their adoption or non-adoption of the single currency.
ESRB	The European Systemic Risk Board, an agency of the European Union, based in Frankfurt, responsible for macro-economic supervision of the financial system of the European Union.
European Central Bank or ECB	The central bank responsible for the single European currency, the Euro. Its main function is to preserve the purchasing power of the currency and thus maintain price stability in the Eurozone, which comprises the 17 countries of the European Union that have adopted the single currency since 1999.
Eurozone	The 17 countries of the European Union that use the Euro as their currency.

External Auditors	KPMG S.p.A., having its registered office at Via Vittor Pisani, 25, Milan, entered in the Special Register of Auditors mentioned in Article 161 of the TUF (Consolidated Financial Act). Article 161 of the Consolidated Financial Act, repealed by Article 40 of Legislative Decree no. 39/2010, remains applicable, pursuant to Article 43, paragraph 1 of the said Decree, until the date of coming into force of the regulations of the Ministry of Economy and Finance provided for therein.
FinecoBank	FinecoBank S.p.A.
FMA	Finanzmarktaufsicht – Financial Market Authority, the Austrian supervisory authority, having its registered office at Praterstraße 23, 1020 Vienna (Austria).
Group or UniCredit Group	UniCredit and its subsidiaries within the meaning of Article 2359 of the Civil Code and Article 93 of the TUF (Consolidated Financial Act).
GTB	Acronym for Global Transaction Banking, which is the centre of competence for cash management, e-banking, supply chain finance and trade finance products, for structured trade & export finance activities, and for global securities services.
IFRS or International Accounting Standards	All “International Financial Reporting Standards”, all “International Accounting Standards” (IAS), and all interpretations of the “International Financial Reporting Interpretations Committee” (IFRIC), formerly named the “Standing Interpretations Committee” (SIC), adopted by the European Union.
International Monetary Fund	The organisation set up by 186 countries to promote global cooperation on monetary matters, ensure financial stability, facilitate international trade, and promote employment and sustainable economic growth.
Issuer Regulations	The regulations approved by CONSOB with Decision no. 11971 of 14 May 1999, as subsequently amended and supplemented.
Locat	Locat S.p.A. (now UniCredit Leasing).
MTA	The Electronic Share Market organised and operated by Borsa Italiana.
OeNB	Oesterreichische Nationalbank, the Austrian central bank, having its registered office at Otto-Wagner-Platz 3, Vienna (Austria).

One4C Project	The project carried out during the course of 2010 which involved, among other things, the merger by incorporation into UniCredit of UniCredit Banca, UniCredit Banca di Roma, Banco di Sicilia, UniCredit Corporate Banking, UniCredit Private Banking, UniCredit Family Financing Bank and UniCredit Bancassurance Management & Administration.
PFSA	Polish Financial Supervision Authority, having its registered office at Plac Powstańców Warszawy, 1, Warsaw, Poland.
PGAM	Pioneer Global Asset Management S.p.A., a sub-holding wholly owned by the Issuer, which heads the Group's asset management activities.
Pioneer I.M. SGR	Pioneer Investment Management S.G.R.p.A.
Registration Document	This registration document.
Regulation (EC) 809/2004	Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.
Related Parties	Parties meeting the definition given in the international accounting standard IAS 24.
Rolo Banca	Rolo Banca 1473 S.p.A.
Splitska Banka	Splitska Banka D.D.
UBM	UniCredit Banca Mobiliare S.p.A.
UCBP	UniCredit Business Partner S.C.p.A.
UCB AG or HVB	UniCredit Bank AG, having its registered office in Munich (Germany), a wholly-owned subsidiary of UniCredit, formerly named Bayerische Hypo und Vereinsbank AG until 15 December 2009.
UGIS	UniCredit Global Information Services S.C.p.A.
UniCredit Banking Group	The "UniCredit Group" banking group, consisting of the parent company UniCredit S.p.A. and its subsidiaries within the meaning of Articles 60 and 61 of the TUB (Consolidated Banking Act), entered in the Register of Banking Groups under no. 02008.1.
UniCredit or the Company or the Issuer	UniCredit S.p.A., having its registered office at Via A. Specchi, 16, Rome, and its Central Management Office at Piazza Cordusio, Milan.

UniCredit Banca	UniCredit Banca S.p.A. (now merged into UniCredit).
UniCredit Banca di Roma	UniCredit Banca di Roma S.p.A. (now merged into UniCredit).
UniCredit Banca per la Casa	UniCredit Banca per la Casa S.p.A. (now merged into UniCredit Family Financing Bank).
UniCredit Corporate Banking	UniCredit Corporate Banking S.p.A. (formerly UniCredit Banca d'Impresa S.p.A.) (now merged into UniCredit).
UniCredit Family Financing Bank	UniCredit Family Financing Bank S.p.A. (formerly UniCredit Consumer Financing Bank S.p.A.) (now merged into UniCredit).
UniCredit Global Leasing	UniCredit Global Leasing S.p.A. (now UniCredit Leasing).
UniCredit Leasing	UniCredit Leasing S.p.A.
UniCredit Private Banking	UniCredit Private Banking S.p.A. (now merged into UniCredit).
UniCredit Real Estate	UniCredit Real Estate S.C.p.A.
UniCredit Romania	UniCredit Romania S.A.
UniCredit Xelion Banca	UniCredit Xelion Banca S.p.A. (now merged into FinecoBank).
Warsaw Stock Exchange	The Warsaw Stock Exchange operated by Gielda Papierów Wartościowych w Warszawie S.A., having its registered office at Książęca 4, 00-498 Warsaw, Poland.
Zagrebačka	Zagrebačka Banka D.D.

GLOSSARY

Below is a list of technical terms used in the Registration Document. Unless specified otherwise, these terms have the meanings given below.

ABS	Acronym for Asset Backed Securities; these are debt securities generally issued by a special-purpose entity, guaranteed by portfolios of assets of various types, such as bank loans, consumer credit and receivables deriving from credit card transactions. Principal and interest payments are subject to the performance of the securitised assets and the existence of any further security guaranteeing the bond. ABS are divided into tranches (senior, mezzanine and junior) according to the priority with which principal and interest will be paid.
Acquisition finance	Financing for business acquisition operations.
Asset management	Activities concerned with the management and administration, in various forms, of capital assets entrusted by customers.
ATM	Acronym for Automated Teller Machine, an automatic machine for the conduct of transactions, including cash withdrawals, paying-in of cash or checks, requests for account information, transfers, utility bill payments and mobile phone top-ups. The terminal is activated by inserting a credit or debit card and entering the relevant identification code.
Bancassurance	Term used to refer to all relationships that may arise between banks and insurance companies, both from the point of view of corporate structures and in relation to the creation of integrated distribution systems. With regard to the latter aspect, the sale of insurance products through bank branches is of particular significance.
Bank levies	Levies applied to banks and financial institutions that are intended to be used to support the banking and financial system in the event of future crises, so that these institutions do not have to resort to support from the taxpayer. Depending on the jurisdiction, the levy may be proportionate to assets or to liabilities, which in each case reflect elements of risk to varying degrees.
Basel 2	International agreement on capital requirements for banks in relation to the risks that they assume. This agreement has been assimilated, at national level, by the respective supervisory authorities, including, for the Republic of Italy, Banca d'Italia.
Basel 2.5	International agreement for revision of the measures adopted by Basel 2, published in the document "Enhancements to the Basel II framework, Revisions to the Basel II market risk framework and Guidelines for computing capital for incremental risk in the trading book, July 2009". This agreement has been assimilated, at national level, by Banca d'Italia.

Basel 3	International agreement, begun in 2009 and still being finalised, on the revision of Basel 2, containing modifications to prudential regulations on matters including the capital and liquidity of banks. It is envisaged that the new prudential requirements will come into force gradually between 1 January 2013 and 31 December 2019.
Budget	Forecast statement of trends in the future costs and revenues of a business.
CDO	Acronym for Collateralised Debt Obligation, which is a debt security issued by an entity with loans, bonds, ABS or other CDOs as the underlying assets. CDOs make it possible to derecognise assets in the bank's balance sheet and also to arbitrage the differences in yield between the securitised assets and the bonds issued by the vehicle.
CGU	Acronym for Cash Generating Unit. Represents the smallest identifiable group of assets generating inward cash flows that are broadly independent of the inward cash flows generated by other assets or groups of assets.
CLO	Acronym for Collateralised Loan Obligations (CLOs), which are Collateralised Debt Obligations with loans made by authorised lenders such as commercial banks as underlyings.
CMBS	Acronym for Commercial Mortgage Backed Security, which is a type of ABS characterised by the fact that the underlying assets consist of commercial loans.
Common Equity Tier 1	The primary component of capital under Basel 3 rules, consisting principally of paid-up ordinary share capital, related premium reserves, profit for the period, reserves, shareholders' equity attributable to minority interests (which can be included within given limits) and other regulatory changes.
Common Equity ratio	The coefficient of solvency expressed by the relationship between Common Equity Tier 1 and Risk-Weighted Assets, calculated on the basis of the Basel 3 rules.
Conduit	Special-purpose entity set up by the Group to issue commercial paper ("Asset Backed Commercial Paper Conduits") and to provide customers with access to the securitisation market (Multiseller Customer conduits).
Core Tier 1 Capital	The component of Tier 1 Capital with the highest loss absorption requirements, represented by Tier 1 Capital net of innovative capital instruments not eligible as Core Tier 1 Capital.
Core Tier 1 Ratio	Relationship between Core Tier 1 Capital and Risk-Weighted Assets (RWA).

Impaired Loans	(i) receivables whose collectability is uncertain because the debtors are insolvent, even if they have not been legally declared as such, or in similar situations (non-performing); and/or (ii) exposures to persons in objective but temporary difficulties (doubtful); and/or (iii) exposures for which the contractual conditions have been renegotiated, suffering a loss (restructured); and/or (iv) exposures that do not fall into any of the above categories but are overdue by more than 90/180 days (past-due loans; the grace period of 180 days relates mainly to exposures to counterparties resident in Italy).
CRM	Acronym for Customer Relationship Management, meaning all customer retention policies and strategies.
Discount Brokerage	Brokerage in securities with below-average commission fees.
EFSF	Acronym for European Financial Stability Facility, a special-purpose entity under Luxembourg law, created by the countries of the Eurozone following the decision taken on 9 May 2010 within the framework of the Ecofin Council. The fund was created with the aim of protecting financial stability in Europe by providing financial assistance to the countries of the Eurozone.
Factoring	Contract for the sale of trade receivables to a specialised company for cash flow management purposes. May be associated with financing provided to the seller.
FTE	Acronym for Full Time Equivalent, referring to the calculation of personnel numbers for the hours actually worked and/or paid by the Group.
Funding	Provision, in various forms, of the funds necessary for the financing of business activities or particular financial operations.
Hedge fund	Mutual fund that uses hedging instruments to achieve better results in terms of risk/return ratio.
Home Banking	Banking service aimed at households which, via a remote connection, gives the ability to carry out banking transactions directly from the user's home.
ICAAP	Acronym for Internal Capital Adequacy Assessment Process, the valuation process required by EC legislation in conformity with the provisions of Basel 2.
Impairment test	Estimation of the recoverable value (which is the greater of fair value less cost to sell and value in use) of an asset or a group of assets. Under IAS 36, the following must be subjected to an annual impairment test: (i) intangible assets with an indefinite useful life; (ii) goodwill acquired in a business combination; (iii) any asset if there is an indication that it may have suffered a lasting reduction in value.

Investment Banking	The activity of intermediation in the buying and selling of financial instruments and, either in conjunction with this activity or separately from it, the activity of portfolio management.
IPV	Acronym for Independent Price Verification, a process used for classifying financial instruments.
Leasing	Agreement whereby one party (the lessor) grants to the other party (the lessee), for a given period of time, the enjoyment of an item acquired or constructed by the lessor at the lessee's request, in return for a periodic fee, with the lessee having the option of acquiring ownership of the item under predetermined conditions on expiry of the leasing agreement.
Lifelong Learning	Policy of promoting permanent training and learning.
Level 1, Level 2 and Level 3	Method of valuing financial instruments. The fair value of instruments classed as "Level 1" is determined on the basis of the selling prices observed on active markets; the fair value of instruments classed as "Level 2" is determined on the basis of valuation models that use inputs observable on the market; and the fair value of instruments classed as "Level 3" is determined on the basis of valuation models that primarily use inputs not observable on the market.
Non-housing Portfolio	A portfolio of non-housing loans.
Ponzi Scheme	A fraudulent economic model for the sale of financial investments which promises high returns to the victims. While this model has taken various forms over the years, its typical characteristics are as follows: (i) the promise to investors of high returns in the short term; (ii) lack of transparency regarding the nature of the investment; and (iii) an offer aimed at a public without expertise in financial matters. In practice, the instigator of a Ponzi Scheme offers investors periodic coupons or dividends taken from the payments made by new investors drawn into the fraud, so that, attracted by the lavish returns expected, even more people are prepared to invest and feed the system. The eventual outcome of a Ponzi Scheme is that at a certain point, the system is no longer capable of keeping pace with the periodic payments and/or repayments of capital to the investors.

PPA	<p>Acronym for Purchase Price Allocation, meaning, within the scope of application of IFRS 3 and, more specifically, of accounting by the Purchase Method:</p> <ul style="list-style-type: none">(i) the recording in the purchaser's balance sheet, on the acquisition date, of the fair value of the net assets of the acquired businesses, even if not previously entered in the balance sheet of those businesses; and(ii) any positive (or negative) difference between (i) the purchase price and (ii) the fair value of the net assets acquired, entered in the purchaser's balance sheet as goodwill.
Pricing	<p>Mechanism for quantifying the price or value of receivables or products, to be paid by the debtor, assignee or purchaser of such receivables or products, and for formulating the discount and calculation models for such quantification. While this mechanism can be used as a lever to increase business profitability, it must result in the definition of a price capable of covering the costs of collection, the operating expenses associated with the assessment of the affairs, and the anticipated and unanticipated loss, taking account of a profitability target for the capital employed.</p>
Private Banking	<p>Range of personalised services of high quality and complexity aimed at a limited number of customers with complex available funds and financial needs.</p>
Project Finance	<p>Technique for financing industrial projects on the basis of a projection of the cash flows that they will generate. The review is based on a series of assessments that differ from those generally used for the analysis of ordinary credit risks. These assessments include, in addition to the analysis of cash flows, a technical review of the project, the suitability of the sponsors who are committing themselves to its implementation, and the markets for the placement of the project.</p>
Rating	<p>Assessment of the quality of a company or its issued debt securities on the basis of that company's financial soundness and outlook. This assessment is carried out by specialised agencies or by the bank on the basis of internal models.</p>
Regulatory Capital or Total Capital	<p>Banks' assets that are valid for the purposes of regulatory rules, calculated by adding the Tier 1 Capital – which is eligible without limitation – to the Tier 2 Capital, which is eligible up to the maximum limit of the Tier 1 Capital less, subject to specific and detailed procedures, the holdings and equity interests possessed in other credit and/or financial institutions. Banca d'Italia, in the Regulatory Instructions and in the Instructions for the Compilation of Reports on Regulatory Capital and Capital Ratios, gives detailed limits and procedures for the calculation of Regulatory Capital. For further details, see the Instructions for the Compilation of Reports on Regulatory Capital and Capital Ratios issued by Banca d'Italia.</p>

Return on Equity or RoE	The ratio between net income and the average of share capital, share premium reserves, reserves and valuation reserves.
Return on Tangible Equity or RoTE	The ratio between net income and net shareholders' equity, excluding intangible assets.
RMBS	Acronym for Residential Mortgage Backed Securities, which are a type of ABS characterised by the fact that the underlying assets consist of residential loans.
RWA (Risk-Weighted Assets)	Risk-weighted value of balance sheet and off-balance sheet assets. Depending on the type of assets, the level of risk is calculated using either internal methods (validated by the regulatory authorities) or standardised methods. The assets included among Risk-Weighted Assets and the related weighting criteria are detailed in the "New Provisions for the Prudential Supervision of Banks" (Circular no. 263 of 27 December 2006, as subsequently amended).
Spread	Usually refers to the difference between two interest rates, the gap between bid and offer prices in securities dealings, or the additional return paid by an issuer of securities on top of a baseline rate.
Stress Test	Process involving the use of quantitative and qualitative techniques to assess the vulnerability of banks to exceptional but plausible events.
Securitisation	Operation to transfer the risk associated with financial or real assets to a special-purpose entity, accomplished by transferring the underlying assets or by using derivative contracts. Such operations are governed principally by Law 130 of 30 April 1999.
Tier 1 capital	Paid-up capital, reserves, innovative capital instruments and profits for the period represent the highest-quality asset elements. Added to these are the positive "solvency filters" of the Tier 1 capital. The total of these elements, net of treasury shares or interests, intangible assets, losses for the period and those recorded in previous financial years, as well as the negative "solvency filters" of the Tier 1 capital, constitute the "Tier 1 capital". Banca d'Italia may demand the deduction of other elements which, due to their nature, might result in a "watering down" of the Tier 1 capital. For further details, see the "Instructions for the Compilation of Reports on Regulatory Capital and Capital Ratios" issued by Banca d'Italia.

Tier 2 Capital	Valuation reserves, innovative capital instruments not counted as Tier 1 Capital, hybrid capitalisation instruments, subordinated liabilities, net implicit capital gains on equity interests and other positive elements constitute the asset elements of second-best quality. Added to these are the positive “solvency filters” of the Tier 2 Capital. The total of the above elements, less net implicit capital losses on equity interests, other negative elements and the negative “solvency filters” of the Tier 2 Capital constitute the Tier 2 Capital. For further details, see the Instructions for the Compilation of Reports on Regulatory Capital and Capital Ratios issued by Banca d’Italia.
Tier 1 Ratio	The ratio between Tier 1 and Risk-Weighted Assets (RWA).
Total Capital Ratio	The ratio between Total Capital and Risk-Weighted Assets (RWA).
Wealth Management	Service that includes Asset Management and life insurance activities.

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1. PERSONS RESPONSIBLE**1.1 Persons responsible for information**

UniCredit S.p.A., having its registered office at Via A. Specchi, 16, Rome, and its Central Management Office at Piazza Cordusio, Milan, assumes responsibility for the completeness of the data and information contained in the Registration Document.

1.2 Declaration of responsibility

UniCredit, which is responsible for the preparation of the Registration Document, declares that, having exercised all reasonable diligence to this end, the information contained therein is, to the best of its knowledge, in conformity with the facts and does not contain any omissions that might alter its meaning.

The Registration Document is in conformity with the model filed with CONSOB on 15 December 2011 following the communication of the approval ruling by memorandum no. 11098908, dated 14 December 2011.

2. FULL AUDITORS

2.1 Full Auditors of the Issuer

The company retained for the auditing of the Company's financial statements is KPMG S.p.A., having its registered office at Via Vittor Pisani, 25, Milan, entered in the Special Register of External Auditors mentioned in Article 161 of the Consolidated Finance Act¹.

The Company's Shareholders' Meeting held on 10 May 2007 gave a mandate to the External Auditors, pursuant to Article 159 of the Consolidated Finance Act², for the auditing of the Issuer's annual financial statements and the consolidated financial statements of the UniCredit Group, for the limited auditing of the consolidated half-year report of the Group, and for verification of the correct keeping of the corporate financial statements and of the correct recording of events in the accounting records for the financial years 2007, 2008, 2009, 2010, 2011 and 2012.

The External Auditors have also audited the individual financial statements of the Company and the consolidated financial statements of the UniCredit Group, as well as verifying the correct keeping of the corporate financial statements and of the correct recording of events in the accounting records for the years 2004-2006. This mandate was given by the Company's Shareholders' Meeting held on 4 May 2004.

During the period covered by the information relating to previous financial years reported in the Registration Document, there were no criticisms or refusals of certification on the part of the External Auditors with regard to the audited financial statements of the Company or to the consolidated interim financial statements subjected to a limited audit.

2.2 Information on relations with the External Auditors

Up to the Date of the Registration Document there was no revocation of the mandate given by the Company to the External Auditors, nor any renunciation of that mandate by the External Auditors.

¹ Article 161 of the TUF, repealed by Article 40 of Legislative Decree no. 39/2010, remains applicable, pursuant to Article 43, paragraph 1, of the said Decree, until the date of coming into force of the regulations of the Ministry of Economy and Finance provided for therein.

² Article 159 of the TUF was repealed by Article 40 of Legislative Decree no. 39/2010.

3. SELECTED FINANCIAL INFORMATION

3.1 Introduction

This Chapter gives a summary of:

- the main restated consolidated balance sheet and cash flow data of the Group as at 30 September 2011 and as at 31 December 2010, 2009 and 2008; and
- the main restated consolidated income statement data for the period ended 30 September 2011 compared with the same period of the 2010 financial year and with the financial years ended 31 December 2010, 2009 and 2008.

The restated consolidated balance sheet, income statement and cash flow data as at 30 September 2011 and 30 September 2010 are taken from the Consolidated Interim Report as at 30 September 2011, subjected to a limited audit by the External Auditors, which issued their report on 21 November 2011.

The restated consolidated balance sheet, income statement and cash flow data as at 31 December 2010, 31 December 2009 and 31 December 2008 is taken from the Consolidated Financial Statements as at 31 December 2010, 31 December 2009 and 31 December 2008, audited by the External Auditors, which issued their reports on 4 April 2011, 31 March 2010 and 9 April 2009, respectively.

Where necessary for comparison purposes, in place of the data mentioned above, we have used the restated consolidated balance sheet, income statement and cash flow data as at 31 December 2010, 31 December 2009 and 31 December 2008, taken from the Consolidated Interim Report as at 30 September 2011 and the Consolidated Financial Statements as at 31 December 2010 and 31 December 2009, where that data is shown for comparison purposes.

Pursuant to Legislative Decree no. 38 of 28 February 2005, the consolidated financial statements of the Group as at 31 December 2010, 2009 and 2008 were prepared in accordance with IFRS and the provisions of the Banca d'Italia Instructions contained in Circular no. 262 of 22 December 2005, as subsequently amended. The Consolidated Interim Report as at 30 September 2011 was prepared in conformity with IAS 34 concerning interim financial information. IAS 34 allows financial statements to be prepared in "condensed" form, i.e. on the basis of a minimum level of information substantially lower than that required by IFRS, where a full set of financial statements prepared on the basis of IFRS has previously been made available to the public.

These documents are available from the registered office and the Central Management Office of the Company, on the website www.unicreditgroup.eu, and from Borsa Italiana.

The reconciliation between the restated consolidated balance sheet, income statement and cash flow data and the schemas of the Group's consolidated balance sheet and income statement is covered:

- in the section "Other information" of the "Interim Report" within the context of the Consolidated Interim Report as at 30 September 2011 for the data as at 30 September 2011 and 30 September 2010;
- in Annex 1 to the document entitled "Consolidated Reports and Financial Statements as at 31 December 2010" for the data as at 31 December 2010;

- in Annex 1 to the document entitled “Consolidated Reports and Financial Statements as at 31 December 2009” for the data as at 31 December 2009; and
- in Annex 1 to the document entitled “Consolidated Reports and Financial Statements as at 31 December 2008” for the data as at 31 December 2008.

Principal changes in the scope of consolidation in the three-year period 2008-2010 and in the first nine months of the 2011 financial year

There follows a list of the principal changes in the Group’s consolidation scope during the three-year period 2008 - 2010 and in the first nine months of the 2011 financial year, referred to by the balance sheet, income statement and cash flow data reported in this Chapter.

2008 financial year

The principal changes in the scope of consolidation during the 2008 financial year were as follows:

- the acquisition of the Ukrasbank group;
- the inclusion of 46 minor companies already controlled in 2007 but not consolidated (25 from the HVB group and 21 from the BA group); and
- the exclusion of the Bank BPH group (following the integration of some of the activities into the group headed by Bank Pekao) and the Czech bank Hypostavebni Sporitelna AS, as well as of Fondi Immobiliari Italiani SGR S.p.A. (“**Fimit**”) and Communication Valley, belonging to the former Capitalia group.

2009 financial year

The number of fully consolidated companies, including UniCredit, rose from 660 as at 31 December 2008 to 679 as at 31 December 2009. The changes are detailed below:

- constitution of 10 new companies (9 in the sub-group headed by UniCredit Leasing and 1 in the sub-group headed by Bank Austria);
- change in the consolidation method, entailing 7 exclusions and 31 inclusions relating respectively to transfers to/from the item “100 Equity Interests”;
- first consolidation of 14 companies not previously consolidated (including Altus Alpha Plc and Redstone Mortgages Limited);
- disposal of 16 companies, mostly from the sub-group headed by UniCredit Leasing; and
- merger of 13 companies into other Group companies.

The number of proportionally consolidated companies decreased from 18 as at 31 December 2008 to 17 as at 31 December 2009, with a reduction of one company (TLX S.p.A.).

2010 financial year

The number of fully consolidated companies rose from 679 as at 31 December 2009 to 735 as at 31 December 2010. The change is attributable to the following factors:

- the constitution of UniCredit Partecipazioni S.r.l. (in February 2010; the company was merged into UniCredit on 1 November 2010);
- the change in the consolidation method, which affected 80 companies (5 exclusions and 75 inclusions); the changes made to the consolidation method in 2010 mainly concern transfers to/from the item “100 Equity Interests”;
- 22 companies consolidated for the first time; these were companies previously regarded as insignificant (the impact on the Group’s assets was 0.10%);
- 20 companies sold or wound up because they had become inactive; and
- the merger of 17 companies (including the aforementioned UniCredit Partecipazioni S.r.l.) into other Group companies.

The number of proportionally consolidated companies rose from 17 as at 31 December 2009 to 19 as at 31 December 2010 following the inclusion of two companies: Yapi Kredi Diversified Payment Rights Finance Company and RCI Financial Services S.R.O.

30 September 2011

The changes in the scope of consolidation during the first nine months of the 2011 financial year were as follows:

- the number of fully consolidated companies rose from 735 as at 31 December 2010 to 765 as at 30 September 2011, with an increase of 30, due to: i) an increase of 37 companies as a result of changes to the consolidation method/transfers from the item “100 Equity Interests” (24 companies from the sub-group headed by UCB AG, 8 companies from the sub-group headed by Bank Austria, and 5 other companies); ii) the first consolidation of 22 companies, mainly attributable to the business combination with Compagnia Italtroli and its subsidiaries; iii) the reduction of 29 companies (17 companies merged into the Group, 12 companies sold);
- the number of proportionally consolidated companies rose from 19 as at 31 December 2010 to 31 as at 30 September 2011, with an increase of 12; and
- the number of companies consolidated by the equity method rose from 45 as at 31 December 2010 to 54 as at 30 September 2011, with an increase of 9.

The financial information presented below should be read in conjunction with the information set out in Chapters 10 and 20 of the Registration Document.

3.2 Selected financial information about the Group relating to the periods ended 30 September 2011 and 2010 and the financial years ended 31 December 2010, 2009 and 2008

Listed below is selected financial information about the Group relating to the periods ended 30 September 2011 and 2010 and the financial years ended 31 December 2010, 2009 and 2008. Comments about the main results and performances can be found at the bottom of the tables.

MAIN CONSOLIDATED INCOME STATEMENT DATA

Data relating to the financial years ended 31 December 2010, 2009 and 2008

The tables below show restated income statement data relating to the financial years ended 31 December 2010, 2009 and 2008:

RECLASSIFIED INCOME STATEMENT FIGURES <i>(in millions of Euros)</i>	Year ended 31 December			2009 vs. 2008 (comparable)	
	2009	2008 ¹ (comparable)	2008 ¹ (historical)		%
Net interest	17,304	18,373	18,373	(1,069)	-5.8%
Dividends and other income from equity investments	312	1,012	1,012	(700)	-69.2%
Net interest income	17,616	19,385	19,385	(1,769)	-9.1%
Net fees and commissions	7,780	9,093	9,093	(1,313)	-14.4%
Net trading, hedging and fair value income	1,803	(1,969)	(1,980)	3,772	n.s.
Net other expenses/income	373	368	368	5	1.4%
Net non-interest income	9,956	7,492	7,481	2,464	32.9%
OPERATING INCOME	27,572	26,877	26,866	695	2.6%
Payroll costs	(9,098)	(9,918)	(9,918)	820	-8.3%
Other administrative expenses	(5,408)	(6,019)	(6,019)	611	-10.2%
Recovery of expenses	463	557	557	(94)	-16.9%
Amortisation, depreciation and impairment losses on tangible and intangible fixed assets	(1,281)	(1,312)	(1,312)	31	-2.4%
Operating expenses	(15,324)	(16,692)	(16,692)	1,368	-8.2%
OPERATING PROFIT	12,248	10,185	10,174	2,063	20.3%
Goodwill impairment	-	(750)	(750)	750	-100.0%
Provision for risks and charges	(609)	(344)	(344)	(265)	77.0%
Integration costs	(258)	(140)	(140)	(118)	84.3%
Net impairment losses on loans and provisions for guarantees and commitments	(8,313)	(3,700)	(3,700)	(4,613)	124.7%
Net income from investments	232	207	218	25	12.1%
PROFIT BEFORE TAX	3,300	5,458	5,458	(2,158)	-39.5%
Income tax for the period	(1,009)	(627)	(627)	(382)	60.9%
PROFIT (LOSS) FOR THE PERIOD	2,291	4,831	4,831	(2,540)	-52.6%
Minorities	(332)	(518)	(518)	186	-35.9%
NET PROFIT ATTRIBUTABLE TO THE GROUP BEFORE PPA	1,959	4,313	4,313	(2,354)	-54.6%
Purchase Price Allocation effect	(257)	(301)	(301)	44	-14.6%
NET PROFIT ATTRIBUTABLE TO THE GROUP	1,702	4,012	4,012	(2,310)	-57.6%

¹ The historical 2008 data were taken from the 2008 Consolidated Reports and Financial Statements; the comparable 2008 data were taken from the 2009 Consolidated Reports and Financial Statements, where they were restated following the reclassification of the private equity activity in 2009 (from "Net trading, hedging and fair value income" to "Net income from investments").

RECLASSIFIED INCOME STATEMENT FIGURES <i>(in millions of Euros)</i>	Year ended 31 December			2010 vs. 2009 (comparable)	
	2010	2009 ¹ (comparable)	2009 ¹ (historical)		%
Net interest	15,993	17,429	17,304	(1,436)	-8.2%
Dividends and other income from equity investments	408	312	312	96	30.8%
Net interest income	16,401	17,741	17,616	(1,340)	-7.6%
Net fees and commissions	8,455	7,655	7,780	800	10.5%
Net trading, hedging and fair value income	1,053	1,803	1,803	(750)	-41.6%
Net other expenses/income	438	373	373	65	17.4%
Net non-interest income	9,946	9,831	9,956	115	1.2%
OPERATING INCOME	26,347	27,572	27,572	(1,225)	-4.4%
Payroll costs	(9,205)	(9,098)	(9,098)	(107)	1.2%
Other administrative expenses	(5,479)	(5,408)	(5,408)	(71)	1.3%
Recovery of expenses	484	463	463	21	4.5%
Amortisation, depreciation and impairment losses on tangible and intangible fixed assets	(1,283)	(1,281)	(1,281)	(2)	0.2%
Operating expenses	(15,483)	(15,324)	(15,324)	(159)	1.0%
OPERATING PROFIT	10,864	12,248	12,248	(1,384)	-11.3%
Goodwill impairment	(361)	-	-	(361)	n.s.
Provision for risks and charges	(765)	(609)	(609)	(156)	25.6%
Integration costs	(282)	(258)	(258)	(24)	9.3%
Net impairment losses on loans and provisions for guarantees and commitments	(6,892)	(8,313)	(8,313)	1,421	-17.1%
Net income from investments	(47)	232	232	(279)	n.s.
PROFIT BEFORE TAX	2,517	3,300	3,300	(783)	-23.7%
Income tax for the period	(641)	(1,009)	(1,009)	368	-36.5%
PROFIT (LOSS) FOR THE PERIOD	1,876	2,291	2,291	(415)	-18.1%
Minorities	(321)	(332)	(332)	11	-3.3%
NET PROFIT ATTRIBUTABLE TO THE GROUP BEFORE PPA	1,555	1,959	1,959	(404)	-20.6%
Purchase Price Allocation effect	(232)	(257)	(257)	25	-9.7%
NET PROFIT ATTRIBUTABLE TO THE GROUP	1,323	1,702	1,702	(379)	-22.3%

¹ The 2009 data were taken from the 2009 Consolidated Reports and Financial Statements; the comparable 2009 data were taken from the 2010 Consolidated Reports and Financial Statements, where they were restated following the reclassification of income from the placement of securities issued by UniCredit from "Net fees and commissions" to "Net interest income", within the context of the merger by incorporation of the placing banks into the issuing bank, which took place in November 2010.

Data relating to the periods ended 30 September 2011 and 2010

The tables below show restated income statement data relating to the periods ended 30 September 2011 and 2010.

RECLASSIFIED INCOME STATEMENT FIGURES <i>(in millions of Euros)</i>	Period ended 30		2011 vs. 2010	
	September		(comparable)	
	2011	2010 ¹ (comparable)		%
Net interest	11,618	11,739	(121)	-1.0%
Dividends and other income from equity investments	333	263	70	26.6%
Net fees and commissions	6,268	6,300	(32)	-0.5%
Net trading, hedging and fair value income	705	999	(294)	-29.4%
Net other expenses/income	184	299	(115)	-38.5%
OPERATING INCOME	19,108	19,600	(492)	-2.5%
Payroll costs	(7,032)	(7,009)	(23)	0.3%
Other administrative expenses	(4,153)	(4,072)	(81)	2.0%
Recovery of expenses	361	320	41	12.8%
Amortisation, depreciation and impairment losses on tangible and intangible fixed assets	(838)	(843)	5	-0.6%
Operating expenses	(11,662)	(11,604)	(58)	0.5%
OPERATING PROFIT	7,446	7,996	(550)	-6.9%
Net impairment losses on loans and provisions for guarantees and commitments	(4,533)	(5,141)	608	-11.8%
NET OPERATING PROFIT	2,913	2,855	58	2.0%
Provision for risks and charges	(671)	(293)	(378)	129.0%
Integration costs	(180)	(27)	(153)	n.s.
Net income from investments	(543)	120	(663)	n.s.
RESULT BEFORE TAX	1,519	2,655	(1,136)	-42.8%
Income tax for the period	(1,167)	(1,104)	(63)	5.7%
RESULT	352	1,551	(1,199)	-77.3%
Minorities	(286)	(241)	(45)	18.7%
NET RESULT ATTRIBUTABLE TO THE GROUP BEFORE PPA	66	1,310	(1,244)	-95.0%
Purchase Price Allocation effect	(717)	(145)	(572)	n.s.
Goodwill impairment	(8,669)	(162)	(8,507)	n.s.
NET RESULT ATTRIBUTABLE TO THE GROUP	(9,320)	1,003	(10,323)	n.s.

¹ The 2010 data were taken from the Consolidated Interim Report as at 30 September 2011.

As of the first quarter of 2011, the PPA relating to the acquisition of HVB, previously spread over several income statements, was recognised in full under "Purchase Price Allocation effect" (as was the PPA relating to the merger with Capitalia). The figures for the previous periods were restated accordingly.

Within the context of the merger by incorporation of the placing banks into the issuing bank, which took place in November 2010, the data published on 30 September 2010 relating to the income from the placement of securities issued by UniCredit were restated from "Net fees and commissions" to "Net interest income".

BALANCE SHEET DATA AS AT 30 SEPTEMBER 2011 AND AS AT 31 DECEMBER 2010, 2009 and 2008

The table below shows selected restated balance sheet data as at 30 September 2011 and as at 31 December 2010, 2009 and 2008.

RESTATED BALANCE SHEET DATA							
<i>(in millions of Euros)</i>	30 September 2011	31 December			Change %		
		2010	2009	2008	First 9 months 2011	2010 vs. 2009	2009 vs. 2008
Total assets	950,296	929,488	928,760	1,045,612	2.2%	0.1%	-11.2%
Loans and advances to customers	562,447	555,653	564,986	612,480	1.2%	-1.7%	-7.8%
Deposits from customers and debt securities in issue	(559,231)	(583,238)	(596,396)	(591,290)	-4.1%	-2.2%	0.9%
<i>of which deposits from customers</i>	<i>(392,517)</i>	<i>(402,248)</i>	<i>(381,623)</i>	<i>(388,831)</i>	<i>-2.4%</i>	<i>5.4%</i>	<i>-1.9%</i>
<i>of which securities in issue</i>	<i>(166,714)</i>	<i>(180,990)</i>	<i>(214,773)</i>	<i>(202,459)</i>	<i>-7.9%</i>	<i>-15.7%</i>	<i>6.1%</i>
Deposits from banks	(139,476)	(111,735)	(106,800)	(177,677)	24.8%	4.6%	-39.9%
Loans and advances to banks	72,474	70,215	78,269	80,827	3.2%	-10.3%	-3.2%
Net interbank balance	(67,002)	(41,520)	(28,531)	(96,850)	61.40%	45.50%	-70.5%
Group portion of shareholders' equity	52,292	64,224	59,689	54,999	-18.6%	7.6%	8.5%
Assets under management ¹	164,943	186,672	175,823	166,737	11.6%	6.2%	5.4%

¹ Assets under management refer to the assets managed by the Asset Management business segment.

PERFORMANCE INDICATORSData relating to the period ended 30 September 2011 and the financial years ended 31 December 2010, 2009 and 2008

The table below shows selected performance indicators relating to the period ended 30 September 2011 and the financial years ended 31 December 2010, 2009 and 2008.

PERFORMANCE INDICATORS							
	Period ended 30 September 2011	Financial year ended 31 December			Change		
		2010	2009	2008	First 9 months 2011	2010 vs. 2009	2009 vs. 2008
Earnings per share (EPS)	-0.515 ^{1,2}	0.064 ²	0.099 ²	0.304 ³	n.s.	-0.035	-0.205
Cost/income ratio	61.0%	58.8%	55.6%	62.1%	220 bp	320 bp	-650 bp

¹ Period data.

² Following the disbursements charged to equity in relation to the contract of usufruct on treasury shares agreed under the CASHES transaction, the net profit for the period used for the purposes of calculating the EPS has been modified as follows:

- first nine months of 2011: from Euro -9,320 million to Euro -9,447 million;
- 2010 financial year: from Euro 1,323 million to Euro 1,167 million;
- 2009 financial year: from Euro 1,702 million to Euro 1,571 million.

³ The data relating to the 2008 EPS, published in the 2009 Consolidated Reports and Financial Statements, at Euro 0.26, has been modified to take account of the increase in the number of shares deriving from the free capital increase (IAS 33, paragraph 28).

The table below shows the calculation of base and diluted earnings per share for the period ended 30 September 2011 and the financial years ended 31 December 2010, 2009 and 2008:

	Period ended 30 September		Financial year ended 31 December		
	2011	2010	2010	2009	2008
Average number of outstanding shares	18,330,184,326 ¹	18,068,366,688 ²	18,134,197,143 ²	15,810,771,546 ²	15,642,228,959 ²
Average number of potentially dilutive shares	1,519,002	2,370,738	6,524,615	8,579,747	10,058,850
Average number of diluted shares	18,331,703,328	18,070,737,426	18,140,721,758	15,819,351,293	15,652,287,809
Earnings per share (in Euros)³	-0.515	0.049	0.064	0.099	0.304⁴
Diluted earnings per share (in Euros)³	-0.515	0.046	0.064	0.099	0.304⁴

¹ Net of the average number of treasury shares and the 967,564,061 shares held in usufruct.

² Net of the average number of treasury shares, plus the number of shares deriving from the free capital increase pursuant to Article 2442 of the Civil Code decided by the Extraordinary Shareholders' Meeting held on 29 April 2009. The average number of outstanding shares must be increased by the number of shares deriving from the free capital increase, as though this had taken place at the start of the first presentation period (IAS 33 paragraph 28).

³ Following the disbursements charged to equity in relation to the contract of usufruct on treasury shares agreed under the CASHES transaction, the net profit for the period used for the purposes of calculating the EPS has been modified as follows:

- first nine months of 2011: from Euro -9,320 million to Euro -9,447 million;
- first nine months of 2010: from Euro 1,003 million to Euro 887 million;
- 2010 financial year: from Euro 1,323 million to Euro 1,167 million;
- 2011 financial year: from Euro 1,702 million to Euro 1,571 million.

⁴ The figure relating to the 2008 EPS, published in the 2009 Consolidated Reports and Financial Statements, of Euro 0.26, has been modified to take account of the increase in the number of shares deriving from the free capital increase (IAS 33, paragraph 28).

STAFF AND BRANCHES AS AT 30 SEPTEMBER 2011 AND AS AT 31 DECEMBER 2010, 2009 AND 2008

The table below shows selected data relating to staff and branches as at 30 September 2011 and as at 31 December 2010, 2009 and 2008:

STAFF AND BRANCHES	30 September 2011	31 December			Change %		
		2010	2009	2008	First 9 months 2011	2010 vs. 2009	2009 vs. 2008
Employees (FTE) ¹	160,552	162,009	165,062	174,519	-0.9%	-1.8%	-5.4%
Employees (FTE: pro rata for proportionally consolidated subsidiaries)	150,537	152,183	155,000	163,991	-1.1%	-1.8%	-5.5%
Branches ¹	9,508	9,617	9,799	10,251	-1.1%	-1.9%	-4.4%

¹ These figures include all the employees of proportionally consolidated subsidiaries, such as the Koç Financial Services group.

MAIN CASH FLOW STATEMENT DATA FOR THE PERIODS ENDED 30 SEPTEMBER 2011 AND 2010 AND FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2010, 2009 AND 2008

The table below shows the main consolidated cash flow statement data relating to the periods ended 30 September 2011 and 2010 and to the financial years ended 31 December 2010, 2009 and 2008.

CASH FLOW (in millions of Euros)	First 9 months		Financial year ended 31 December		
	2011	2010	2010	2009 ¹	2008 ¹
Net liquidity generated/absorbed by operating activities	(95)	(10,563)	(8,266)	(3,896)	6,507
Net liquidity generated/absorbed by investment activities	360	313	(442)	5,638	(5,770)
Net liquidity generated/absorbed by funding activities	(919)	3,125	3,039	2,705	(3,665)
Net liquidity generated/absorbed during the period	(654)	(7,125)	(5,669)	4,447	(2,928)

¹ The figures as at 31 December 2008 are taken from the 2008 Consolidated Reports and Financial Statements. The figures as at 31 December 2009 are taken from the comparative data included in the 2010 Consolidated Financial Statements and differ from the figures published in the 2009 Consolidated Financial Statements due to a different allocation of the component “dividends distributed and other allocations” relating to minority interests in shareholders’ equity.

LOANS TO CUSTOMERS – CREDIT QUALITY

The table below shows selected summary information on the Group’s exposure to customers as at 30 September 2011 and as at 31 December 2010, 2009 and 2008.

LOANS TO CUSTOMERS – CREDIT QUALITY (in millions of Euros)	NON-	DOUBTFUL	RESTRUCTURED	PAST-	TOTAL	PERFORMING	TOTAL
	PERFORMING			DUE	IMPAIRED		LOANS
				LOANS			
Situation as at 30 September 2011							
Par value	42,070	18,008	7,167	4,393	71,638	526,374	598,012
as a percentage of total loans	7.03%	3.01%	1.20%	0.73%	11.98%	88.02%	
Impairment losses	24,510	5,708	1,768	608	32,594	2,971	35,565
as a percentage of par value	58.26%	31.70%	24.67%	13.84%	45.50%	0.56%	
Balance sheet amount	17,560	12,300	5,399	3,785	39,044	523,403	562,447
as a percentage of total loans	3.12%	2.19%	0.96%	0.67%	6.94%	93.06%	
Situation as at 31 December 2010 (comparable)¹							
Par value	38,538	19,035	6,207	4,435	68,215	520,457	588,672
as a percentage of total loans	6.55%	3.23%	1.05%	0.75%	11.59%	88.41%	
Impairment losses	22,158	5,937	1,264	592	29,951	3,068	33,019
as a percentage of par value	57.50%	31.19%	20.36%	13.35%	43.91%	0.59%	
Balance sheet amount	16,380	13,098	4,943	3,843	38,264	517,389	555,653
as a percentage of total loans	2.95%	2.36%	0.89%	0.69%	6.89%	93.11%	

¹ In the first quarter of 2011 there was a revision of the classification criteria for Impaired Loans to countries of Central and Eastern Europe, with particular reference to the “Restructured” and “Past-Due” categories. For this reason, and for the purposes of a like-for-like comparison, the data as at 31 December 2010 has been restated in accordance with the new classification.

LOANS TO CUSTOMERS – CREDIT QUALITY							
<i>(in millions of Euros)</i>	NON- PERFORMING	DOUBTFUL	RESTRUCTURED	PAST- DUE LOANS	TOTAL IMPAIRED	PERFORMING	TOTAL LOANS
Situation as at 31 December 2010 (historical)							
Par value	38,743	19,671	5,176	3,766	67,356	521,316	588,672
<i>as a percentage of total loans</i>	6.58%	3.34%	0.88%	0.64%	11.44%	88.56%	
Impairment losses	22,399	5,945	1,147	437	29,928	3,091	33,019
<i>as a percentage of par value</i>	57.81%	30.22%	22.16%	11.60%	44.43%	0.59%	
Balance sheet amount	16,344	13,726	4,029	3,329	37,428	518,225	555,653
<i>as a percentage of total loans</i>	2.94%	2.47%	0.73%	0.60%	6.74%	93.26%	
Situation as at 31 December 2009							
Par value	32,836	16,430	4,436	3,932	57,634	537,032	594,666
<i>as a percentage of total loans</i>	5.52%	2.76%	0.75%	0.66%	9.69%	90.31%	
Impairment losses	20,144	4,883	1,130	428	26,585	3,095	29,680
<i>as a percentage of par value</i>	61.35%	29.72%	25.47%	10.89%	46.13%	0.58%	
Balance sheet amount	12,692	11,547	3,306	3,504	31,049	533,937	564,986
<i>as a percentage of total loans</i>	2.25%	2.04%	0.59%	0.62%	5.50%	94.50%	
Situation as at 31 December 2008							
Par value	28,772	8,949	1,856	2,205	41,782	595,314	637,096
<i>as a percentage of total loans</i>	4.52%	1.40%	0.29%	0.35%	6.56%	93.44%	
Impairment losses	18,308	2,772	593	281	21,954	2,662	24,616
<i>as a percentage of par value</i>	63.63%	30.98%	31.95%	12.74%	52.54%	0.45%	
Balance sheet amount	10,464	6,177	1,263	1,924	19,828	592,652	612,480
<i>as a percentage of total loans</i>	1.71%	1.01%	0.21%	0.31%	3.24%	96.76%	

REGULATORY CAPITAL AND SOLVENCY RATIOS AS AT 30 SEPTEMBER 2011 AND AS AT 31 DECEMBER 2010, 2009 AND 2008

The table below shows the data for regulatory capital and solvency ratios as at 30 September 2011 and as at 31 December 2010, 2009 and 2008.

REGULATORY CAPITAL (millions of Euros)	30 September		31 December		Change %		
	2011	2010	2009	2008 ¹	First 9 Months 2011	2010 vs. 2009	2009 vs. 2008
A Tier 1 capital before solvency filters	46,400	46,646	42,234	38,080	-0.5%	10.4%	10.9%
B Tier 1 solvency filters	(419)	(1,092)	(875)	(1,453)	-61.6%	24.8%	-39.8%
B.1 Positive IAS/IFRS solvency filters (+)	68	55	-	-	23.6%	n.a.	-
B.2 Negative IAS/IFRS solvency filters (-)	(487)	(1,147)	(875)	(1,453)	-57.5%	31.1%	-39.8%
C Tier 1 capital gross of items to be deducted (A+B)	45,981	45,554	41,359	36,627	0.9%	10.1%	12.9%
D Deductions from Tier 1 capital	2,442	2,517	2,325	1,784	-3.0%	8.3%	30.3%
E Total Tier 1 (C-D)	43,539	43,037	39,034	34,843	1.2%	10.3%	12.0%
F Tier 2 capital before solvency filters	17,681	18,317	18,922	21,962	-3.5%	-3.2%	-13.8%
G Tier 2 solvency filters	(149)	(111)	(96)	-	34.2%	15.6%	n.s.
G1. Positive IAS/IFRS solvency filters (+)	-	-	-	-	n.a.	n.a.	n.a.
G2. Negative IAS/IFRS solvency filters (-)	(149)	(111)	(96)	-	34.2%	15.6%	n.s.
H Tier 2 capital gross of items to be deducted (F+G)	17,532	18,206	18,826	21,962	-3.7%	-3.3%	-14.3%
I Deductions from Tier 2 capital	2,442	2,517	2,325	1,784	-3.0%	8.3%	30.3%
L Total Tier 2 (H-I)	15,090	15,689	16,501	20,178	-3.8%	-4.9%	-18.2%
M Deductions from Tier 1 and Tier 2 capital	1,035	1,071	1,163	1,068	-3.4%	-7.9%	8.9%
N Regulatory Capital (E+L-M)	57,594	57,655	54,372	53,953	-0.1%	6.0%	0.8%
O Tier 3 capital	-	-	-	591	n.a.	n.a.	n.a.
P Regulatory Capital including Tier 3 (N+O)	57,594	57,655	54,372	54,544	-0.1%	6.0%	-0.3%
Core Tier 1 Ratio	8.74% ²	8.58%	7.62%	6.00%	16 bp	96 bp	162 bp
Tier 1 Ratio	9.68%	9.46%	8.63%	6.80%	22 bp	86 bp	183 bp
Total regulatory capital/Total risk-weighted assets	12.80%	12.68%	12.02%	10.64%	12 bp	66 bp	138 bp

Each item of Tier 1 and Tier 2 Capital includes both the Group share and the minorities' share.

¹ The regulatory capital as at 31 December 2008 has been modified following the allocation to Tier 2 capital of the share of exchange transfer reserve pertaining to net foreign investments, the recalculation of deductions for changes in fair value due to changes in the Company's creditworthiness, and the recalculation of the intra-group component of subordinated loans.

² Or 8.25% if no account is taken of the shares forming the subject of the contract of usufruct on treasury shares agreed under the CASHES transaction.

AVERAGE BALANCES AND INTEREST RATES

The table below shows the average balances of the Group's assets, liabilities and shareholders' equity for the periods ended 30 September 2011 and 2010, as well as the amount of interest income received and interest expense paid in respect of those assets and liabilities. For the purposes of preparing this table, the average balances have been determined using the quarterly balances prepared in conformity with IFRS, net of intra-group relations.

<i>(in millions of Euros)</i>	30 September 2011			30 September 2010		
	Average balances ⁽¹⁾	Interest	Average interest rate	Average balances ⁽¹⁾	Interest	Average interest rate
Assets						
Interest-bearing assets						
Financial assets, excluding loans	139,383	3,104	2.97%	134,923	2,329	2.30%
Loans and advances to banks	70,388	777	1.47%	82,101	726	1.18%
Loans and advances to customers	559,679	16,889	4.02%	561,622	16,237	3.85%
Total interest-bearing assets	769,450	20,770	3.60%	778,646	19,292	3.30%
Other assets ⁽²⁾	157,933	1,306	1.10%	171,623	2,139	1.66%
Total assets	927,383	22,076	3.17%	950,269	21,431	3.01%
Liabilities						
Interest-bearing liabilities						
Deposits from banks	119,952	1,181	1.31%	110,263	976	1.18%
Deposits from customers	400,850	3,581	1.19%	387,670	2,999	1.03%
Securities in issue	176,843	4,520	3.41%	201,043	4,557	3.02%
Held-for-trading financial liabilities at fair value through profit or loss	112,821	734	0.87%	132,914	725	0.73%
Total interest-bearing liabilities	810,466	10,016	1.65%	831,890	9,257	1.48%
Other liabilities ⁽²⁾	55,435	324	0.78%	54,906	422	1.02%
Shareholders' equity	61,482	n.a.	n.a.	63,473	n.a.	n.a.
Total liabilities and shareholders' equity	927,383	10,340	1.49%	950,269	9,679	1.36%
Net interest income		11,736	1.68% ⁽³⁾		11,752	1.65% ⁽³⁾
Spread between deposits from/loans and advances to customers and securities			2.15% ⁽⁴⁾			2.14% ⁽⁴⁾
Spread between interest-bearing assets and interest-bearing liabilities			1.95% ⁽⁵⁾			1.82% ⁽⁵⁾

¹ Average balances calculated on the basis of quarterly data.

² Includes hedging derivatives and the related interest rate effect.

³ Difference between the average return/rate on total assets, liabilities and shareholders' equity.

⁴ Difference between the average return/rate on loans and advances to customers and customer deposits (and securities).

⁵ Difference between the average return/rate on total interest-bearing assets and total interest-bearing liabilities.

<i>(in millions of Euros)</i>	31 December 2010			31 December 2009			31 December 2008		
	Average balances ⁽¹⁾	Interest	Average interest rate	Average balances ⁽¹⁾	Interest	Average interest rate	Average balances ⁽¹⁾	Interest	Average interest rate
Assets									
Interest-bearing assets									
Financial assets, excluding loans	136,726	3,328	2.43%	134,563	3,960	2.94%	176,810	7,367	4.17%
Loans and advances to banks	79,724	1,165	1.46%	86,158	1,632	1.89%	104,007	7,736	7.44%
Loans and advances to customers	560,428	21,521	3.84%	585,736	26,818	4.58%	599,911	38,589	6.43%
Total interest-bearing assets	776,878	26,014	3.35%	806,457	32,410	4.02%	880,728	53,692	6.10%
Other assets ⁽²⁾	169,235	2,627	1.55%	182,160	2,336	1.28%	164,221	421	0.26%
Total assets	946,113	28,641	3.03%	988,617	34,746	3.51%	1,044,949	54,113	5.18%
Liabilities									
Interest-bearing liabilities									
Deposits from banks	110,557	1,395	1.26%	143,001	2,216	1.55%	174,896	9,435	5.39%
Deposits from customers	390,585	4,006	1.03%	381,718	5,792	1.52%	397,003	12,404	3.12%
Securities in issue	197,032	6,059	3.08%	207,389	7,568	3.65%	229,713	11,203	4.88%
Held-for-trading financial liabilities at fair value through profit or loss	129,404	860	0.66%	144,243	1,392	0.97%	131,437	1,334	1.01%
Total interest-bearing liabilities	827,578	12,320	1.49%	876,351	16,968	1.94%	933,049	34,376	3.68%
Other liabilities ⁽²⁾	54,912	565	1.03%	54,439	620	1.14%	55,298	1,693	3.06%
Shareholders' equity	63,623	n.a.	n.a.	57,827	n.a.	n.a.	56,602	n.a.	n.a.
Total liabilities and shareholders' equity	946,113	12,885	1.36%	988,617	17,588	1.78%	1,044,949	36,069	3.45%
Net interest income		15,756	1.67%⁽³⁾		17,158	1.73%⁽³⁾		18,044	1.73%⁽³⁾
Spread between deposits from/loans and advances to customers and securities ⁽⁴⁾			2.13% ⁽⁴⁾			2.31% ⁽⁴⁾			2.66% ⁽⁴⁾
Spread between interest-bearing assets and interest-bearing liabilities			1.86% ⁽⁵⁾			2.08% ⁽⁵⁾			2.42% ⁽⁵⁾

¹ Average balances calculated on the basis of quarterly data.

² Includes hedging derivatives and the related interest-rate effect.

³ Difference between the average return/rate on total assets, liabilities and shareholders' equity.

⁴ Difference between the average return/rate on loans and advances to customers and customer deposits (and securities).

⁵ Difference between the average return/rate on total interest-bearing assets and total interest-bearing liabilities.

CHANGE IN INTEREST INCOME AND EXPENSE

The table below shows, for each category of interest-bearing asset and interest-bearing liability, the changes in net interest income for the financial year ended 31 December 2010 compared with the financial year ended 31 December 2009, in terms of net changes and changes attributable to the interest rate effect.

<i>(in millions of Euros)</i>	Financial year ended 31 December 2010 compared with financial year ended 31 December 2009			
	Volume ⁽¹⁾	Return/Rate ⁽²⁾	Volume and Return/Rate ⁽³⁾	Total net change ⁽⁴⁾
Assets				
Interest-bearing assets				
Financial assets, excluding loans	64	(686)	(10)	(632)
Loans and advances to banks	(122)	(370)	25	(467)
Loans and advances to customers	(1,159)	(4,334)	196	(5,297)
Total interest-bearing assets	(1,217)	(5,390)	211	(6,396)
Other assets ⁽²⁾	(165)	492	(36)	291
Total assets	(1,382)	(4,898)	175	(6,105)
Liabilities				
Interest-bearing liabilities				
Deposits from banks	(503)	(415)	97	(821)
Deposits from customers	135	(1,870)	(51)	(1,786)
Securities in issue	(378)	(1,182)	51	(1,509)
Held-for-trading financial liabilities at fair value through profit or loss	(144)	(447)	59	(532)
Total interest-bearing liabilities	(890)	(3,914)	156	(4,648)
Other liabilities ⁽²⁾	5	(60)	-	(55)
Shareholders' equity	n.a.	n.a.	n.a.	n.a.
Total liabilities and shareholders' equity	(885)	(3,974)	156	(4,703)
Net interest income				(1,402)
of which: loans and advances to customers/deposits from customers, securities and financial liabilities at fair value through profit or loss	(772)	(835)	137	(1,470)

¹ Average balance for the period less the average balance for the previous period, multiplied by the average return for that period.

² Average return/rate for the period less the average return/rate for the previous period, multiplied by the average balance for that period.

³ "Total net change" less "Volume" less "Return/Rate".

⁴ Net interest income for the period less net interest income for the previous period.

AVERAGE NET INTEREST RATE AND NET INTEREST INCOME

The table below shows the average total interest-bearing assets, the average total interest-bearing liabilities and the net interest income for the Group, as well as the net interest income and net interest rate for the indicated periods.

<i>(in millions of Euros)</i>	First 9 months of the financial year		Financial year ended 31 December		
	2011	2010	2010	2009	2008
Average total interest-bearing assets	769,450	778,646	776,878	806,457	880,728
Average total interest-bearing liabilities	810,466	831,890	827,578	876,351	933,049
Interest income	11,736	11,752	15,756	17,158	18,044
Average rate on interest-bearing assets	3.60%	3.30%	3.35%	4.02%	6.10%
Average rate on interest-bearing liabilities	1.65%	1.48%	1.49%	1.94%	3.68%
Net interest rate ⁽¹⁾	1.95%	1.82%	1.86%	2.08%	2.42%
Net interest income ⁽²⁾	1.68%	1.65%	1.67%	1.73%	1.73%

¹ Difference between average rate on interest-bearing assets and average rate on interest-bearing liabilities.

² Ratio between interest income and average total assets.

SECURITIES PORTFOLIO

As at 30 September 2011, the total portfolio securities of the Group amount to Euro 140,746 million and represent 14.8% of total assets. Total portfolio securities are down by 7.0% compared with Euro 151,274 as at 31 December 2010.

The table below shows details of the Group's portfolio securities as at the indicated dates.

<i>(in millions of Euros)</i>	30 September 2011	31 December 2010	31 December 2009	31 December 2008
Debt securities	131,594	137,896	120,182	137,726
Held-for-trading financial assets	27,789	30,361	40,177	63,115
Financial assets at fair value through profit or loss	27,005	24,337	11,905	12,097
Available-for-sale financial assets	50,649	51,202	29,772	22,231
Held-to-maturity financial assets	8,944	10,004	10,662	16,882
Loans and advances to banks	5,109	6,460	12,496	6,700
Loans and advances to customers	12,098	15,532	15,170	16,701
Equity securities	5,389	8,824	9,928	9,883
Held-for-trading financial assets	2,908	6,433	6,655	4,828
Financial assets at fair value through profit or loss	36	50	52	63
Available-for-sale financial assets	2,445	2,341	3,221	4,992
UCI units	3,763	4,554	4,741	4,533
Held-for-trading financial assets	1,684	2,467	2,577	2,562
Financial assets at fair value through profit or loss	573	614	529	596
Available-for-sale financial assets	1,506	1,473	1,635	1,375
Total portfolio securities	140,746	151,274	134,851	152,142
Held-for-trading financial assets	32,381	39,261	49,408	70,505
Financial assets at fair value through profit or loss	27,614	25,001	12,486	12,756
Available-for-sale financial assets	54,600	55,016	34,629	28,598
Held-to-maturity financial assets	8,944	10,004	10,662	16,882
Loans and advances to banks	5,109	6,460	12,496	6,700
Loans and advances to customers	12,098	15,532	15,170	16,701

The table below shows details of the Group's portfolio securities subdivided by issuer as at 31 December 2010.

<i>(in millions of Euros)</i>	31 December 2010		
	Financial assets held for trading	Other portfolios ⁽¹⁾	Total
Debt securities	30,361	107,535	137,896
Governments and central banks	9,735	63,910	73,645
Other public entities	10,111	1,521	11,632
Banks	6,543	23,718	30,261
Other issuers	3,972	18,386	22,358
Equity securities	6,433	2,391	8,824
Banks	654	670	1,324
Other issuers:	5,779	1,721	7,500
<i>Insurance companies</i>	157	52	209
<i>Finance companies</i>	124	561	685
<i>Non-finance companies</i>	5,496	1,106	6,602
<i>Other entities</i>	2	2	4
UCI units	2,467	2,087	4,554
Total	39,261	112,013	151,274

¹ Includes securities classified in the categories of financial assets at fair value through profit or loss, available-for sale financial assets, held-to-maturity assets, loans and advances to banks and loans and advances to customers.

The table below shows details of the par value, book value and fair value of the Group's portfolio securities, by issuer, exceeding 10% of shareholders' equity as at 30 September 2011.

<i>(in millions of Euros)</i>	30 September 2011		
	Par value	Book value	Fair value
Sovereign debt			
Italy	39,994	38,847	38,470
Financial assets/liabilities held for trading (net exposure)	12,177	11,639	11,639
Financial assets at fair value through profit or loss	145	144	144
Available-for-sale financial assets	23,873	23,297	23,297
Loans and receivables	232	233	185
Held-to-maturity financial assets	3,567	3,534	3,205
Germany	25,668	26,711	26,733
Financial assets/liabilities held for trading (net exposure)	660	740	740
Financial assets at fair value through profit or loss	22,910	23,855	23,855
Available-for-sale financial assets	173	175	175
Loans and receivables	1,922	1,938	1,960
Held-to-maturity financial assets	3	3	3
Poland	6,751	6,815	6,801
Financial assets/liabilities held for trading (net exposure)	26	23	23
Financial assets at fair value through profit or loss	4	4	4
Available-for-sale financial assets	5,181	5,254	5,254
Loans and receivables	507	511	511
Held-to-maturity financial assets	1,033	1,023	1,009

BREAKDOWN BY RESIDUAL MATURITY OF FINANCIAL ASSETS

The table below shows the breakdown by residual maturity of the portfolio securities and loans and receivables with banks and customers of the Group as at 31 December 2010.

<i>(in millions of Euros)</i>	31 December 2010								Total
	On demand	Up to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 5 years	Over 5 years	Unspecified	
Government securities	44	4,678	4,509	5,824	6,877	38,158	17,347	-	77,437
Other debt securities	8	7,034	5,499	2,353	5,485	36,834	40,368	9,261	106,842
UCI units	183	4	1	-	397	103	287	4,607	5,582
Loans and receivables:	94,521	63,677	50,966	35,196	40,047	158,292	170,118	12,856	625,673
- Banks	21,910	20,923	10,638	3,773	1,768	2,832	2,730	90	64,664
- Customers	72,611	42,754	40,328	31,423	38,279	155,460	167,388	12,766	561,009
Total	94,756	75,393	60,975	43,373	52,806	233,387	228,120	26,724	815,534

BREAKDOWN BY CURRENCY OF DENOMINATION OF FINANCIAL ASSETS

The table below shows the portfolio securities and loans and advances to banks and customers of the Group by currency of denomination as at 31 December 2010.

<i>(in millions of Euros)</i>	31 December 2010			Total
	Euro	US dollar	Other currencies	
Government securities	65,920	3,781	7,736	77,437
Debt securities	95,828	2,208	8,806	106,842
UCI units	5,113	297	172	5,582
Loans and receivables:	528,517	21,289	75,867	625,673
- Banks	54,070	2,390	8,204	64,664
- Customers	474,447	18,899	67,663	561,009
Total	695,378	27,575	92,581	815,534

LOAN PORTFOLIO

The table below shows the portfolio of loans and advances to banks and customers of the Group as at the specified dates.

<i>(in millions of Euros)</i>	30 September 2011	31 December 2010	31 December 2009	31 December 2008
Loans and advances to banks	72,474	70,215	78,269	80,827
Loans and advances to customers	562,447	555,653	564,986	612,480
Total	634,921	625,868	643,255	693,307

LOANS AND ADVANCES TO CUSTOMERS AND DEPOSITS FROM CUSTOMERS

The table below shows the loans and advances to customers and deposits from customers by sector of activity of the Group as at 30 September 2011 and as at 31 December 2010.

<i>(in millions of Euros)</i>	Loans and advances to customers		Deposits from customers	
	30 September 2011	31 December 2010	30 September 2011	31 December 2010
F&SME Network Italy	128,077	125,708	91,461	92,156
F&SME Network Germany	44,274	46,885	40,465	39,069
F&SME Network Austria	21,382	22,121	23,219	23,516
F&SME Network Poland	8,999	8,764	11,699	12,845
F&SME Network Factories	54,120	54,460	14,934	15,500
Corporate & Investment Banking	216,658	212,826	90,800	99,518
Private Banking	7,409	6,970	23,761	23,959
Central Eastern Europe	67,633	66,308	55,756	53,750
Group Corporate Centre	13,895	11,611	40,422	41,935
Total	562,447	555,653	392,517	402,248

LOANS AND ADVANCES TO CUSTOMERS BY PRODUCT TYPE

The Group's main credit instruments are medium-term loans and mortgages, other non-overdrawn loans and current account overdrafts.

The table below shows the loans and advances to customers by product type, net of impaired assets, as at 30 September 2011 and as at 31 December 2010, 2009 and 2008.

<i>(in millions of Euros)</i>	30 September 2011	31 December		
		2010	2009	2008 ⁽¹⁾
Current accounts	64,283	59,816	58,832	69,008
Repos	15,402	9,564	15,963	9,725
Mortgages	190,695	194,153	204,819	209,070
Credit cards and personal loans, incl. salary-backed loans	20,378	20,229	19,265	20,876
Finance leases	33,714	33,203	33,714	34,128
Factoring	8,977	9,769	8,778	4,464
Other transactions	216,901	213,387	208,445	248,509
Debt securities	12,098	15,532	15,170	16,701
Impaired assets	-	-	-	-
Assets sold but not derecognised	-	-	-	-
Total loans and advances to customers	562,447	555,653	564,896	612,480

¹ Data taken from the Consolidated Reports and Financial Statements as at 31 December 2009 were restated for comparative purposes.

RISK ELEMENTS OF THE LOAN PORTFOLIO

The risk elements of the Group's loan portfolio are presented on the basis of Italian legislation and normal sector practice, and on the basis of local legislation in force and normal sector practice in the other countries in which the Group operates.

In particular, the Group classifies its loan portfolio in two main categories: performing loans and Impaired Loans. Impaired Loans include non-performing, doubtful, restructured and past-due loans.

The table below shows information about the quality of the Group's loan portfolio as at 30 September 2011 and as at 31 December 2010, 2009 and 2008. All data is presented net of the related impairment allowances.

<i>(in millions of Euros)</i>	30 September 2011	31 December		
		2010	2009	2008
Performing loans	523,403	518,225	533,937	592,652
Impaired Loans	39,044	37,428	31,049	19,828
<i>Non-performing⁽¹⁾</i>	<i>17,560</i>	<i>16,344</i>	<i>12,692</i>	<i>10,464</i>
<i>Doubtful⁽²⁾</i>	<i>12,300</i>	<i>13,726</i>	<i>11,547</i>	<i>6,177</i>
<i>Restructured⁽³⁾</i>	<i>5,399</i>	<i>4,029</i>	<i>3,306</i>	<i>1,263</i>
<i>Past-due⁽⁴⁾</i>	<i>3,785</i>	<i>3,329</i>	<i>3,504</i>	<i>1,924</i>
Total loans and receivables	562,447	555,653	564,986	612,480

¹ Formally impaired loans, representing exposures to debtors who are insolvent, even if they have not been legally declared as such, or in similar situations.

² Exposures to debtors who are in temporary difficulties but may be expected to recover within an adequate period of time.

³ Exposures to debtors with whom agreements have been reached for the granting of a repayment moratorium and simultaneous renegotiation of the conditions at below-market rates, conversion of part of the loans into shares and/or possible capital sacrifices; these are valued analytically, with the impairments taking account of the updated expenses deriving from any renegotiation of the interest rate under conditions below the original contractual rate.

⁴ Loans for which repayment is past due by 180 days or more.

BREAKDOWN OF LOANS AND RECEIVABLES BY RESIDUAL CONTRACTUAL MATURITY

The table below shows the breakdown by contractual maturity of the Group's loans and receivables as at 31 December 2010. The table includes the financial assets contained in all portfolios and recognised at the contractual value.

<i>(in millions of Euros)</i>	31 December 2010									
	On demand	1 to 7 days	7 to 15 days	15 days to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 5 years	Over 5 years	Unspecified
- Banks	21,910	5,158	4,921	10,844	10,638	3,773	1,768	2,832	2,730	90
- Customers	72,611	11,603	6,661	24,490	40,328	31,423	38,279	155,460	167,388	12,766
Total	94,521	16,761	11,582	35,334	50,966	35,196	40,047	158,292	170,118	12,856

BREAKDOWN AND CONCENTRATION OF CREDIT EXPOSURES

The tables below show information about the exposures of the UniCredit Banking Group to different customer groups as at the indicated dates. The data shown relates to balance sheet and off-balance sheet exposures to customers, irrespective of the portfolio to which they belong.

<i>(in millions of Euros)</i>	Governments			Other public bodies			Finance companies		
	Net exposure	Specific impairment losses	Portfolio impairment losses	Net exposure	Specific impairment losses	Portfolio impairment losses	Net exposure	Specific impairment losses	Portfolio impairment losses
Balance sheet exposures									
Non-performing	7	2	X	24	47	X	348	744	X
Doubtful	-	-	X	96	57	X	220	76	X
Restructured	-	-	X	2	1	X	64	56	X
Past-due	-	-	X	48	3	X	73	13	X
Other exposures	72,540	X	99	26,871	X	49	65,990	X	367
Total as at 31.12.2010	72,547	2	99	27,041	108	49	66,695	889	367
Total as at 31.12.2009	57,031	2	67	25,967	99	17	65,783	910	302
Total as at 31.12.2008	56,182	5	51	24,287	93	16	57,153	625	146

<i>(in millions of Euros)</i>	Insurance companies			Non-finance companies			Other entities		
	Net exposure	Specific impairment losses	Portfolio impairment losses	Net exposure	Specific impairment losses	Portfolio impairment losses	Net exposure	Specific impairment losses	Portfolio impairment losses
Balance sheet exposures									
Non-performing	16	25	X	10,620	14,593	X	5,238	7,029	X
Doubtful	2	1	X	9,878	4,206	X	3,544	1,609	X
Restructured	0	0	X	3,927	1,072	X	36	18	X
Past-due	1	1	X	2,593	272	X	623	149	X
Other exposures	1,544	X	5	303,634	X	1,503	154,419	X	1,060
Total as at 31.12.2010	1,563	27	5	330,652	20,143	1,503	163,860	8,805	1,060
Total as at 31.12.2009	2,324	23	5	332,554	17,638	1,790	169,494	8,031	919
Total as at 31.12.2008	3,093	30	4	366,298	13,884	1,623	192,900	7,550	1,004

The tables below show the territorial breakdown of the credit exposures of the UniCredit Banking Group to banks and customers according to the country of the counterparty or the final guarantor of the exposure as at the indicated dates. The data shown relates to balance sheet and off-balance sheet exposures to banks and customers, irrespective of the portfolio to which they belong.

Customers by country										
<i>(in millions of Euros)</i>	Italy		Other European countries		America		Asia		Rest of the world	
	Net exposure	Overall impairment losses	Net exposure	Overall impairment losses	Net exposure	Overall impairment losses	Net exposure	Overall impairment losses	Net exposure	Overall impairment losses
Balance sheet exposures										
Non-performing	9,320	13,512	6,069	7,597	152	147	434	757	279	428
Doubtful	9,547	4,104	3,455	1,403	5	1	684	415	50	27
Restructured	2,788	138	1,088	925	81	62	30	21	41	1
Past-due	2,667	283	643	123	8	27	17	4	3	-
Other exposures	276,575	1,383	312,964	1,517	11,967	53	5,841	79	17,650	50
Total as at 31.12.2010	300,897	19,420	324,219	11,565	12,213	290	7,006	1,276	18,023	506
Total as at 31.12.2009	297,544	17,519	321,377	10,309	12,890	273	7,957	907	13,384	795
Total as at 31.12.2008	308,698	14,077	350,029	9,543	19,843	377	12,878	678	8,465	356

Banks by country										
<i>(in millions of Euros)</i>	Italy		Other European countries		America		Asia		Rest of the world	
	Net exposure	Overall impairment losses	Net exposure	Overall impairment losses	Net exposure	Overall impairment losses	Net exposure	Overall impairment losses	Net exposure	Overall impairment losses
Balance sheet exposures										
Non-performing	-	-	77	90	11	75	58	51	-	-
Doubtful	1	1	9	-	2	-	-	-	5	9
Restructured	-	-	9	12	-	-	-	1	-	-
Past-due	80	-	241	1	-	-	-	-	3	-
Other exposures	19,266	19	71,515	20	3,593	1	1,888	1	3,521	-
Total as at 31.12.2010	19,347	20	71,851	123	3,606	76	1,946	53	3,529	9
Total as at 31.12.2009	12,952	10	82,520	190	5,913	79	2,529	48	3,164	8
Total as at 31.12.2008	21,249	1	95,505	296	5,455	115	3,715	3	6,791	53

BALANCE SHEET EXPOSURE TO CUSTOMERS – CHANGES IN IMPAIRED EXPOSURES

The table below shows the changes in Impaired Loans according to the overall balance sheet exposure to customers of the UniCredit Banking Group for the financial year ended 31 December 2010 and for the period ended 30 September 2011.

<i>(in millions of Euros)</i>	Non-performing	Doubtful	Restructured	Past-due
Opening gross exposure as at 1 January 2010	32,933	16,483	4,437	3,936
of which: exposures sold but not derecognised	376	906	15	286
Increases	14,169	16,891	2,977	8,945
Incoming from performing loans	4,449	9,614	1,074	7,077
Transfers from other categories of impaired exposures	6,942	5,114	834	1,279
Other increases	2,778	2,163	1,069	589
Reductions	8,407	13,684	2,238	9,105
Outgoing to performing loans	1,039	1,675	346	3,380
Derecognitions	3,653	233	52	1
Recoveries	2,030	3,100	887	825
Proceeds from sales	436	59	40	53
Transfers to other categories of impaired exposures	484	8,381	571	4,732
Other reductions	765	236	342	114
Closing gross exposure as at 31 December 2010	38,695	19,690	5,176	3,776
of which: exposures sold but not derecognised	443	1,315	20	146
Opening gross exposure as at 1 January 2011	38,695	19,690	5,176	3,776
of which: exposures sold but not derecognised	443	1,315	20	146
Increases	9,883	12,416	4,453	6,728
Incoming from performing loans	1,792	5,452	1,533	4,639
Transfers from other categories of impaired exposures	6,074	3,656	864	893
Other increases	2,017	3,308	2,056	1,196
Reductions	6,326	13,571	2,462	6,090
Outgoing to performing loans	424	1,678	291	1,916
Derecognitions	1,997	458	47	4
Recoveries	1,322	3,025	207	74
Proceeds from sales	791	91	64	51
Transfers to other categories of impaired exposures	369	7,032	749	3,338
Other reductions	1,423	1,287	1,104	707
Closing gross exposure as at 30 September 2011	42,252	18,535	7,167	4,414
of which: exposures sold but not derecognised	728	1,292	11	154

The table below shows the changes in impairment losses for balance sheet exposures to customers of the UniCredit Banking Group for the financial year ended 31 December 2010 and for the period ended 30 September 2011.

<i>(in millions of Euros)</i>	Non-performing	Doubtful	Restructured	Past-due
Opening overall adjustments as at 1 January 2010	20,252	4,891	1,130	430
of which: exposures sold but not derecognised	102	185	2	33
Increases	8,741	4,750	595	627
Impairment losses	5,939	3,297	419	262
Transfers from other categories of impaired exposures	2,342	667	144	174
Other increases	460	786	32	191
Reductions	6,553	3,691	578	620
Valuation writebacks	1,167	278	147	41
Recovery writebacks	1,031	489	135	51
Derecognitions	3,653	233	52	1
Transfers to other categories of impaired exposures	252	2,519	162	395
Other reductions	450	172	82	132
Closing overall adjustments as at 31 December 2010	22,440	5,950	1,147	437
of which: exposures sold but not derecognised	124	305	0	18
Opening overall adjustments as at 1 January 2011	22,440	5,950	1,147	437
of which: exposures sold but not derecognised	124	305	0	18
Increases	6,358	3,733	1,159	876
Impairment losses	3,500	2,340	713	383
Transfers from other categories of impaired exposures	2,232	557	216	130
Other increases	626	836	230	363
Reductions	4,238	3,790	538	705
Valuation writebacks	486	233	55	47
Recovery writebacks	766	443	94	58
Derecognitions	1,997	458	47	4
Proceeds from sales	-	-	-	-
Transfers to other categories of impaired exposures	167	2,236	284	449
Other reductions	822	420	58	147
Closing overall adjustments as at 30 September 2011	24,560	5,893	1,768	608
of which: exposures sold but not derecognised	229	317	-	18

BALANCE SHEET EXPOSURE TO BANKS – CHANGES IN IMPAIRED EXPOSURES

The table below shows the changes in Impaired Exposures on the basis of the overall balance sheet exposure to banks of the UniCredit Banking Group for the financial year ended 31 December 2010 and for the period ended 30 September 2011.

<i>(in millions of Euros)</i>	Non-performing	Doubtful	Restructured	Past-due
Opening gross exposure as at 1 January 2010	428	43	275	-
of which: exposures sold but not derecognised	-	-	-	-
Increases	465	29	17	325
Incoming from performing loans	137	10	10	-
Transfers from other categories of impaired exposures	253	13	2	0
Other increases	75	6	5	325
Reductions	530	46	269	-
Outgoing to performing loans	-	6	-	-
Derecognitions	206	-	20	-
Recoveries	240	4	1	-
Proceeds from sales	2	3	-	-
Transfers to other categories of impaired exposures	14	7	248	-
Other reductions	68	26	-	-
Closing gross exposure as at 31 December 2010	363	26	23	325
of which: exposures sold but not derecognised	-	-	-	-
Opening gross exposure as at 1 January 2011	363	26	23	325
of which: exposures sold but not derecognised	-	-	-	-
Increases	19	55	-	577
Incoming from performing loans	18	52	-	214
Transfers from other categories of impaired exposures	-	2	-	-
Other increases	1	1	-	363
Reductions	78	66	9	902
Outgoing to performing loans	17	-	-	428
Derecognitions	23	1	-	-
Recoveries	27	-	-	-
Proceeds from sales	-	1	-	-
Transfers to other categories of impaired exposures	2	-	-	-
Other reductions	9	64	9	474
Closing gross exposure as at 30 September 2011	304	15	14	-
of which: exposures sold but not derecognised	-	-	-	-

The table below shows the changes in impairment losses for balance sheet exposures to banks of the UniCredit Banking Group for the financial year ended 31 December 2010 and for the period ended 30 September 2011.

<i>(in millions of Euros)</i>	Non-performing	Doubtful	Restructured	Past-due
Opening overall adjustments	252	12	34	-
- of which: exposures sold but not derecognised	-	-	-	-
Increases	199	10	15	1
Impairment losses	126	-	1	-
Transfers from other categories of impaired exposures	15	5	-	-
Other increases	58	5	14	1
Reductions	234	12	35	-
Valuation writebacks	-	-	-	-
Recovery writebacks	20	4	1	-
Derecognitions	206	-	20	-
Transfers to other categories of impaired exposures	5	1	14	-
Other reductions	3	7	-	-
Closing overall adjustments	217	10	14	1
- of which: exposures sold but not derecognised	-	-	-	-
Opening overall adjustments as at 1 January 2011	217	10	14	1
of which: exposures sold but not derecognised	-	-	-	-
Increases	15	18	5	-
Impairment losses	8	1	-	-
Other increases	7	17	5	-
Reductions	35	22	5	1
Derecognitions	23	1	-	-
Other reductions	12	21	5	1
Closing overall adjustments as at 30 September 2011	197	6	14	-
of which: exposures sold but not derecognised	-	-	-	-

LOANS AND ADVANCES TO CUSTOMERS – CREDIT QUALITY

The table below shows the composition of the credit quality of loans and advances to customers of the Group as at 30 September 2011 and as at 31 December 2010.

<i>(in millions of Euros)</i>	30 September 2011			31 December 2010		
	Gross exposure	Specific adjustments	Net exposure	Gross exposure	Specific adjustments	Net exposure
Performing loans	526,374	2,971	523,403	521,316	3,091	518,225
Impaired Loans	71,638	32,594	39,044	67,356	29,928	37,428
<i>Non-performing</i>	<i>42,070</i>	<i>24,510</i>	<i>17,560</i>	<i>38,743</i>	<i>22,399</i>	<i>16,344</i>
<i>Doubtful</i>	<i>18,008</i>	<i>5,708</i>	<i>12,300</i>	<i>19,671</i>	<i>5,945</i>	<i>13,726</i>
<i>Restructured</i>	<i>7,167</i>	<i>1,768</i>	<i>5,399</i>	<i>5,176</i>	<i>1,147</i>	<i>4,029</i>
<i>Past-due</i>	<i>4,393</i>	<i>608</i>	<i>3,785</i>	<i>3,766</i>	<i>437</i>	<i>3,329</i>
Total	598,012	35,565	562,447	588,672	33,019	555,653

The table below shows the credit quality indicators of the Group for the indicated periods.

<i>(in millions of Euros)</i>	30 September 2011		31 December		
			2010	2009	2008
Net non-performing loans with customers/Net loans and advances to customers		3.1%	2.9%	2.2%	1.7%
Net impaired loans with customers/Net loans and advances to customers		6.9%	6.7%	5.5%	3.2%
Adjustments as percentage of gross loans and advances to customers		5.9%	5.6%	5.0%	3.9%
Net impaired loans with customers/Gross receivables with customers		6.5%	6.4%	5.2%	3.1%

COMPOSITION OF DIRECT DEPOSITS

The table below shows the composition of the direct deposits of the Group as at 30 September 2011 and as at 31 December 2010, 2009 and 2008.

<i>(in millions of Euros)</i>	30 September 2011				31 December			
			2010		2009		2008	
Current accounts and demand deposits	218,725	31.3%	225,086	32.4%	217,353	30.9%	197,011	25.6%
Time deposits	107,176	15.3%	109,202	15.7%	111,558	15.9%	121,471	15.8%
Loans (including repos)	50,991	7.3%	48,260	6.9%	29,727	4.2%	44,831	5.8%
Other liabilities	15,625	2.2%	19,700	2.8%	22,985	3.3%	25,518	3.3%
Deposits from customers	392,517	56.1%	402,248	57.9%	381,623	54.3%	388,831	50.6%
Bonds	148,731	21.3%	145,517	20.9%	161,670	23.0%	158,935	20.7%
Other securities	17,983	2.6%	35,473	5.1%	53,103	7.6%	43,524	5.6%
Securities in issue	166,714	23.9%	180,990	26.0%	214,773	30.5%	202,459	26.3%
Deposits from banks	139,476	20.0%	111,735	16.1%	106,800	15.2%	177,677	23.1%
Total direct deposits	698,707	100.0%	694,973	100.0%	703,196	100.0%	768,967	100.0%

BREAKDOWN BY RESIDUAL CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES

The table below shows the breakdown by residual contractual maturity of the financial liabilities of the Group as at 31 December 2010.

<i>(in millions of Euros)</i>	On demand	Up to 3 months	3 months to 1 year	1 to 5 years	Over 5 years	Unspecified	Total
Current accounts and deposits – banks	16,347	26,143	4,779	4,658	3,469	-	55,395
Current accounts and deposits – customers	223,298	65,054	21,998	12,358	2,400	49	325,157
Debt securities	285	34,112	27,143	72,260	55,913	227	189,940
Other liabilities	37,134	57,900	12,914	24,908	27,541	7,451	167,849
Total financial liabilities	277,064	183,209	66,834	114,184	89,323	7,727	738,341

PROFITABILITY RATIOS

The table below shows selected financial ratios for the indicated periods.

<i>(in millions of Euros)</i>	30 September		31 December	
	2011	2010	2009	2008
Group share of net profit	(9,320)	1,323	1,702	4,012
Average total assets	927,383	946,113	988,617	1,044,949
Average shareholders' equity	61,482	63,623	57,827	56,602
Group share of net profit/average assets	n.a.	0.1%	0.2%	0.4%
Group share of net profit/average net shareholders' equity (RoE)	n.a.	2.1%	2.9%	7.1%
Average net shareholders' equity/average total assets	6.6%	6.7%	5.8%	5.4%
Dividend pay-out ratio (dividends/group share of net profit)	n.a.	41.6%	32.3%	(*)

(*) The dividend for the 2008 financial year was paid in cash at Euro 0.025 per savings share (for a total of Euro 0.5 million) and through the allocation of new shares with a free capital increase.

There follow some comments on the principal results and performance:

- for the first nine months of 2011, with particular focus on the events of the third quarter 2011;
- for the 2010 financial year;
- for the 2009 financial year;
- for the 2008 financial year.

A reminder is given that the comments are made on the basis of the historical data and do not take account of any reclassifications made in subsequent periods.

First nine months of 2011

The results achieved by the UniCredit Group in the first nine months of 2011 were influenced not only by the economic and financial climate, but also by certain extraordinary non-recurring effects associated with the approval of the 2010-2015 Strategic Plan.

The loss of Euro 9,320 million is mainly attributable to the extraordinary and non-repeatable writedowns (for a total of Euro 10,167 million after tax) made in the third quarter:

- (i) writedown of goodwill by Euro 8,669 million after tax, included in the item "Goodwill impairment". This goodwill derived from acquisitions made in recent years and subsequently attributed to the various cash generating units of the Group. The review of the strategies and projected financial performance of those units' prospects results in a writedown of the goodwill associated with the assets concerned;
- (ii) writedown of goodwill implicit in certain strategic investments by Euro 480 million after tax, included in the item "Investment losses";
- (iii) writedowns of Greek government securities by Euro 135 million after tax, included in the item "Investment losses";
- (iv) writedowns of certain discontinued local brands by Euro 662 million after associated deferred taxes, included in the item "Purchase Price Allocation effect";

- (v) employee severance pay of Euro 121 million after tax, included in the item “Integration costs”; and
- (vi) writedown of tax assets linked to UCB AG and UniCredit Bank Austria by Euro 100 million, included in the item “Income tax for the period”.

At operating level, the UniCredit Group generated a net operating profit of Euro 2,913 million, up by 2% compared with the same period of 2010.

In the first nine months of 2011, operating income was Euro 19,108 million, down by 2.5% compared with the same period of 2010. The trend compared to the previous quarter shows a reduction in operating income (third quarter vs. second quarter) of Euro 730 million (-11.3%), mainly due to:

- (i) a loss on trading, hedging and fair value income;
- (ii) the negative effects of the seasonality of net commissions and dividends, which fell during the summer period; and
- (iii) a moderate fall in net interest.

Net interest for the first nine months of 2011 amounted to Euro 11,618 million; in the third quarter it stood at Euro 3,831 million, representing a slight fall compared with the figure of Euro 3,903 million in the second quarter (-1.8%). This item would show an increase compared to the previous quarter if calculated net of certain non-recurring positive elements in the second quarter related to corporate customers. On the commercial side, net interest was positively influenced by the repricing of the assets, which offset higher expenses on the deposits side.

Net commissions for the first nine months of 2011 amounted to Euro 6,268 million, in line with the same period of 2010 (-0.5%) and down by 4.4% compared with the second quarter 2011.

Despite the significant contribution deriving from the CEE area, this result was impacted by a negative performance in western Europe. With respect to the main operating components, investment services suffered the greatest negative impact due to the huge volumes of redemptions on assets under management as a result of the crisis on the financial markets of Western Europe, and of Italy in particular, on top of the natural fall in commissions on asset management and administration services which is typical of the summer months.

Net trading, hedging and fair value income amounted to Euro 705 million in the first nine months of 2011, a sharp fall from the figure of Euro 999 million for the same period of 2010. Income for the third quarter was negative at Euro -285 million, compared with a positive figure of Euro 290 million in the second quarter 2011, as a consequence firstly of the widening of spreads on government securities of southern European countries, particularly Italy, and secondly of the widening of spreads on other non-government bonds.

Net other income for the first nine months of 2011, at Euro 184 million (of which Euro 85 million in the third quarter), was also sharply down compared with the figure of Euro 299 million for the first nine months of 2010.

Operating expenses amounted to Euro 11,662 million in the first nine months of 2011, and were essentially stable. Net of Bank Levies, operating expenses would show a reduction of 0.4%

compared with the first nine months of 2010. In the third quarter, this item stood at Euro 3,879 million, with a reduction compared to the previous quarter of 1.2%, mainly due to other administrative expenses, in line with the seasonality that characterises this income statement item.

Payroll costs were stable in the first nine months of 2011 and amounted to Euro 7,032 million compared with Euro 7,009 million in the same period of 2010. The figure for the third quarter 2011 was Euro 2,357 million, up by 0.6% compared to the previous quarter, mainly due to an increase in the Western Europe component linked to Germany and Austria (although Italy showed falling costs in the commercial segment during the quarter) and a reduction in the CEE area and Poland.

Other administrative expenses amounted to Euro 4,153 million in the first nine months of 2011, up by 2.0% compared with Euro 4,072 million in the same period of 2010. In the third quarter 2011, this item stood at Euro 1,391 million, down by 1.9% compared to the previous quarter, partly due to the reduction in advertising, marketing and communication expenses.

Impairment losses on tangible and intangible fixed assets for the first nine months of 2011 amounted to Euro 838 million, compared with Euro 843 million for the same period of 2010. The figure for the third quarter 2011 was Euro 275 million, slightly down from Euro 279 million in the previous quarter.

The cost/income ratio stood at 61% for the first nine months of 2011 (68% in the third quarter, up from 61% in the second quarter), slightly higher than for the first nine months of 2010 (59%).

Operating profit for the first nine months of 2011 amounted to Euro 7,446 million, down by 6.9% compared with the same period of 2010. In the third quarter, the figure was Euro 1,846 million, a reduction of 27.0% compared with the second quarter, due to the negative impact of trading income.

Net impairment losses on loans and provisions for guarantees and commitments in the first nine months of 2011 amounted to Euro 4,533 million (down from Euro 5,141 million in the same period of 2010), equivalent to an annualised cost of risk of 108 basis points. In the third quarter 2011, this item showed an increase compared with the second quarter 2011, at Euro 1,848 million (from Euro 1,181 million in the second quarter), equivalent to an annualised cost of risk of 131 basis points. This strong growth is attributable to the fact that in Germany during the previous quarter there had been non-recurring and non-repeatable net writebacks on loans. On the other hand, the persistence of the crisis entailed an acceleration of provisions on the Italian corporate customers' portfolio. Gross Impaired Loans as at the end of September 2011 amounted to Euro 71.6 billion, up by 2.5% on the previous quarter. Gross non-performing loans were up by 4.1% compared to the previous quarter, while the other categories of problematic loans showed a rise compared to the previous quarter of just 0.3%. The coverage rate for total Impaired Loans as at September 2011 was up on June 2011 at 45.5%, with 58.3% coverage for non-performing loans and 27.3% for other problematic loans.

Provisions for risks and charges amounted to Euro 671 million in the first nine months of 2011, of which Euro 266 million in the third quarter (Euro 244 million in the previous quarter).

Integration costs amounted to Euro 180 million in the first nine months of 2011, up by Euro 27 million on the first nine months of 2010. In the third quarter, this item amounted to Euro 174 million, including staff severance pay of Euro 168 million (Euro 121 million after tax), treated as extraordinary expenses.

Net investment losses amounted to Euro 543 million in the first nine months of 2011, compared with income of Euro 120 million in the corresponding period of the previous year. The fall is mainly attributable to Euro 480 million in writedowns of goodwill implicit in certain strategic investments and to writedowns of Euro 307 million on Greek government securities. These writedowns were partly offset by capital gains from exploitation of real estate assets (Euro 60 million net of writedowns) and by a share swap on equity investments in a leading Russian financial market management group (Euro 80 million).

With reference to writedowns relating to strategic investments, it is noted that pursuant to IAS 28 and IAS 36, these writedowns are the result of the reduction in the recoverable value of the investments, due to the worsening of the situation on the financial markets in the third quarter 2011 and consequent revision of the profit and liquidity forecasts of these companies used in the fundamental valuation model for the purposes of determining the relevant value in use. All of this has had negative effects on the factors considered in the process of estimating the recoverable value, and in particular:

- (i) on the parameters used in the valuation, such as the discount rate adjusted for specific sector risk and the context in which the company operates;
- (ii) on the value of the portfolios of investment financial instruments held by subsidiaries; and
- (iii) on the volumes and margins of the insurance and banking sectors.

Consequently, the income statement as at 30 September 2011 shows writedowns on equity investments totalling Euro 480 million.

These writedowns relate in particular to equity interests in:

- (i) Mediobanca – Banca di Credito Finanziario S.p.A. for Euro 404 million;
- (ii) Fondiaria SAI S.p.A. for Euro 41 million; and
- (iii) CNP UniCredit Vita S.p.A. for Euro 35 million.

In the first nine months of 2011, income tax for the period amounted to Euro 1,167 million, up by 5.7% compared with the same period of the previous year, with a clear increase in the tax rate, at 76.8% compared with 41.6% in the first nine months of 2010. This increase is due both to the non-deductibility of a significant component of the writedowns made in the third quarter 2011 and to the writedown of deferred tax assets recognised in the financial statements in accordance with the lower future profitability implicit in the 2010-2015 Strategic Plan. For the reasons described here, the tax rate for the third quarter is a relatively insignificant figure.

Net profit attributable to minorities in the first nine months of 2011 amounted to Euro 286 million compared with Euro 241 million in the same period of 2010.

The effect of the Purchase Price Allocation amounted to Euro 717 million in the first nine months of 2011. This item includes Euro 662 million in writedowns of brands, as mentioned earlier, as well as the writedown of the goodwill recognised at the time of the first consolidation of Compagnia Italtroli S.p.A.

It is noted that since 2007, the Group's brand policy has been characterised by initiatives aimed at strengthening the value of the UniCredit brand, while safeguarding the main local brands of the Group banks. These initiatives include:

- (i) placement of the UniCredit brand alongside the local brands of the Group banks in the relevant countries in which the Group operates;
- (ii) sponsorship of the UEFA Champions League from 2009;
- (iii) the recent launch of advertising campaigns centred on the UniCredit brand in the main countries in which the Group operates.

These initiatives have produced extremely positive results in terms of perception of the UniCredit brand in the relevant markets. In particular, the placement of the UniCredit brand alongside the local brands represented an initial step in the gradual adoption of a single UniCredit brand. Within the framework of this strategy aimed at the construction of a brand architecture based on a single brand, in accordance with the commercial initiatives mentioned above and in the light of their success, the Group has decided to implement a re-branding strategy which will entail the cessation, in the short term, of the use of the brands listed in the table below, in order to focus on the use of the single brand:

Country	Brand	Book value <i>(in millions of euros, before tax)</i>
Italy	Banca di Roma	149.5
Italy	Banco di Sicilia	86.8
Germany	HypoVereinsbank	241.1
Austria	Bank Austria	424.3
Total		901.7

Pursuant to IAS 38, this decision involves the writedown of the relevant recognised intangibles. Consequently, the income statement for the third quarter 2011 shows the full writedown of the book value of these brands, with a negative impact of Euro 642.8 million net of the relevant deferred tax.

Additionally, following approval of the extraordinary merger between PJSC UniCredit Bank and PJSC Bank for Social Development UkrSotsbank, the latter's brand was written down by Euro 26.2 million (Euro 19.6 million net of the relevant deferred tax).

The residual value of intangible assets with an indefinite useful life (brands), which as at 30 September 2011 amounted to Euro 141 million gross of the relevant deferred tax, relates to FinecoBank for Euro 93 million and to ATF Bank Kazakhstan for Euro 48 million.

In the first nine months of 2011, the UniCredit Group recorded goodwill impairments amounting to Euro 8,669 million.

Following the various business combinations carried out since that time, and in conformity with the International Accounting Standards, the UniCredit Group has recognised as assets any goodwill relating to the acquired companies, meaning the excess of the acquisition cost with respect to the fair value of the acquired assets and liabilities, as well as of the other intangible assets deriving from business combinations.

Pursuant to IAS 36, the Group systematically verifies the recoverability of the value of the goodwill and other intangible assets cited above (“impairment test”) on an annual basis. This verification is also carried out in relation to interim results where there are events or circumstances that indicate the possibility of a loss of value, in conformity with the International Accounting Standards. As required by IAS 36, in order to perform the impairment test, goodwill was allocated in the financial statements to the various CGUs in which the Group is organised, which do not necessarily coincide with the individual legal entities.

The impairment test performed on the Condensed Interim Consolidated Financial Statements as at 30 September 2011 revealed the need to carry out a goodwill impairment of Euro 8,611 million at Group level.

The impairment was allocated to the goodwill recognised for the following CGUs:

- (i) *Corporate & Investment Banking*: Euro 3,065 million;
- (ii) *F&SME Network Italy*: Euro 1,178 million;
- (iii) *F&SME Network Austria*: Euro 273 million;
- (iv) *F&SME Network Germany*: Euro 279 million;
- (v) *F&SME Network Poland*: Euro 163 million;
- (vi) *F&SME Factories*: Euro 1,244 million;
- (vii) *Private Banking*: Euro 147 million;
- (viii) *Asset Management*: Euro 462 million;
- (ix) *CEE (excluding Kazakhstan and Ukraine)*: Euro 791 million;
- (x) *Kazakhstan*: Euro 474 million;
- (xi) *Ukraine*: Euro 489 million;

the remainder is to be regarded as being allocated to the Group Corporate Centre.

The main reasons that resulted, within the context of the impairment test performed as at 30 September 2011, in the need to adjust the book value of goodwill are to be found in the Group’s new industrial plans, which inevitably take account, on the one hand, of the regulatory tightening of the credit system and the consequent raising of the minimum levels of regulatory capital required of the individual banks (and consequently also considered at CGU level) and, on the other hand, of the macroeconomic outlook that anticipates a reduction in the growth estimates for the main countries in which the Group operates and the European government debt crisis that exploded in the summer of 2011.

In addition to the Euro 8,611 million in writedowns resulting from the new strategic plans, there was a further Euro 58 million in impairments on other goodwill, giving a total of Euro 8,669 million.

The net loss of Euro 9,320 million posted by the Group as at 30 September 2011 shows the effects of the writedowns detailed above. Excluding these writedowns, the normalised loss stands at Euro 474 million.

Net loans and advances to customers as at 30 September 2011, amounting to Euro 562.4 billion, were up by comparison both with June 2011 (+0.1%) and with the start of the year (+1.2%). A particular contribution to this result was made by the CEE countries, led by Turkey, Russia and the Czech Republic, while in Western Europe the trend was almost stable, with only Germany showing a slight decline.

Customer deposits and securities as at 30 September 2011, at Euro 559.2 billion, are down compared with the values both for June 2011 (-4.6%) and for the end of December 2010 (-4%). The fall was particularly concentrated on deposits and commercial paper with institutional counterparties, which have progressively reduced their contribution with the worsening of the sovereign debt crisis in Europe, especially in Italy.

2010 financial year

The UniCredit Group closed the 2010 financial year with a profit of Euro 1,323 million (down from Euro 1,702 million in 2009, which benefited from a context of more favourable interest rates and a greater contribution from trading revenues to operating income).

Operating income for 2010 amounted to Euro 26,347 million, down by 5.9% (on a like-for-like basis and at constant exchange rates) compared with 2009.

Net interest amounted to Euro 15,993 million in the 2010 financial year (-9.3% compared with 2009 on a like-for-like basis and at constant exchange rates), affected by a context of less favourable interest rates than in 2009, although with a gradual improvement towards the end of 2010.

Dividends and other income from shares as at 31 December 2010 showed an increase of Euro 96 million compared with the end of 2009 (+30.8%). A large part of this growth derived from dividends received from investments in private equity funds, which benefited from the upturn of the economic cycle.

Net fees and commissions amounted to Euro 8,455 million in 2010, a sharp increase (+8.4% on a like-for-like basis and at constant exchange rates) compared with the figure of Euro 7,655 for the previous year. The increase in net commissions derived mainly from commissions relating to asset management and administration services, and particularly from commissions on undertakings for collective investment (UCI), in line with the growth in assets under management.

In the 2010 financial year, net trading, hedging and fair value income amounted to Euro 1,053 million, representing a sharp reduction from the figure of Euro 1,803 million for 2009. This trend is attributable to the deterioration of the financial markets in the wake of the sovereign debt crisis, which particularly affected the second and third quarter 2010.

Net other income for 2010, at Euro 438 million, was up from Euro 373 million in 2009.

Operating expenses amounted to Euro 15,483 million in 2010, a slight increase on 2009.

Payroll costs were up by 1.2% in 2010 compared with 2009, at Euro 9,205 million. More specifically, the fixed component increased only moderately, offsetting the upward trend in pay rises

associated with contractual agreements with a reduction in staff numbers. It should also be remembered that during the 2010 financial year there were mutually agreed redundancies involving a number of top managers of the Group, the costs of which were paid in full during the year.

Other administrative expenses, net of expense recoveries, amounted to Euro 4,995 million as at 31 December 2010, up by 1.3% compared with 2009 (down by 0.3% on a like-for-like basis and at constant exchange rates). This figure was affected, on the one hand, by higher rental costs following the disposal in 2009 of some of the operating real estate assets, and, on the other, by the introduction of a property tax in Hungary. Net of these two effects, other administrative expenses would have shown a slight fall.

Impairment losses on tangible and intangible fixed assets amounted to Euro 1,283 million in 2010, stable compared with Euro 1,281 million in 2009 (but a fall of 1.6% on a like-for-like basis and at constant exchange rates).

The cost/income ratio was 58.8% in the 2010 financial year, up from 55.6% in 2009.

Operating profit for 2010 was Euro 10,864 million.

During the course of the 2010 financial year, the Group recorded goodwill impairments of Euro 361 million, almost entirely attributable (Euro 359 million) to the subsidiary ATF Bank, Kazakhstan.

Provisions for risks and charges amounted to Euro 765 million in 2010 (from Euro 609 million in 2009), of which Euro 472 million in Q4 alone: this amount included a provision of Euro 425 million relating to a single position in Germany.

Net impairment losses on loans and provisions for guarantees and commitments amounted to Euro 6,892 million in 2010, equivalent to a cost of risk of 123 basis points, a fall of 19 basis points compared with 2009. This figure reflected the gradual improvement in asset quality in many of the countries in which the UniCredit Group operates.

Gross Impaired Loans as at the end of December 2010 amounted to Euro 67.4 billion.

Integration costs amounted to Euro 282 million in 2010, up from Euro 258 million in 2009. Integration costs pertaining to the 2010 financial year were recognised mainly in the last quarter (Euro 254 million) due to the staff reduction agreements connected with the One4C Project.

Net income from investments was negative at Euro 47 million in 2010, compared with a positive figure of Euro 232 million in the previous year.

Income tax for the period amounted to Euro 641 million in the 2010 financial year, down from Euro 1,009 million in the previous year. The tax rate was 25.4%, compared with 30.6% in 2009. A number of extraordinary components affected 2010, in particular:

- (i) the recognition of Euro 360 million in prepaid tax assets in Italy, in relation to the depreciation portions of the goodwill exempted from tax in 2008, deductible for the purposes of the regional tax on productive activities (IRAP);
- (ii) Euro 186 million in writedowns on prepaid tax assets for previous losses of the parent company of the former Capitalia Group, regarded as no longer capable of being used; and

- (iii) the recognition of Euro 455 million in prepaid tax assets in Germany, relating to previous losses, regarded as capable of being used to reduce the taxes due in subsequent years.

The net profit attributable to minorities in 2010 was Euro 321 million, compared with Euro 332 million in 2009.

The effect of the PPA amounted to Euro -232 million in 2010, compared with Euro -257 million in 2009.

The net profit attributable to the Group in the 2010 financial year was Euro 1,323 million, compared with Euro 1,702 million in the previous year, which benefited from a context of more favourable interest rates and a greater contribution from trading revenues to operating income.

Loans and advances to customers as at 31 December 2010 amounted to Euro 556 billion, down by 1.7% compared with the end of 2009. This fall especially concerned Corporate & Investment Banking customers due to the lower demand for credit, particularly for investment financing. Conversely, the CEE area showed substantial rates of growth, led in particular by the expansion of loans in Turkey and Russia.

Customer deposits and securities as at 31 December 2010 amounted to Euro 583 billion, compared with Euro 596 billion at the end of 2009. This trend was the result, on the one hand, of a significant increase in customer deposits, led in particular by Corporate & Investment Banking and the CEE countries, and, on the other hand, of a fall in securities deposits, which suffered from the reduced placement of certificates of deposit and commercial paper with institutional customers, due to the tensions caused by the sovereign debt crisis.

2009 financial year

The UniCredit Group closed the 2009 financial year with a net profit of Euro 1.7 billion.

Operating income in 2009 amounted to Euro 27,572 million, up by 2.6% compared with the previous year.

Net interest income fell by Euro 1.8 billion (Euro 17.6 billion for 2009 compared with Euro 19.4 billion in 2008), a drop of 9.1%, mainly due to the lower profitability of deposits, which affected all geographical areas. This fall was partially offset by the positive performance recorded for Corporate & Investment Banking, which succeeded in seizing the market opportunities arising from the trend in interest rates, and more generally in the financial markets, during the course of 2009, and for the Corporate Centre as a result of the lower cost of asset financing. Dividends and other income from shares were down by Euro 700 million compared with 2008, with more than half of this item being due to an extraordinary dividend collected in the previous financial year following the sale of rights to a share in the profits of B&C Holding GmbH.

As at 31 December 2009, net fees and commissions amounted to Euro 7,780 million, down from Euro 9,093 million in the previous year due to a less favourable context in the asset management sector.

Net trading, hedging and fair value income amounted to Euro 1,803 million in 2009, showing a significant recovery from Euro -1,969 million in 2008 and confirming the Group's ability to react promptly to improved market conditions.

Net other income in 2009, at Euro 373 million, was essentially in line with 2008 (Euro 368 million).

Operating expenses in 2009 were Euro 15,324 million, showing a marked reduction compared with 2008.

Payroll costs in 2009 were substantially down (-8.3%) compared with 2008. This reduction was due to falls in both staff numbers and the variable compensation component.

Other administrative expenses, net of expense recoveries, amounted to Euro 4,945 million as at 31 December 2009, a sharp fall on the 2008 figure (Euro 5,462 million). The reduction in other administrative expenses was the result of the actions taken to rationalise costs and of specific managerial initiatives implemented during the course of 2009 to respond to the difficult economic situation. The greatest reductions were concentrated in the items relating to advertising, marketing and communication expenses, ICT expenses and indirect payroll expenses (including travel for transfers, training and rent payments).

Impairment losses on tangible and intangible fixed assets in 2009 amounted to Euro 1,281 million, comparable with the figure of Euro 1,312 million for 2008.

The cost/income ratio in 2009 was 55.6%, a clear improvement on the previous year (62.1%).

Operating profit for the 2009 financial year amounted to Euro 12,248 million.

Provisions for risks and charges in 2009 were up on the previous year, at Euro 609 million.

Net impairment losses on loans and provisions for guarantees and commitments amounted to Euro 8,313 million in 2009, equivalent to a cost of risk of 142 basis points.

Gross impaired loans as at the end of December 2009 amounted to Euro 57.6 billion. The coverage rate for total impaired loans was 46.1% as at December 2009, as a result of a 61.3% coverage of non-performing loans and a 26.0% coverage of other problematic loans.

Integration costs amounted to Euro 258 million in 2009, up from Euro 140 million in 2008, reflecting above all the substantial commitment to making resources more efficient.

Net income from investments totalled Euro 232 million in 2009, up from Euro 207 million in the previous year.

Income tax for the period as at the end of 2009 was Euro 1,009 million (up from Euro 627 million in the previous year, which benefited from the positive effects of the tax relief on goodwill), with a tax rate of 30.6%.

Net profit attributable to minorities in 2009 was Euro 332 million, compared with Euro 518 million in 2008. This figure did not yet fully reflect the acquisition of the minority interests of HVB and Bank Austria.

The effect of the PPA showed a reduction in 2009 compared with the previous year, amounting to Euro -257 million compared with Euro -301 million in 2008.

Net profit attributable to the Group in 2009 was Euro 1,702 million. This figure was down on the result of Euro 4,012 million in the previous year, but was achieved in a markedly more unfavourable macroeconomic context.

Loans and advances to customers as at 31 December 2009 amounted to Euro 565 billion, down by 7.8% compared with December 2008.

Customer deposits and securities as at 31 December 2009 amounted to Euro 596.4 billion, compared with Euro 591.3 billion as at the end of December 2008.

2008 financial year

The UniCredit Group closed the 2008 financial year with a net profit of Euro 4,012 million.

Net interest amounted to Euro 18.4 billion, higher than in the previous year. The first half of the year was marked by the trend of growth in market rates and volumes disbursed; the second half of the year saw the ECB intervening actively in the interbank market with a sharp cut in key interest rates, which was accompanied by a slight fall in loan volumes and the related margins.

Net fees and commissions totalled Euro 9.1 billion, suffering a sharp fall in the segment of commissions on asset management and administration services, with a negative peak on their most important component: UCI fees and commissions.

Net trading, hedging and fair value income as at 31 December 2008 amounted to Euro -1,980 million.

Operating expenses as at 31 December 2008 amounted to Euro 16.7 billion, thanks to a balanced mix of restructuring and organisational streamlining operations, on the one hand, and development initiatives on the other (particularly with reference to the CEE area). Payroll costs totalled Euro 9.9 billion. On a like-for-like basis and at constant exchange rates, these costs were down by 1.7% on the previous year. This change was essentially due, on the one hand, to the rationalisation initiatives implemented following the integration with the Capitalia Group, which began to show their full benefits on the income statement, and, on the other hand, to the reduction in the variable component due to the lower-than-expected results. Other administrative expenses (Euro 6,019 million as at 31 December 2008) showed an increase of 1.8% on a like-for-like basis and at constant exchange rates. This result was attributable to the opening of new branches in Turkey, Russia and Bulgaria and to the acquisitions made in Ukraine and Kazakhstan.

Goodwill impairments amounted to Euro 750 million due to the writedowns made on the subsidiaries JFC ATF Bank in Kazakhstan (Euro 417 million) and UkrSotsbank in Ukraine (Euro 333 million).

The changed scenario of the real economy had a negative impact, in the second half of 2008, on the area of credit risk, resulting in the recognition of Euro 3.7 billion in net impairment losses on loans and provisions for guarantees and commitments.

Net income from investments amounted to Euro 218 million as at 31 December 2008, well below the exceptional level of 2007 (Euro 1.7 billion).

Total taxes as at 31 December 2008 were influenced by the application of Article 15, paragraph 10, of Decree-Law 185 of 29 November 2008, converted into Law 2 of 29 January 2009, concerning the taxation of goodwill.

The figures for asset quality as at 31 December 2008 confirmed that the signs of structural crisis on the global financial markets were being transferred to the real economy: net impaired loans as a proportion of total loans amounted to 3.24%; net non-performing loans stood at Euro 10.5 billion, representing 1.71% of net total loans.

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RISK FACTORS**4. RISK FACTORS**

There are certain risk factors that investors should consider before deciding to invest in financial instruments issued by the Company.

Investors are therefore invited to carefully read the following information on risk factors before making any investment decisions, with a view to understanding the general and specific risks related to the Company and the companies of the UniCredit Group and to the sector in which the UniCredit Group operates, as well as those associated with subscribing and/or acquiring financial instruments issued by the Company.

The risk factor descriptions given below should be read in conjunction with the other information contained in the Registration Document, including the documents and information referred to therein, as well as the information and other Risk Factors described in the Securities Note.

References to Chapters and Paragraphs relate to the chapters and paragraphs of the Registration Document.

4.1 RISK FACTORS RELATING TO THE ISSUER AND THE GROUP IT HEADS**4.1.1 Risks associated with the impact of the current macroeconomic uncertainties on the UniCredit Group's performance**

The UniCredit Group's performance is affected by the financial markets and the macroeconomic context of the countries in which it operates. The global financial system has suffered considerable turbulence and uncertainty in recent years. Expectations concerning the performance of the global economy in the short to medium term remain uncertain. Furthermore, the global financial system has not yet overcome the difficulties that began in August 2007, and has suffered a particularly negative period since September 2008, when the first of several leading international financial institutions were declared insolvent. These economic conditions have led to severe distortions on the financial markets in the countries in which the Group operates, including historically high credit spreads, a reduced availability of financing (with a corresponding increase in the cost of borrowing), increased volatility and instability on the bond and stock markets, a decrease in the market value and realisable value arising from asset disposals, and an unprecedented difficulty in accessing liquidity, particularly with regard to the international banking system, which saw a net decline in (and in some cases a suspension of) interbank lending.

This situation has also caused significant problems to the ordinary activities of a number of leading commercial banks, investment banks and insurance companies, some of which have become insolvent or have had to be incorporated into other financial institutions or request assistance from governmental authorities or central banks and the International Monetary Fund, which have intervened by injecting liquidity and capital into the system and by participating in the recapitalisation of certain financial institutions.

The ongoing slowdown and difficult economic context, the large-scale bailouts of financial and other institutions by governments and the fiscal packages aimed at stimulating the economy have led to a sometimes significant increase in the debt levels of certain countries, including Italy, whose credit rating has been lowered from "A+" to "A" by

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Standard & Poor's, from "Aa2" to "A2" by Moody's and from "AA-" to "A+" by Fitch Ratings. This is in addition to other negative trends, such as a decline in confidence in financial institutions, rising unemployment and a general fall in demand for financial services.

The economic slowdown in the countries where the Group operates has had (and may continue to have) a negative effect on the Group's activities and the cost of borrowing, as well as on the Company's share price and the value of its assets, and could result in further costs related to writedowns and impairment losses. This situation could be further affected by measures concerning the currencies adopted in the countries where the Group operates, as well as by political instability and governments' inability to take timely action to deal with the crisis. All this could, in turn, result in decreased profitability, with significant negative consequences on the Group's operating results and capital and financial position.

It is also noted that, in this scenario of uncertainty, in October 2011 the EBA, in collaboration with the competent authorities, began an exercise on the regulatory capital of 71 banks throughout Europe, including UniCredit. The total capital requirement for UniCredit, on the basis of the data as at 30 September 2011, was estimated at Euro 7,974 million; the adjustment to this requirement will need to be carried out by June 2012. For further information, see the Risk Factor cited in Paragraph 4.2.2 as well as Chapter 5, Paragraph 5.1.6 (A).

4.1.2 Risks associated with the Eurozone debt crisis

The ongoing deterioration of the sovereign debt of several countries, including Greece, Italy, Ireland, Spain and Portugal, together with the risk of contagion to other, more stable, countries, particularly France and Germany, has exacerbated the global economic crisis. This situation has also raised a number of uncertainties regarding the stability and overall standing of the European Monetary Union.

More specifically, after Greece's credit rating was downgraded to "CCC" in March 2011 and it emerged that further financing was needed in addition to the Euro 110 billion provided in May 2010 by Eurozone countries and the International Monetary Fund to prevent the country from defaulting, the Eurozone has seen an increase in credit spreads, together with reduced liquidity and access to financing on the market. These negative trends have worsened and have caused considerable turbulence on the global financial and credit markets due to the fear that Greece's problems could spread to the rest of the Eurozone, resulting in the downgrading of the sovereign debt of other Eurozone countries (Spain, Italy, Portugal and Ireland in particular) and fiscal instability in countries such as France, Japan, the United Kingdom and the United States, which saw its credit rating downgraded in August 2011.

After having placed Italy's economic situation under observation, in September 2011 Standard & Poor's lowered its credit rating for Italy to "A", while in October 2011, Moody's and Fitch Ratings lowered their ratings for the country to "A2" and "A+" respectively. The ratings agencies' opinions were heavily influenced by a number of factors, such as the country's low prospects for growth and the delay in adopting the structural reforms and austerity measures called for by various international bodies.

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Against this backdrop, Italian BTP (multi-year treasury bond) spreads over 10-year German Bunds have continued to widen, particularly since the end of October 2011, recording values of over 550 basis points in the first half of November 2011. Furthermore, the decline in demand due to the uncertainty expressed by European markets caused the Italian government bonds auctioned in November 2011 to command continuously higher returns, with interest rates reaching 7% for 10-year bonds.

In November 2011, Italy implemented a number of measures to mitigate, at least partially, the concerns raised by the ratings agencies and shared by other governments and the market. Following the adoption of certain austerity measures, a technical government was formed, whose objectives included implementing austerity measures aimed at tackling economic stagnation, reducing credit spreads and refinancing Italy's growing debt. In December 2011 the new Italian government, headed by Prof. Mario Monti, adopted a number of urgent measures for growth, fairness and consolidation of the public accounts (the "Save Italy" decree). Additionally, on 5 December 2011, Standard & Poor's once again placed the ratings of Italy and 14 other Eurozone countries, including France and Germany, on credit watch negative because of growing fears regarding the future ability of those countries to cope with their sovereign debt, due to the tightening of credit conditions in the countries of the region, against a background of general worsening of political, financial and monetary problems in the Eurozone.

Any further deterioration in Italy's economic situation could have a significant negative impact on the activities of the Group, given its considerable exposure to the country's economy. Furthermore, should one or more of the countries where the Group operates undergo another recession, this could have major negative effects on the operating results and capital and financial position of the UniCredit Group.

The growing risk that other Eurozone countries could be subject to an increase in borrowing costs and could face an economic crisis similar to that of Greece, Italy, Spain and Portugal, together with the risk that some countries, albeit those with a relatively small GDP, could leave the Eurozone (either voluntarily or involuntarily), could have a negative impact on the Group's activities in Europe, just as the impact of these events on Europe and the global financial system could be severe.

In order to reduce this turbulence and stop the crisis from worsening, the European Central Bank and the International Monetary Fund have allocated Euro 440 billion to the EFSF with a view to helping the European economies that are in difficulty and preventing the phenomenon from spreading within the Eurozone. In autumn 2011, European government leaders discussed further austerity measures, including a significant increase in the EFSF's funds and a restructuring plan for Greece's sovereign debt. Furthermore, some countries have adopted (or may in future adopt) restrictive measures in terms of fiscal policy and cost savings, which have impacted (or could impact) negatively on households' disposable income and businesses' profitability, giving rise to major negative effects on the activity, operating results and capital and financial position of the UniCredit Group.

Despite the various measures adopted throughout Europe to deal with the worsening Eurozone sovereign debt crisis, global markets continue to record high levels of volatility and uncertainty. This is partly due to the lack of agreement between the major European

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governments (particularly Germany) on how to use the EFSF and other financial measures to support the Eurozone economies that are in difficulty. Any further worsening of the European sovereign debt crisis could have a significant impact on both the recoverability and measurement of debt securities held and the liquidity of the Group's customers which are holders of these instruments, resulting in major negative effects on the operating results and capital and financial position of the UniCredit Group.

Furthermore, concerns that the Eurozone sovereign debt crisis could worsen may lead to the reintroduction of national currencies in one or more Eurozone countries or, in particularly dire circumstances, the abandonment of the Euro. The departure or risk of departure from the Euro by one or more Eurozone countries and/or the abandonment of the Euro as a currency could have major negative effects on both existing contractual relations and the fulfilment of obligations by the UniCredit Group and/or customers of the UniCredit Group, which would have a significant negative impact on the activity, operating results and capital and financial position of the Group.

Any deterioration of the political and socioeconomic situation in Greece, as well as a decision by the Group to participate in restructuring plans for Greek debt (including the extension of maturities or the reduction of bonds' redemption value to their par value) could result in even bigger losses for the Group than those recorded on 30 September 2011.

Furthermore, any decision by the ECB to suspend or revise the terms that apply to buying back the sovereign debt of certain European countries, as well as the failure of the initiatives implemented by supranational institutions to resolve the debt crisis, could have a negative impact on the value of sovereign debt securities, resulting in major negative effects on the operating results and capital and financial position of the UniCredit Group.

4.1.3 Risks associated with UniCredit's exposure to sovereign debt

The Group has a large exposure to governments and other public bodies in the major European countries, as well as in countries outside the Eurozone.

As at 30 September 2011, the carrying amount of the Group's sovereign debt exposure represented by "debt securities" totalled Euro 89,430 million (par value: Euro 89,786 million; fair value: Euro 89,129 million), of which 91% was concentrated in seven countries, with Italy accounting for Euro 38,847 million (43% of the total), Germany Euro 26,711 million (30% of the total), Poland Euro 6,815 million (8% of the total), Turkey Euro 2,992 million (3% of the total), with the amount calculated on a pro rata basis according to the percentage controlled for exposures via joint ventures, Austria Euro 2,371 million (3% of the total), Spain Euro 2,054 million (2% of the total), and the Czech Republic Euro 1,680 million (2% of the total).

The remaining 9% of the total sovereign exposure in debt securities as at 30 September 2011 was spread across 43 countries, including the United States (Euro 273 million), Ireland (Euro 59 million), Portugal (Euro 52 million) and Greece. Unlike the Group's other exposures, its exposure to Greece has been impaired. The total post-impairment carrying amount of exposure to Greece amounts to Euro 234 million (of which Euro 121 million relates to financial assets available for sale, Euro 100 million to financial assets held to

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maturity and Euro 13 million to held-for-trading financial assets and those measured at fair value).

The sovereign debt securities in the banking book as at 30 September 2011 totalled Euro 74,806 million and can be broken down by portfolio as follows:

- (a) financial assets measured at fair value: Euro 25,690 million (86.69% of the portfolio total);
- (b) financial assets available for sale: Euro 39,030 million (71.45% of the portfolio total);
- (c) receivables: Euro 2,742 million (0.43% of the portfolio total); and
- (d) financial assets held to maturity: Euro 7,344 million (82.11% of the portfolio total).

In addition to the Group's sovereign exposure in debt securities, there were also "loans" (excluding tax items) issued to central and local governments and government bodies. As at 30 September 2011, these included Euro 10,196 million of receivables for loans to the German government, Euro 8,181 million of receivables for loans to the Italian government, and Euro 5,424 million issued to the Austrian government.

Furthermore, a downgrade of these countries' credit ratings could lead to a revision of the weighting criteria for calculating RWA, with a negative impact on UniCredit's capital ratio.

In this sense, the deterioration of the sovereign debt situation could have significant negative effects on the operating results and capital and financial position of the UniCredit Group. For more information, please see "Part A – Accounting policies" and "Part E – Information on risks and hedging policies" of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu.

4.1.4 Liquidity risk

The UniCredit Group's activities are subject to liquidity risk, that is, the risk that the Group will not be able to meet its payment obligations, including loan commitments, when due. In light of this, the availability of the liquidity needed to carry out the Group's various activities and the ability to access long-term loans are essential for the Group to be able to meet its anticipated and unforeseen cash payment and delivery obligations, so as not to impair its day-to-day operations or financial position. The crisis ravaging global financial markets and the current instability have led to a sharp fall in liquidity and term loans. More specifically, in the current macroeconomic context, the perception of bank credit risk has also increased considerably, resulting in further reductions in interbank lending, a lack of confidence among customers and speculative pressures on the debt market. The Group's access to liquidity could therefore be damaged by the inability of the Company and/or the Group companies to access the debt market, including forms of borrowing from retail customers, such as issuing financial instruments and increasing deposits and other forms of funding. Furthermore, as part of its 2010-2015 Strategic Plan, the Group has announced

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plans to focus more on retail than wholesale deposits. A lack of confidence among customers could therefore also limit the Group's capacity to access retail funding, in terms of both deposits and funding raised through financial instruments, which could further limit its ability to access the liquidity it needs to manage its activities and meet regulatory requirements. In this context, the different fiscal treatment of securities issued by the Group and those issued by the Italian government has also made the securities issued by the Group less favourable for investors, which could result in a further increase in the cost of raising funds. There is a possibility that the Group's ability to access the liquidity it needs may be affected by further increases in the cost of interbank lending, a reduction in the availability of such financing, an increase in the cost of other forms of fundraising and/or an inability to sell its assets or to liquidate its investments, which would in turn have an impact on the Group's activities, with major negative effects on its operating results and capital and financial position. The Group also uses financing from the ECB for its activities. Any unfavourable changes to the ECB's lending policies or amendments to the requirements for accessing ECB financing, including changes to the criteria for identifying the types of assets that can be accepted for security purposes and/or the valuation of such assets (including with retroactive effect for operations already under way), could affect the Group's activities, with major negative effects on its operating results and capital and financial position.

Furthermore, the limits imposed by the regulatory authorities regarding the oversight and transfer of liquidity within the Group between entities present in various countries – particularly with regard to the parent company, UniCredit – could affect the Group's ability to efficiently maintain the liquidity requirements of its subsidiaries via intra-group capital transfers, with major negative effects on the Group's operating results and capital and financial position.

For the sake of completeness it should be pointed out that the Group, in managing its short-term liquidity, has adopted metrics that preserve its stability over a period of three months, whilst maintaining sufficient liquidity reserves represented by eligible and marketable securities, which totalled around Euro 115 billion as at the beginning of the final quarter of 2011. As set out in the 2010-2015 Strategic Plan, the Group believes it will be able to meet the targets for compliance with the Basel 3 liquidity indicators (such as the Liquidity Coverage Ratio and the Net Stable Funding Ratio) by 2015. Bearing in mind that these regulatory standards are subject to possible revisions in 2012 following the introduction of European legislation for their implementation, the target has been calibrated based on the best interpretations thereof currently available.

For more information, see Chapter 3 and Chapter 10, as well as "Part E – Information on risks and hedging policies" of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu. Please also refer to the Risk Factor referred to in Paragraph 4.2.3.

4.1.5 Risks related to intra-group exposure

The Group companies have historically financed other Group companies, in line with the practices of other banking groups operating in multiple territories, by transferring excess

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liquidity from one Group company to another. Currently, one of UCB AG's largest intra-group exposures is its exposure to UniCredit. UCB AG also has considerable continuous intra-group credit exposures, because the Group's investment banking activities are centralised within it and it acts as an intermediary between Group companies and market counterparties in financial risk hedging transactions. Due to the nature of this activity, UCB AG's intra-group credit exposure is volatile and may undergo significant changes from day to day. At the Date of the Registration Document, total net exposure was around Euro 23 billion, of which Euro 11 billion related to cash exposure.

As a result of the current financial crisis, in many of the territories in which the Group operates, the banking regulatory authorities are adopting measures aimed at reducing the exposure of banks operating within these territories to associated banks that operate in territories other than those in which the said authorities exercise their regulatory powers. In this context, some regulatory authorities have asked that Group companies reduce their credit exposure to other Group companies and, in particular, their exposure to UniCredit, which could have a significant negative impact on the way in which the Group finances its activities and provides liquidity to its companies.

Furthermore, pursuant to applicable German legislation, where certain conditions are met, credit institutions can exclude intra-group exposures from the overall limit for significant risks. UCB AG applies this exemption for the intra-group exposures described above. If the exemption were no longer available due to legislative changes or other reasons, UCB AG may have to reduce or rebalance its RWA by allocating additional regulatory capital to maintain the minimum solvency ratio required by law, as well as the higher ratio agreed with BaFin (at the Date of the Registration Document, its Total Capital Ratio was 13%).

In Germany, in light of the overall level of intra-group exposure of UCB AG and the consequent discussions between UniCredit, UCB AG, BaFin and Banca d'Italia, UniCredit and UCB AG have agreed to reduce the net intra-group exposure of UCB AG by providing appropriate guarantees, which include liens on financial instruments held by UniCredit.

The implementation of the aforementioned measures, the Group's inability to provide, where necessary, further guarantees to support these agreements, or a request by BaFin to further reduce UCB AG's intra-group exposure following a perceived or actual deterioration of the credit risk profile of its counterparties, or for any other reason, could have a significant negative effect on the Group's liquidity and financing conditions, the costs of such financing (particularly where funds have to be raised on the market) and the activities and operating and financial results of UniCredit and the Group.

4.1.6 Market risk

The Group is exposed to the risk that the value of a financial asset (or liability) may decrease (or increase) as a result of the trend in market factors, such as share prices, interest rates and exchange rates, and the volatility of these factors.

Market risk relates to both the trading book, which comprises financial instruments, including derivatives held for trading, and the banking book. The market risk relating to the trading book arises from trading operations on the interest rate, exchange rate and equity

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securities markets. The market risk inherent in the banking book is affected by changes in interest rates in the various reporting periods.

4.1.6.1 Risks connected with interest rate fluctuations

The Group's activities are affected by fluctuations in interest rates in Europe and the other markets in which the UniCredit Group operates. Interest rate trends are, in turn, affected by various factors outside the Group's control, such as the monetary policies, macroeconomic context and political conditions of the countries in question; the results of banking and financing operations also depend on the management of the UniCredit Group's exposure to interest rates, that is, the relationship between changes in interest rates in the markets in question and changes in net interest income. More specifically, an increase in interest rates may result in an increase in the Group's financing cost that is faster and greater than the increase in the return on assets, due, for example, to a lack of correspondence between the maturities of the assets and the liabilities that are affected by the change in interest rates, or a lack of correspondence between the degree of sensitivity to changes in interest rates between assets and liabilities with a similar maturity. In the same way, a fall in interest rates may also result in a reduction in the return on the assets held by the Group, without an equivalent decrease in the cost of funding.

These events and a scenario in which interest rates remain at current levels and continue to be extremely volatile, combined with uncertainty on the fundraising markets, could result in downward pressure on net interest income and have an impact on the value of the assets and liabilities held by the Group, even if the Group implements a hedging policy against this risk.

Such hedges are based on estimates of behavioural models and interest rate scenarios, and an unexpected trend in the latter may have major negative effects on the activity, operating results and capital and financial position of the Group.

A significant change in interest rates may also have a major negative impact on the value of the assets and liabilities held by the Group and, consequently, on the Group's operating results and capital and financial position.

UniCredit measures and monitors interest rate risk on a daily basis using the following metrics: Sensitivities and VaR. With regard in particular to VaR (or the maximum potential daily loss in connection with unfavourable trends in market factors), as at 30 September 2011, the VaR arising from interest rate risk alone for the overall portfolio (banking book and trading book) was Euro 21.54 million for the sub-group headed by BA, Euro 22.62 million for the sub-group headed by UCB AG, Euro 7.53 million for the sub-group headed by Bank Pekao, and Euro 74.55 million for the remainder of the Group (including UniCredit, FinecoBank and UniCredit Leasing).

For more information, please see Chapter 3, as well as "Part E – Information on risks and hedging policies" of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu.

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A significant portion of the business of the UniCredit Group is done in currencies other than the Euro, predominantly in Polish zloty, Turkish lira, US dollars, Swiss francs and Japanese yen. This means that the effects of exchange rate trends could have a significant influence on the operating results and capital and financial position of the Group. This exposes the UniCredit Group to the risks connected with converting foreign currencies and carrying out transactions in foreign currencies. As at 31 December 2010, the value of the assets and liabilities in currencies other than the euro held by the Group totalled Euro 183.1 billion and Euro 160.0 billion respectively. In addition to these amounts, the Group also had long and short positions in financial derivatives, expressed at their notional value/settlement value or, in the case of options, according to the delta equivalent value, for amounts of Euro 487.3 billion and Euro 494.3 billion, respectively.

The financial statements and interim reports of the UniCredit Group are prepared in Euro and reflect the currency conversions necessary to comply with International Accounting Standards.

The Group implements an economic hedging policy for both profits and dividends from its subsidiaries outside the Eurozone. Market conditions are taken into consideration when implementing such strategies. However, any negative change in exchange rates and/or a hedging policy that turns out to be insufficient to hedge the related risk could have major negative effects on the Group's activity, operating results and capital and financial position.

For more information, please see Chapter 3, as well as "Part E – Information on risks and hedging policies" of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu.

4.1.7 Risks connected with customer commission trends in light of the performance of financial markets

The negative performance of the financial markets has influenced, and continues to influence: (i) flows from the placement of asset management and administration products, resulting in a negative impact on the levels of placement commissions received; (ii) management commissions, due to the reduced value of the assets (direct effect) and the redemptions that may be brought about by unsatisfactory performances (indirect effect); (iii) the activity of placing and brokering financial instruments and the relative commissions received; and (iv) the results and valuation of the Group's investment and trading portfolio.

The volatility of the financial markets has caused, and continues to cause, a risk connected with operations in the brokerage, financing and advisory and capital markets sectors and the other activities remunerated through commissions in the sectors in which the UniCredit Group operates, which could have a significant impact on the Group's activities in the short term.

Although the Group monitors the risks arising from the performance of the financial markets, it cannot be ruled out that market volatility, a possible lack of liquidity on the

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markets and a change in savers'/investors' preferences to certain types of products could have major negative effects on the operating results and capital and financial position of the UniCredit Group.

As at 30 September 2011, commission income totalled Euro 7.6 billion, of which the main items were Euro 3.3 billion relating to management, brokerage and consultancy services, Euro 1.4 billion relating to collection and payment services, and Euro 1.2 billion relating to the holding and management of current accounts.

For more information, please see "Part C – Information on the consolidated income statement" of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu.

4.1.8 Systemic risk

In light of the relative lack of liquidity and the corresponding high cost of funding that has characterised the interbank market since the beginning of the global financial crisis, UniCredit could be subject to a deterioration in the stability or perceived stability of other financial institutions with which the Group operates, as well as that of the respective countries in which these institutions are based. The Group constantly carries out a high number of transactions with other institutions operating in the financial services sector, including brokers and dealers, commercial and investment banks, and other institutional customers. Concerns about stability, or a default by one of these institutions or by their respective countries, could cause serious liquidity problems (to the extent that the interbank market could come to a halt altogether), and losses or defaults by other institutions, since the commercial stability of various financial institutions can be closely linked to credit, trading, clearing or other relations between financial institutions. Furthermore, the feared or actual default of a country to which a financial institution has a high level of exposure could result in the default of the financial institution itself. This risk, often referred to as "systemic risk", could have negative repercussions on the Group and/or the various financial institutions with which the Group regularly has dealings, possibly resulting in a negative impact on the activities, operating results and capital and financial position of the Group.

Furthermore, also as a result of the default of one or more financial institutions, the various Group companies could be required to contribute to deposit guarantee systems, according to the relevant national regulations, possibly leading to major negative effects on the activities, operating results and capital and financial position of the Group. For further details, please see Chapter 6, Paragraph 6.1.7.

4.1.9 Risks connected with the UniCredit Group's activities in different geographical areas*4.1.9.1 Risks connected with the economic context and the market in Italy*

Although the UniCredit Group is active in a number of countries, Italy is the main market in which it operates. As at 31 December 2010, Italy represented 42% of the Group's total deposits and 37% of its operating income.

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As a result, the Group's activities are particularly linked to changes in Italy's economic context. Economic forecasts show considerable uncertainties regarding the future growth of the Italian economy, while the historic data published by Istat show a decline in Italy's GDP of 1.3% in 2008 and of 5.2% in 2009, while the growth of 1.3% recorded in 2010 was below the Eurozone average (1.8%).

The economic stagnation and/or reduction in Italy's GDP, the increase in unemployment and the negative performance of the capital markets have prompted a lack of confidence in the financial system and a consequent fall in investments, as well as an increase in impaired loans and insolvencies, causing a general drop in demand for the services provided by the Group.

Therefore, if Italy sees enduring adverse economic conditions, ongoing political and economic uncertainty and/or a slower than expected economic recovery, this could have further significant negative effects on the activities as well as the operating results and capital and financial position of the UniCredit Group.

For more information, please see the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu.

4.1.9.2 Risks connected with operations in CEE countries

The UniCredit Group has a significant presence in CEE countries, including Poland, Ukraine, Kazakhstan and Russia. Although the risks and uncertainties related to each of these countries differ in nature and scale and according to whether or not a country is a member of the European Union, these countries have a common history of extremely volatile capital markets and exchange rates, political, economic and financial instability, and, in many cases, underdeveloped political, financial and legal systems and infrastructures. With regard to the general performance of the economy, although we are seeing signs of recovery, this varies according to the different countries. More specifically, some countries in the area in which the Group operates are showing clear signs of a slowdown, while others are enjoying a somewhat more sustained trend.

Another sign of crisis is that the European Bank for Reconstruction and Development has recently lowered its growth forecasts for a number of CEE countries, including Slovakia, Romania, Hungary, Serbia and Turkey. A worsening of sovereign debt problems or unexpected economic dips in the major EU countries could have a negative impact on the prospects for recovery in this region.

In recent years, due to the economic crisis, the UniCredit Group has recapitalised its subsidiaries in several countries, including Ukraine and Kazakhstan. Since 2009 in particular, it has recapitalised Ukrainian subsidiary JSC UkrSotsbank and Kazakh subsidiary JFC ATF Bank in the amounts of Euro 50 million and Euro 312 million, respectively. These recapitalisations were carried out in order to realign the companies' capital and financial situation with applicable regulatory requirements and market expectations. Furthermore, the Group recorded goodwill impairment losses in relation to its subsidiaries in Ukraine and Kazakhstan for a total of Euro 750 million in 2008 and Euro 359 million in 2010. In the third quarter of 2011, the residual goodwill relating to the

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subsidiaries in Ukraine and Kazakhstan was written down in full; there are still exchange differences and other intangible assets that will be included in the carrying amount of said subsidiaries in the event of the sale or liquidation of the subsidiaries for the purposes of determining any capital gains/losses.

In this context, it cannot be ruled out that, due to the adoption of more restrictive rules than those planned at international level, in CEE countries the UniCredit Group may have to carry out further recapitalisations of its subsidiaries or be subject to, among other things, initiatives implemented by regulatory or governmental authorities in these countries, including those aimed at: (i) devaluing the official local currency against benchmark international currencies, whilst simultaneously attempting, where possible, to protect the country's citizens from the negative consequences of such a devaluation; (ii) limiting the transfer of capital out of these countries; and (iii) limiting operations within the context of the financial resources available, as well as measures and/or initiatives that could be adopted in any country in which the Group operates, such as: (a) the imposition of a waiver of the repayment of loans issued, resulting in higher levels of provisions for risks than those normally applied based on the Group's policies; and (b) compulsory capital requirements or additional capital. The UniCredit Group could also – in connection with the possible negative performance of certain economies in the CEE area – be required to ensure a higher level of liquidity for its subsidiaries in these areas, in an international context where access to liquidity could become increasingly difficult. Furthermore, the Group may have to increase impairments on loans issued due to a rise in estimated credit risk.

Lastly, the considerable slowdown in the growth rates of CEE countries' economies compared with the levels recorded in the past, together with the negative repercussions on these countries arising from the economic uncertainties in western European countries, could have a negative impact on the Group's achievement of its strategic objectives.

For more information, see Chapter 6, Paragraphs 6.1.3 and 6.2, and the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu.

4.1.10 Risks connected with assumptions and methods of valuing the UniCredit Group's assets

In accordance with the regulations set out by International Accounting Standards, the UniCredit Group formulates valuations, estimates and projections that influence the application of these standards and are reflected in the amounts of the assets, liabilities, costs and revenues recorded in the balance sheet. Estimates and related projections based on experience and other factors deemed to be reasonably relevant were used to estimate the carrying value of assets and liabilities not readily obtainable from other sources.

More specifically, the UniCredit Group adopts estimates to support the carrying amount of some of the most significant balance sheet items, which are largely based on calculations of future recoverability of the values recognised in the balance sheet under the rules contained in current legislation and are made assuming the continuity of the business, i.e. without considering the possibility of the forced sale of the items valued.

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The risk of uncertainty of the estimate is essentially inherent in calculating the following values:

- fair value of illiquid positions;
- receivables and, in general, financial assets;
- severance pay and other benefits owed to employees;
- provisions for risks and charges; and
- goodwill and other intangible assets;

the quantification of which is predominantly linked to the national and international socioeconomic context and the performance of the financial markets, with repercussions on rate trends, price fluctuations, projections used for actuarial estimates and, more generally, counterparties' creditworthiness.

The estimate processes used are particularly complex due to the ongoing macroeconomic and market uncertainty, characterised by both high levels of volatility in the financial parameters used for valuation purposes and continuously high indicators of credit quality deterioration.

The parameters and information used to estimate the aforementioned values are therefore significantly influenced by the aforesaid factors, which is why it cannot be ruled out that a deterioration in the performance of these factors may have a negative effect on the items valued and, ultimately, on the operating results and capital and financial position of the UniCredit Group.

With reference in particular to the risk of uncertainty connected with the use of fair value, it should be pointed out that the Group calculates the relevant carrying amount based on the fair value of: (i) financial assets "held for trading" (Euro 140.0 billion as at 30 September 2011); (ii) financial assets measured at fair value (Euro 29.6 billion as at 30 September 2011); (iii) financial assets available for sale (Euro 54.7 billion as at 30 September 2011); and (iv) hedging derivatives (Euro 16.2 billion as at 30 September 2011).

The breakdown of these exposures by levels of fair value as at 30 September 2011 is as follows:

- assets valued at "Level 1" totalled Euro 68.5 billion, those at "Level 2" totalled Euro 157.1 billion and those at "Level 3" totalled Euro 14.9 billion; and
- liabilities valued at "Level 1" totalled Euro 12.1 billion, those at "Level 2" totalled Euro 133.7 billion and those at "Level 3" totalled Euro 5.3 billion.

Due to the measurement at fair value of its liabilities, the Group could benefit financially if its credit spread or that of its subsidiaries worsens. This benefit (reduced value of liabilities), net of associated hedging positions, could be reduced, with a negative impact on the Group's income statement, in the event of a subsequent improvement in said credit spread.

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There is a possibility that future changes in the fair value of financial instruments and/or their classification, possibly following changes in market conditions, and/or the reduction in volumes traded on the markets, reducing the significance of trade prices, may have considerable negative effects on the operating results and capital and financial position of the UniCredit Group.

For more information, please see “Part A – Accounting policies” of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group’s website, www.unicreditgroup.eu.

4.1.11 Credit risk

The activity, financial and capital strength and profitability of the UniCredit Group depend on the creditworthiness of its customers, amongst other things. The Group is exposed to the traditional risks related to credit activities, which involve the possibility that its contractual counterparties may not fulfil their payment obligations, as well as the possibility that Group companies may, based on incomplete, untrue or incorrect information, grant credit that otherwise would not have been granted or that would have been granted under different conditions.

Furthermore, the creditworthiness of the Group’s customers is influenced by a number of factors, including: (i) general economic conditions or those related to specific countries or sectors of production; (ii) changes in the rating of individual counterparties; (iii) the positioning of individual counterparties in their respective sectors of activity; (iv) changes in interest rates; (v) the debt levels of individual contractual counterparties; and (vi) any external factors of a legislative and/or regulatory nature.

The ongoing credit market crisis, the deterioration of capital market conditions, the global economic slowdown and measures adopted by the governments of individual countries have reduced and could further reduce households’ disposable income and businesses’ profitability, and/or have a negative impact on bank customers’ capacity to honour their commitments, resulting in a considerable deterioration of the Group’s credit quality. Furthermore, the general macroeconomic situation and/or the performance of specific sectors of activity has reduced and could further reduce the value of customer guarantees received, and/or could make it impossible for customers to supplement the guarantees given following the decrease in their value.

As at 30 September 2011, the carrying amount of impaired loans to customers was Euro 39,044 million (of which Euro 17,560 million related to non-performing loans, Euro 12,300 million to doubtful loans, Euro 5,399 million to restructured loans and Euro 3,785 million to past-due loans), accounting for 6.94% of total customer loans, an increase on the 6.89% recorded on 31 December 2010. When presenting credit quality data, it should be pointed out that in the first quarter of 2011 the classification criteria for impaired loans in CEE countries were revised, particularly with regard to the “restructured loans” and “past-due loans” categories, and consequently the December 2010 data were restated for comparison purposes.

The coverage ratio for the aforementioned loans as at 30 September 2011 was 45.5%, an improvement compared with the 43.9% recorded on 31 December 2010.

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As at 30 September 2011, net impairment losses on loans and provisions for guarantees and commitments totalled Euro 4,533 million, equivalent to an annualised cost of risk of 108 basis points for the first nine months of 2011. At the same date, this item showed an increase compared with the previous quarters of 2011, totalling Euro 1,848 million, equivalent to an annualised cost of risk of 131 basis points in relation to the third quarter of 2011 alone. One of the causes of this sharp increase was the fact that, in the previous quarter, the Group had recorded non-recurring net loan recoveries in Germany; moreover, the continuation of the crisis led to an increase in provisions on Italian corporate customer portfolios. The Group adopted procedures, rules and principles aimed at monitoring and managing credit risk at both individual counterparty and portfolio level. However, it cannot be ruled out that, despite these credit risk monitoring and management activities, the Group's credit exposure may exceed predetermined levels. Therefore, the deterioration of certain particularly important customers' creditworthiness and, more generally, any defaults or repayment irregularities, the launch of bankruptcy proceedings by counterparties, the reduction of the economic value of guarantees received and/or the inability to execute said guarantees successfully and/or in a timely manner, as well as any errors in assessing customers' creditworthiness, could have major negative effects on the activity, operating results and capital and financial position of the UniCredit Group.

Furthermore, the Group periodically sets aside provisions for losses based on the historic information available. However, should there be a deterioration in economic conditions or an increase in impaired loans, it cannot be ruled out that there may be a significant increase in provisions for non-performing loans and the other categories of impaired loans, as well as changes to credit risk estimates. Finally, there is a possibility that losses on loans may exceed the amount of the provisions set aside, which would have a significant negative impact on the operating results and capital and financial position of the UniCredit Group.

For more information, please see "Part E – Information on risks and hedging policies" of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu.

4.1.12 Counterparty risk in derivative operations

The UniCredit Group negotiates derivative contracts on a wide range of underlyings, such as interest rates, exchange rates, share prices/indices, commodities (precious metals, base metals, oil and energy materials) and credit rights, both with institutional counterparties, including brokers and dealers, commercial banks, investment banks, funds and other institutional customers, and with non-institutional customers. With regard to the UniCredit Group's derivatives business, the positive fair value of the trading derivatives stipulated with customers, as defined pursuant to Banca d'Italia Circular no. 262 of 22 December 2005, totalled Euro 40,256 million as at 30 September 2011, of which Euro 5,115 million related to Italian companies and Euro 35,141 million to foreign companies. As at the same date, the negative fair value of trading derivatives stipulated with customers totalled Euro 35,896 million, of which Euro 3,080 million related to Italian companies and Euro 32,816 million to foreign companies.

These operations expose the UniCredit Group to the risk that the counterparty of said derivative contracts may fail to fulfil its obligations or may become insolvent before the

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contract matures, when UniCredit or one of the Group companies still holds a credit right against the counterparty.

This risk, which was increased by the volatility of the financial markets, may also manifest itself when collateral guarantees are in place, if such guarantees provided by the counterparty in favour of UniCredit or one of the Group companies in connection with exposures in derivatives are not realised or liquidated at a value that is sufficient to hedge the exposure relating to said counterparty.

The counterparty risk associated with derivatives operations is monitored by the Group via guidelines and policies aimed at managing, measuring and controlling such risk. Moreover, it cannot be ruled out that failure by the counterparties to fulfil the obligations they assumed pursuant to the derivative contracts stipulated with UniCredit or one of the Group companies and/or the realisation or liquidation of the related collateral guarantees, where present, at insufficient values may have major negative effects on the activity, operating results and capital and financial position of the Group.

For more information, please see “Part E – Information on risks and hedging policies” of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group’s website, www.unicreditgroup.eu.

4.1.13 Risks connected with impairment losses relating to goodwill, other intangible assets and investments

After carrying out several business combinations in accordance with International Accounting Standards, the UniCredit Group recorded under assets any goodwill relating to the companies acquired, understood as the positive difference between the acquisition cost and the fair value of the assets and liabilities acquired, as well as other intangible assets arising from business combinations. Pursuant to IAS 36, the Group carries out systematic checks on the recoverability of the value of the goodwill and other intangible assets described above (impairment tests) on an annual basis. These checks are also carried out in connection with interim results if certain events or circumstances indicate the possibility of an impairment loss, in accordance with International Accounting Standards. For the purposes of the impairment tests, goodwill has been allocated in the accounts to the various cash generating units (CGU) into which the Group is divided, which do not necessarily coincide with the individual legal entities. The intangible assets recorded in connection with software development and IT platforms are subject to periodic revision and are amortised from the date they enter the production process.

The consolidated results as at 30 September 2011 were affected by extraordinary writedowns totalling Euro 10,167 million net of taxes.

More specifically, the impairment test carried out on the 2011 Condensed Interim Consolidated Financial Statements revealed a need to write down goodwill at Group level by Euro 8,669 million (including Euro 3,065 million relating to the Corporate & Investment Banking CGU, Euro 1,178 million relating to the F&SME Network Italy CGU and Euro 1,244 million relating to the F&SME Factories CGU). The writedowns recorded following the impairment test of 30 September 2011 were also necessary in light of the 2010-2015 Strategic Plan, which takes into consideration, on the one hand, the regulatory

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tightening of the credit system and the resulting increase in the minimum levels of capital required for individual banks (and consequently also considered at CGU level) and, on the other hand, the current macroeconomic context, which has caused growth estimates to be cut in the main countries in which the Group operates, and the European public debt crisis that intensified in summer 2011. Residual goodwill as at 30 September 2011 totalled Euro 11,529 million.

It should be pointed out that the parameters and information used to check the recoverability of the goodwill (particularly the forecast cash flows of the various CGU and the discount rates used) are heavily influenced by the macroeconomic and market context, which could undergo changes that cannot be predicted as at the Date of the Registration Document. The effect of such changes on the estimated cash flows of the various CGU and on the main assumptions adopted could therefore lead in future financial years to different results from those at 30 September 2011, possibly resulting in further impairment losses on goodwill, with a significant impact on the operating results and capital and financial position of the Group.

The Group has also decided to implement a rebranding strategy under which it will cease in the short term to use certain trademarks relating to subsidiaries acquired (the main ones being “HypovereinsBank”, “Bank Austria”, “Banca di Roma” and “Banco di Sicilia”) in order to focus solely on the use of the “UniCredit” trademark. Pursuant to IAS 38, this decision involved writing down the carrying amount of these trademarks in full, with a negative impact of Euro 643 million, net of the relative deferred taxes.

The residual value of indefinite-life intangible assets (trademarks) totalled Euro 141 million as at 30 September 2011, with Euro 93 million relating to FinecoBank and Euro 48 million to ATF Bank Kazakhstan. The revision of UniCredit’s commercial and communication strategies or of its financial plans for future periods could result in the writedown or derecognition of these intangible assets, with a significant impact on the Group’s operating results and capital and financial position.

Finally, the Group wrote down the carrying amount of certain strategic equity investments consolidated at equity as at 30 September 2011 for a total of Euro 480 million (these impairment losses related in particular to equity investments in Mediobanca – Banca di Credito Finanziario S.p.A. (Euro 404 million), Fondiaria-SAI S.p.A. (Euro 41 million) and CNP UniCredit Vita S.p.A. (Euro 35 million)). Pursuant to IAS 28 and IAS 36, these writedowns are the result of a reduction in the recoverable value of the equity investments due to the worsening of the situation of the financial markets during the quarter and the consequent revision of the income and financial forecasts of these companies used in the basic valuation model for the purposes of calculating the relevant value in use. The continuation or exacerbation of the economic situation and the performance of the financial markets could have negative effects on the factors considered when estimating the recoverable value of the equity investments and could lead to a further writedown of such assets, with a significant impact on the operating results and capital and financial position of the Group.

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For more information, see “Part B – Information on the consolidated balance sheet” of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group’s website, www.unicreditgroup.eu.

4.1.14 Risks connected with failure to implement the 2010-2015 Strategic Plan

On 14 November 2011, the Board of Directors of UniCredit approved the 2010-2015 Strategic Plan.

The 2010-2015 Strategic Plan contains specific objectives to be achieved by 2015: a Common Equity Tier 1 ratio of 10% under Basel 3, RoTE of around 12%, targeted management of Risk-Weighted Assets, compliance with Basel 3 liquidity risk indicators, a positive net interbank position, a reduction in the cost of risk from 108 basis points (annualised as at 30 September 2011) to 75 basis points, and a reduction of around 10% in the cost base.

The plan includes growth objectives for 2015, including profit, balance sheet, cash flow and cost saving targets, based on certain macroeconomic expectations, such as extremely limited growth in Italy, moderate growth in European Union countries and more sustained growth in the CEE countries in which the Group operates. The 2010-2015 Strategic Plan also details measures that will require a significant time investment from the Group’s management.

More specifically, the Strategic Plan is based on a series of estimates and projections relating to the occurrence of future events and actions that will have to be undertaken by the management between 2010 and 2015.

The main projections on which the Strategic Plan is based include those relating to the macroeconomic scenario, which cannot be influenced by the management, as well as hypothetical assumptions relating to the effects of specific actions or concerning future events which can only be partially influenced by the management and which may not happen or may change over the period of time covered in the plan. These circumstances could therefore mean that the actual results achieved may differ considerably from the forecasts, and could have significant repercussions on the Group’s prospects.

In light of the uncertainty that characterises not only the projected data, but also the potential effects of the actions and managerial choices of the Group’s management based on the 2010-2015 Strategic Plan, investors are reminded that they should not make their investment decisions based exclusively on these data.

For further information, see Chapter 13 of the Registration Document.

4.1.15 Risks connected with deferred tax assets

In accordance with International Accounting Standards, the UniCredit Group has recognised deferred tax assets in its accounts.

Pursuant to and within the limits of IAS 12, deferred tax assets can be recognised with regard to (i) deductible timing differences (where there are expenses that are deductible in the financial statements for the entire financial year and tax deductible in subsequent

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financial years, upon the occurrence of certain events or on a pro rata basis); (ii) previous fiscal losses; and (iii) unused tax credits.

As at 30 September 2011, deferred tax assets totalled Euro 12 billion, of which Euro 570 million related to previous fiscal losses.

Of the Euro 570 million of previous tax losses recorded as at 30 September 2011, Euro 383 million pertained to UCB AG and Euro 187 million to BA. These values were recorded net of the writedown of around Euro 100 million (of which Euro 44 million related to UCB AG and Euro 56 million to BA) recorded on 30 September 2011. No deferred tax assets have been recognised in relation to previous fiscal losses in Italy.

In accordance with IAS 12, as at the reference date of each balance sheet, the Group checks its probable future taxable income to prove the sustainability of the deferred tax assets recognised. The model used to calculate the future taxable base is based on the fiscal rules in force and is applied taking into consideration the latest approved multi-year plans. This check is heavily influenced by the macroeconomic and market context.

It is therefore possible that, if such a check should reveal an insufficient future taxable base, the Group may have to revise downwards the value of the deferred tax assets recognised in the financial statements, which would have a significant negative effect on the income statement.

Furthermore, the use of the previous fiscal losses of UCB AG is subject to stringent and complex German fiscal legislation. More specifically, such previous fiscal losses could be reduced, in full or in part, following the acquisition (direct or indirect, within a period of 5 years and without prejudice to the applicability of certain exemptions) of an equity investment of over 25% (and up to 50%) or over 50% respectively of the share capital of UCB AG by a party, related parties of said party or several parties with corresponding interests. The reduction in previous fiscal losses could lead to a reduction in the deferred tax assets recognised in the financial statements.

Furthermore, despite a number of regulatory measures aimed at limiting the impact on deferred tax assets (Law 10 of 26 February 2011, the “One Thousand Deferrals Decree”), future prudential rules could lead to a progressive deduction of deferred tax assets from Common Equity Tier 1.

It therefore cannot be ruled out that, in future, the Group may be forced to replace the deferred tax assets within the context of its Common Equity Tier 1 with new sources that comply with the new prudential legislation: This could make it more difficult to comply with the new minimum capital requirements, potentially resulting in restrictions on the distribution of dividends.

For more information, see Paragraph 4.2 and the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group’s website, www.unicreditgroup.eu.

RISK FACTORS**4.1.16 Operational risk and risks relating to IT system management**

The complex and geographically divided activity of the UniCredit Group requires a capacity to carry out a large number of transactions efficiently and accurately, in compliance with the various different regulations applicable. The UniCredit Group is exposed to operational risks such as the risk of losses arising from internal or external fraud, unauthorised activity on the capital markets, interruptions to and/or malfunctioning of services and systems (including IT services and systems, on which the UniCredit Group is heavily dependent), errors, omissions and delays in providing the services offered, inadequacy or incorrect functioning of corporate procedures, errors or shortfalls by human resources, shortfalls in preparing and/or storing documentation relating to operations, customer complaints, distribution of products in breach of regulations on the provision of investment services, and sanctions arising from regulatory breaches, as well as failure to comply with procedures on identifying, monitoring and managing these risks.

Furthermore, in recent years the Group has carried out a number of acquisitions and/or restructurings in Italy, Germany, Austria and Central-Eastern Europe (see Chapter 5, Paragraph 5.1.5). The integration of various entities following the extraordinary operations carried out in recent years has required, and will in future require, some challenging integration work to standardise systems, processes and procedures within the Group, particularly with regard to the integration of entities whose IT, internal control and accounting systems are radically different from those already in use within the Group. In this context, it should be pointed out that, at the Date of the Registration Document, the Group's internal control system is continually changing and improving, particularly with regard to the Corporate & Investment Banking sector, and the Group's commercial banking activities in Italy and Germany are integrated on the EuroSIG IT platform, while this is in the process of being implemented in Austria.

Although the UniCredit Group has procedures aimed at mitigating and containing the risks arising from its operations and intended to prevent and/or limit the potential significant negative effects of said risks, and employs a number of staff to mitigate operational risk, there is a possibility that these measures could be insufficient to deal with all the types of risk that could arise, and that one or more of these risks could occur in future, because of unpredictable events that are fully or partially outside the UniCredit Group's control (including failure by suppliers to fulfil their contractual obligations, fraud or losses caused by employee disloyalty and/or breach of control procedures, IT viruses or malfunctioning of electrical and/or telecommunications services, and terrorist attacks). The realisation of one or more of these risks could have significant negative effects on the activity, operating results and capital and financial position of the UniCredit Group.

Furthermore, although the Company believes it has the resources necessary to successfully complete its integration process and is doing its best to ensure that its internal control system develops and adapts to the change in the way it carries out its activities, there is a possibility that difficulties may arise or that unexpected problems may come to light in relation to one or more of the entities acquired or to be integrated, or in relation to the internal control system for one or more sectors.

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For more information, see “Part E – Information on risks and hedging policies” of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group’s website, www.unicreditgroup.eu.

See also Chapter 6, Paragraph 6.1.6.

4.1.17 Operations carried out via structured credit securities

The UniCredit Group operates on the structured credit securities market, acting as originator, sponsor or investor, depending on the circumstances.

The UniCredit Group values its structured credit securities portfolios by monitoring their fair value and their economic value.

To this end, a standardised monthly IPV (Independent Price Verification) process has been approved and has been in force since March 2008 for the various legal entities within the UniCredit Group, in relation to the structured credit securities portfolios acquired by the Group and relating to operations performed by third parties. The process is co-ordinated by the Risk Management department. Under the IPV process, financial instruments are classified into nine categories according to progressive levels of reliability of prices observed on the market. Based on instruments with broker quotes and multiple counterparties, the process subsequently defines less immediate liquidity classes which include the use of estimates based on proxies and mark-to-model projections where the prices are particularly opaque.

These valuation models are complex, and the assumptions, estimates and valuations on which they are based often take into consideration uncertain and unpredictable data, such as expected cash flows, the debtor’s solvency and the appreciation or depreciation of assets, which need to be periodically updated to reflect changes in trends or market conditions.

In view of the current market situation, the fair value of many of the securities that the Group has acquired from third parties and which are contained in such portfolios has been reduced significantly compared with their carrying amount. Therefore, the disposal of such positions based on an economic value that is lower than their carrying amount, or – with regard to the instruments belonging to the banking book – the writedown to be recorded if the relevant conditions are met pursuant to International Accounting Standards and where the economic value is lower than the carrying amount, could have major negative effects on the capital and financial position of the UniCredit Group, the extent of which will vary in proportion to the difference between the carrying amount and the market value/economic value. Information on the Group’s structured credit products operations is provided below.

For more information, see the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group’s website, www.unicreditgroup.eu.

RISK FACTORS**(a) Securitisation transactions originated by the UniCredit Group**

The UniCredit Group acts as the originator of portfolios of receivables recorded in the balance sheet of special-purpose entities pursuant to the applicable provisions of law. The Group carries out both traditional securitisations, whereby the receivables portfolio is sold to the special-purpose entity, and synthetic securitisations, which use credit default swaps to purchase protection over all or part of the underlying credit risk of the portfolio of securitised assets.

As at 30 September 2011, the Group's net cash exposure arising from own-asset securitisations totalled Euro 9.1 billion and can be broken down as follows:

- exposure arising from securitisations of assets that were fully derecognised in the financial statements: Euro 1.1 billion;
- exposure arising from securitisations of assets that were not derecognised in the financial statements: Euro 2.9 billion; and
- synthetic transactions: Euro 5.1 billion.

The same exposure can be broken down by level of subordination as follows:

- junior securities: Euro 1.2 billion;
- mezzanine securities: Euro 1.5 billion; and
- senior securities: Euro 6.4 billion.

In addition to the aforementioned exposures, the Group has also carried out traditional securitisations of performing loans, acquiring all liabilities issued by the special-purpose entities for a total of Euro 38 billion of underlying assets ("self-securitisations").

In its role as originator of securitisations (both traditional and synthetic), the Group aims mainly to optimise the receivables portfolio by freeing up regulatory/economic capital and to provide new liquidity, whilst simultaneously diversifying its funding sources. Due to the crisis on the markets since the second half of 2007, the Group has also used securitisations to increase its counterbalancing capacity, retaining the securities issued by the special-purpose entity within the Group.

Under traditional securitisations the Group retains the first loss in the form of junior bonds or similar exposure, and in some cases provides further credit enhancement, as described above. This enables the Group to benefit from the portion of the sold receivables' yield in excess of the yield due to the senior and mezzanine tranches.

Retention by the Group of the first loss risk and the corresponding yield means that most of the risk and return on the portfolio is retained. Consequently, these transactions are recognised in the financial statements as loans; no profits from the sale of the assets are recognised, and the sold receivables are not derecognised.

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The Group carries out both traditional securitisations, whereby the receivables portfolio is sold to the special-purpose entity, and synthetic securitisations, whereby the relative credit risk is transferred via credit derivatives or real or personal guarantees.

(b) *Securitisations in which the UniCredit Group acts as sponsor and exposures to other consolidated special-purpose entities*

The UniCredit Group is active as a sponsor of asset-backed commercial paper conduits (special-purpose entities that issue commercial paper) set up to enable customers to access the securitisation market (multi-seller customer conduits).

As at 30 September 2011, the exposures in which the Group acts as sponsor totalled Euro 4.2 billion: Euro 2.7 billion of cash exposures and Euro 1.5 billion of credit lines.

The lines of credit shown are the difference between total credit lines granted and the amount of commercial paper underwritten by the Group. This figure is the additional risk exposure incurred by the Group arising from commercial paper underwritten by third parties and commitments to purchase further assets under the programme.

In addition to the activity described above, the Group carries out various other activities via consolidated special-purpose entities. The most significant of such activities include: (i) investment fund units; (ii) aircraft purchase loans; (iii) commercial property purchase loans; (iv) repos; (v) non-housing mortgage loans portfolio; and (vi) bonds issued by US local authorities and municipalised companies. In these cases, the Group bears most of the risk and receives most of the returns associated with granting loans and credit lines and underwriting liabilities issued by these special-purpose entities.

As at 30 September 2011, exposures to these special-purpose entities totalled Euro 2.2 billion, of which Euro 2,181 million related to cash exposures and Euro 11 million to credit lines.

(c) *Other structured credit products in which the UniCredit Group acts as an investor*

The Group also invests in structured credit instruments issued by special-purpose entities that are not consolidated pursuant to the accounting rules in force, insofar as such instruments do not bear most of the risk or receive most of the returns associated with the activity carried out by these special-purpose entities.

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As at 30 September 2011, this portfolio totalled Euro 6.8 billion and represented just 0.78% of the total financial assets portfolio at the same date. It can be broken down as follows:

Structured credit product exposures		
<i>(in thousands of Euros)</i>	Amount as at 30 Sept. 2011	Amount as at 31 Dec. 2010
Type of exposure	Net exposure	Net exposure
RMBS	3,082,591	3,352,143
CMBS	1,190,406	1,254,459
CDO	270,898	352,534
CLO/CBO	1,483,684	1,327,908
Other ABS	484,661	807,072
Loans	278,425	235,117
Total	6,790,665	7,329,233

This business was particularly affected by the difficult situation on the financial markets, which began in 2007 and caused, among other things, the transformation of the structured credit product market into an illiquid market. Against this background, in 2008 the Group ring-fenced these products in a specific portfolio, the Global ABS Portfolio, managed with the aim of maintaining the positions in view of the fundamentals of the underlyings. This portfolio is subject to monitoring and reporting of both credit risk and market risk. This strategy has been reflected in the financial statements through the reclassification of most of these positions in the item “loans and receivables to customers” in the second half of 2008 and, to a lesser extent, in the first half of 2009. This reclassification is permitted under IAS 39 and IFRS 7 following the changes introduced by the IASB in 2008. As a result of the reclassification, these positions are no longer recognised at fair value, but at cost, which may differ considerably from the fair value. As at 30 September 2011, reclassified ABS instruments had a carrying amount of Euro 4.9 billion, compared with a fair value of Euro 4.1 billion.

4.1.18 Risks connected with leveraged finance activities and investments in companies in the private equity and hedge fund sectors

The UniCredit Group is exposed to some market segments, such as the **leveraged buy-out (LBO)** finance segment, which are particularly exposed to fluctuations in general economic conditions.

Since June 2007, this segment has undergone a rapid decline in business volumes due to the fall in companies’ market values and the parallel call for stricter conditions on loans granted by financial institutions. In the current market climate, UniCredit is not expecting future growth in this specific sector, and therefore predicts a consequent reduction in revenue flows from its LBO financing activities.

As at 30 September 2011, the net carrying amount of the Group’s operations, most of which were carried out by the Corporate & Investment Banking (CIB) unit, was Euro 8,371 million, of which 50% related to its 26 biggest counterparties, almost all of which are based in the European Union.

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With regard to some existing LBO loans with large amounts, the borrowers' reduced capacity to repay the debt used to finance their acquisitions could result in a deterioration of the performance of the UniCredit Group's loan portfolio. Borrowers' reduced capacity to repay their debt could be further exacerbated by a return to recession, due to the increase in insolvency rates among the various counterparties. The UniCredit Group has been involved and could continue to be involved in restructuring the debt of some borrowers. Some future restructurings may involve the Group accepting a different creditor position or, in the last resort, the full or partial conversion of the Group's creditor position to a stake in the borrower's equity.

The UniCredit Group is also exposed to risks arising from investments in companies in the private equity and hedge fund sectors.

These investments relate to three categories: direct equity investments held by the Group in entities considered core customers, investments in private equity funds and long-term investments in hedge funds. As at 30 September 2011, net commitments totalled Euro 2,213 million, of which Euro 1,704 million (around 77%) had been used³. These investments are spread across a large number of diverse counterparties.

The Group's direct equity investments in core customers and investments in private equity are valued at their historic cost, and periodically undergo impairment tests. In the first nine months of 2011, following the aforementioned tests, the Group recorded writedowns of Euro 4 million, of which Euro 1 million referred to direct investments and Euro 3 million related to the private equity sector.

A deterioration in the current macroeconomic climate and in market conditions could have a negative impact on the value of these investments, exposing the UniCredit Group to the risk of recording further writedowns or generating sales prices that are lower than the current carrying amounts, possibly resulting in a significant negative impact on the Group's operating results and capital and financial position.

For more information, see "Part E – Information on risks and hedging policies" of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu.

4.1.19 Risks connected with exposure to commercial real estate trends

The UniCredit Group is exposed to the real estate sector via loans issued to companies operating in the sector, whose cash flows are generated mainly from the leasing or sale of properties (commercial real estate). In the last few years, the commercial real estate sector has seen a dip in market prices and in the number of transactions carried out. As a result, operators in the sector have suffered a decline in business volumes, an increase in commitments arising from financial expense, and greater difficulty in accessing refinancing.

³ These data are taken from management systems and based on internal management methods, and therefore are not confirmed in the tables in the Notes to the 2011 Condensed Interim Consolidated Financial Statements.

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Due to the current macroeconomic climate, factors such as increases in the unemployment rate in Italy and the other areas in which the Group operates, the reduced profitability of companies in the sector, and the increase in insolvency rates among both companies and individuals in relation to the payment of lease fees, have exacerbated borrowers' inability to repay their debts and reduced the market value of the guarantees given in connection with the loans granted. In the current market climate, the Company is not expecting future growth in this specific sector, and therefore predicts a consequent reduction in revenue flows from its commercial real estate activities.

As at 30 September 2011, the exposure to commercial real estate loans of the Corporate & Investment Banking Department, in which this type of activity is mainly concentrated, was Euro 37 billion in gross loans, spread across various geographical areas as follows: Italy accounted for 34% of the total figure, Germany 34%, Austria 27% and Poland 5%⁴.

The Group manages counterparty default risk mainly based on the income-generating capacity of the commercial activities carried out in the leased premises, as well as on the value of the real estate and the guarantees given. However, there is a possibility that a reduction in the value of the real estate and the guarantees (or a decline in other parameters used to monitor timely fulfilment of the loan obligations) may, in certain cases, have a negative impact on counterparties' income-generating capacity. More specifically, the difficulties and problems encountered by counterparties due to operating in negative market conditions could compromise their ability to repay the sums borrowed from the UniCredit Group.

Despite the controls adopted, it cannot be ruled out that the occurrence of the aforementioned circumstances may have a significant negative impact on the operating results and capital and financial position of the UniCredit Group.

For more information, see the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's *website*, www.unicreditgroup.eu.

4.1.20 Risks connected with pensions

The UniCredit Group is exposed to certain risks relating to commitments to pay pension benefits to employees following the termination of their employment. These risks vary depending on the nature of the pension plan in question.

A distinction therefore needs to be made between: (i) defined-benefit plans, which guarantee employees a series of benefits that depend on factors such as age, years of service and compensation requirements; and (ii) defined-contribution plans, whereby the company pays fixed contributions and the benefit is based on the accumulated amount (made up of the contributions themselves and the return on them).

⁴ These data are taken from management systems and based on internal management methods, and therefore are not confirmed in the tables in the Notes to the 2011 Condensed Interim Consolidated Financial Statements.

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More specifically, in relation to the commitments connected to defined-benefit plans, the UniCredit Group assumes both the actuarial risk and the investment risk. The assumed liability reflects an estimate, which is calculated based on International Accounting Standards. Therefore, depending on the actuarial risk and investment risk, as well as the demographic and market contexts, the amount of said liability could be lower than the amount of the benefits to be paid over time, potentially resulting in major negative effects on the UniCredit Group's capital and financial position.

Furthermore, both types of plan expose the UniCredit Group to risks associated with regulatory changes that could result in the assumption of higher-than-expected economic commitments, which could potentially have major negative effects on the Group's capital and financial position.

Risks relating to the measurement of commitments connected to defined-benefit plans are updated annually; the situation as at 31 December 2010 is described in "Part B – Section 12" of the Consolidated Financial Statements as at 31 December 2010.

4.1.21 Risks connected with risk monitoring methods and the validation of such methods

The banks of the UniCredit Group are subject to the risks typically involved in banking and financial activities. The UniCredit Group has an organisational structure, corporate processes, human resources and expertise that it uses to identify, monitor, control and manage the various risks that characterise its operations, and develops specific policies and procedures for this purpose.

UniCredit's Risk Management department directs the Group's strategy and defines the risk management policies implemented locally by the Risk Management divisions of the various Group companies. Some of the methods used to monitor and manage such risks involve observing historic market trends and using statistical models to identify, monitor, control and manage risks.

However, the aforementioned methods and strategies could be insufficient. More specifically, monitoring risks associated with financial products that are not traded on regulated markets, such as certain over-the-counter derivatives, could be difficult and could give rise to unexpected losses and/or losses in excess of the amounts provided for using the methods adopted.

Furthermore, despite the presence of the aforementioned internal procedures aimed at identifying and managing risk, the occurrence of certain unforeseeable or uncalculated events (taking into consideration the high level of uncertainty and volatility that, as at the Date of the Registration Document, characterises the performance of the markets in which the UniCredit Group operates), as well as the inability of the Group's entities and human resources to factor in elements of risk when carrying out specific activities, could result in future losses, therefore having a major negative impact on the Group's activity and capital and financial position.

These risks and their effects could be further exacerbated by the complex procedure of integrating the Group's risk management systems with those of the companies acquired by the Group.

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Furthermore, as at the Date of the Registration Document, the competent regulatory authorities are in the process of carrying out checks on the use by the Company and by other UniCredit Group companies of internal risk measurement systems for regulatory purposes.

These checks concern both systems that are in the first stages of the authorisation process and systems that are already authorised, in relation to which the Group must prove that it is maintaining the regulatory requirements.

In order to ensure the integrity and accuracy of the aforementioned risk measurement and management systems, the Group has adopted a system of governance based on the applicable regulatory provisions in force in the countries in which it operates (including Banca d'Italia Circular no. 263 of 27 December 2006) and international practices.

Despite the adoption of the aforementioned internal procedures, there is a possibility that, following investigations or checks carried out by regulatory authorities in the countries in which the Group operates, the internal models may be considered no longer sufficient, potentially having a significant negative impact on the calculation of capital requirements.

A number of authorities that carry out supervisory activities in relation to UCB AG, including the German Federal Bank, BaFin and the FSA, have conducted checks and/or tests on UCB AG's risk management and internal control systems and have identified some problems (which have also been the subject of further checks, both internal and external, by UCB AG) with regard to the full compliance of such systems with the applicable legal and regulatory requirements in Germany. Following discussions with BaFin on these matters, and after having informed Banca d'Italia, UniCredit and UCB AG made a commitment that UCB AG would maintain a minimum solvency ratio higher than that required by law in order to satisfy BaFin's request that UCB AG have sufficient capital to absorb any loss that may arise from shortfalls in its risk management policies, until such time as BaFin considers said shortfalls to have been overcome. The progress made has been and will continue to be regularly reported by UCB AG to both UniCredit and the competent authorities, including Banca d'Italia and BaFin.

However, despite the fact that the UCB AG's programmes, the improvements made to the systems and its solid control process have been acknowledged by BaFin, it is impossible to guarantee that the action taken and intended to be taken by UCB AG will be considered fully satisfactory by BaFin and the other authorities that carry out supervisory activities on these aspects. Although UCB AG is attempting to resolve all the serious problems identified, there is also a risk that BaFin and the other authorities could impose further measures relating to UCB AG and its management, such as the imposition of sanctions or restrictions on operations, the outsourcing or expansion of certain activities, or the need to maintain a higher regulatory capital buffer.

For further details, see Chapter 6, Paragraph 6.1.6.

4.1.22 Risks connected with non-banking activities

In addition to the traditional banking activities of collecting deposits and granting loans, the UniCredit Group also carries out activities that may expose it to a higher level of credit

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and/or counterparty risk. This increased risk may arise from the following activities, by way of example:

- trading in financial instruments, futures contracts, currencies or raw materials that may not be regulated in a timely manner due to the counterparty's failure to fulfil their delivery obligation or defaults by settlement agents, markets, liquidation systems or other financial intermediaries (including the Group itself);
- holding financial instruments pertaining to third parties; and
- granting credit via various different methods.

There is a risk that the counterparties of this type of operation, such as counterparties of trading operations or issuers of securities held by UniCredit Group companies, may not be able to fulfil their obligations towards the Group due to insolvency, political or economic events, a lack of liquidity, operating problems or other reasons. Default by the counterparties of a series of operations, or by the counterparty of one or more operations of considerable value, could have major negative effects on the activity, operating results and capital and financial position of the UniCredit Group.

The UniCredit Group has also made a series of significant equity investments, some of which arose from the conversion of debt into a stake in the borrower's share capital as part of a debt restructuring process. Any operating or financial losses or risks that the subsidiaries or affiliates may be exposed to could, first of all, limit the possibilities for the UniCredit Group to dispose of the aforementioned equity investments and considerably reduce the value of said investments, with possible major negative effects on the Group's operating results and capital and financial position.

Furthermore, following the enforcement of guarantees and/or the signing of debt restructuring agreements, the Group holds (and could in future acquire) controlling or minority equity investments in companies operating in sectors other than those in which the Group operates, including the real estate, oil, transport and consumer goods sectors. These sectors require specific knowledge and management expertise that the Group does not have. However, during the course of any disposal operations, the Group may have to manage such companies. This exposes the Group to both risks relating to the activities carried out by the individual subsidiaries or affiliates and risks arising from inefficient management of such equity investments, with possible major negative effects on the operating results and capital and financial position of the UniCredit Group.

4.1.23 Risks connected with financing activities in the naval sector

The UniCredit Group is exposed to risks linked to financing in the naval sector, which has been negatively affected by the recent deterioration in macroeconomic conditions. This sector is currently made up of a number of segments, each of which is characterised by specific risk profiles linked not only to various economic parameters (including the category of asset financed, the type of applicant and the type of renter), but also to the type of loan in place (including the nature of the loan, its duration, and the nature of the guarantees underlying the loan). Furthermore, the sector's performance depends largely on

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the total volumes of goods transported, which in turn are closely linked to GDP growth in the countries in question.

As at 30 September 2011, the UniCredit Group's loan portfolio for the naval sector totalled Euro 9.1 billion (gross loans), of which Euro 6.9 billion was concentrated within UCB AG (in the Global Shipping Unit, which includes Germany, Singapore, Greece and Norway)⁵, which, in November 2011, sold to Commerzbank AG its minority equity investment of 8% in Deutsche Schiffsbank AG, a company that specialises in financing for the naval sector. The first signs of deterioration in the loan portfolio for the naval sector were recorded at the end of 2007, after which, in June 2008, the UniCredit Group suspended new loans to the sector. Although the UniCredit Group believes that, at the Date of the Registration Document, this loan portfolio is relatively stable, certain segments in the sector (particularly loans relating to container ships) are experiencing difficulties that could worsen in future. In the current market climate, the Company is not expecting future growth in this specific sector, and therefore predicts a consequent reduction in revenue flows from its naval sector financing activities.

A further deterioration in the current macroeconomic situation and in market conditions could have a negative impact on the capacity of borrowers in this sector to fulfil their repayment obligations, potentially resulting in major negative effects on the operating results and capital and financial position of the UniCredit Group.

4.1.24 Risks connected with legal proceedings in progress and regulatory authority measures

At the Date of the Registration Document, there are legal proceedings pending in relation to the Company and other companies belonging to the UniCredit Group.

In many of these cases, there is considerable uncertainty with regard to the possible outcome of the proceedings and the scale of any loss suffered. These cases include criminal proceedings, administrative proceedings brought by regulatory authorities, and cases in which the petitioner has not specifically quantified their requests for compensation (as in the case of putative class actions in the United States, for example). In such case, until it is possible to reliably predict the outcome and estimate any losses that may be suffered, no provisions are set aside. On the other hand, where it is possible to reliably estimate the scale of any losses suffered and where such loss is considered probable, provisions are set aside in the balance sheet in an amount considered suitable given the circumstances and in accordance with IAS.

As at 30 September 2011, the UniCredit Group had around Euro 1.4 billion of provisions for risks and charges to cover the liabilities that may arise from the pending cases in which it is a defendant (not including labour law, tax or debt recovery cases). The estimate of such liabilities is based on the information available, but also involves significant elements of judgment due to the numerous uncertainties that arise from legal proceedings. More specifically, sometimes it is not possible to produce a reliable estimate, as in cases in which

⁵ These data are taken from management systems and based on internal management methods, and therefore are not confirmed in the tables in the Notes to the 2011 Condensed Interim Consolidated Financial Statements.

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the proceedings have not yet begun or where there are legal or factual uncertainties that make any estimate unreliable. Any provisions set aside may therefore be insufficient to fully cover the charges, expenses, fines and claims for compensation and payment of costs connected to pending cases, meaning that the actual cost of pending proceedings may turn out to be considerably higher. There are also certain cases, some of which involve large amounts, for which the Group has not deemed it necessary to set aside provisions or has not been able to quantify the relevant provisions.

The Group is also the subject of investigations carried out by regulatory authorities in the various countries in which it operates, including checks on its systems and internal controls and investigations into actual or potential legislative or regulatory breaches by the Group and/or its customers. Consequently, it cannot be ruled out that an unfavourable outcome of any of the legal proceedings and/or a negative result of the regulatory authority investigations may have major negative effects on the operating results and capital and financial position of the UniCredit Group.

The Group must also appropriately comply with various legal and regulatory requirements in relation to several aspects of its activity, such as rules on conflicts of interests, ethical issues, money laundering, sanctions imposed by the United States or at international level, privacy and information security. Failure to comply with such provisions could result in further disputes and/or investigations and make the Group subject to claims for compensation for damages, fines, criminal sanctions or reputational damage.

One UniCredit Group company is currently responding to a “third-party witness subpoena” received from the New York County District Attorney’s Office in relation to an ongoing investigation concerning certain individuals and/or entities subject to sanctions from the Office of Foreign Assets Control.

For more information, see Chapter 20, Paragraphs 20.8, 20.9 and 20.11, and “Part E – Information on risks and hedging policies” of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group’s *website*, www.unicreditgroup.eu.

4.1.25 Risks arising from tax disputes

At the Date of the Registration Document, there are tax proceedings pending in relation to the Company and other companies belonging to the UniCredit Group.

At the end of December 2010, UniCredit, both in its own right and in its role as the holding company of Capitalia, UniCredit Banca, UniCredit Banca di Roma and Banco di Sicilia, received several assessment notices relating to structured finance operations carried out in 2004 and 2005.

All the aforementioned banks carried out an operation named “DB Vantage”, which consisted of a repo transaction with an underlying bond issued by a UK company belonging to the Deutsche Bank Group, denominated in Turkish lira. According to the Company, these investments, which were a part of the Treasury Unit’s current operations, allowed the banks to generate profits greater than those generated by investments of the same kind with similar characteristics, disregarding any tax aspects.

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In 2004 and 2005, UniCredit Banca carried out a repo transaction on the shares of a company resident in New Zealand, which is also a part of the Deutsche Bank group. In this case, according to the Company, the investment again provided profits greater than those generated by investments of the same kind with similar characteristics, disregarding any tax aspects.

In May 2011, UniCredit:

- carried out a tax assessment settlement in relation to the 2005 financial year, paying a total of Euro 106.4 million (including Euro 26.7 million of fines and interest); and
- contested a dispute relating to 2004, against which no provisions have been set aside.

In the 2007, 2008 and 2009 financial years, in differing amounts and subject to differing pricing conditions, UniCredit Banca, UniCredit Corporate Banking and UniCredit Banca di Roma carried out structured finance transactions with the Milan Branch of UK bank Barclays Plc, which the latter called “Brontos”.

The transaction consists of a repo carried out between the Milan Branch of Barclays Plc and the aforementioned banks of the UniCredit Group, with underlying financial instruments issued by a Luxembourg company wholly owned by the Barclays Group, denominated in Turkish lira.

In the first half of 2009, the Milan Prosecutor’s Office initiated an investigation.

The offence being investigated is referred to in Article 3 of Legislative Decree no. 74 of 10 March 2000 (“Fraudulent declaration using other methods”) and Articles 81 and 112, no. 1 and 2, of the Italian Criminal Code.

On 1 March 2011, the Guardia di Finanza (Italian Finance Police) initiated a tax-related investigation into structured finance operations, including “Brontos”, carried out by Group banks in the 2006, 2007, 2008 and 2009 financial years.

On 21 June the Guardia di Finanza issued UniCredit with tax assessment reports relating to the aforementioned operations, broken down by year and by company concerned.

The tax assessment reports revealed a tax debt totalling Euro 444.6 million, of which Euro 269 million related to the “Brontos” operation and Euro 175.6 million concerned the other structured finance operations carried out between 2006 and 2008.

On 18 October 2011, UniCredit was served with an attachment order, pursuant to Article 321, paragraph 2, of the Italian Code of Criminal Procedure, for a total of Euro 245,956,118.49, relating to the accounts held by UniCredit with the Milan Branch of Banca d’Italia. UniCredit applied for a review, which was heard on 22 November 2011. By its order dated 28 November 2011, which may be contested in cassation by the Public Prosecutor’s Office, the Milan Review Court annulled the attachment order, and the sums previously deposited with Banca d’Italia were therefore made available to UniCredit once again.

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On 27 October 2011, both the lawyers acting for the people involved in the investigations and those people themselves were notified of the conclusion of the investigations.

In relation to the “Brontos” operations:

- with regard to the criminal aspects of the case, UniCredit is examining the documentation submitted by the Milan Prosecutor’s Office upon the conclusion of the investigations, through its lawyers and within the timeframe provided for by law;
- with regard to tax, it has contested the merits of the tax assessment reports by submitting pleadings to the relevant offices of the Italian Revenue Agency in August 2011.

In light of the above, the Company did not deem it necessary to set aside any provisions.

With regard to the other contested operations, however, where it was deemed necessary based on the information available, the Company set aside appropriate provisions, taking into account both their similarity to the operations identified in 2005 and any other relevant circumstances.

On 6 December 2011, following an order to file an appearance served by the Revenue Agency, UniCredit (partly in its role as the holding company of Capitalia) made a settlement in relation to the tax assessment report issued by the Guardia di Finanza on 21 June 2011 concerning disputes relating to the 2006 financial year. The settlement amounted to Euro 85,513,500, of which Euro 67,302,103 related to taxes and Euro 18,211,397 pertained to fines and interest, and was paid on 7 December 2011. This sum was fully covered by a specific provision set aside in the balance sheet.

Furthermore, on 5 January 2011, the Revenue Agency served UniCredit Leasing with an assessment notice. The notice contested the IRAP and VAT for the 2005 financial year relating to certain real estate leasing operations carried out by the company.

The contested IRAP totals Euro 694,412.00, in addition to interest and fines of Euro 772,786.00, while the disputed VAT amounts to Euro 31,839,466.00, as well as fines totalling Euro 70,866,012.50.

The company filed a timely appeal with the Bologna Provincial Tax Commission on 31 May 2011. The date of the hearing has not yet been fixed.

On 22 November 2011, the company was served with a collection notice for Euro 13,391,744.50. UniCredit classes the risk as possible, and therefore, in accordance with International Accounting Standards, has not set aside any provisions to cover it.

It cannot be ruled out that an unfavourable outcome of the aforementioned proceedings or the other proceedings the Group is involved in or could be involved in future may have major negative effects on the operating results and capital and financial position of the UniCredit Group.

Finally, it should be pointed out that in the event of a failure to comply with or a presumed breach of the tax law in force in the various countries, the UniCredit Group could see its tax-related risks increase, potentially resulting in an increase in tax disputes and possible

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reputational damage. For more information, please see “Part E – Information on risks and hedging policies” of the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group’s website, www.unicreditgroup.eu.

See also Chapter 20, Paragraph 20.10 regarding tax proceedings.

4.1.26 Risks connected with the ratings assigned to the Issuer and its subsidiaries

At the Date of the Registration Document, the ratings assigned to UniCredit by Fitch Ratings are “F1” for short-term debt and “A” for medium- and long-term debt, both of which are on credit watch negative; Moody’s gave the Company a rating of “P-1” on short-term debt and of “A2” on medium- and long-term debt, with a negative outlook; the ratings assigned by Standard & Poor’s are “A-1” on short-term debt and “A” on medium- and long-term debt, both of which are under observation (credit watch negative).

The outlook is the parameter that indicates the expected trend of the ratings assigned to UniCredit in the near future.

On 5 October 2011, Moody’s downgraded its long-term rating for UniCredit from “Aa3” to “A2”, with a negative outlook, and confirmed its short-term rating, following the downgrading of Italian sovereign risk, which was due mainly to the deterioration of macroeconomic conditions and resulted in a downward revision of Italy’s rating. Subsequently, on 16 November 2011, following the publication of the results for the third quarter of 2011, Moody’s placed the “C-” individual rating, the long-term “P-1” rating for short-term debt and the “A2” rating for medium- and long-term debt and some Group companies under observation for a possible downgrade.

On 11 October 2011, following the downgrade of Italy’s sovereign rating, Fitch Ratings placed its rating for UniCredit on credit watch negative (or under observation). On the same date, Fitch Ratings revised its rating, and in some cases the outlook, for some of Italy’s leading banks.

On 8 December 2011 Standard & Poor’s, having placed 15 Eurozone countries, including Germany, France and Italy, on rating watch, placed the ratings of UniCredit and a number of its subsidiaries, as well as various European banks, on “credit watch negative”.

When determining which rating to assign to UniCredit, the agencies consider and examine various indicators, including profitability, liquidity, asset quality and level of capitalisation. Italy’s sovereign rating and the macroeconomic context are also considered important factors. In this sense, the downgrading of Italy’s sovereign rating and/or the deterioration of the performance of the aforementioned income-related indicators could result in a downward revision of one or more of the ratings assigned to UniCredit by ratings agencies.

The downgrading of the rating assigned to UniCredit or those assigned to its subsidiaries could result in increased funding costs, limited or reduced sources of financing and a need to supplement the guarantees given by the Group to its counterparties, as well as potentially having negative repercussions on the Group’s liquidity, which, in turn, could have a major negative impact on the Group’s activity and capital and financial position.

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For more information, see the 2011 Condensed Interim Consolidated Financial Statements, included by reference in the Registration Document and available at the Group's website, www.unicreditgroup.eu.

4.1.27 Risks connected with the limits on voting rights set out in the Corporate By-Laws of the Issuer

Pursuant to Article 5 of the UniCredit Corporate By-Laws, no voting-right holders may exercise said right, for any reason, for a portion of the Issuer's shares greater than 5% of the share capital that carries voting rights, irrespective of whether a greater stake is held. The calculation of this threshold must take into account the total equity investment held by the parent company, all direct or indirect subsidiaries, and associates, as well as shares held via trust companies and/or intermediaries, and/or shares for which the voting right is assigned for whatever reason to a party other than the holder. The calculation must not, however, take into account equity investments included in the portfolio of mutual funds managed by subsidiaries or associates.

For further details, see Chapter 21, Paragraph 21.2.6.

4.1.28 Risks connected with projected data and estimates, key statements and information on the outlook of the reference market and the Group's competitive position

The Registration Document contains forecasts on the outlook of the UniCredit Group and the market in which it operates. These data, which are based on certain presumed external scenarios and assumptions on the effects of specific actions that can be fully or partly controlled, are formulated using management's experience and knowledge and the historic data available in relation to the sector in which the Group operates.

The projected data on the activities and expected results of the Group are based on inherently uncertain projections and future events; if such projections are not confirmed or such events fail to occur, this could result in considerable shortfalls compared with the forecasts made, potentially leading to major negative effects on the activity and capital and financial position of the Group.

The Registration Document also contains certain key statements and estimates on the Group's competitive position, which were formulated by the Company based on specific knowledge of the sector it belongs to, the data available and its own experience. This information is set out in the description of the Group's activity, markets and competitive position, its future plans and strategies, and forecast trends, and has not been independently verified.

Furthermore, the results, competitive position and performance of the Group in its sectors of activity and/or in the various geographical areas could reveal significant shortfalls in future compared with the projections contained in said statements, due to known and unknown risks, uncertainties and other factors listed in Chapter 4.

For more information, see Chapter 6, Paragraphs 6.1 and 6.3, Chapter 12 and Chapter 13.

RISK FACTORS**4.2 RISK FACTORS RELATING TO THE SECTOR AND MARKETS IN WHICH THE ISSUER AND THE UNICREDIT GROUP OPERATE****4.2.1 Risks connected with competition in the banking and financial sector**

UniCredit and the companies belonging to the UniCredit Group are subject to the risks arising from competition in their respective sectors of activity, both in Italy and abroad (particularly in the German, Austrian, Polish and CEE markets).

Although the UniCredit Group is active in a number of countries, Italy is the main market in which it operates. As at 31 December 2010, Italy represented 42% of the Group's total deposits and 37% of its operating income.

In general, the international banking and financial services market is extremely competitive. This competitive pressure could be increased by regulatory measures, competitors' conduct, consumer demand, technological changes, business combinations involving large groups such as the UniCredit Group (which would impose increasingly large economies of scale), the arrival of new competitors, and other factors not necessarily within the Group's control. The aforementioned business combinations could also be intensified if the financial markets continue to be unstable. Furthermore, a deterioration of macroeconomic conditions could result in greater competitive pressure due to factors such as increased pressure on prices and lower business volumes.

If the Group were unable to meet this growing competitive pressure by, for example, offering innovative and rewarding products and services that can meet customers' needs, it could lose market share in various sectors.

As a result of this competition, the UniCredit Group may also be unable to maintain or increase its past business volumes and profitability levels, which would have major negative effects on its operating results and capital and financial position.

For more information, see Chapter 6, Paragraph 6.2.

4.2.2 Risks connected with the outlook for regulation of the banking and financial sector and other rules applicable to the Group

The UniCredit Group is subject to varying regulation and is overseen by authorities such as Banca d'Italia, BaFin, the PFSA, the FMA, the ECB and the ESCB. The legislation applicable to banks, to which the UniCredit Group is subject, governs the sectors in which banks can operate, with the aim of preserving the banks' stability and solidity, limiting their exposure to risk. More specifically, the Company and the banking companies belonging to the UniCredit Group are obliged to comply with the capital adequacy requirements provided for by law in each country where they operate.

The UniCredit Group is also subject to the regulations applicable to financial services, which govern activities such as marketing and the sale and placement of financial instruments, and those applicable to bancassurance activities. In this context, the UniCredit Group is subject to oversight by authorities such as CONSOB, ISVAP (Italian Insurance Supervisory Body) and the FMA.

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The Company must also comply with the rules that apply to it as an issuer of shares quoted on the Milan, Frankfurt and Warsaw stock exchanges.

The supervisory activities of the aforementioned authorities cover various aspects of the Company's operations, which may include liquidity and capital adequacy levels, preventing and tackling money laundering, privacy protection, transparency and fairness in customer relations, and reporting and registration obligations. In order to comply with these regulations, the Group has implemented specific procedures and internal policies. However, it cannot be ruled out that, despite the existence of such procedures and policies, breaches of the various regulations may occur, particularly with regard to the rules on money laundering and fairness in customer relations, with possible negative effects on the activity and capital and financial position of the UniCredit Group. The above is also relevant due to the fact that, as at the Date of the Registration Document, some laws and rules affecting the sectors in which the UniCredit Group operates have been approved only recently, and the terms of their application are still being defined.

Specifically, partly due to the crisis that has affected the financial markets since 2008, in the last four months of 2010, the Basel Committee approved significant changes to regulation on banking institutions' liquidity, involving a substantial strengthening of the minimum capital requirements ("Basel 3"). The new capital requirements, some of which are still being defined (and which must be incorporated into national law in the relevant countries), are set to be introduced gradually between 1 January 2013 and 31 December 2019.

In more detail, the Basel 3 measures concern both capital requirements, including a Common Equity ratio of 7% for banks, a Tier 1 Ratio of 8.5% of RWA, and a Total Capital Ratio of at least 10.5% (including the capital conservation buffer), and liquidity requirements, via the introduction of measures such as a liquidity coverage ratio that aims to create and maintain a liquidity buffer, allowing the bank to survive for 30 days in the event of severe stress. For further details, see Chapter 6, Paragraph 6.1.7.

Between the end of 2010 and the beginning of 2011, Banca d'Italia issued a series of orders that amended the New Provisions for the Prudential Supervision of Banks in order to implement Capital Requirements Directive II (CRD II), which sets out, among other things, the criteria for determining capital calculable for the purposes of Tier 1 Capital and which may require the Group to replace financial instruments no longer calculable for this purpose, after a transitional period.

In November 2010, CRD III was issued, setting out further capital requirements relating to the trading book and repackaging securitisations, as well as a revision of remuneration policies.

On 20 July 2011, a legislative proposal drawn up by the European Commission with a view to implementing the Basel 3 standards in Europe was published. Specifically, the proposal involves two separate legislative instruments: a Directive (CRD IV) and a Regulation (CRR I), which will include the majority of the measures relating to capital requirements, the provisions of which will be directly binding and applicable within each European Union Member State. The Commission's proposal is currently being analysed by the European Parliament and the Council of the European Union with a view to definitively approving it in

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2012. During this stage, amendments could be made to the text proposed by the Commission, including changes that would make the capital and liquidity requirements set out more stringent.

These regulations could therefore have a significant impact on the activity and capital and financial position of the UniCredit Group.

It should also be pointed out that UniCredit was included in a list of financial institutions of global systemically important banks published on 4 November 2011 by the Financial Stability Board. The banks included in the list, which will be updated each year, will be subject to increased oversight and will be required, in collaboration with the supervisory authorities, to draw up (by 2012) suitable recovery and resolution plans, in order to prevent situations of extreme tension arising from a substantial loss suffered by a single entity from turning into a systemic risk. These institutions will also be subject to an additional loss absorbency requirement, meaning they will be required to build up a further capital cushion made up of Common Equity Tier 1, which will vary from 1% to 2.5% (with the possibility of raising this proportion to 3.5%, to discourage banks from becoming more “systematic”) based on the bank’s systemic importance. This obligation will initially apply to institutions that will be included in the updated list published in 2014, which must comply with the requirement between 2016 and January 2019. Furthermore, on 21 November 2011, Austrian regulatory authorities the FMA and the OeNB published a press release in which they stated that, by the end of 2011, they would introduce measures to boost the sustainability of the business models of the banks that operate in Central, Eastern and Southern European countries and increase the possibility of refinancing banking subsidiaries operating in these countries.

The various requirements imposed by the regulatory authorities, including capital requirements, are aimed at guaranteeing stability on the financial markets and protecting customers and third parties with which the Group normally has commercial relations. Consequently, these regulations, as well as the Group’s inability to meet the various requirements set out by the regulations, could affect the Group’s activity, including its ability to grant loans, or give rise to a need to resort to further capital injections to meet the capital requirements in place and other sources of financing to meet the liquidity requirements. This could have major negative effects on the activity, capital and financial position, cash flow and operating results of the UniCredit and on the products and services offered by the Company, and could limit its ability to pay out dividends to shareholders.

Furthermore, in line with the exercise conducted in 2010 by the CEBS, in 2011 the EBA launched a stress test process involving a sample of 90 European banks that together represented more than 65% of the continent’s banking sector, the results of which were published on 15 July 2011. The objective of the exercise was to assess the European banking sector’s capacity to withstand potential additional macroeconomic shocks to credit and market risk factors, including shocks caused by a deterioration in European countries’ creditworthiness. UniCredit passed the stress test.

Additionally, in October 2011 the EBA, in collaboration with the competent authorities, began an exercise on the regulatory capital of 71 banks throughout Europe, including UniCredit. The total capital requirement for UniCredit, on the basis of the data as at 30

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September 2011, was estimated at Euro 7,974 million. This amount was up on the Euro 7,379 million estimated in October 2011 because the latter figure: (i) took account of the valuation and composition of the sovereign debt securities held by the Group as at 30 June 2011; and (ii) did not consider the Group's economic results for the quarter ended 30 September 2011. UniCredit will present to Banca d'Italia a plan for achieving the target Core Tier 1 Ratio of 9%. For further details, see Chapter 5, Paragraph 5.1.6 (A).

The adjustment to meet the requirement identified by the EBA based on the data as at 30 September 2011 must be made by June 2012. Although the UniCredit Group believes it has already identified measures considered sufficient to meet said requirement (see Chapter 5, Paragraph 5.1.6 (C)), should these measures prove to be insufficient or unable to meet the identified requirement, based on the EBA's recommendations, the Group may have to resort to recapitalisations via the private sector, through the intervention of governments, or, in the last resort, by applying to the EFSF. It should also be pointed out that, in the event of failure to comply with or presumed breach of primary legislation, secondary legislation, codes of conduct or best-practice rules that apply to the UniCredit Group, particularly with regard to capital adequacy requirements, the Group could suffer reputational damage or heightened legal risks, possibly resulting in an increase in the number of disputes brought against it.

Furthermore, the regulatory authorities could launch administrative and legal proceedings against the UniCredit Group, which could lead to disciplinary measures such as the suspension or revocation of authorisations, cautions, fines, or civil or criminal sanctions, potentially having major negative effects on the Group's operating results and capital and financial position.

For more information on the regulatory principles governing the Group's activities, see Chapter 6, Paragraph 6.1.7.

In the course of its activities, the Group is also subject to a number of generally applicable regulations, such as those on tax, social security, pensions, occupational safety and privacy.

Any amendments to these regulations and/or changes in the way in which they are interpreted and/or applied by the competent authorities could have considerable negative effects on the operating results and capital and financial position of the UniCredit Group.

The Group uses International Accounting Standards to prepare its financial statements and interim financial statements. Due to the standard amendment already being applied and/or the introduction of new standards, the balance sheet and cash flow figures already published in relation to previous financial years and/or periods could be restated.

Following the entry into force and subsequent application of new accounting standards and/or the amendment of existing standards, the Group may have to revise the accounting treatment of some operations and the related income and expense, with potentially negative effects on the estimates contained in the financial plans for future years.

In this regard, it should be pointed out that: (i) the amendments to IFRS 7 and IAS 1 introduced by the IASB will soon be adopted in the financial statements as at 31 December 2011; and (ii) amendments to IAS 19 and the new IFRS 10, IFRS 11, IFRS 12 and IFRS 13 standards, which are currently in the process of being approved by the European Union, will

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enter into force on 1 January 2013. Furthermore, IFRS 9 is currently being prepared. The new standard will introduce significant changes with regard to classification, measurement, impairment and hedge accounting of instruments, replacing IAS 39. IFRS 9 is currently expected to be applied as of 1 January 2015, following the definitive publication of the standard and its approval by the European Union.

4.2.3 Risks connected with the reduction of liquidity support for the system

Due to the recent crisis on the financial markets, the reduced liquidity available to operators in the sector, the increase in risk premiums and the higher capital requirements imposed by regulatory authorities, there has been a widespread need to guarantee higher levels of capitalisation and liquidity for banking institutions.

This situation has meant that governmental authorities and national central banks the world over have had to take action to support the credit system (in some cases by directly acquiring banks' share capital), and has caused some of the biggest banks in Europe and in the world to turn to central institutions in order to meet their short-term liquidity needs. These forms of financing were made technically possible where supported by the provision of securities in guarantee considered suitable by the various central institutions.

An inability to raise liquidity on the market by accessing central institutions after providing suitable guarantees, or a significant reduction in or lack of liquidity support for the system from governments and central monetary authorities, could lead to major difficulties in raising liquidity on the market and/or increased costs in accessing such liquidity, which could have considerable negative effects on the activity, operating results and capital and financial position of the Group.

5. INFORMATION ABOUT THE COMPANY

5.1 History and evolution of the Company

5.1.1 Corporate name of the Company

The corporate name of the Company is “UniCredit, società per azioni”, and in abbreviated form “UniCredit S.p.A.”.

5.1.2 Place of registration of the Company and registration number

The Company is registered in the Trade and Companies Register of Rome under the number 00348170101.

UniCredit is also registered in the Register of Banks and is the parent company of the UniCredit Banking Group, which is itself registered in the Register of Banking Groups under the number 02008.1. UniCredit is a member of the Interbank Deposit Protection Fund and the National Deposit Guarantee Fund.

5.1.3 Date of constitution and duration of the Company

The Company is a *società per azioni* (joint-stock company) constituted in Genoa by private deed dated 28 April 1870, with a duration until 31 December 2100.

5.1.4 Domicile and legal form of the Company, legislation governing its operation, country of constitution, address and telephone number of the registered office

UniCredit is a *società per azioni* constituted in Italy and governed by Italian law. The registered office is situated at Via A. Specchi, 16, Rome, tel. +39 06 67071, and the Central Management Office is situated at Piazza Cordusio, Milan, tel. +39 02 88621.

5.1.5 History and evolution of the Issuer and the Group

UniCredit (formerly UniCredito Italiano S.p.A.) and the homonymous group of companies that it heads were born out of the merger, in October 1998, between the then Credito Italiano S.p.A., founded in 1870 under the name Banca di Genova, and UniCredito S.p.A., a holding which, as well as carrying out banking activities, held a controlling share in Banca CRT, CRV and Cassamarca.

From the time of its creation, the Group has continued to expand in Italy and in the countries of Eastern Europe, both through acquisitions and through planned growth, consolidating its role in sectors of substantial importance beyond Europe, such as asset management in the United States of America.

With regard to the expansion into Eastern Europe, in August 1999 UniCredit acquired a 50.09% stake (subsequently increased to 59.26%) in the share capital of Bank Pekao (which at the time was the second-largest Polish bank), and in July 2000 acquired a 62.59% stake in the share capital of Splitska Banka (then the third-largest Croatian bank in terms of total assets). In the same year, UniCredit also acquired Pol'nobanka A.S. (now UniBanka A.S., then the sixth-largest Slovakian bank in terms of total assets) and Bulbank A.D. (then the leading Bulgarian bank in terms of total assets).

During the course of 2002, controlling interests were acquired in the Croatian bank Zagrebačka and in Demirbank Romania S.A. (then UniCredit Romania), and expansion into Turkey was begun through Koç Finansal Hizmetler A.S.

In February 2003 UniCredit acquired control of Zivnostenska Banka a.s. (one of the leading banks of the Czech Republic in terms of total assets), and more recently, in 2005, acquired control of Yapi Kredi (Turkey).

With specific reference to the asset management sector, in October 2000 UniCredit acquired the global investment management division of the US Pioneer group, subsequently consolidating its asset management activities into PGAM.

From 2005 onwards, the Group also pursued its policy of international expansion in Germany, Austria and Central and Eastern Europe through a merger with the HVB group.

In August 2007, in order to establish a significant presence in the brokerage and investment banking market in Russia, BA acquired the brokerage business of the Aton Capital Group, which at the time was one of the five leading investment banks in Russia.

Also in 2007, HVB sold a stake of approximately 70% of the share capital of International Bank Moscow (now Zao UniCredit Bank) to BA, which in turn acquired, between the end of 2006 and the beginning of 2007, further equity interests in International Bank Moscow until it owned the entire share capital of the company, which is one of the ten leading Russian banks in terms of total assets.

With the aim of strengthening its position in the domestic market, as well as of seizing opportunities for international expansion, on 30 July 2007 the shareholders' meetings of UniCredit and Capitalia approved the merger by incorporation of Capitalia into UniCredit. The merger agreement was signed on 25 September 2007 and the merger became effective on 1 October 2007.

In October 2007, PGAM signed a joint venture agreement with Bank of Baroda, in India, in order to extend its presence into a market with one of the world's highest rates of growth in the pension fund sector, and against this background, in 2008 it acquired a 51% stake in the share capital of BOB Asset Management Company Ltd (now Baroda Pioneer Asset Management Company Ltd).

Again with reference to the expansion into Eastern Europe, in November 2007 the Group acquired, through BA, a 91.8% stake (subsequently increased to 99.70%) in JSC ATF Bank, the leading foreign-controlled Kazakh bank, operating through a network of around 140 branches in Kazakhstan and through subsidiaries and affiliates in Kazakhstan, Kyrgyzstan, Tajikistan (sold in July 2008) and Russia (Omsk region).

Between 2007 and 2008 the Group also pursued a policy of reorganising its activities in the countries of Central and Eastern Europe, where, following the merger with HVB, its presence became more than that of a banking entity in Slovakia, Bulgaria, Romania, the Czech Republic and Bosnia and Herzegovina.

In January 2008 the Group acquired, through Bank Austria, a 94.2% stake (subsequently increased to 95.34%) in JSCB Ukrspbank, the fourth-largest Ukrainian bank in terms of deposits and loans to customers, listed on the Ukraine Stock Exchange.

On 2 September 2008, UniCredit and the Treasury Ministry of the Republic of Poland signed an agreement giving the Treasury Ministry a put option, exercisable between the date of the agreement and 30 June 2009, and UniCredit a call option, exercisable between 23 December 2008 and 23 December 2009, relating to the 3.95% stake in the share capital of Bank Pekao held by the Treasury Ministry. In December 2008, the Polish Treasury Ministry and UniCredit signed an amendment to this agreement, waiving their respective options relating to the 3.95% stake held in Bank Pekao by the Treasury Ministry.

The early months of 2009 saw the implementation of the project for concentrating the Group's Italian and foreign ICT and back office activities (begun in the context of the merger with HVB), with a view to improving the coordination and effectiveness of those activities in support of the business, as well as obtaining further economies of scale and scope by centralising the aforesaid activities of HVB and BA respectively within UniCredit Global Information Services S.p.A. and UniCredit Business Partner S.p.A. (subsequently transformed into Joint Venture Corporations).

On 1 January 2009 UniCredit Consumer Financing Bank S.p.A. (now merged into the Company) incorporated by merger UniCredit Banca per la Casa, subsequently changing its name to UniCredit Family Financing Bank, and later centralised the salary-backed loan scheme previously carried out by the subsidiary Fineco Prestiti S.p.A., in order to centralise its distribution network. Additionally, during the same period the Group's leasing business was centralised within Locat (now UniCredit Leasing).

In April 2009, with the aim of increasing the value of the closed-end real estate fund management business of Pioneer I.M. SGR (a wholly-owned subsidiary of PGAM), the Group acquired a 37.5% stake in Torre SGR S.p.A. (a real estate fund management company owned by Fortress Investment Group LLC, itself listed on the New York Stock Exchange) within the context of a capital increase reserved for Pioneer I.M. SGR and subscribed by the latter's contribution of its real estate funds business unit. This operation was instrumental in creating a partnership with one of the leading operators in the real estate sector.

In January 2009 and January 2010, UniCredit launched two capital increases amounting respectively to around Euro 3 billion and around Euro 4 billion, with the aim of strengthening the Group's capital base. The shares deriving from the capital increase launched in 2009 and subscribed by the guarantor bank were used to service the issue of CASHES and granted in usufruct to UniCredit. For further information, see Chapters 21 and 22 of the Registration Document.

In March 2010, UniCredit participated in the establishment of Fondo Italiano di Investimento SGR S.p.A., together with the Ministry of the Economy and Finance, Cassa Depositi e Prestiti, Intesa Sanpaolo S.p.A., Monte dei Paschi di Siena S.p.A., ABI and Confindustria, with the creation of an Italian investment fund for SMEs.

(A) **The business combination with the HVB group**

On 12 June 2005, the Group signed a combination agreement with the HVB group (the “**Business Combination Agreement**”) relating to the structure and the future organisation and corporate governance of the two groups. As at the date of the Business Combination Agreement, HVB held, *inter alia*, 77.5% of the share capital of BA and, indirectly through BA, 71.03% of the share capital of BPH, a listed Polish bank. The Business Combination Agreement concerned the terms and conditions of three public offers of sale and/or exchange in Germany, Austria and Poland relating to all the remaining shares of HVB, BA and BPH.

HVB

With the aim of confirming itself as one of the leading European groups, on 26 August 2005 UniCredit launched a public offer of exchange in order to take control of HVB and its subsidiaries. As a result of this offer, completed during the course of 2005, UniCredit acquired a 93.93% stake in the share capital of HVB. In addition, following a formal request, in November 2005 the ordinary shares of UniCredit were admitted for trading in the General Standard segment of the Frankfurt Stock Exchange.

On 9 January 2007, HVB transferred its 77.53% stake in BA to UniCredit (which already held 17.5% of BA’s share capital) and its 100% stake in HVB Ukraine to Bank Pekao.

On 23 January 2007, UniCredit decided, *inter alia*, on the squeeze-out procedure relating to HVB. The squeeze-out of HVB, despite a legal challenge by the minority shareholders (for more details, see Chapter 20, Paragraph 20.8), was recorded in the Munich Trade and Companies Register on 15 September 2008. The squeeze-out price was set at Euro 38.26 per HVB share, for a total of approximately Euro 1,398 million. The HVB shares held by free-float shareholders, representing around 4.55% of the Company’s share capital, were consequently transferred in accordance with the law by the minority shareholders to UniCredit, and HVB thus became a wholly-owned subsidiary of UniCredit.

In the first half of 2010, HVB, which had meanwhile changed its name to UniCredit Bank AG, acquired the majority of BA’s markets business carried out by its subsidiary UniCredit CAIB AG. Subsequently, on 1 July 2010, UniCredit CAIB AG was merged into UCB AG and became its Austrian subsidiary, through which UCB AG began operating in Austria.

BANK AUSTRIA

On 26 August 2005, UniCredit launched a public offer of exchange for the acquisition of all the bearer shares without par value and all the registered shares of BA not held by HVB. On expiry of the related acceptance periods applicable to the offer, the Group held 94.98% of BA’s share capital.

On 4 August 2006, the Board of Directors of UniCredit and the Supervisory Board of BA approved a plan for the reorganisation of the subsidiaries in Central and Eastern Europe, in order to make BA a sub-holding of the Group’s subsidiaries in the CEE countries, except for Poland and Ukraine. This reorganisation was effected through the contribution by UniCredit of the “CEE” business unit, which comprised, *inter alia*, the following equity interests: KOC Finansal Hizmetler AS in Turkey, Zagrebačka in Croatia, Zivnostenska Banka AS in the

Czech Republic, Unibanka AS in Slovakia and UniCredit Romania in Romania. This contribution was also a preliminary to the integration of the banks operating in those countries.

On 23 January 2007, UniCredit, which at that date held a total of 96.35% of BA's share capital, including the 77.53% previously held by HVB, resolved to carry out the squeeze-out of BA. The squeeze-out was approved by the BA shareholders' meeting held on 3 May 2007 and, following a number of negotiated settlements with shareholders who had challenged this decision, was recorded in the Trade and Companies Register of the Court of Vienna on 21 May 2008 (for more information, see Chapter 20, Paragraph 20.8 of the Registration Document). After this operation, UniCredit held a 99.995% stake in BA, while the remaining 0.005% (representing 10,100 shares) was held by AVZ and BR-Funds.

On 27 September 2009, Bank Austria changed its corporate name to UniCredit Bank Austria AG.

In March 2010, BA finalised a capital increase of Euro 2 billion in order to satisfy the expectations of local regulatory authorities and rating agencies, and to bring the company in line with key Austrian competitors in terms of capital ratios and position themselves favourably to take advantage of opportunities resulting from future economic growth in Austria and Central Eastern Europe. In this capital increase, UniCredit subscribed not only the shares on which it had an option, but also the portion of share capital not subscribed by the other shareholders, giving it a 99.996% stake in BA.

BPH

On 20 January 2006, UniCredit informed the Polish Securities and Exchange Commission, the Warsaw Stock Exchange and the Polish press agency of its public tender offer for BPH shares (representing 28.97% of the share capital) not already held, including indirectly, by UniCredit. On expiry of the offer period, no BPH shares had been put forward in response to the offer.

In November 2006, BA transferred its 71.03% stake in BPH to UniCredit within the context of the creation of the new Market Division in Poland. The long-term objective of this Polish Market Division was to maximise the creation of value in the Polish market following the merger between Bank Pekao and part of BPH. The partial merger of BPH into Bank Pekao was finalised in November 2007.

Additionally, following a formal request to the competent authorities, in December 2007 the ordinary shares of UniCredit were admitted for trading on the Warsaw Stock Exchange.

On 17 June 2008, UniCredit sold a majority stake (amounting to 65.9%) held in Bank BPH to GE Money Bank, a Polish bank belonging to the consumer credit division of General Electric, maintaining a stake of around 5.1% in the share capital of Bank BPH, which was subsequently sold to DRB Holding B.V. (a company of the GE group) in September 2009. Additionally, within the framework of this operation, 18 June 2008 saw the finalisation of the sale by CABET Holding, a wholly-owned subsidiary of BA, of 49.9% of its stake in BPH TFI (a company operating in the asset management sector) to GE Capital Corporation.

(B) The combination with the Capitalia group

On 20 May 2007, the Board of Directors of UniCredit and the Board of Directors of Capitalia approved the merger of Capitalia into UniCredit, subsequently resolved by the shareholders' meetings of both companies on 30 July 2007. Following the authorisations received from Banca d'Italia in June 2007 and from AGCM in September 2007, UniCredit and Capitalia signed a combination agreement on 25 September 2007, and the merger became effective on 1 October 2007. The merger was effected by the incorporation of Capitalia into UniCredit.

In 2008, various Capitalia activities were coordinated with the business model of the UniCredit Group through:

- (a) the reorganisation of the Italian retail division into three banking networks, each with a specific regional responsibility;
- (b) the transfer of Capitalia's corporate and private banking business to the corresponding banks of the UniCredit Group specialising in the relevant customer segments;
- (c) the reorganisation and integration of real estate, information technology and back office operations; and
- (d) the sale of a number of bank branches in conformity with the prescriptions made by AGCM within the context of its authorisation of the merger of Capitalia into UniCredit.

Additionally, on 17 March 2010 UniCredit completed the disposal of its entire stake, held through UniCredit Bank Ireland Plc., in Assicurazioni Generali, as prescribed by AGCM in relation to the merger with Capitalia (for more information, see Chapter 22, Paragraph 22.3).

(C) The One4C Project

In order to satisfy the diverse expectations of customers and the need for territorial proximity that has emerged in the new international banking context, on 13 April 2010 the Board of Directors of UniCredit approved the One4C project.

In particular, the Board approved the proposed merger by incorporation into UniCredit of UniCredit Banca, UniCredit Banca di Roma, Banco di Sicilia, UniCredit Corporate Banking, UniCredit Private Banking, UniCredit Family Financing Bank and UniCredit Bancassurance Management & Administration S.c.r.l.

The aim of the One4C Project is to achieve greater customer satisfaction through a simplification of the corporate structure of the Group and greater proximity to the territories and communities served.

In keeping with what had already been done in Austria, Germany and Poland, on 13 April 2010 the Board of Directors also approved the introduction of a specific Country Manager responsible for banking activities in Italy.

The One4C Project strengthened the divisional model of the Group in Italy through the creation of four business segments (Households, SMEs, Corporate Banking and Private Banking) and three specialised Italian networks devoted to serving:

- (a) approximately 8 million private customers with assets of up to Euro 500,000 and 1 million businesses with an annual turnover of up to Euro 50 million (Households and SMEs segments);
- (b) over 19,000 businesses with a turnover of more than Euro 50 million (Corporate Banking segment); and
- (c) over 160,000 customers with assets of more than Euro 500,000 (Private Banking segment).

Additionally, 7 territorial areas were set up in Italy, headed by managers responsible for acting as a point of reference for relations with local institutions.

On 15 June 2010, Banca d'Italia authorised the merger within the framework of the One4C Project.

On 3 August 2010, the Board of Directors therefore approved the merger, and the related agreement for the merger by incorporation of the seven subsidiaries (UniCredit Banca, UniCredit Banca di Roma, Banco di Sicilia, UniCredit Corporate Banking, UniCredit Private Banking, UniCredit Family Financing Bank and UniCredit Bancassurance Management & Administration S.c.r.l.) into UniCredit was signed on 19 October 2010 and became effective on 1 November 2010.

Following this merger, UniCredit began performing banking activities directly.

(D) Rationalisation of the support units and companies of the Group's Global Banking Services, and other rationalisation operations

At the end of 2010, the Group approved the launch of the project to reorganise the support units and companies of the Group's Global Banking Services (hereinafter "GBS").

This project was born out of the need to respond more quickly and uniformly, and with greater consistency, to the requests of internal and external customers, and is aimed at:

- (a) simplifying governance and ensuring the cost efficiency of management by rationalising the operations and units responsible for all services offered, by reducing the number of legal entities, maximising economies of scale, and simplifying procedures for internal customers to request and use services;
- (b) increasing transparency in terms of services offered and costs incurred; and
- (c) improving service in terms of innovation, quality and risk management by setting up integrated operational units that use an end-to-end approach and maximise economies of scope.

From a corporate point of view, there are plans for UGIS, which will be renamed UniCredit Business Integrated Solutions, to have the function of an operating sub-holding company for the providing of services instrumental to the banking business of the Group both in Italy and

abroad. In this role, UGIS will provide an overview of the priorities and opportunities in the requests of external and internal customers and will maximise the effectiveness of investments by allowing the technologies and instruments used to be shared.

The organisational and operational project currently being implemented provides for a progressive reorganisation of the Group's support units and companies. Within this scope, in addition to the merger by incorporation of Quercia Software S.p.A. into UGIS on 1 June 2011, two project phases are envisaged:

- the first (which should be completed in early 2012) is dedicated to consolidating operational areas and companies in Italy, particularly UniCredit Real Estate and UCBP, which will be respectively incorporated into UniCredit and UGIS, and to centralising within UGIS the UniCredit business units named "ICT, Security, Global Sourcing and Operations" and "General Real Estate Services", as well as to rationalising and ensuring consistency of ICT, Back Office and Middle Office, Real Estate, Security and Global Sourcing activities in Germany and Austria. BaFin has contested the transfer of the equity interests in UGBS GmbH to UBIS, and this operation will now be subjected to an internal review; and
- the second (which is expected to be completed by the end of the first half of 2012) is dedicated to the completion of the overall plan for the other activities carried out abroad.

In order to rationalise other activities carried out by UniCredit and UCBP, optimising costs and operating processes, actions have begun to centralise, through the transfer of business units:

- within UniCredit, activities of reporting to local Supervisory Bodies ("Supervisory Reporting Unit"), currently carried out within UCBP; and
- within UCBP (or UBIS), Operations activities by administrative and accounting Back Office functions in relation to consumer credit and salary-backed loan products ("Operations Unit"), currently carried out within UniCredit.

Additionally, with a view to increasing the commercial effectiveness of UniCredit in the private customers segment through a service model that allows full control of the process of investment, administration and advice for managing the assets of this type of customer, on 22 March 2011 the Board of Directors of UniCredit approved the project for the partial spin-off to UniCredit of the private customers asset management business unit of Pioneer I.M. SGR. Banca d'Italia issued authorisation for this spin-off on 27 June 2011, and the operation was approved by the shareholders' meeting of Pioneer I.M. SGR and the Board of Directors of the Company, respectively, on 20 July 2011 and 3 August 2011. It is expected that the spin-off will become effective on 1 January 2012.

5.1.6 Other recent events

(A) Stress test and regulatory capital exercise conducted by the EBA

As in 2010, UniCredit took part in the 2011 European stress test carried out by the EBA in collaboration with Banca d'Italia, the ECB, the European Commission and ESRB.

The purpose of the European stress test, conducted on 90 banks representing more than 65% of the total assets of the European banking system, was to evaluate the European banks' ability to withstand severe shocks and their capital adequacy in the face of hypothetical stress events under particularly unfavourable conditions.

The hypotheses and methodology of the exercise were defined with the aim of assessing the banks' capital adequacy with respect to a benchmark Core Tier 1 Ratio of 5%, as well as being intended to increase market confidence regarding the solidity of the banks taking part in the exercise. The adverse scenario used in the stress test was defined by the ECB, covered a timeframe of two years (2011-2012) and was based on the assumption that the banks' balance sheets would remain unchanged with respect to December 2010. The stress test did not take account of the effects of any business strategies or future management initiatives, and in no way represents a projection of the profitability of UniCredit.

With reference to the Company, the effect of the hypothetical shock in the adverse scenario would be that UniCredit's Core Tier 1 Ratio, estimated on a consolidated basis, would fall from 7.8% (calculated according to the methodology specifically defined by the EBA for the purposes of the financial year) at the end of 2010 to 6.7% at the end of 2012. This result did not take account of the ordinary shares underlying the contracts of usufruct with other institutions, the CASHES, which are considered under the item "supervisory recognised capital ratio", which amounted to 7.2% for 2012.

Additionally, in October 2011 the EBA, in collaboration with the competent authorities, began an exercise on the regulatory capital of 71 banks throughout Europe, including UniCredit, with the aim of creating an extraordinary and temporary buffer of capital to cope with the current financial and sovereign debt crisis and to restore stability in the Eurozone and regain the trust of investors. The purpose of this buffer is not to cover losses caused by sovereign risk, but rather to reassure the markets regarding the banks' ability to withstand a series of situations of shock while maintaining adequate capital. There is also a requirement for a buffer that will take the Core Tier 1 Ratio to 9% by the end of June 2012. The total capital requirement for UniCredit, on the basis of the data as at 30 September 2011, was estimated at Euro 7,974 million. This amount was up on the Euro 7,379 million estimated in October 2011 because the latter figure: (i) took account of the valuation and composition of the sovereign debt securities held by the Group as at 30 June 2011; and (ii) did not consider the Group's economic results for the quarter ended 30 September 2011. In this regard it is pointed out that the loss recorded in the last quarter of 2011 was mainly due to the impairments of goodwill and other intangible assets which, in conformity with the applicable rules, are deducted for calculating the Regulatory Capital, and therefore their fluctuation does not have any impact on the calculation of capital requirements. For further details, see Chapter 3 of the Registration Document.

UniCredit will present to Banca d'Italia a plan for achieving the target Core Tier 1 Ratio of 9%, thus reducing the requirement to zero by June 2012. The plan will need to be presented by 20 January 2012 and will be discussed with the competent authorities, within the framework of the boards of supervisors, and with the EBA.

On the basis of the data as at 30 September 2011, but including the restructuring of the CASHES and assuming full subscription of the proposed rights issue, it is anticipated that

UniCredit will have a capital buffer of Euro 1.7 billion as a consequence of Core Tier 1 Ratio of 9.4% compared with the required level of 9%.

(B) Entry in the list of Systemically Important Financial Institutions (SIFIs)

UniCredit has been entered in the list of systemically important financial institutions, published on 4 November 2011 by the Financial Stability Board. The institutions included in this list, which will be updated annually, will be subjected to more rigorous oversight and will be obliged, in conjunction with the regulatory authorities, to draw up (by 2012) appropriate recovery and resolution plans to prevent any situation of severe stress caused by a huge loss with a single counterparty from turning into a systemic risk. These institutions will be obliged, among other things, to maintain an additional capacity for absorbing losses by accumulating an extra capital cushion constituted by Common Equity Tier 1 capital (additional loss absorbency requirement). For further information, see Chapter 6, Paragraph 6.1.7, of the Registration Document.

(C) Measures to strengthen capital and other related interventions

On 14 November 2011, the Board of Directors of UniCredit approved, among other things, the 2010-2015 Strategic Plan, measures to strengthen capital, and other related interventions, which will be submitted to a vote by the Extraordinary Shareholders' Meeting of 15 December 2011.

The adopted measures to strengthen capital are aimed at further reinforcing UniCredit's regulatory capital in order to position the Group favourably in the continuing context of macroeconomic uncertainty and the new regulatory framework, taking account also of the requirements for systemically important financial institutions.

There follows a summary of the main measures to strengthen capital and related interventions approved by the Board of Directors of UniCredit and submitted for a vote by the Extraordinary Shareholders' Meeting of 15 December 2011:

- the restructuring of the CASHES: in order to maintain – within the context of the future regulatory regime introduced by Basel 3 and by “CRD IV” – the eligibility as Common Equity Tier 1 capital of the majority of the capital deriving from the shares underlying the CASHES, it was proposed to capitalise the premium reserve of the shares underlying the CASHES through a free capital increase, to be carried out pursuant to Article 2442 of the Civil Code. This measure will allow UniCredit to maintain around Euro 2.4 billion (out of a total of some Euro 3 billion) as Common Equity Tier 1 capital, or around 50 basis points as at 30 September 2011 pro forma. From the regulatory point of view, the remaining Euro 0.6 billion (approx.) will be recognised as Additional Tier 1 capital;
- a rights issue, for a total amount of Euro 7.5 billion: to be offered in option to holders of UniCredit ordinary shares and savings shares, pursuant to Article 2441, paragraphs 1, 2 and 3 of the Civil Code. Conditional upon obtaining the relevant authorisations from the competent authorities, it is envisaged that this operation might be carried out by Q1 2012;

- cancellation of the par value of the ordinary and savings shares: due to the free capital increase carried out as a consequence of the restructuring of the CASHES and the subsequent cancellation of the par value of the ordinary and savings shares; the parameter for calculating the remuneration privilege pertaining to UniCredit savings shares will be changed from the par value of the UniCredit ordinary and savings shares, previously Euro 0.50, to a fixed numerical value of Euro 0.63;
- a change to the dividend policy in order to increase flexibility of capital management, giving the Board of Directors the power to offer shareholders the choice of receiving a dividend in cash or in ordinary shares of the Company, or a mixture of the two (scrip dividend); and
- the reverse split of ordinary and savings shares at the rate of 1 new ordinary or savings share for 10 existing ordinary or savings shares.

5.2 Main Investments

5.2.1 Investments in property, equipment and investment property, intangible assets and equity interests

The table below shows the total investments in property, equipment and investment property, intangible assets and equity interests made by the Group in the first nine months of the 2011 financial year and in the financial years ended 31 December 2010, 2009 and 2008.

<i>(in millions of Euros)</i>	First nine months of 2011		Financial year ended 31 December		
			2010	2009	2008
Land	0.2	17.6	0.7	45.8	
Buildings	108.6	166.2	96.5	538.0	
Furniture	20.3	39.0	40.9	75.5	
Electronic equipment	169.7	225.4	294.7	513.2	
Other	275.9	732.2	1,085.8	479.0	
Total investments in property, equipment and investment property held for functional use	574.7	1,180.4	1,518.6	1,651.5	
Land	149.3	31.2	20.9	61.1	
Buildings	110.8	189.5	94.9	7.8	
Total investments in property, equipment and investment property held	260.1	220.7	115.8	68.9	
Goodwill	53.7	6.9	3.4	2,175.8	
Other finite-life intangible assets	209.7	265.6	378.8	323.1	
Total investments in intangible assets held for investment purposes	263.4	272.5	382.2	2,498.9	
Total investments in equity interests	259.8	188.9	184.4	573.0	
Total investments	1358.0	1,862.5	2,201.0	4,792.3	

Property, equipment and investment property

The Group's investments concern both property, equipment and investment property held for functional use and assets held for investment purposes. In particular, assets held for investment purposes represent those held for the purpose of collecting leasing charges and/or held for appreciation of the invested capital.

Property, equipment and investment property held under finance leases are insignificant, representing around 0.5% of the total as at 30 September 2011 (Euro 57.2 million).

In accordance with the provisions of the reference accounting standards, the Group uses the fair value model for determining the value of held-for-investment assets associated with liabilities that recognise a return connected with the fair value of those investments.

Intangible assets

Intangible assets are non-monetary, identifiable assets without physical substance, held for multi-year use. They are divided into:

- goodwill;
- other indefinite-life intangible assets (e.g. trademarks); and
- other finite-life intangible assets (e.g. customer relationships, core deposits, software, licences, patents and similar rights).

The Group does not use the fair value model for determining the value of intangible assets.

Equity interests

This item includes the value of equity interests in subsidiaries or jointly-controlled companies – which, given their insignificance in terms of overall impact on the consolidated financial statements, are not consolidated fully/proportionally – and in companies subject to significant influence, held by the Group directly or through its subsidiaries.

Equity interests subject to significant influence are recognised according to the equity method or at cost. Any change in the conditions that resulted in determination of the existence of significant influence would entail calculating the value of the investment at fair value, with possible negative impacts on the income statement.

The remaining equity interests, other than subsidiaries, affiliates and joint ventures, are classified as available-for-sale financial assets and as assets at fair value through profit and loss.

For further information about the investments made by the Group during the first nine months of 2011 and in the financial years ended 31 December 2010, 2009 and 2008, see the Condensed Interim Consolidated Financial Statements as at 30 September 2011 and the Consolidated Financial Statements for the financial years ended 31 December 2010, 2009 and 2008, included in the Registration Document by reference pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004.

It should be noted that in the third quarter 2011, the UniCredit Group recognised impairments on the income statement in relation to goodwill, trademarks and equity interests consolidated in shareholders' equity. For more information, see Chapter 3, Paragraph 3.2.

5.2.2 Investments in progress

At the Date of the Registration Document, there are no significant investments in progress.

5.2.3 Future investments

At the Date of the Registration Document, the Group has not made any binding commitments to the making of significant investments, nor have any such investments been subjected to approval by the administrative bodies of the companies of the Group.

For information about the 2010-2015 Strategic Plan, see Chapter 13 of the Registration Document.

6. OVERVIEW OF ACTIVITIES

6.1 Main activities of the UniCredit Group

6.1.1 Introduction

The UniCredit Group is a major global financial institution that is well-established in 22 countries, a presence in 28 international markets, through representative offices and branches, and a total workforce of 160,552 FTE (Full Time Equivalent) employees at 30 September 2011.

The Group claims a position of primary importance in terms of the number of branches in Italy, in addition to a strong presence in several of the richest geographic areas in western Europe (namely Germany and Austria), and has gained major standing in terms of total assets managed in many of the 19 CEE Countries in which it operates.

At 30 June 2011, the UniCredit Group held a market share, in terms of branches, equal to (i) 13.2% in Italy, (ii) 2.2% in Germany, through UCB AG, and (iii) 5.9% in Austria, through Bank Austria.

In the year ended 31 December 2010, the UniCredit Group generated revenues of Euro 26,347 million.

Specifically, in the year ended 31 December 2010, Italy contributed 43% of the UniCredit Group total revenues, Germany 23%, CEE Countries (excluding Poland) 18%, Austria 9% and Poland 7%.

At 30 September 2011, the UniCredit Group generated revenues equal to Euro 19,108 million, with a net result of Euro -9,320 million.

In addition, at 30 September 2011, with total assets of Euro 950.3 billion, the Group brought in more than Euro 559.2 billion in direct deposits from customers and securities and the total of loans to customers stood at Euro 562.4 billion.

The table below shows loans and receivables from and deposits from customers and securities for the periods ended 30 September 2011 and 31 December 2010, broken down into sectors of activity:

<i>(in billions of Euros)</i>	30 September 2011		31 December 2010 ¹	
	Loans and receivables from customers	Deposits from customers and securities	Loans and receivables from customers	Deposits from customers and securities
<i>F&SME Network Italy</i>	128.1	95.1	125.7	97.3
<i>F&SME Network Germany</i>	44.3	41.2	46.9	39.3
<i>F&SME Network Austria</i>	21.4	23.2	22.1	23.5
<i>F&SME Network Poland</i>	9.0	12.1	8.8	13.2
<i>F&SME Total Factories</i>	54.1	19.6	54.5	15.6
<i>Corporate & Investment Banking</i>	216.7	106.1	212.8	131.2
<i>Private Banking</i>	7.4	24.7	7.0	25.0
<i>Asset Management</i>	0.0	0.0	0.0	0.0
<i>CEE</i>	67.6	59.6	66.3	56.9
<i>Group Corporate Centre</i>	13.9	177.6	11.6	181.2
Total	562.4	559.2	555.7	583.2

¹ Data obtained from the Consolidated Interim Report as at 30 September 2011. The data have been made comparable following the modification of the organisational structure and the consequent modification of the sectors of activity starting from 1 January 2011.

The UniCredit Group asset portfolio is widely diversified by sector and geographic area, with a strong focus on commercial banking, and includes credit intermediation, asset management and private banking, intermediation in international financial markets (sales and trading), investment banking, leasing, factoring and bancassurance activities (the distribution of insurance products through their branches). With reference to intermediation activities in financial markets, at 15 November 2011, UniCredit ceased cash equity and equity research activities in Western Europe and formed an exclusive strategic alliance with Kepler Capital Markets S.A. for cash equity research and execution services in that area. Operations are subject to the approval of the supervisory authorities.

6.1.2 Organisational structure

In order to maximise the long-term value of the Group as a whole and guarantee unitary governance, direction and strategic control, and the efficient provision of services to the entire Group, UniCredit is adopting an organisational model based on a divisional structure⁶ overseeing the sectors of activity as well as products and services as described below.

At the Date of the Registration Document, the UniCredit organisational structure is based on:

- (i) **Specialist Divisions by business or geographic area:** these involve the Families&SME, Corporate & Investment Banking and Private Banking Divisions (which, with reference to the customer segments, concentrate all marketing activities, the definition of the service model and product development, plus the managerial/functional coordination of several specific businesses in one area of

⁶ The organisational model of the Group involves the divisionalisation of the Group banks according to levels of divisionalisation differentiated by country, based on size, stage of development and rate of growth of each market.

responsibility) and the CEE Division (represented by 19 Central and Eastern European Countries), as described below in more detail.

- (ii) **Asset Management:** responsible for the development of asset management in all geographic areas, including CEE Countries and Poland, directing, supporting and controlling the development of business activities at regional level; and
- (iii) **Group Corporate Centre** (which includes GBS, Corporate Centre, and, for the purpose of the representation of income statement and cash flow data, consolidation omissions and adjustments not attributed to the individual sectors of activity). It includes the functions of direction, support and control – in the respective areas of responsibility – for the management of assets and related risks for the Group as a whole and for the individual Group companies.

Notwithstanding the descriptions used to identify the different structures from an organisational point of view, the various functions overseeing the product and service business units are classified in relation to the nature of the responsibility, as follows:

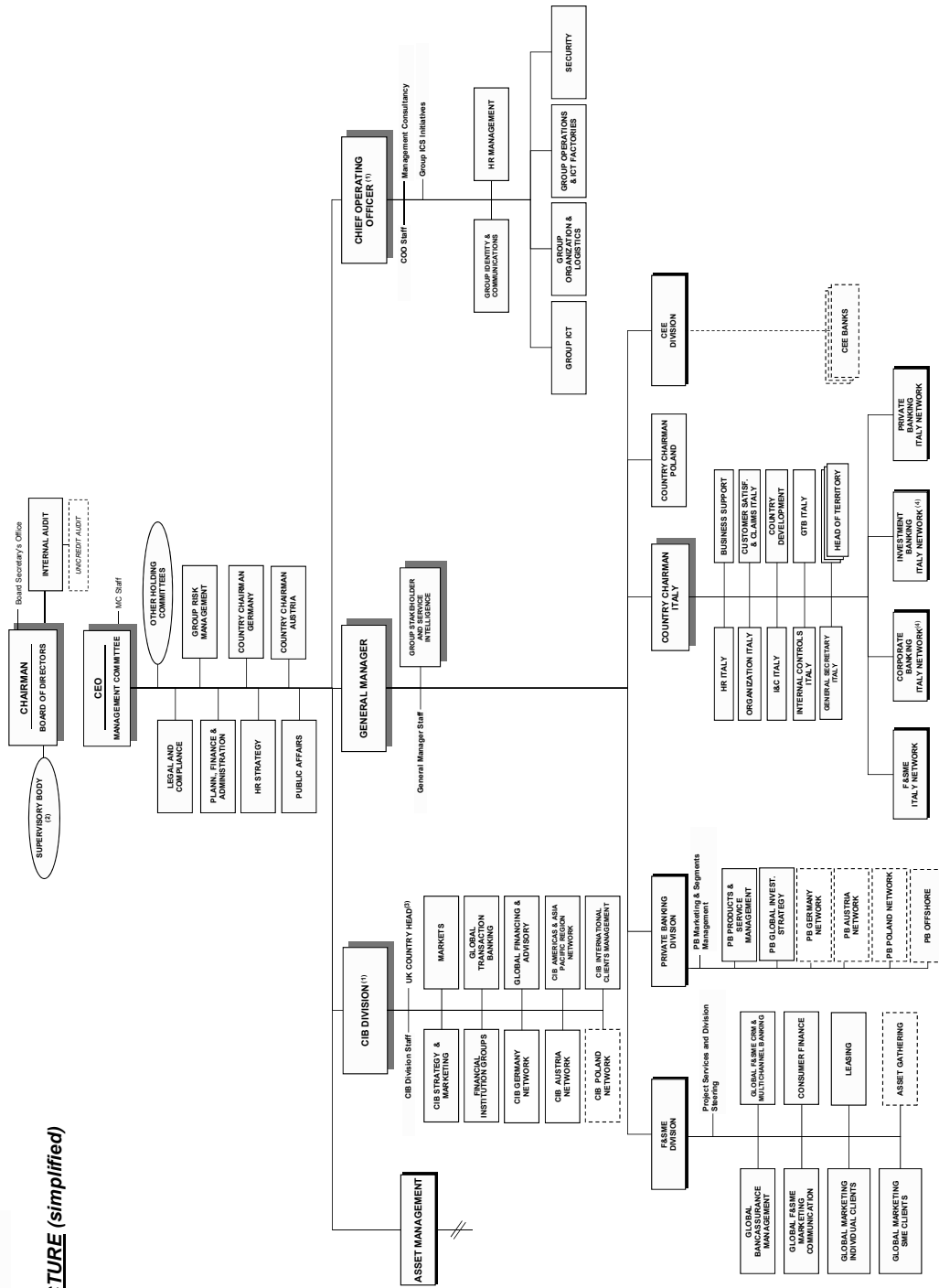
- **Business Line:** function, under the scope of a Division/reporting directly to the Country Manager Italy, responsible for covering customer segments in the relevant geographic areas: “F&SME Italy Network”, “CIB Italy Network”, “Private Banking Italy Network”, all reporting directly to the Country Manager Italy, and “CIB Germany Network”, “CIB Austria Network”, “Financial Institution Groups”, “Private Banking Germany Network”, “Private Banking Austria Network” and “CIB Americas and Asia-Pacific Region Network”;
- **Product Line:** function under the scope of the Group responsible for the centralised development of products and services: “Consumer Finance”, “Global Financing & Advisory”, “Markets”, “Global Transaction Banking” (“GTB”), “Leasing” and “Asset Management”;
- **Key Business Function:** staff function (with a Division Manager) supporting specific themes linked to the business under the scope of the Group: “Global F&SME Marketing & Segments”, “Global F&SME CRM & Multichannel Banking”, “CIB Strategy, Marketing & Research”, “CIB International Client Management”, “PB Products & Advisory”, “PB Global Investment Strategy”;
- **Service Line:** function responsible under the scope of the Group for maximising the quality of the services offered mainly through the Group Global Service Factory (including the Information Communication Technology (“ICT”) “factories”): “Global Operations Services” and “Workout Services”, which report to the “Group Operations and ICT Factories Business Unit”, and “Real Estate”; and
- **Key Service Function:** function responsible under the scope of the Group for maximising the quality of services under its control: “Global Sourcing”, “Security”, “Lifelong Learning Centre”, and “Group ICT”.

The organisational structure of UniCredit is illustrated in the organisational chart below:



UniCredit S.p.A.

HEAD OFFICE STRUCTURE (simplified)



(1) Position covered by Deputy General Manager
 (2) Set up according to the Legislative Decree No. 231 dated 8 June 2001
 (3) The UK Country Head – for topics related to funding matters - reports to the CFO
 (4) The implementation of these Networks will take place once will be defined and approved by the CEO the detailed design (for which the necessary analysis / activities are currently in place).

Business lines within LEs/LEs directly coordinated, from a functional/managerial point of view, by the Division's Head. No dedicated structures present within the HC. This is done to give an exhaustive view on governance framework.

6.1.3 Main activities

From 1 January 2011, the main activities of the Group were divided into the following sectors of activity:

- (i) *Family & Small Medium Enterprise Network Italy* (“**F&SME Network Italy**”);
- (ii) *Family & Small Medium Enterprise Network Germany* (“**F&SME Network Germany**”);
- (iii) *Family & Small Medium Enterprise Network Austria* (“**F&SME Network Austria**”);
- (iv) *Family & Small Medium Enterprise Network Poland* (“**F&SME Network Poland**”);
- (v) *Family & Small Medium Enterprise Factories* (“**F&SME Factories**”);
- (vi) Corporate & Investment Banking (“**CIB**”);
- (vii) Private Banking;
- (viii) Asset Management;
- (ix) *Central and Eastern Europe* (“**CEE**”); and
- (x) *Group Corporate Centre*.

The table below summarises the development of the segmentation of the Group’s activities in 2011, 2010, 2009 and 2008.

2011	2010	2009	2008
<i>F&SME Network Italy</i>	<i>Retail</i>	<i>Retail</i>	<i>Retail</i>
<i>F&SME Network Germany</i>	<i>Corporate & Investment Banking</i>	<i>Corporate & Investment Banking</i>	<i>Corporate</i>
<i>F&SME Network Austria</i>	<i>Private Banking</i>	<i>Private Banking</i>	<i>Private banking</i>
<i>F&SME Network Poland</i>	<i>Asset Management</i>	<i>Asset Management</i>	<i>Asset Management</i>
<i>F&SME Total Factories</i>	<i>Central Eastern Europe</i>	<i>Central Eastern Europe</i>	<i>Markets & Investment Banking</i>
<i>Corporate & Investment Banking</i>		<i>Poland Markets</i>	<i>Central Eastern Europe</i>
<i>Private Banking</i>			<i>Poland Markets</i>
<i>Asset Management</i>			
<i>Central Eastern Europe</i>			

Further information regarding the development of the Group segments of activity between 2008 and 2011 is provided below.

Reorganisation between 2008 and 2009

The worsening international economic and financial situation, which began in 2008 and the main result of which has been the global recession, led the UniCredit Group to review its own business model, specifically that aimed at the business system, in order to make it more consistent with the mission of creating sustainable value in the long term. The main result of this change was to combine and, consequently, reorganise the previous business units of Corporate and Markets & Investment Banking into the new CIB business unit.

Reorganisation between 2009 and 2010

This reorganisation involved the full application of the divisional model to also include Poland, with the results represented within the various divisions.

Reorganisation between 2010 and 2011

The objective of the reorganisation that took place between 2010 and 2011 was to simplify governance through a rationalisation of the decision-making process by identifying (i) several top managers with clear responsibilities with regard to profitability targets and (ii) activities and/or processes to be managed exclusively at global level or at local level. A further objective was to safeguard the divisional dimension of activities as well as strengthening the geographic dimension.

The above led to the redefinition of the mission of the various divisions, the allocation of a clearly identified managerial role to the Country Chairmen, through the further definition of the global and local scope of several Product Lines, as well as the reduction of the matrix dimension (e.g. through giving responsibility to front line local management).

All the data relating to 30 September 2011 and the contents of this Paragraph 6.1.3 are taken from the Consolidated Interim Report as at 30 September 2011. The data were made comparable following the modification of the organisational structure and the consequent modification of the business units starting from 1 January 2011, as described above.

* * *

The tables below contain the main operating figures of the UniCredit Group relating to the various business units with reference to the periods ended 30 September 2011 and 30 September 2010.

OPERATING INCOME

<i>(in millions of Euros)</i>	30 September 2011	30 September 2010
<i>F&SME Network Italy</i>	5,097	4,917
<i>F&SME Network Germany</i>	1,218	1,137
<i>F&SME Network Austria</i>	874	865
<i>F&SME Network Poland</i>	869	802
<i>F&SME Total Factories</i>	1,486	1,432
<i>CIB</i>	6,006	5,923
<i>Private Banking</i>	682	664
<i>Asset Management</i>	603	613
<i>CEE</i>	3,529	3,470
<i>Group Corporate Centre</i>	-1,256	-223
Total	19,108	19,600

OPERATING PROFIT

<i>(in millions of Euros)</i>	30 September 2011	30 September 2010
<i>F&SME Network Italy</i>	1,794	1,485
<i>F&SME Network Germany</i>	138	96
<i>F&SME Network Austria</i>	209	235
<i>F&SME Network Poland</i>	341	279
<i>F&SME Total Factories</i>	835	804
<i>CIB</i>	3,955	3,869
<i>Private Banking</i>	256	239
<i>Asset Management</i>	257	258
<i>CEE</i>	1,894	1,893
<i>Group Corporate Centre</i>	-2,233	-1,162
Total	7,446	7,996

PROFIT BEFORE TAX

<i>(in millions of Euros)</i>	30 September 2011	30 September 2010
<i>F&SME Network Italy</i>	312	3
<i>F&SME Network Germany</i>	98	13
<i>F&SME Network Austria</i>	60	35
<i>F&SME Network Poland</i>	270	192
<i>F&SME Total Factories</i>	353	243
<i>CIB</i>	2,043	2,186
<i>Private Banking</i>	237	229
<i>Asset Management</i>	252	248
<i>CEE</i>	1,122	922
<i>Group Corporate Centre</i>	-3,228	-1,416
Total	1,519	2,655

For information relating to the main operating figures of the UniCredit Group regarding the various business units in accordance with the segmentation applied in the years ended 31 December 2010, 2009 and 2008, please refer respectively to “Part L – Segment reporting” of the Group Consolidated Financial Statements as at 31 December 2010, “Part L – Segment reporting” of the Group Consolidated Financial Statements as at 31 December 2009, and “Part D – Segment reporting” of the Group Consolidated Financial Statements as at 31 December 2008.

The Company adheres to the system of inclusion by reference to the above documents pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004.

A brief description of each business unit of the UniCredit Group is given below.

(a) The Family&Small Medium Enterprise business units (“F&SME”)

The F&SME business units – in other words F&SME Network Italy, F&SME Network Germany, F&SME Network Austria, F&SME Network Poland and F&SME Factories, all part of the F&SME Division – represent different lines of activities and products with the primary objective of satisfying the financial requirements of customers in the form of individuals, households, and small and medium enterprises of the Group through their range of products and services.

Under the scope of business units with geographic significance, (F&SME Network Italy, F&SME Network Germany, F&SME Network Austria and F&SME Network Poland) customers are divided into the four segments listed below:

- (i) mass market, which includes customers with available capital of up to Euro 75,000;
- (ii) affluent, which includes customers with available capital of between Euro 75,000 and Euro 500,000;
- (iii) small businesses, which includes professionals and businesses with a sales turnover of up to a maximum of Euro 5 million; and
- (iv) medium enterprises, which includes businesses of up to Euro 50 million which previously were part of the CIB business unit and was set up to start from 1 November 2010.

The F&SME Factories business unit, on the other hand, includes:

- (i) the Consumer Finance Product Line, specialised in consumer credit and which supports banking network activities in Italy, Germany, Poland, Romania, Bulgaria and Russia with solutions capable of responding to the multiple finance requirements of households (loans and revolving cards);
- (ii) the Leasing Product Line, specialised in structuring, defining conditions and marketing leasing products at Group level and which, through its own distribution network, supports banking network activities with solutions capable of responding to the multiple requirements of business financing;
- (iii) the Factoring Product Line, responsible for coordinating the activities of providing loans against invoices sold by Group customers; this activity, in addition to being a means for businesses to access credit, offers additional services such as the management, collection and insurance of loans; and
- (iv) Asset Gathering, the business line that operates in Italy through FinecoBank, in Germany through DAB Bank and in Austria through Direktanlage.at; these banks offer the same banking and investment services as traditional banks, with the difference that they specialise in online trading activities and have a strong leaning towards technological innovation; these banks also take advantage of their own sales network (financial consultants) to offer customers innovative and certified financial services courtesy of the extensive range of products on offer.

The table below contains the main operating figures of the UniCredit Group relating to the F&SME business units with reference to the periods ended 30 September 2011 and 30 September 2010.

<i>(in millions of Euros)</i>	F&SME Network Italy	F&SME Network Germany	F&SME Network Austria	F&SME Network Poland	F&SME Factories
30 September 2011					
OPERATING INCOME	5,097	1,218	874	869	1,486
OPERATING PROFIT	1,794	138	209	341	835
PROFIT BEFORE TAX	312	98	60	270	353
30 September 2010					
OPERATING INCOME	4,917	1,136	865	802	1,432
OPERATING PROFIT	1,485	96	235	279	804
PROFIT BEFORE TAX	3	13	34	192	243

The table below illustrates the breakdown of loans and receivables from and deposits from customers at 30 September 2011.

30 September 2011 <i>(in millions of Euros)</i>	Loans and receivables from customers	Deposits from customers and securities
F&SME Network Italy	128,076	95,096
F&SME Network Germany	44,274	41,183
F&SME Network Austria	21,381	23,219
F&SME Network Poland	8,999	12,070
F&SME Factories	54,120	19,606

The promotion and management of bancassurance services in all geographic areas, including countries that are part of the CEE business unit, come under the scope of the F&SME Division.

The UniCredit Group range of products and services for mass market customers comprises:

- i. current accounts and other types of deposit accounts suitable for all customer requirements, from the most basic with operating type needs to the most sophisticated involving investment management. There are also products dedicated to customers who specifically use direct channels, such as ATMs and internet banking;
- ii. debit cards, credit cards and prepaid cards, with the customer able to choose either VISA or MasterCard for both their credit cards and their debit cards;
- iii. mortgage loans and non-mortgage loans, both for new requirements, such as purchasing a first home, and to replace loans from other credit institutions;
- iv. consumer credit and personal loans through a salary or wage-backed loan system (the salary-backed loan scheme whereby one-fifth of the salary is deducted on a monthly or yearly basis until the loan is repaid), with a vast range of products designed for various customer financing requirements;
- v. life insurance policies, certificates of deposit and bonds, specifically designed for the requirements of the mass market; and

- vi. non-life insurance policies to protect finances.

There are also product solutions dedicated to specific segments of customers or they can be personalised depending on individual requirements.

In 2011, two new insurance products were launched in Italy in the mass market segment, to improve UniCredit's ability to satisfy the needs of protecting against risk: "Vita Protetta" which provides protection in the event of death, and "Casa Protetta" to protect owners and tenants against loss or damage to their home. A new investment product, "Risparmia Facile", aimed at customers who want to start investing in a particularly simple product is also now offered. Customers can subscribe to such an investment plan by paying only a small initial instalment (between Euro 5 and Euro 20). The invested amounts are always available to customers, who may decide at any time to withdraw their accumulated savings without penalty. The new "Tagliando Certificato" has also been introduced to support a personalised advisory service for all customers with a Secure Option Loan: by monitoring the rate for the entire duration of the loan, agencies offer customers support and information so that they can choose the best options available. A new professional advisory service was launched in Austria under the name of "Smart Banking", which is aimed at customers managed remotely. The entire relationship with the customer is mainly managed in a digital format, by telephone or through electronic media (such as online banking, SMS, etc.). A remote personal consultant, available 24 hours a day, who uses high quality standard sector processes, is at the heart of this advisory service.

With reference to affluent customers, the range of services includes "UniCredit First", an advisory service with the objective of allowing the UniCredit Group to play a key role in this customer segment. This service model was launched in November 2005 by UniCredit Banca and was extended to all UniCredit Group retail banks.

The "UniCredit First" service model is specifically based on five key elements:

- *the allocation of a dedicated consultant* who is specially trained and available for a full consultation;
- *customer sub-segmentation*, in order to respond to the specific requirements of each sub-segment through the modulation of the level of service offered;
- *analysis of customer requirements*, through which a systematic response to all financial needs is offered based on the various timeframes;
- *principles of financial efficiency*, through which the consistency between the customer risk profile, the timeframe and the allocation of investments is guaranteed using the savings managed as a vital tool for diversification; and
- *commercial processes* aimed at supporting the advisory activities carried out by the consultant over a period of time, through meetings that are scheduled and governed centrally.

Under the scope of services and products that come into the managed savings bracket, offered both to mass market customers and affluent customers, following the recent crisis that has affected the financial markets, measures have been taken to simplify the range of

asset management and life bancassurance products and make them more efficient. In this context, the UniCredit Group is able to offer, amongst others, collective investment schemes, unit-linked policies (whole-life and term) and recurring premium policies.

In order to respond to the changes that have taken place in customer behaviour affected by the extreme volatility of the markets and by the tax reform, in 2011 the segment extended its set of guaranteed products. Whilst keeping the focus on simplicity and transparency, the catalogue of deposit products has been completely revised, providing an extensive and competitive range, which stands out through the value proposition and terms, aimed at satisfying customer requirements through the launch of:

- i. CD Gold and Silver: a term deposit for between 6 and 24 months with fixed interest rates. The longer the term, the higher the yield. These products are designed to acquire new customers and fresh money;
- ii. “Money plus flexi” deposit account: a savings deposit dedicated to acquisition, with fixed interest rates. The terms are 12, 18 and 24 months, but customers can leave the investment scheme before the nominal term selected; and
- iii. Money Box: online repurchase agreement. This product has been repositioned in terms of interest rates in mid-September.

A new service model has been launched in Germany in order to improve advice on pension solutions; it allows each customer’s pension gap to be calculated quickly and proposes customised solutions to cover this gap.

With regard to small business customers, the range of services offered can be divided into two distinct models:

- Business Prime model, for high band customers with more structured financial requirements; and
- Business Easy model, for customers having simpler financial structure and requirements (“**Small Economic Operators**”),

which makes it possible to offer each business customer a specialised, dedicated service.

The distinctive element of the Business Prime model is that it offers an integrated advisory service to satisfy the needs of businesses and the personal needs of the businessman and those of his household. Based on this model, the UniCredit Group can offer an integrated team of consultants, to whom business customer portfolios are assigned, with an investment specialist to whom a portfolio of private customers is assigned, all working together.

The Business Easy service model plans to offer Small Economic Operators a simple and direct service, also provided through the figure of a dedicated consultant (Business Easy consultant), who acts as the main go-between for the customer with the company also allowing them to use interactive channels. Compared with the Business Prime model, this service model allows greater commercial cover which guarantees the possibility of handling the large number of customers in the Small Economic Operators segment.

The UniCredit Group range of products and services for small business customers comprises:

- i. the “imprendo” range of current accounts and other types of ordinary accounts suitable for all customer requirements, ranging from basic to satisfy the need to save time and money, to the more sophisticated requirements of running a business. There are also products dedicated to businesses in the field of trade and agriculture, and to professionals and non-profit organisations;
- ii. debit cards, credit cards and prepaid cards, with the customer able to choose either VISA or MasterCard and the Open Cash payment card to make current account payments at automated tills at banks where this service is available, through the “Cash and cheques paying service” without using a PIN;
- iii. withdrawal and paying in services through cash order, payment by advice, direct debit, POS, etc.;
- iv. business financing, both through short-term instruments to allow businesses the flexibility of cash, or to allow the liquidation of trade receivables both in the medium to long-term for the purchase of real estate or capital goods for the running of the activity; and
- v. products for the protection of the business, specifically credit protection products that can be combined with different types of business financing.

Amongst the most recent initiatives to support the small business segment, mention should be made of the “Ripresa Italia” scheme launched in Italy in February 2011. Thanks to an agreement with the “Rete Imprese Italia” (the Italian Business Network which is the main small and medium business association in Italy), UniCredit continues its commitment to supporting the real economy during a period showing weak signs of recovery. The main contents of “Ripresa Italia” are represented by a new ceiling of Euro 1 billion of financing destined for small and medium enterprises and a new line of products created on the basis of the requirements of these enterprises, concentrated on five areas of intervention: “Recovery of the production cycle”, “Competitiveness and innovation”, “Sustainability and education”, “Internationalisation” and “Support for business networks”. In Germany, the service models dedicated to specific groups of customers have also been integrated through the extension of the model created for farmers, which has already been trialled in five regions, to the entire country. Lastly, a new service model dedicated to the medical profession has been launched, supported by two advisory and sales units, and by marketing activities and events dedicated to health.

The medium enterprises segment, on the other hand, is presided over by a network of business centres and specialist consultants and by a dedicated service model which also includes product specialists aimed at supporting the medium enterprise consultants with a range of specific products such as cash management, trade finance, structured finance, leasing and factoring.

(b) Corporate & Investment Banking (“CIB”)

The CIB business unit is aimed at business customers with a sales turnover of more than Euro 50 million and institutional customers of the UniCredit Group which operate in the 22 countries where the Group has a presence, supporting these customers in growth, internationalisation and restructuring projects and offering advanced services relating to transactions in global financial markets and investment banking.

In the period ended 30 September 2011, CIB represents 31% of the total UniCredit Group operating income.

The table below contains the main operating figures of the UniCredit Group relating to the CIB business unit with reference to the periods ended 30 September 2011 and 30 September 2010.

Operating Figures <i>(in millions of Euros)</i>	30 September 2011	30 September 2010
OPERATING INCOME	6,006	5,923
OPERATING PROFIT	3,955	3,869
PROFIT BEFORE TAX	2,043	2,186

At 30 September 2011, loans and receivables from customers and customer deposits and securities issued for the CIB business unit stood, respectively, at Euro 216,658 million and Euro 106,133 million and represented 39% of total loans and receivables from customers and 19% of total deposits from customers and securities, respectively, of the UniCredit Group.

The CIB organisational model is based on the creation of a solid and flexible matrix structure which, on the one hand includes a distribution network with a strong presence in the Group’s target markets (Italy, Germany, Austria and Poland), and, on the other hand, the concentration of Product Line know-how, whose development is centralised for the entire range of products offered, on the CIB business unit.

In this context:

- the dedicated commercial networks, located in the various target countries (CIB Network Italy, CIB Network Germany, CIB Network Austria and CIB Network Poland) have responsibility for the relationships with business customers, banks and financial institutions and for the sale of a wide range of financial services and products dedicated to them, ranging from traditional credit activities and typical services of a commercial bank to more complicated and high added-value services such as project finance, acquisition finance and other investment banking services and transactions in international financial markets; and
- the three dedicated Product Lines (Financing & Advisory, Markets and GTB) complete and enhance the network commercial activity, the experience and the product proposition.

Specifically, the Product Lines are organised as described below:

- (i) **Financing & Advisory (“F&A”)** is the centre of expertise specialising in all business activities related to business lending and advisory services and to institutional customers. The range on offer extends from plain vanilla products (in other words simple and/or standardised products) to more sophisticated products such as corporate finance & advisory, capital markets, syndications, leveraged buy-out finance, project & commodity finance, real estate finance, shipping finance and principal investments;
- (ii) **Markets** is the centre of expertise for all Group activities relating to the financial markets, which feature an international platform with a strong presence in emerging European financial markets. In addition, there is the Product Line responsible for activities and services connected to market rates, FX, equities and activities linked to the credit markets; and
- (iii) **GTB** is the centre of expertise for cash management, e-banking, supply chain finance and trade finance products, and for structured trade & export finance activities and, lastly, global securities services. These products are aimed at both business customers and institutional customers, with a presence in 22 countries and a sales organisation of approximately 2,000 dedicated specialists and more than 4,000 complementary banks.

(c) **Private Banking**

The Private Banking business unit is responsible for the development of the Private Banking segment in Italy, Germany, Austria, Luxembourg and Poland through a network of more than 1,200 private bankers located in approximately 250 branches in the area.

The activity is mainly directed at private customers with medium-high available finances (specifically customers with assets under management of more than Euro 500,000), providing advisory services and solutions for asset management.

In the period ended 30 September 2011, Private Banking represented 4% of the total UniCredit Group operating income.

The table below contains the main operating figures of the UniCredit Group relating to Private Banking with reference to the periods ended 30 September 2011 and 30 September 2010.

Operating Figures <i>(in millions of Euros)</i>	30 September 2011	30 September 2010
OPERATING INCOME	682	664
OPERATING PROFIT	257	239
PROFIT BEFORE TAX	236	229

At 30 September 2011, loans and receivables from customers and direct deposits from customers and securities for Private Banking stood, respectively, at Euro 7,409 million and Euro 24,692 million and represented 1% of total loans and receivables from customers and 4% of total deposits from customers and securities of the UniCredit Group.

The Private Banking business unit uses traditional channels typical of the customer segment, in other words private bankers mainly located in dedicated branches of the UniCredit Group banks in the area.

The UniCredit Group operates in the private banking customer segment through the Private Banking Division, providing advisory services and solutions for asset management with a 360 degree approach. The Division operates in five countries (Italy, Germany, Austria, Luxembourg and Poland) with the same number of corresponding lines of activity.

The financial assets managed and overseen by Private Banking at 30 September 2011 were equal to Euro 144.6 billion, of which Euro 116.7 billion was ordinary assets.⁷ On the same date, the component managed stood at Euro 41.8 billion, with the percentage of the total ordinary financial assets at around 35.8%.

The UniCredit Group offering in the private banking sector leverages the capacity to offer an integrated approach to protect and increase capital invested, maximising the value of all types of assets through recourse to a wide range of financial services and products.

Constant attention aimed at improving customer satisfaction has also led to the introduction of new products capable of combining various preferences in terms of investment risk and return and of improving the wealth advisory service. With this in mind, the Private Banking Division also provides placement services for mutual funds of companies which are not part of the Group.

(d) Asset Management

The Asset Management business unit operates at a global level through PGAM which performs a sub-holding role for the above-mentioned sector and constitutes the legal and managerial centre for this business unit. This business unit is responsible for the development of Asset Management as a centralised product factory in all geographic areas, directing, supporting and controlling the development of business activities at regional level.

During the course of 2010, UniCredit launched a strategic overhaul of PGAM's activities aimed at identifying the most suitable strategic option for improving the efficiency of the asset management company itself and optimising value for the benefit of both customers and shareholders. After an in-depth analysis of the advantages related to the various strategic options available, planned growth was identified as the optimal solution, even against the backdrop of market developments in recent months. A process of planned growth was therefore launched, through the development of a strategic plan aimed at introducing further improvements to the quality of the product range, as well as maintaining the high level of service offered to customers.

In the period ended 30 September 2011, Asset Management represented 3% of the total UniCredit Group operating income.

⁷ Excluding extraordinary transactions. Extraordinary transactions are those operations which, due to their nature, large size and little or no profitability, are not attributable to ordinary company assets (mainly assets from institutional clients and business client shareholding).

The table below contains the main operating figures of the UniCredit Group relating to the Asset Management business unit with reference to the periods ended 30 September 2011 and 30 September 2010.

Operating figures <i>(in millions of Euros)</i>	30 September 2011	30 September 2010
OPERATING INCOME	603	613
OPERATING PROFIT	257	258
PROFIT BEFORE TAX	252	248

The total capital managed and supervised at 30 September 2011, for Asset Management, stood at Euro 171.3 billion, with the management component equal to Euro 164.9 billion and the administration component equal to Euro 6.3 billion.

The UniCredit Group is active in the asset management segment in Italy, through PGAM, with assets managed, at 30 September 2011, standing at Euro 86.9 billion, in the United States of America with assets managed of Euro 32.2 billion, in Germany with assets managed of Euro 20.6 billion, in Austria with assets managed of Euro 10.0 billion and in CEE Countries, India and Russia and international markets with assets managed of approximately Euro 15 billion.

The table below illustrates the total financial assets in management and administration for the Asset Management business unit at 30 September 2011.

30 September 2011 <i>(in billions of Euros)</i>	Financial assets
Total financial assets	171.3
Total assets under management	164.9
Italy	86.9
United States	32.2
International	9.7
India and Russia	0.5
Germany	20.6
CEE	5.0
Austria	10.0
Total assets under administration	6.3

As a partner in various financial institutions in an international setting, the Asset Management business unit offers a vast complete range full of innovative financial solutions including collective investment schemes, hedge funds, wealth management, portfolios for institutional investors and structured products.

At the Date of the Registration Document the demerger, in favour of UniCredit, is in progress, of the wealth management business unit for the private customers of Pioneer I.M. SGR. For further information, please refer to Chapter 5, Paragraph 5.1.5 of the Registration Document.

(e) **CEE**

The CEE business unit includes the activities of the Group in 18 countries (Azerbaijan, Bosnia, Herzegovina, Bulgaria, the Czech Republic, Croatia, Estonia, Hungary, Kazakhstan,

Kyrgyzstan, Latvia, Lithuania, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey and Ukraine) with approximately 2,800 branches, offering a wide range of products and services to retail, corporate and institutional customers in these countries. This business unit is managed by BA, which has been allocated the role of sub-holding for banking activities in CEE Countries.

In the period ended 30 September 2011, the CEE business unit sector represented 18% of the total UniCredit Group operating income.

The table below contains the main operating figures of the UniCredit Group relating to the CEE business unit with reference to the periods ended 30 September 2011 and 30 September 2010.

<i>(in millions of Euros)</i>	30 September 2011	30 September 2010
OPERATING INCOME	3,529	3,470
OPERATING PROFIT	1,894	1,893
PROFIT BEFORE TAX	1,122	922

At 30 September 2011, loans and receivables from customers and deposits from customers and securities for the CEE sector stood, respectively, at Euro 67,632 million and Euro 59,599 million and represented 12% of total loans and receivables from customers and 11% of total customer deposits and securities.

Under the scope of CEE Countries, and with reference to retail customers, the UniCredit Group is able to offer its customers an extensive portfolio of products and services, in line with what is on offer in the Italian, German, Austrian and Polish markets.

With reference to corporate customers, the UniCredit Group is constantly working to homogenise customer segments, share business models and standardise the range of products offered, in order to guarantee access to its network for any country where the UniCredit Group is present. This approach translates into dedicated product lines with global products, specifically cash management and trade finance solutions for corporate customers who operate in more than one CEE country.

(f) Group Corporate Centre

The Group Corporate Centre includes:

- (i) GBS: the function of GBS is to optimise internal processes and costs, supporting sustainable growth for the Business Lines, with a special focus on the control of costs and centralisation of services. The main areas of responsibility are ICT, Operations & Workout, Organisation, Real Estate, Procurement, Security, Technical Training, Management Consultancy, Identity & Communications. In November 2010 the post of Chief Operating Officer (COO) for the Group was introduced, with them managing the responsibilities already existing within the GBS strategic business area and with the HR Management area being added; and
- (ii) Corporate Centre: this includes the functions of direction, support and control which have the objective of directing, controlling and supporting – in the

respective areas of responsibility – the management of activities and related risks for the Group as a whole and for the individual Group companies.

6.1.4 Distribution network

At 30 September 2011, the UniCredit Group had a distribution network comprising 9,508 branches, of which 4,430 branches are in Italy, 856 branches in Germany, 314 branches in Austria, 3,836 branches in CEE Countries (including Poland) and 72 branches in other countries. This distribution network is completed by a network of 2,400 financial consultants and over 1,200 private bankers, who operate, respectively, through Asset Gathering and Private Banking.

Countries	September 2011
Italy	4,430
Germany	856
Austria	314
Poland	1,001
CEE	2,835
Total CEE + Poland	3,836
Other countries	72
Total Branches	9,508
<i>Financial Consultants</i>	2,400
<i>Private Bankers</i>	<i>more than 1,200</i>

The distribution strategy of the UniCredit Group is founded on a multi-local approach that allows the UniCredit Group to establish itself as an operator with a local mission in all the markets in which it operates, handing over the responsibility of managing the distribution network and customer relations to the UniCredit Group banks.

The UniCredit Group makes its own products and services available through numerous direct channels:

- network branches located in the various countries;
- networks of private bankers in Italy, Germany and Austria;
- the online banking channel and brokerage and networks of financial consultants of FinecoBank in Italy and DAB Group in Germany and Austria; and
- the ATM network and virtual channels such as home banking.

(a) The network of branches in Italy

The network of branches located throughout Italy represents the main means of contact with customers and is one of the most important distribution channels for UniCredit Group products and services.

At 30 September 2011, thanks to the inclusion of the Capitalia Group, the UniCredit Group in Italy could lay claim to a network of 4,430 branches in Italy.

The table below shows the number of UniCredit branches in Italy, broken down by region and with details of the market share at regional level.

REGION	UniCredit Branches	CIB and Private Banking Division Branches	UniCredit F&SME Division Branches	Total Banking System Branches	UniCredit Share	UniCredit Ranking
Abruzzo	44	3	41	696	5.9%	6
Basilicata	11	0	11	252	4.4%	7
Calabria	28	1	27	515	5.2%	6
Campania	219	12	207	1,643	12.6%	2
Emilia Romagna	543	36	507	3,523	14.4%	1
Friuli Venezia Giulia	143	5	138	935	14.8%	2
Lazio	581	36	545	2,757	19.8%	1
Liguria	99	7	92	965	9.5%	4
Lombardy	562	52	510	6,602	7.7%	4
Marche	99	5	94	1,193	7.9%	5
Molise	35	0	35	145	24.1%	1
Piedmont	464	34	430	2,696	15.9%	2
Apulia	159	7	152	1,416	10.7%	3
Sardinia	58	1	57	668	8.5%	3
Sicily	419	11	408	1,740	23.4%	1
Tuscany	183	10	173	2,543	6.8%	4
Trentino Alto Adige	80	5	75	969	7.7%	4
Umbria	89	3	86	586	14.7%	2
Aosta Valley	21	1	20	100	20.0%	3
Veneto	570	37	533	3,602	14.8%	2
Overall total	4,407	266	4,141	33,546	12.3%	

Sources:

- banking system branches data: Banca d'Italia at 30 June 2011 – UniCredit at 13 October 2011.

- UniCredit ranking data: Branch Network Architecture calculations – Country Manager Italy.

(b) The network of branches in Central and Eastern Europe

Through the gradual integration of banks operating in Central and Eastern Europe, the UniCredit Group has consolidated its position in these markets still further and, at 30 September 2011, it was one of the key banking groups in CEE Countries with more than 3,836 branches in 19 countries.

The table below shows the number of Group branches and their distribution in CEE Countries.

Country	Number
Poland	1,001
Turkey	942
Ukraine	438
Romania	252
Bulgaria	224
Bosnia	138
Croatia	146
Hungary	134
Kazakhstan	112
Russia	111
Slovakia	80
Serbia Montenegro	76
Czech Republic	96
Kyrgyzstan	41
Slovenia	29
Azerbaijan	8
Lithuania	4
Estonia	3
Latvia	1
Total CEE + Poland	3,836

The extensive territorial organisation in Germany, Austria, Poland and the CEE Countries allows the UniCredit Group to support the growing needs of its customers for internationalisation, both through international activities and commercial trading and investments in Italy.

(c) Networks of private bankers

In order to manage the advisory services and the range of wealth management solutions, aimed mainly at private customers with medium-high available finances, the UniCredit Group operates through the Private Banking business unit. It is active in Italy through UniCredit Private Banking, in Germany through HVB's Wealth Management Business Line, and in Austria through Schoellerbank and BA's Private Business Line (since October 2009, following the merger of Bank Privat AG and Asset Management GmbH into BA), using traditional channels typical of the customer segment such as private bankers located in branches in the area.

At 30 September 2011, the UniCredit Group could lay claim to the services of more than 1,200 private bankers located in Italy, Germany and Austria.

(d) Online Banking and Brokerage

Through FinecoBank in Italy and the DAB Group in Germany and Austria, the UniCredit Group is able to offer its customers online banking and credit services, multi-brand investment services and online trading services through dedicated platforms.

FinecoBank is the leading bank in this sector in Italy and the number one broker in terms of the number of orders handled in the first half of 2011⁸. With offices in Milan, FinecoBank was established in 1999 and was the first company to offer online trading services in Italy. It has grown rapidly from pioneer to market leader⁹.

DAB Bank is a major German bank in terms of stock brokerage services, and serves both individual investors and professional investors. DAB Bank has its offices in Munich, Bavaria and was set up in 1994 as the first German discount brokerage company.

Direktanlage.at, a subsidiary of DAB Bank, operates in Austria as a discount broker and also provides investment advisory services for individual and institutional customers. With offices in Salzburg, Direktanlage.at operates through a network of seven branches throughout Austria.

(e) **The ATM network and virtual channels**

Alongside traditional distribution channels (networks of branches and advisors), the UniCredit Group has developed an extensive multimedia network made up of ATMs (cash points) and home banking.

At 30 September 2011, the UniCredit Group ATM network included more than 9,400 cash point machines in Italy, Germany and Austria, located inside or in the immediate vicinity of UniCredit Group bank branches, linked to the ATM interbank network. The ATM network is able to offer UniCredit Group customers a full service, which in addition to the traditional service of withdrawing cash, allows them, amongst other things, to make transfers, top up phone cards and pay utility bills.

6.1.5 Future plans and strategies

In spite of the markets continuing to be extremely volatile and the uncertainty surrounding the future of the macroeconomic situation, in line with the 2010-2015 Strategic Plan (see also Chapter 13 of the Registration Document), at the Date of the Registration Document the Group intends to act along the following guidelines:

- strict attention to strengthening capital, to the risk profile, to equilibrium for the liquidity position and for the dynamics of loans and deposits;
- careful management of costs directed at the most efficient use of available resources, working, in particular, to simplify and rationalise management structures and redesign the distribution network;
- review of business strategies depending on the development of the respective target markets, with a view to an increasingly tighter divisional integration capable of producing greater commercial synergies. All of this will lead to a reallocation of capital to areas featuring a better risk – yield profile; and

⁸ Source: ASSOSIM calculations using Borsa Italia figures, classified by ASSOSIM brokers under the “Shares” segment.

⁹ Source: ASSOSIM calculations using Borsa Italia figures, classified by ASSOSIM brokers under the “Shares” segment.

- a special focus on Italy, with the objective of reducing the gap between volumes of loans and deposits, improving the quality of credit and increasing operating efficiency.

6.1.6 Risk management

The UniCredit Board of Directors establishes the strategic guidelines for taking risks, defining the allocation of capital for UniCredit and Group companies according to risk appetite and the objectives of creating value in relation to the risks taken.

Risk management at UniCredit Group level (mainly credit risk, market risk, operational risk and their integration) is taken care of by the Group Risk Management function, which, headed by the Group Chief Risk Officer, has the task of:

- optimising the Group's asset quality while minimising the cost of related risk in accordance with the risk/return objectives assigned to business areas;
- guaranteeing the strategic direction and definition of Group risk management policies;
- establishing and providing Division/Business Unit Managers and Group companies with criteria for the evaluation, management, measurement, monitoring and disclosure of the above risks and ensuring the consistency of control systems and procedures at Group and individual company levels;
- contributing to the creation of a risk culture that extends to the entire Group through training and development, in agreement with the functions of the Chief Operating Office, of highly skilled personnel.
- contributing to the definition of solutions for capital imbalances, if necessary, in conjunction with the Planning, Finance and Administration departments; and
- supporting the Divisions/Business Units in achieving their targets, including contributing to product and business development activities (e.g. credit product innovation, competitive opportunities related to Basel 2, etc.).

This function is performed with the coordination of the Group risk management as a whole, by implementing the following macro-functions:

- governing and controlling credit and cross-border risks, risks related to the market, financial statements, liquidity, Group operations and reputation, as well as other risks of the Basel 2 Pillar 2 (e.g. property risk, financial investments, business), through the definition of risk strategies and limits, the development of methods for measuring risks, the performance of stress tests and the analysis of the portfolio;
- overseeing the activities related to Basel 2 at Group level and for UniCredit;
- coordinating the process of measuring internal capital in the context of the ICAAP and coordinating the activities for producing the annual Regulatory Report;

- allocating the ratings to the most important Group banks and exposures and carrying out the related mapping at Group level, as well as managing the rating override process relating to the Group-Wide rating systems and the rating systems for measuring credit risk for UniCredit related parties;
- defining minimum standards and guidelines for the validation of technological infrastructures and for the quality of data, for credit risks, operational risks and Pillar 2 risks, for the provision of Group and UniCredit reports on credit risk and for providing models for measuring credit risk;
- carrying out internal validation activities, at Group level, for systems for measuring credit risk, operational risk, market risk, Basel 2 Pillar 2 risks, related processes and components of data quality and IT, as well as models for pricing financial instruments, in order to verify that they comply with both regulatory requirements and internal standards;
- approving significant and minor changes to risk measuring systems;
- ensuring adequate reporting of risks for relevant Bodies/Functions;
- preparing and managing regulations concerning risks, both at Group level (Group Rules) and at UniCredit level, in order to carry out risk related activities within this scope;
- overseeing IT initiatives and activities related to the risk area, also working in conjunction with the relevant Group functions/factories, providing the necessary support for the development, advancement and maintenance of risk-related IT structures ensuring suitability from an IT point of view and data quality;
- performing second level checks on treasury portfolio and treasury borrowing and lending risks within the Group and the UniCredit parent company;
- governing and controlling the risks, at Group level, associated with the scopes of F&SME, CIB and Private Banking, through the implementation of risk strategies and policies, the definition of specific risk strategies and policies, the analysis of the risk portfolio and monitoring that the limits are complied with;
- analysing and controlling, as far as Italy is concerned, the credit, operational and reputational risks generated by the UniCredit “F&SME Italy Network”, “CIB Italy Network” and “PB Italy Network” Business Units;
- supervising and coordinating the risk originating in the Asia-Pacific area, also through the evaluation and approval of lending and borrowing proposals put forward by UniCredit overseas branches in the Asia-Pacific area within the scope of the delegated powers;
- safeguarding the asset management risks and risks related to CEE Country Group companies, ensuring consistency with risk strategies, limits and guidelines;

- coordinating and managing credit provision activities, evaluating the credit-worthiness of UniCredit related parties, approving credit practices under the scope of the delegated powers of approval or formulating the related proposals for the relevant decision-making bodies, as well as the post approval stages, ensuring adequate monitoring of existing situations and the UniCredit credit portfolio; and
- coordinating, directing and supporting the restructuring and workout activities performed by Group companies, in addition to managing these activities directly as far as the responsibility of the UniCredit parent company is concerned.

In order to promote independence, the coordination and control of Group risks, improve efficiency and flexibility in the decision-making process and facilitate interaction between the various functions involved, special Committees have been set up with risk-related responsibilities. Specifically, the Group Risk Committee combines advisory and proposal functions for the purpose of defining proposals from the CEO to be put to the Board of Directors, with reference to:

- Group risk appetite including objectives of capitalisation, capital allocation criteria, risk assumption capacities, cost of capital and dividends policy, as well as internal capital limits;
- general strategies for optimising risks, general guidelines and general policies for the management of Group risks;
- initial approval of and important amendments to risk control and measurement systems (for credit, market, operational and other risks), including possible action plans, processes, IT and data quality requirements, also based on related internal validation reports also taking into account observations that have been made following the validation process and Internal Audit checks;
- action plans in the case of critical level findings highlighted by the internal validation in risk control and measurement systems for decisions that have an important impact on capital requirements;
- a limit structure according to the type of risk;
- strategic policies and funding plans;
- estimated loan loss provisions;
- the definition and regular review of the ICAAP reference framework, application scope and annual Regulatory Report; and
- the annual Regulatory Report on market, credit and operational risks.

The Group Risk Committee meets to approve the following:

- the definition of guidelines relating to Group financial policies (assets and liabilities management strategies, including the financial duration profile – at Group level);

- the allocation of risk to individual Business Units and to Group companies, specific guidelines and strategies relating to risks and the consequent definition of limits for achieving targets in terms of risk appetite and limits according to the type of risk;
- the initial approval of and important amendments to the methods for measuring and controlling internal capital (derived from combining the individual types of risk), with the support of the associated validation reports;
- the approval of general internal regulations for the management of Group risks, including those on the subject of loan loss provisions;
- the approval of general internal regulations, strategies and methods for the measurement and control of property risk, financial investment risk and business risk, with the support of the associated validation reports;
- the approval of intervention plans in the case of critical aspects in the risk control and measurement systems highlighted by the initial validation reports, that emerge over a period of time and are found by the Internal Audit;
- the approval of business actions/initiatives also of a strategic nature in order to protect the Group during the “alarm stage” in a liquidity crisis; and
- the decision or the airing of opinions that are not binding for the management of conflicts of interest that are not otherwise dealt with (e.g. at Country or Division level).

The Group Risk Committee also receives regular information from the appropriate committees/functions on the following subjects:

- reorganisation projects that involve risk-related processes and/or organisational structures involved in risk management and control activities;
- regular risk reports (portfolio, large exposures, loan loss provisions, etc.), including the report for the supervisory authorities (before disclosure);
- reporting of limits exceeded;
- corrective measures for balancing Group risk positions;
- regular reporting on the development of loan loss provisions;
- update on the status of project and process activities relating to Basel 2;
- subjects approved by the Portfolio Risk Committee, such as “special” risk guidelines and policies (e.g. for portfolio, transaction, product risks, etc.) and methods for measuring and controlling risks (for credit, market, operational and other risks, unlike property risks relating to financial investments and business) with the related results of the validation activities;
- subjects discussed under the scope of the Portfolio Risk Committee in addition to those approved by it; and

- subjects relating to the risks discussed under the scope of the UniCredit Division committees.

The Group Risk Committee is made up of the following members: CEO (Chairman of the Committee), General Manager, Deputy General Managers, Group Chief Risk Officer (who is the Deputy Chairman of the Committee and presides over the meetings in the absence of the CEO), Chief Financial Officer, General Counsel & Group Compliance Officer. The UniCredit Head of Internal Audit also takes part in the Group Risk Committee meetings as an observer who does not have voting rights.

For a description of the UniCredit Group activity risks, please refer to Chapter 4 of the Registration Document as well as “Part E – Information on risks and hedging policies” in the 2011 Condensed Interim Consolidated Financial Statements.

The Company adheres to the system of inclusion by reference to the above document pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004.

In 2010 the Group submitted an application for the approval of the internal model for the evaluation of market risks and the determination of related capital requirements pursuant to the supervisory regulations in force (Basel 2).

This model has been approved by the Italian, German and Austrian supervisory authorities following the validation process which ended in April 2011 and should be added to the previously approved internal models relating to credit risks (IRB) and operational risks (AMA), which are in the process of being rolled out within the Group.

With regard to future adaptation to the new regulatory requirements in the area of market risks, the Group has put in a request, to Banca d'Italia and the respective supervisory authorities in Germany and Austria, for authorisation of the internal models for determining the capital requirements for the additional components, whose journey for approval is not yet over at the Date of the Registration Document.

In order to guarantee the integrity and correctness of the above-mentioned risk measurement and control systems, the Group has adopted a governance policy inspired by the regulations in force (including Banca d'Italia Circular no. 263 of 27 December 2006) as well as international practice, with provision for: (i) the appropriate involvement of corporate bodies both in the approval process for the selection of systems deemed to be the most suitable, and in the regular verification that the selections made remain valid over a period of time, approving major changes to the systems and providing the complex supervision to ensure they are working properly; (ii) the definition, by the UniCredit parent company, of a uniform and consistent approach for measuring risks for all Group portfolios that could otherwise be the subject of arbitration between the various legal entities; and (iii) a control system that includes the clear separation of corporate functions responsible for risk measuring systems and those responsible for their internal validation.

6.1.7 Regulatory framework

The paragraphs that follow contain a brief description of the main regulations governing the UniCredit Group activities that apply in Italy, Germany, Poland and Austria.

Italy

The basic principles that regulate the performance of banking activities are contained in the TUB (Consolidated Banking Act) and in the Regulatory Instructions for banks issued by Banca d'Italia in Circular no. 229 of 21 April 1999 (and later amendments, the “**Regulatory Instructions**”). In addition, in Circular no. 263 of 27 December 2006 (and later amendments), Banca d'Italia adopted the New Provisions for the Prudential Supervision of Banks (“**New Supervisory Provisions**”) which regulate the requirements of capital adequacy for banks in compliance with the existing Community arrangements on the subject.

Authorisation for carrying out banking activity

In compliance with Article 10 of the TUB, raising funds from the public and credit operations constitute banking activity. Banking activity is subject to authorisation from Banca d'Italia (Article 14 of the TUB). Banks authorised to carry out banking activity are listed in a special register filed with Banca d'Italia (Article 13 of the TUB).

Supervisory Authorities

The competent authorities in Italy for the supervision and regulation of banks (“credit authorities”) are:

- *Banca d'Italia*. Banca d'Italia is the central bank of the Republic of Italy and is part of the ESCB, the EBA and the Eurosystem. The TUB demands the most wide-ranging supervisory, information, regulation and inspection functions of Banca d'Italia;
- *Ministry of Economy and Finance*. The Ministry of Economy and Finance has legislative powers on the subject of exercising bank activity. Specifically, the Ministry decrees provisions pertaining to (i) the requirements of good character of owners of shares in banks, (ii) the requirements of professionalism, good character and independence of corporate representatives. In addition, in the cases of bank irregularities or losses, the Ministry, on the request of Banca d'Italia, adopts measures for placing the bank in question in extraordinary administration or receivership; and
- *Interministerial Committee for Credit and Savings (CICR)*. The CICR is made up of the Ministry of Economy and Finance and other ministries responsible for economic matters. The CICR has wide-ranging legislative powers on the subject of bank activity, in accordance with the provisions of the TUB and other laws.

The Financial Information Office of Banca d'Italia has also been entrusted with functions on the subject of the prevention of money laundering and the financing of terrorism. As far as antitrust laws for the banking sector are concerned, Law 262 of 28 December 2005 awarded supervisory powers to the AGCM.

Lastly, in compliance with the provisions of regulations governing banking, note that the supervision of the provision of investment services by banks is delegated to the CONSOB.

Deposit guarantee schemes

In order to provide a guarantee for depositors against losing their funds if the bank becomes insolvent, the legislation in force makes it compulsory for banks to belong to an interbank fund (e.g. Credit Union Deposit Guarantee Scheme or Interbank Deposit Protection Fund, each an “**Interbank Fund**”). The Interbank Fund covers losses up to a maximum limit of Euro 100,000 (an amount modified by Legislative Decree no. 49 of 24 March 2011) for each depositor, held in the form of deposits, bank drafts and other similar securities. The Interbank Fund, however, excludes, amongst other things, deposits and other funds that are repayable to the bearer, bonds, deposits made by banks in their own name and on their own behalf (including deposits of those companies belonging to banking groups) and deposits of government administrations and local authorities.

Acquisition of equity holdings in banks

Regulations on the subject of the acquisition of equity holdings in banks are governed by Directive 2007/44/EC implemented in Italy by Legislative Decree no. 21 of 27 January 2010, which modified the TUB, and by the CICR provision, adopted through Ministerial-Presidential emergency decree no. 675 of 27 July 2011 (containing regulations on the subject of equity holdings in banks, parent companies, financial intermediaries, electronic money institutions and payment institutions). These regulations require prior authorisation from Banca d'Italia for the acquisition of any equity holding in banks, parent company finance companies for banking groups or finance groups, financial intermediaries, electronic money institutions and payment institutions (hereafter defined as “supervised business”), which involve the control (pursuant to Article 23 of the TUB) of the actual supervised business or which allocate a share of voting rights or capital of the supervised business equal to at least 10% (taking into account the shares or stock already owned). Banca d'Italia also gives prior authorisation for changes in stakes when the share of voting rights or capital reaches or exceeds 20%, 30% or 50% and, in any case, when the changes involve the control of the actual bank.

In addition, amendments have been introduced to Article 19 of the TUB aimed at repealing the principle of separating banking activity from non-financial activities. Banca d'Italia can, in effect, authorise subjects who operate in given economic sectors other than the banking and finance sectors to acquire or hold stakes in banks (even to the extent of more than 15%) if they have verified the existence of the conditions set out in Article 19 of the TUB (and the enforcement regime). In accordance with Article 19, paragraph 5 of the TUB, Banca d'Italia assesses the quality and financial soundness of the acquisition in the light of the probable influence of the potential purchaser on the bank.

The authorisation of Banca d'Italia is also required for transactions that involve irrevocable commitments to the purchase of significant stakes in banks or in the parent company (e.g. participation in an auction, the promotion of public tender offers to buy or exchange, in other words the exceeding of a threshold that involves the obligation to promote a takeover bid). In addition, the parties should notify Banca d'Italia of every agreement that regulates or from which the concerted exercising of voting in a bank or a company which controls it may occur.

Banca d'Italia should also receive, in accordance with the methods and terms set out in Article 20 of the TUB and the Regulatory Instructions, notification of any agreement whatsoever involving the joint exercising of voting rights in a bank or in the parent company of that bank. If the bank is a listed company, the CONSOB should also be notified of this agreement.

Capital adequacy requirements

Current regulations on the subject of capital adequacy for banks in force in Italy include the decisions taken by the Basel Committee in the New Basel Capital Accord (Basel 2) as implemented by Directives 2006/48/EC and 2006/49/EC (collectively known as the Capital Requirements Directives “**CRD**”) and later amendments (among others, Directive 2009/27/EC, Directive 2009/83/EC, Directive 2009/111/EC, collectively known as “**CRD II**”).

Directives CRD and CRD II were amended on 24 November last year by Directive 2010/76/EC of the European Parliament and Council (“**CRD III**”), mainly to strengthen the capital requirements applied to the trading portfolio and re-securitisation operations and to make the examination conducted by the supervisory authorities into remuneration and incentive policies in banks more penetrating. New features introduced through CRD III have given rise to a process of implementing community legislation in Italy, which ended on 18 November 2011 with update no. 8 through which Banca d'Italia amended the New Provisions for the Prudential Supervision of Banks to include CRD III. The amendments introduced will take effect (with a few exceptions) from 31 December 2011.

In addition, in terms of public disclosure, the new legislation introduces the general obligation for intermediaries to provide stakeholders with all the necessary information – which is not exclusive or confidential – for a full disclosure of the risk profile, in addition to the existing minimum information obligations. As well as reinforcing obligations relating to market risks, an improvement in transparency concerning securitisation positions is required, with the introduction of the corresponding disclosure obligations to include re-securitisation as well.

New public disclosure obligations have also been imposed with reference to remuneration policies and practices for banks and banking groups.

In addition, following the recent crisis that affected the financial markets, since the last four months of 2010, the Basel Committee approved important amendments to the regulations in force concerning the liquidity of banks, which involve substantially strengthening the minimum capital requirements (Basel 3), including the gradual introduction of new prudential requirements, some of which are still in the process of being defined (and which should be implemented in the individual national regulations), between 1 January 2013 and 31 December 2019.

As far as the capital requirements are concerned, Basel 3 makes provision, amongst other things, for: (i) a minimum Common Equity Tier 1 level for banks of 7%, a figure which includes a capital conservation buffer of 2.5%, which the banks should accumulate gradually, always in the form of Common Equity Tier 1, in order to combat future periods of stress (failure to comply with this requirement will lead to sanctions in terms of the possibility of being able to distribute earnings, pay bonuses, purchase treasury shares); (ii)

the Tier 1 Ratio should reach 8.5% of the RWA (Risk-Weighted Assets), including the above capital conservation buffer, compared with the current 4%; (iii) the national Authorities can impose a possible counter-cyclical buffer, of up to 2.5%, to be implemented in conditions of excessive growth of credit volumes supplied by the banking system, as evaluated from the Authorities' point of view; (iv) the Total Capital Ratio should be at least 10.5% including the capital conservation buffer, with the possibility of increasing it to 13% if the counter-cyclical buffer in point (iii) is activated; and (v) the Tier 2 Capital calculated in order to reach 10.5% may represent a maximum of 2% of the RWA in relation to the present-day 4%.

As far as the liquidity regime is concerned, the Basel 3 reform measures firstly involve the introduction of a short-term requirement (liquidity coverage ratio), which has the objective of establishing and maintaining a liquidity buffer that allows the survival of the bank for thirty (30) days in the case of serious stress. There is also provision for the introduction of a requirement with a longer timeframe (net stable funding ratio), aimed at ensuring the stability of the bank in relation to a long-term scenario, during which less liquid assets should be financed by medium and long-term funding. The leverage indicator, in other words the leverage ratio determined by the ratio between Tier 1 Capital and RWA, initially set at 3%, will measure the degree of budget financial leverage, providing the supervisory authorities with the possibility of intervening quickly on leverage levels.

20 July 2011 saw the publication of the proposed legislation drafted by the European Commission in order to implement the Basel 3 standards in Europe. The proposed legislation specifically includes two separate legislative tools: a Directive (CRD IV) and a Regulation (CRR I), which will include the majority of standards relating to capital requirements whose provisions will be directly binding and applicable in each of the member states. The European Parliament and the Council of the European Union are currently analysing the Commission's proposal with a view to giving it their final approval in 2012. Amendments can be made, at this stage, to the text put forward by the Commission, also in terms of more stringent capital and liquidity requirements.

It should also be noted that UniCredit has been included in the list of financial institutions of global systematic importance published on 4 November 2011 by the Financial Stability Board. The subjects on this list, which will be updated annually, will undergo close supervision and will be bound, in agreement with the supervisory authorities, to draw up appropriate Recovery and Resolution Plans (by 2012) to prevent extremely tense situations resulting from a large loss by a single subject turning into a systemic risk. These institutions will be bound, amongst other things, to maintain an additional capacity to absorb losses through the accumulation of a further capital buffer represented by common equity (additional loss absorbency requirement) which will vary between 1% and 2.5% (up to a possible 3.5% to discourage a further "systemisation" of the institution) based on the systemic importance of the institution. This obligation will initially apply to those institutions included in the updated list published in 2014 and should be satisfied from 2016 onwards and by January 2019.

Limits to the concentration of risks

Banking groups and banks that do not belong to banking groups are required to limit each risk position to 25% of regulatory capital.

For exposure in terms of a bank, investment firm or group of related customers that includes a bank or investment firm, the risk position may exceed 25% of regulatory capital provided the following conditions are met: 1) the amount of the risk position is not greater than Euro 150 million; 2) the sum of the risk positions in relation to any customers linked to the bank or the investment firm, which are not, in turn, banks or investment firms, is not more than 25% of the regulatory capital; 3) the bank assesses, in accordance with prudential criteria, that assuming the risk position is consistent with its own capital base and, in any case, does not exceed 100% of the regulatory capital.

Individual banks that belong to banking groups are subject to a limit of 40% of their regulatory capital provided, on a consolidated level, the group they belong to complies with the limits listed above.

In addition, for the purposes of complying with the above-mentioned limits, exposures in terms of individual customers are considered unitarily if the latter are connected by legal and economic relations, as defined by the New Supervisory Provisions.

Bank equity holdings

Banks and banking groups may acquire equity holdings in both finance companies and non-finance firms, in compliance with the rules and limits laid down by Banca d'Italia. Investments made by a bank through equity holdings cannot, in total, exceed the available margin for investments in equity holdings and property (obtained from the difference between the regulatory capital and the sum of the equity holdings and properties held).

Prior authorisation is required from Banca d'Italia for the acquisition, by banks, of equity holdings of more than 10% of the regulatory capital of the purchasing bank or more than 10% or 20% of the capital (in other words an equity holding of an amount that allows control to be assumed) of a bank, financial intermediary or insurance firm, as well as for the acquisition of an equity holding in special purpose vehicles. Equity holdings in insurance firms cannot exceed 40% of regulatory capital and 60% of own regulatory capital in the case of single banks belonging to a banking group.

In addition, total investments in equity holdings in the non-financial sector cannot exceed 15% of the bank's regulatory capital, and, in relation to investments in an individual non-financial business or in a group of businesses, the limit of 3% of the acquiring bank's regulatory capital cannot be exceeded or 15% of the capital of the company in which the stake is held. This last percentage is not applicable if the value of the equity holding is less than 1% of the acquiring bank's regulatory capital, in other words if the sum of the investments held by the bank which exceed 15% is less than 1% of the related regulatory capital.

Higher limits are applied by Banca d'Italia at the request of banks which have a regulatory capital of at least Euro 1 billion and comply with the overall capital adequacy requirement ("enabled banks") and banks featuring mainly medium and long-term deposits, which have a regulatory capital of at least Euro 1 billion and comply with the overall capital adequacy requirement ("specialist banks"). Banca d'Italia has recognised the Issuer as being an enabled bank. As a result, the Issuer is authorised to acquire more than 15% of the share capital of a non-financial business on condition that the value of the equity holdings and the sum of all the equity holdings held above the limit of 15% does not exceed 2% of the

consolidated regulatory capital. In any case, the sum of equity holdings in non-financial businesses cannot exceed 50% of the consolidated regulatory capital of the Issuer (or 25% of the consolidated regulatory capital of the Issuer, in the case of investments in non-listed companies) and investments in each non-financial business cannot exceed 6% of the consolidated regulatory capital of the Issuer.

The CICR delegated the power to Banca d'Italia, through resolution no. 276 on 29 July 2008, to adopt new rules on the subject of stakes that can be held by banks and banking groups. Following this mandate, in December 2009 Banca d'Italia published a consultation document for the adoption of the related measure. However, no measure has been adopted at the Date of the Registration Document. The limits set out above could therefore be amended or rejected if the provision for implementing the above-mentioned CICR resolution is adopted.

Anti-money laundering legislation

The Company is subject to anti-money laundering legislation, according to the latest amendment of Legislative Decree no. 231 of 21 November 2007 including the "Implementation of Directive 2005/60/EC concerning the prevention of the use of the financial system for the purpose of laundering the proceeds of criminal activities and financing terrorism as well as Directive 2006/70/EC which contains execution methods".

Pursuant to the legislation, banks are specifically bound to:

- identify and check customers adequately (in some situations, where the risk of money laundering and financing terrorism is considered to be great, by using particularly rigorous identification and verification procedures);
- establishing the Centralised Computer Archive;
- recording all identification data and other information relating to relations and transactions in the Centralised Computer Archive and storing them;
- sending the aggregated data to the Financial Intelligence Unit;
- flagging up suspicious transactions; and
- setting up internal control measures and making sure that employees and co-workers are suitably trained, and customers are better educated, in order to prevent and counter money laundering operations.

In addition, through the provision of 10 March 2011, Banca d'Italia adopted enacting provisions on the subject of organisation, procedures and internal controls aimed at preventing intermediaries and other subjects who carry out financial activities from involvement in money laundering and financing terrorism.

Corporate governance, administrative organisation and accounting and internal auditing

Starting from 2008, Banca d'Italia issued regulations aimed at guaranteeing more efficient organisation of the corporate governance structure of Italian banks. The current governance models are: (i) the traditional model (centred on a Board of Directors and a Board of

Statutory Auditors); (ii) the dual model (centred on a Management Board and a Supervisory Board); or (iii) the one-tier system (centred on a Board of Directors and a Management Control Committee). Basic rules have been introduced to guarantee the effective and transparent division of roles and responsibilities amongst the various strategic supervision, management and control company bodies, in order to achieve a suitable balance between powers and responsibilities. In addition, guidelines on controls have been introduced, and recently modified, in order to govern the remuneration and incentive policies for members of management and administrative bodies.

In addition, for banks issuing securities that can be traded on the stock exchange (as is the case for the Company) there are specific requirements for the composition of administrative and control bodies in order to protect the interests of investors and minority shareholders and rules of transparency that regulate the financial information that listed banks should disclose to the market. This involves the publication of a report on corporate governance and ownership structures, in which listed banks must describe their governance model and relations with and between their shareholders.

Investment services

Pursuant to Article 1, paragraph 5 of the TUF, the following are investment services and activities when the subject is financial instruments (i) personal account dealing; (ii) executing orders on behalf of customers; (iii) subscription and/or placement with a firm underwriting guarantee with regard to the issuer; (iv) placement without a firm underwriting guarantee with regard to the issue; (v) management of portfolios; (vi) receiving and sending orders; (vii) investment consulting; and (viii) management of multilateral trading systems.

Pursuant to Article 18 of the TUF, the professional exercising of investment services and activities to the public is reserved to banks and investment firms (in other words stock brokerage firms, Community and non-Community investment firms).

Article 21 of the TUF defines the general conduct criteria to be observed when providing investment services and activities, while Article 22 of the TUF regulates the regime of capital separation and, therefore, the obligation to keep financial instruments and sums of money from individual customers, held for any reason by the enabled subject, in relation to the latter's capital and that of other customers, separate. Article 23 of the TUF establishes the obligation to draw up written contracts relating to the provision of investment services and to hand over a copy to customers.

Rules of behaviour for subjects enabled in relation to customers are later regulated specifically in the CONSOB regulation adopted through Decision no. 16190 of 29 October 2007 ("Intermediary Regulation").

Off-site offering

Pursuant to Article 30 of the TUF, off-site offering refers to the promotion and placement with the public of: (i) financial instruments, in a place other than the registered office or branches of the issuer, the proponent of the investment or the subject charged with promotion or placement; and/or (ii) investment services and activities, in a place other than the registered office or branches of whoever is providing, promoting or placing the service

or activity. An offering made to professional customers, as defined pursuant to Article 6, paragraph 2-*quinquies* and 2-*sexies* of the TUF does not constitute off-site offering.

Off-site offering for financial instruments or investment services can only be done by persons authorised to carry out placement services (with or without a firm underwriting guarantee with regard to the issuer) and by savings management companies, harmonised management companies and variable capital investment firms, limited to their treasury shares and quotas of collective investment schemes.

Banks can offer their investment services and activities through off-site offering. Where the subject of the offer is services and activities provided by other intermediaries, the banks should be authorised to perform the placement service.

The effectiveness of placement contracts for financial instruments (except for those involving IPOs or the subscription of shares with voting rights or other financial instruments that allow such shares to be purchased or subscribed, as long as the shares or financial instruments are traded in Italian regulated markets or EU countries) or the management of individual portfolios concluded off-site is suspended for seven days starting from the subscription date of the investor. Within that period the investor can express their wish to withdraw without any cost or payment of fees to the financial consultant or the enabled subject; this right can be found in the forms given to the investor. The same regulation applies to contractual proposals made through off-site offering.

Pursuant to Article 31 of the TUF, as far as off-site offering is concerned, authorised subjects have recourse to financial consultants, who should be registered in the special National Register, kept by a body made up of professional associations that represent consultants and enabled subjects. The activity of financial consultancy should be carried out exclusively in the interests of a single subject, who will be jointly and severally liable for damage caused to third parties by the financial consultant, also if this damage is the result of the responsibility of the financial consultant established by criminal proceedings. When carrying out their activities, financial consultants are obliged to comply with the rules of conduct and presentation with regard to investors, established by the CONSOB through their regulations.

Germany

In Germany, the subsidiary of UniCredit UCB AG and several companies controlled by the latter (including DAB Bank), are authorised to operate as credit institutions (Kreditinstitut) pursuant to German Banking Law (Kreditwesengesetz).

The German Banking Act (KWG) and various laws and regulations define the main regulatory framework for banks operating in Germany, including the requirement to obtain and maintain a banking licence, capital and liquidity requirements, risk management requirements, and the supervisory powers of the regulatory authorities. Pursuant to the German Banking Act, any company that carries out one or more of the activities that can be classified as “banking activity” or “financial services” in Germany must be authorised and operate as a “credit institution” (Kreditinstitut) or “institution for the provision of financial services” (Finanzdienstleistungsinstitut), depending on the case.

The German Banking Act and laws and regulations implement several European Union directives regarding accounting principles, regulatory capital, capital adequacy based on risk, consolidated supervision, and the monitoring and control of large exposures and they reflect the recommendations of the Basel Committee on Banking Supervision. As a result of an increased sensitivity towards risk inherent in the regulatory framework on capital that currently applies, based on the 2004 Basel 2 regulatory framework, as amended, capital requirements are currently more cyclical than in the past and can also increase compared with the levels before the application of this Basel 2 regulatory framework during the time of the economic crisis. In the light of the current crisis, it is expected that capital requirements for systemic banks will be raised further in 2012.

Regulatory authorities

Banking activities and other activities relating to financial services conducted in Germany by the Group are subject to the supervision of BaFin and the German Federal Bank (Deutsche Bundesbank or Bundesbank). BaFin is the federal regulatory authority and reports to the German Federal Ministry of Finance. The Bundesbank cooperates with and supports BaFin in its activities. This cooperation includes the regular verification and evaluation of the bank and control relations, the evaluation of capital adequacy requirements and risk management systems. BaFin and the Bundesbank require the German banks to disclose detailed information in order to monitor conformity with applicable legal requirements and obtain information relating to the financial condition of the bank. Usually, supervision by BaFin and the Bundesbank is applied both on a non-consolidated basis (to the bank only) and on a consolidated basis (to the bank and consolidated companies for German regulatory purposes).

The scope of the BaFin authorities also includes liquidity requirements, credit disbursement limits, the compliance of restrictions for given activities set by German banking regulations, capital adequacy, as well as the cover of market risk and related- party risk associated with transactions in bonds and foreign currency carried out by the banks.

Capital adequacy requirements

The German Banking Act and the Regulation on Solvency (Solvabilitätsverordnung) issued by the Federal Ministry of Finance (Bundesministerium der Finanzen) reflect the Basel 2 rules on capital adequacy and require German banks to maintain a suitable level of regulatory capital in relation to their risk positions. Risk positions (usually defined as “risk-weighted assets” or “RWA”) include credit risks, market risks and operational risks (including risks relating to certain external and technical factors, and to employee mistakes). Credit risks and operational risks should be covered with Tier 1 capital (core capital) and Tier 2 capital (supplementary capital) (collectively, regulatory capital). Market risks should be covered with regulatory capital (to the extent which it does not cover credit risk and operational risks) and with Tier 3 capital (together with regulatory capital, “own funds”). In certain circumstances (such as in the case of inadequate risk management), BaFin can impose capital requirements on individual banks that are more stringent than the mandatory requirements.

The implementation of Basel 3 and the European legislation (including CRD III and CRD IV) will have a significant impact on the capital adequacy requirements applicable to UCB

AG and the respective German banking subsidiaries. In general, it is expected that the regulatory capital requirements (in particular, common equity capital requirements) applicable to UCB AG and DAB Bank will become more stringent in future years. This is particularly true as far as parties in investment banking activities are concerned, including proprietary trading, which will lead to significantly higher regulatory capital requirements.

Liquidity requirements

Pursuant to the German Banking Act and German regulations on bank liquidity (“**German Regulations on Liquidity**”), German banks must have adequate liquidity. This liquidity adequacy is calculated based on a liquidity ratio. The ratio of available funds during the first maturity band and the payment obligations due in the same period should not go below the value of 1.

In compliance with the German Regulations on Liquidity, cash funds and payment obligations are assigned to one of the following maturity bands: liquid and due daily either within a month, between one and three months, between three and six months, or between six and twelve months. The liquidity ratio and specific observation indices, as determined by a bank at the notification date at the end of the month, should be presented to the Deutsche Bundesbank, which will forward the respective reports to BaFin.

When evaluating whether the liquidity is adequate in relation to the above-mentioned rules, a bank can, with the permission of BaFin, opt permanently for the application of its evaluation of the liquidity risk and management procedure, as long as the various requirements are satisfied and BaFin, having been asked by the bank, has given written confirmation of the sustainability of the procedure for the purposes of the German Regulations on Liquidity. Amongst other things, the evaluation of liquidity risk and the management procedure should also include adequate provision for determining and controlling liquidity risk and steps comparable to those in the Regulations on Liquidity.

As far as the implementation of Basel 3 and the legislation adopted or which is expected to be adopted in order to implement Basel 3 in European and German legislation is concerned, the rules on liquidity that are applicable in Germany will be partly amended and it is expected that the liquidity requirements for banks will be increased.

Risk management requirements

Credit institutions such as UCB AG are subject to detailed prudential requirements relating to internal organisation, including prudential requirements on risk management, the externalisation of activities and internal procedures aimed at preventing, among other things, money laundering, financing terrorism and fraud. Based on Section 25a of the German Banking Act, BaFin issued the “Minimum Requirements for Risk Management” (Mindestanforderungen an das Risikomanagement, “**MaRisk**”), which specify these requirements further and, amongst other things, make it mandatory for banks to adopt adequate internal administration, management and control procedures. The internal control procedures pursuant to MaRisk include the internal control system and Internal Audit. The procedures for the identification, assessment, management, monitoring and disclosure of risks should guarantee that the most significant risks – including those resulting from externalised activities and procedures – can be identified at the onset, intercepted and suitably defined. These procedures and the possibility for covering the risk calculated should

be proportional (i.e. the procedures should be adequate for the size and nature of the organisation, the company purpose as well as the risk level of the activity carried out), and should take into consideration every correlation between the various types of risk in order to guarantee the availability of adequate levels of internal capital to cover the most significant risks. Also, stress tests should be conducted on a regular basis to assess the risks used to determine the capacity of these organisations to undertake the risks. In addition, the MaRisk requires banks operating in Germany to develop a written management plan that indicates the areas of responsibility of employees and operating procedures. BaFin has the power to impose sanctions on a bank and the administrative bodies where the above-mentioned risk management regulations have been violated.

Limitations to significant exposures

The German Banking Act and Regulations on Large Risks (Großkredit- und Millionenkreditverordnung) limit the concentration of credit risk in banks through restrictions on large risks (Großkredite). For this purpose all exposures to an individual customer (and related customers) are aggregated. The banks should notify the Bundesbank of loans that they have provided to a given subject and they should inform BaFin and the Bundesbank if certain thresholds have been exceeded. Loans which exceed these thresholds can only be granted following the approval of BaFin and amounts above these levels should be covered by supplementary capital from the bank.

Guarantee of deposits

Pursuant to the German Law on Deposit Guarantee Systems and Investor Compensation (Einlagensicherungs- und Anlegerentschädigungsgesetz), all German banks must belong to a mandatory deposit guarantee system and an authorised investor compensation institution subject to public control (Entschädigungseinrichtung). UniCredit German branches such as UCB AG and DAB Bank belong to the Entschädigungseinrichtung deutscher Banken GmbH, which has the function, in Germany, of a deposit guarantee and investor compensation system for banks in the private sector.

Each member of the mandatory deposit guarantee system has to pay annual contributions, determined in proportion to the total amount of deposits due to this subject, subject to certain ceilings. In addition to these annual contributions, the German Banking Association (Bundesverband Deutscher Banken) can make members of a deposit guarantee fund pay additional contributions if the funds for protecting the deposits are insufficient. If a member is exempt from making an additional contribution, this amount will be added pro rata to the additional contribution of the other members.

UCB AG and some of its banking subsidiaries, including DAB Bank, are also, in addition to the deposit guarantee system, part of the German Banks Association for the Protection of Deposits Fund (Einlagensicherungsfonds des Bundesverbandes deutscher Banken eV), which covers liabilities to certain customers for an amount equal to 30% of the significant equity capital of a bank responsible for safeguarding deposits. Liabilities from negotiable bonds, such as bearer bonds or certificates of deposit issued by the banks are excluded from the guarantee scheme.

On 12 July 2010, the European Commission published the legislative proposal for a revision of the deposit guarantee and investor protection systems. As a result, the costs that credit institutions in Germany have to pay with regard to the systems may increase.

Powers

BaFin, as part of its responsibilities, has a series of powers for imposing measures on the banks and respective managers, which are appropriate and necessary to stop and prevent violations of the regulations or to prevent or remedy undesirable developments that could place the safety of the capital that the bank uses in jeopardy or that could adversely affect banking activity or the provision of financial services. BaFin has the power to ask banks for information and documents relating to their assets and for regular reports. If necessary, BaFin can ask an organisation to increase its funds or liquidity reserve, or prohibit distribution or payment of earnings to subsidiaries. If BaFin discovers irregularities, it can impose compliance with the law through inspections, sanctions, individual sanctions for directors, and, in the last instance, the withdrawal of authorisation to carry out regulated activities.

On 1 January 2011, the scope of the regulatory measures at the disposal of BaFin was amended to reflect the needs that emerged from the banking sector crisis. With this in mind, BaFin's powers were extended and now include a vast series of various measures that allow BaFin to intervene in the case of misconduct and violations of the regulations. In general, BaFin can impose measures if there is a risk that a bank does not comply with or clearly violates the provisions of the German Banking Act, including the requirements of regulatory capital and liquidity, and its organisational obligations (including the obligation to maintain adequate risk management). Among other things, BaFin has the right to prohibit or limit the distribution of earnings, certain budget measures, payments of certain hybrid financial instruments and the extension of credit. In addition, BaFin can order the bank to take the necessary provisions for the purpose of reducing risks where these risks come from specific types of operations and products or from the use of specific systems and limit the payment to members of variable remuneration. In addition, BaFin can – rather than prohibit or limit financing – reduce the maximum financial exposure.

BaFin can adopt immediate measures in order to prevent a bank being unable to meet its obligations in terms of its creditors, especially if the security of the assets entrusted to the bank is threatened or if there is a good reason to suspect that the effective protection of the organisation is not possible. These measures can include arrangements with regard to the management of the bank, the prohibition of accepting deposits, money or bonds from customers and of granting loans, the prohibition of or restriction to carry out administrative functions or ownership of the organisation and the appointment of special representatives.

In order to prevent the insolvency of the bank, BaFin can prohibit acts of disposal for assets and payments, suspend banking activity with regard to customers and prohibit the acceptance of all payments unless they are destined to pay a loan to the bank. BaFin has the exclusive power to request the beginning of insolvency procedures for a bank's assets. If these measures are insufficient, BaFin can withdraw the bank's authorisation to carry out banking activity and provide financial services and, if necessary, order the closure of the organisation.

In addition, the German Federal Government can issue ordinances which impose a moratorium on payments by one or more banks or the closure of these banks if there are elements which lead to believe that the banks are in financial difficulty that could have serious consequences for the global economy, especially for the correct operation of payment transactions in general.

In the case of organisations whose existence is at risk and which represent a threat to the stability of the financial system, BaFin has the power to transfer all or part of the assets and liabilities from one organisation to another.

If specific provisions of the German Banking Act and the implementation laws and regulations are violated, there are monetary penalties and sanctions for the organisations and their management.

German law on restructuring procedures

On 1 January 2011 the German law on the reorganisation of banks (Kreditinstitute-Reorganisationsgesetz KredReorgG) came into force as part of the German law on restructuring procedures. At one level, a recovery procedure (Sanierungsverfahren) should facilitate the recovery of a credit institution in crisis without interfering with the rights of creditors and shareholders. The recovery procedure can be launched by the credit institution in question and should be accompanied by a recovery plan (Sanierungsplan) and by a proposal for the appointment of a consultant for the reorganisation (Sanierungsberater). In general, the recovery plan should not interfere with the rights of creditors and shareholders without their individual consent. If the recovery procedures (Sanierungsverfahren) are not successful or are not sufficient to stabilise the credit institution, German law on the reorganisation of banks has introduced a second level of restructuring procedures based on a model known as Insolvenzplanverfahren (Restrukturierungsverfahren). The restructuring procedures are initiated by the bank. BaFin can also initiate restructuring procedures for a bank if the bank is in danger of failing or if the failure of the bank could cause a systemic risk. As part of the restructuring plan, creditors and shareholders may be constrained to take part in the restructuring and this restructuring may interfere with the rights of shareholders.

Pursuant to German law on restructuring funds (Restrukturierungsfondsgesetz – RStruktFG) a special fund was set up by the Federal State managed by the German authorities to stabilise the financial market, which is aimed at financing measures for future restructuring and liquidations for banks of systemic importance. All banks, including UCB AG, have to contribute to this fund. The level of contribution is based on the systemic risk of each bank, which is determined by the size of the organisation and its level of integration in the financial markets. The purpose is to incentivise the adoption of the appropriate management of banks based on risk. Possible measures adopted by the restructuring fund include the establishment of “bridge banks”, the purchase of shares, the issue of guarantees and recapitalisation.

Supervisory powers pursuant to the Law on Covered Bonds

UCB AG is a bank authorised to issue covered bonds (Pfandbriefbank) pursuant to the German Law on Covered Bonds (Pfandbriefgesetz), which establishes the legal requirements, in Germany, of credit institutions to carry out activities related to the issue of covered bonds. The activity of issuing covered bonds mainly consists of the granting of

mortgage-backed loans or privileges, which are refinanced by the issue of mortgage-backed bonds, and the granting of loans to some public sector organisations or the undertaking of a full guarantee of these organisations, which are refinanced through the issue of public sector guaranteed bonds (Kommunalschuldverschreibungen or Kommunalobligationen). German Law on Covered Bonds contains provisions on the subject of guarantees for these bonds and their valuation. In addition, German Law on Covered Bonds includes preferential treatment for covered bond investors in the case of the insolvency of the covered bond issuing bank: in the case of insolvency the assets guaranteeing the bearers of covered bonds are subtracted from the bankruptcy estate of the issuing bank.

Cooperation and coordination agreements

On 1 December 2005, Banca d'Italia, BaFin and Deutsche Bundesbank signed a further agreement in relation to the letter of intent dated August 1993, in which Banca d'Italia and BaFin agreed to cooperate with regard to the supervision of the Group. Pursuant to this further agreement, Banca d'Italia is responsible for coordination in the exchange of information, for planning supervisory activities and for the assessment of Group risk, while BaFin is responsible for the supervision of the group pertaining to HVB. In addition, the three regulatory authorities can carry out reciprocal inspections on HVB, or Banca d'Italia can ask BaFin to act on their account.

Poland

The political and economic transformation that started in Poland in 1989 has contributed to the development of the banking sector in the new legal and economic context of the country. Parliament approved two new laws on 31 January 1989: the Polish banking legislation and the National Bank of Poland consolidated act.

The supervision of bank activities, including those of local branches and representative offices of foreign banks, is entrusted to the National Bank of Poland (the central Polish bank) which authorises, regulates and controls banking activities.

On 29 August 1997, the Polish Parliament approved a new consolidated act on Polish banking legislation and a new consolidated act for the National Bank of Poland which introduced significant changes to the organisation of the supervision of banking activities entrusted to the newly-formed banking supervisory commission which replaced the National Bank of Poland and its chairman. The banking supervisory commission is entrusted with all authorisation, regulation and control functions.

Banking supervision was entrusted to the PFSA (Polish Financial Supervision Authority) from 1 January 2008 with the consolidation of the supervision in the banking, financial and insurance sector.

Polish regulations governing banking activity, the law safeguarding consumers and the financial instruments market (also applicable to banks) underwent changes and updates based on the applicable European legal arrangements. Among others, Directive 2006/48/EC (relating to access to assets of credit institutions and its operation) and Directive 2006/49/EC (relating to capital adequacy for investment firms and credit institutions), Directive 2007/44/EC (relating to procedural rules and criteria for the prudential evaluation of acquisitions and increases in equity holdings in the financial sector) and Directive

2005/56/EC (relating to cross-border mergers of limited companies) have been implemented into Polish banking legislation and other rules and regulations, to a certain extent through the guidelines and recommendations formulated by the PFSA (Polish Financial Supervision Authority).

Banking activity

The conduct of banking activity in Poland is mainly regulated by Polish banking legislation which regulates, amongst other things, (i) banking activity and related activities; (ii) the authorisation of the performance of banking activity; (iii) the obligations and rights of banks; (iv) the establishment and organisation of banks and related branches and agencies; (v) the performance of bank activities by Polish banks overseas and foreign credit institutions in Poland; (vi) the equity, liquidity and financial management of banks; (vii) shareholdings in banks; (viii) banking supervision (on a consolidated and non-consolidated basis); and (ix) the restructuring, liquidation and bankruptcy proceedings applicable to banks.

Based on the laws in force, a bank can be established as a joint-stock company (spółka akcyjna), cooperative (bank spółdzielczy), or state bank (bank państwowy). Banks have the right to choose the scope of banking and financial activities that they can carry out and their own internal organisational structure, in compliance with the rules of stable and prudent management and the by-laws of each bank. In addition, from 14 July 2011, the amended bank regulations introduced the possibility for credit institutions, which carry out banking activities in Poland by means of a branch, to set up a bank in the form of a joint-stock company by making a contribution in kind of all assets of this branch (used by the branch for its activities).

Conducting banking activity is subject to prior authorisation from the PFSA and the possession of various regulatory requirements.

Shareholdings in banks

The direct or indirect acquisition or the procurement of an equity holding equal to or more than 10%, 20%, 1/3, 50% of the share capital with voting rights at the general meeting of a Polish bank or of the share capital are subject to prior notification of the PFSA. Prior notification is also required if there is an intention to become a subject who exercises a dominant influence over a Polish bank through different methods of acquisition or procurement of an equity holding. The PFSA can oppose this notification if, among other things, the decision is justified by a need to guarantee the sound and prudent management of the Polish bank by virtue of a potential influence of the Polish bank notifying subject or an evaluation of the financial capacity of the notifying party. In order to establish whether these requirements exist, the PFSA verifies that the notifying party has proved that: (a) it guarantees the fulfilment of its rights and obligations in such a way as to correctly guarantee the interests of the customers of the Polish bank in the same way as the funds collected by the bank; (b) the persons entrusted with managing the Polish bank activities guarantee that these activities are conducted in such a way as to correctly guarantee the interests of the customers of the Polish bank in the same way as the funds collected by the bank, and that they have adequate professional experience; (c) it is in a sound financial situation, specifically with reference to the activity conducted and the impact of their investment plans

on the future financial conditions of the notifying subject and on the future financial conditions of the Polish bank; (d) it guarantees that the Polish bank will meet the legal requirements relating to prudent management; and (e) the funds connected to the acquisition, procurement of shares or any other transaction that involves assuming a dominant influence do not come from an illegal or unrecognised source and do not create an increase in the risk of committing a crime, or do not cause other events connected to the introduction of financial means from illegal or unrecognised sources or from the financing of terrorism.

In addition, in certain conditions, in order to acquire a stake that gives direct or indirect control in a Polish bank, it is necessary to obtain authorisation from the Polish or European competition authorities.

Further requirements for banks

Banks are obliged to satisfy certain requirements related to their operations and they should also follow the PFSA guidelines and recommendations. The main requirements involve capital, capital adequacy coefficients, the concentration of exposures, liquidity, risk management systems and the administration of capital in a strictly regulated fashion.

In Poland, banks should satisfy the capital requirements imposed on credit institutions and the guidelines on capital adequacy published by the Basel Committee (Basel 1 and Basel 2), as introduced by Community legislation (Directive 2006/49/EC) and implemented in Polish banking legislation and other rules and regulations (also through PFSA guidelines and recommendations).

Polish regulations also require banks to guarantee bank secrecy and personal data protection in the context of banking operations. Specifically, personal data should be processed in compliance with the consolidated act on the protection of personal data of 29 August 1997, based on the technical and organisational measures that guarantee protection. Banks are also bound to observe anti-money laundering laws and laws aimed at preventing the financing of terrorism (consolidated act against money laundering and financing terrorism of 16 November 2000). There are also several restrictions to the right of involving third parties in carrying out banking activities and transactions for and on behalf of a bank. However, since 27 October 2011, the provisions of the consolidated act for Polish banking legislation on externalisation have been liberalised.

The consolidated act on consumer credit of 20 July 2001, the Polish Civil Code and other consumer protection laws impose various obligations on banks when signing contracts with customers (or subjects who do not act under the scope of their commercial or professional activity), including that of not including any clause that is unfavourable towards them.

Polish supervisory authorities

In Poland, banking supervision extends, without limits, to (a) the evaluation of the financial condition of banks, including the evaluation of solvency, the quality of assets owned, financial liquidity and financial results; (b) the evaluation of the quality of the bank management systems, with special attention to risk management and internal control systems; (c) a check on compliance with the applicable standards in terms of financing, money loans, letters of credit, bank guarantees and sureties and any bank bond; (d) the

evaluation of the guarantee for, and the prompt repayment of, financing and money loans; (e) the examination of the level of compliance with the concentration limits set, the evaluation of the identification, monitoring and control process for the concentration of credit lines, including high ones; (f) the evaluation of the compliance of banks with the permitted PFSA risk standards, the risk management of the activity performed, including the alignment and correction of the risk identification and monitoring process and the process of risk notification based on the type and volume of transactions of the individual bank; and (g) the examination of the determination, adequacy and control of capital.

The powers of the PFSA include, among other things:

- (i) the granting of authorisation for the establishment of a bank, changes to the by-laws (with reference to the subject as set out in the consolidated act on Polish banking legislation) and to the capital, the appointment of two members of the Management Board (including the Chairman), the acquisition of share capital which involves the exceeding of certain voting levels (with regard to the last hypothesis, in the form of a lack of objections following the notification procedure);
- (ii) the supervision of the level of compliance of the banks' activities with the legal provisions and their own Corporate By-Laws and with the resolution relating to the granting of authorisation for the establishment of a bank;
- (iii) the monitoring of the financial condition of banks and the establishment of binding liquidity coefficients and other risk eligibility thresholds in banking transactions;
- (iv) the formulation of recommendations regarding best practice in terms of prudent and stable management of banks;
- (v) the formulation of guidelines for bank operations;
- (vi) the imposing of sanctions and corrective measures if the banking regulations are violated, including monetary sanctions, the suspension of members of the Management Board, limitations to bank operations or the withdrawal of authorisation to carry out banking activity; and
- (vii) the appointment of the trusteeships for banks.

The PFSA has the right to initiate inspections of banks using their own supervisory staff.

Certain specific areas in which the banks operate are also subject to the supervision of other administrative authorities, with the main ones being:

- (i) the chairman of the office of supervision for competition and consumer protection, for safeguarding competition in the market and the collective rights of consumers;
- (ii) the general inspector for the protection of personal data, for the collection, processing, management and protection of personal data; and
- (iii) the Ministry for financial affairs and the general inspector for financial information, to prevent money laundering and the financing of terrorism.

Banking guarantee fund

The banking guarantee fund is designed to protect depositors against a bank's insolvency and from losing their funds. The establishment and the operation of the banking guarantee fund are regulated in the consolidated act for the banking guarantee fund of 14 December 1994.

Membership of the banking guarantee fund is mandatory for all Polish banks and, in certain cases, for branches of foreign banks that operate in Poland. Institutions covered by the guarantee system are obliged to make an annual payment to the banking guarantee fund and to the establishment of a protection fund for guaranteed capital. Assets reserved for the protection fund for guaranteed capital cannot be pledged or restricted in any way, nor can they be subject to forced or court administration provisions.

The current bank account mandatory guarantee system ensures repayment to depositors of sums due to them up to a certain limit. Deposits up to a total amount of Polish Zlotys equivalent to Euro 100,000 should be covered by a total guarantee. Deposits covered by the banking guarantee fund mainly comprise sums deposited in current accounts and receivables due based on bonds issued by the banks. Amongst others, sums deposited by the Polish Treasury, other banks, financial institutions, insurance companies, investment and pension funds are not covered by the above-mentioned guarantee scheme.

Provisions applicable to listed companies

The majority of Polish commercial banks, including Bank Pekao, are companies listed on the regulated market in Poland managed by the Warsaw Stock Exchange and, therefore, they are subject not only to the corporate laws of the country but also to the laws applicable to these categories of companies. Specifically, these laws include: (i) the consolidated act of 29 July 2005 on public offerings, the conditions that regulate the eligibility of financial instruments for the organised trading system and public companies; (ii) the consolidated act of 29 July 2005 on the trading of financial instruments; (iii) the consolidated act of 29 July 2005 on the supervision of capital markets; and (iv) related secondary sources of law. Therefore, Bank Pekao, the shares issued and the activities carried out are subject to different obligations, the main ones being:

- (i) disclosure requirements, pursuant to which the bank is obliged to provide the public with: (a) its own privileged information, (b) regular reports (quarterly, six-monthly and annual financial information) and (c) updated reports relating to the most significant events regarding its internal structure and activities;
- (ii) the acquisition of significant equity holdings in the bank which could give rise to disclosure requirements or obligate the purchaser to launch a take-over bid for all or part of the shares; and
- (iii) the bank shares should be in a dematerialised form and centralised at the deposit and liquidation system managed by the Polish National Depository for Securities.

Austria

The Austrian legislator implemented all the European Directives issued under the scope of the banking sector, such as Directive 2001/24/EC (on the subject of the reorganisation and liquidation of credit institutions), Directive 2006/48/EC (relating to access to the assets of credit institutions and its operation) and Directive 2006/49/EC (relating to capital adequacy of investment firms and other credit institutions), Anti-Money Laundering Directives, each through the amendments made to the Austrian consolidated banking act (BGBl no 532/1993, as amended) (the “**Austrian Consolidated Banking Act**”), and, where applicable, to the regulations on the subject of capital adequacy (Solvabilitätsverordnung) (BGBl.II no. 374/2006, as amended) (the “**Regulations on Capital Adequacy**”) issued by the FMA (Financial Market Authority) based on the Austrian Consolidated Banking Act.

The most important legislative source relating to banking regulations in Austria is the Austrian Consolidated Banking Act. The latter defines the concept of “banking activity” and establishes which companies can be certified as banking institutions. In line with the European language, the term “bank” is no longer used in legislative provisions and has been replaced with the term “credit institution” (Kreditinstitut).

Banking activities

In addition to defining the term “banking activity” and imposing a requirement for a banking licence, the Austrian Consolidated Banking Act, among other things: (i) implements the concepts of freedom of establishment and freedom to provide services in compliance with the provisions of Directive 2006/48/EC; (ii) defines the procedures for the acquisition of qualifying equity holdings in credit institutions and for certain company transactions that involve credit institutions (such as mergers); (iii) establishes detailed rules on capital adequacy, own funds, liquidity, large exposures and the treatment of groups of credit institutions; (iv) establishes the limits for transactions with the members of the Board and certain other subjects, such as the acquisition of equity holdings in businesses that do not carry out banking activity; (v) contains detailed provisions about savings books, consumer credit and current accounts and further regulations on consumer protection; (vi) establishes the rules on banking secrecy and anti-money laundering; (vii) establishes the special rules on the subject of financial reporting by credit institutions and of supervision of the credit institutions by the FMA in addition to the regulations on the placing of credit institutions under a special insolvency scheme; (viii) regulates deposit insurance; and (ix) protects the use of the terms “Kreditinstitut”, “Finanzinstitut”, “Bank” and other similar terms.

A licence pursuant to the Austrian Consolidated Banking Act can only be granted by the FMA to legal entities organised in the form of companies, whether it be a limited liability company (Gesellschaft mit beschränkter Haftung), a joint stock company (Aktiengesellschaft), a cooperative (Erwerbs-und Wirtschaftsgenossenschaft) or a savings bank. Individuals or partnerships (Personengesellschaften) do not have the right to obtain this licence. The registered office and the main administration have to be located in Austria.

Acquisition of voting rights or capital in credit institutions

The (direct or indirect) acquisition of a qualifying equity holding in an Austrian credit institution (or the acquisition of a direct or indirect equity holding in a company that represents 10% or more of the capital or voting rights in this company or the possibility of

exercising considerable influence over the management of this firm), in the same way as an increase in this qualifying equity holding up to more than 20%, 30% and 50%, respectively, or any sale of these qualifying equity holdings, should be disclosed to the FMA, which, within 60 working days, can oppose this acquisition, increase or sale of the qualifying equity holding if it is possible to recognise negative consequences for the credit institution resulting from this acquisition, increase or sale.

The criteria used by the FMA in deciding whether or not to oppose an acquisition, increase or sale of an equity holding in a credit institution are as follows:

- (a) the reputation of the potential purchaser;
- (b) the reputation and experience of all the persons managing the activity of the credit institution following the proposed acquisition;
- (c) the financial soundness of the potential purchaser, especially in relation to the type of activity carried out by and/or planned for the credit institution in which the acquisition is proposed;
- (d) the capacity of the credit institution to comply with and continue to comply with the prudential requirements established in Directives 2009/110/EC, 2002/87/EC, 2006/48/EC and 2006/49/EC and, specifically, the fact that the group that it will become part of is suitably structured to allow effective supervision to be carried out, allow the effective exchange of information with the relevant authorities and allow the relevant authorities to fulfil the necessary responsibilities; and
- (e) the verification of the existence of reasonable motives for suspecting that, in relation to the acquisition project, money-laundering or financing of terrorism has taken place or been attempted, or that the acquisition project could increase the risk thereof.

Austrian banking secrecy

The Austrian Consolidated Banking Act contains detailed provisions in relation to banking secrecy, which is well protected in Austria. Banking secrecy is regulated by Section 38 of the Austrian Consolidated Banking Act. The violation of Austrian banking secrecy constitutes a criminal offence and is punishable by imprisonment of up to one year or an administrative fine.

Anti-money laundering

In order to fulfil obligations resulting from international agreements, support world governments in fighting against organised crime and the related activities of drug trafficking, which often involve money laundering, and in order to implement all the Anti-Money Laundering Directives, the Austrian legislator has amended the Austrian penal code (Strafgesetzbuch) configuring money laundering as a criminal offence and it has repeatedly amended the provisions of the Austrian Consolidated Banking Act on the subject of the suppression of money laundering and financing of terrorism.

The Austrian Consolidated Banking Act requires credit institutions to take care when carrying out their activities, with special attention paid to transactions that may lead to money laundering activities. Section 40 of the Austrian Consolidated Banking Act also

establishes that credit institutions should identify their customers (i) at the start of a permanent business relationship; (ii) in the case of transactions outside of a permanent business relationship that involves, in total, one or more related transactions for an amount equal to at least Euro 15,000 or the equivalent in foreign currency; (iii) when there are reasonable grounds for suspecting that the customer is a member of a terrorist organisation, or is involved in money laundering operations or the financing of terrorism; or (iv) when there are serious doubts surrounding the truthfulness or suitability of the identification data previously obtained from the customer.

Capital requirements

Austrian financial institutions should comply with the regulatory framework on the subject of capital adequacy adopted by the Basel Committee for Banking Supervision namely Basel 1 and 2, which has been introduced into European law by Directives 2006/48/EC and 2006/49/EC as subsequently amended by, among other things, Directives 2009/27/EC, 2009/83/EC and 2009/111/EC. The Banking Act has been amended in order to implement these provisions into Austrian law and Solvency Regulations have been issued (and subsequently amended) by the FMA, based on the Banking Act. On 21 November 2011, the Austrian supervisory authorities, the FMA and OeNB published a press release in which they announced that they will be introducing measures to strengthen the sustainability of the business models for banks that operate in Central, Eastern and South-Eastern European countries and to strengthen the possibilities of deposits for bank subsidiaries in these countries. It is expected that the related regulations will be issued by the end of 2011. It is also expected that the measures will involve the full implementation of the provisions of Basel 3 from 1 January 2013, and an additional capital requirement, depending on the riskiness of the business model applicable for the bank, of up to 3% from 1 January 2016. In addition, future growth of the granting of credit will be subject to the sustainable increase in sources of local deposits (in other words mainly local deposits but also local issues and funding by supranational bodies, e.g. the European Bank for Reconstruction and Development or the European Investment Bank). With reference to particularly exposed subsidiaries, the new provisions will limit the relation between new loans and local deposits to 110%. Lastly, these forecasts will require Austrian banks to prepare recovery and resolution plans (“living wills”) in relation to potential crisis situations and file them with the supervisory authorities.

In the judgment of the Companies the strategic guidelines underpinning the BA plan, an integral part of the 2010-2015 Strategic Plan, although having been presented before the announcement of these provisions, is substantially consistent with these new regulatory requirements which have not yet, however, been issued.

Austrian supervisory authorities

The Financial Market Authority Act (Finanzmarktaufsichtsbehördengesetz) was adopted in 2001 by the Austrian legislator through the BGBl (Federal Law Gazette) I No 97/2001. The latter established that the FMA is the only supervisory body for organisations operating in the banking, insurance, pension funds and financial instruments sectors. The FMA supervises credit institutions and grants banking licences. In addition, the OeNB enjoys several rights to be heard and information rights pursuant to the Austrian Consolidated

Banking Act. The FMA can ask the OeNB to carry out inspections in credit institutions on their behalf.

The tasks of the banking supervisory department of the FMA include (i) the granting of licences; (ii) the definition of procedures of releasing authorisation and notification; (iii) the execution of supervisory procedures; (iv) the official supervision of interbanking models; (v) the request to the OeNB to carry out on the spot inspections; (vi) the monitoring of actions undertaken by credit institutions to remedy any shortcomings; (vii) the interpretation of the law on the subject of banking supervision; (viii) the collection and analysis of qualitative information; (ix) the evaluation and the analysis of the results of some official provisions and involvement in the drafting of legislation relating to banking supervision; (x) the sending of departmental representatives to international bodies; (xi) the supervision of branch offices and representative offices of foreign credit institutions; and (xii) cross-border supervision under the scope of the concept of “consolidated supervision”.

The FMA has the right to grant a limited licence for specific categories of banking activity only. In addition, the FMA can only grant a new licence in certain conditions and on the basis of certain requirements.

The supervisory powers of the FMA include, among other things, the power to:

- (a) instruct credit institutions to restore the observance of legislative provisions within a period of time that is suitable in the light of specific circumstances and impose sanctions in the case of non-fulfilment;
- (b) in cases of repeated and continued violations, either partial or total, it can prohibit the directors of a credit institution from running this credit institution (within certain limits); and
- (c) revoke licences in cases where other measures cannot guarantee the operation of the credit institution.

The Austrian deposit guarantee system

Section 93 of the Austrian Consolidated Banking Act establishes that credit institutions must be members of the respective organisation for safeguarding deposits (Einlagensicherungseinrichtung) run by the relative banking sector in order to guarantee the fulfilment of certain obligations if insolvency proceedings were to be initiated against the member organisation, special administration proceedings were to be launched or a moratorium on protected deposits were imposed by the relevant authorities.

Money deposits (Einlagen) or certain other deposits listed in Section 93, paragraph 2 of the Austrian Consolidated Banking Act (sicherungspflichtige Einlagen) are protected by the deposit guarantee system. Various requirements for payments made pursuant to the guarantee systems apply to the deposits of individuals and to those of legal entities. With reference to legal entities, there is a further differentiation between small businesses and other subjects. In addition, some legal entities are entirely excluded from the deposit guarantee scheme (e.g. deposits of other credit institutions made on their own behalf).

Since 1 January 2010, the deposit guarantee level for individuals has been limited to Euro 100,000 or the equivalent in foreign currency. Since 1 January 2011, the deposit guarantee level for individuals has been limited to Euro 100,000 or the equivalent in foreign currency. Different limits apply to loans from financial instrument transactions.

6.2 Main markets and competitive positioning

The UniCredit Group enjoys an important competitive position in the European banking industry, with a distribution network in 22¹⁰ different Countries. The Group's extensive geographic presence is combined with the strong presence of the local branches in the respective target areas and offers a complete range of banking services, supported by special products. For further information on Group revenues in the individual business units, also see Chapter 6, Paragraph 6.1.

(a) Credit intermediation in Italy, Germany, Austria and Poland

The Group commands a major competitive position in Italy, Germany, Austria and Poland: in each of these countries, UniCredit is among the top three banking groups operating in the market. In Italy, the Group enjoys a key position, second only to the Intesa Sanpaolo Group in terms of total assets. In Germany, in terms of total assets, the Group is the number three private bank after Deutsche Bank and Commerzbank, while in Austria it is the leading bank alongside the Erste Group. UniCredit also plays a key role in Poland: with a market share of 10.7%¹¹ (in terms of total assets, at 30 June 2011) it is the number one private bank in the country.

At 30 June 2011, the market share for loans stood at 13.0%¹² in Italy, 3.0%¹³ in Germany, 15.8%¹⁴ in Austria and 9.9%¹⁵ in Poland.

With reference to customer deposits, UniCredit boasts a market share of 12.5%¹⁶ in Italy, 3.6%¹⁷ in Germany, 13.6%¹⁸ in Austria and 12.4%¹⁹ in Poland.

By number of branches, at 30 June 2011 the UniCredit Group was in second place in Italy with a market share of 13.2%²⁰. The analysis of the territorial distribution of these shares at regional level demonstrates the extent of the banks' strong presence in the areas in which it operates.

Still at 30 June 2011, the Group recorded a strong position in the distribution network (with market shares for the number of bank branches of more than 20%) in key regions such as Lazio and Sicily. Equally impressive is its presence in production areas of the country such as Piedmont, Veneto and

¹⁰ Source: UniCredit Group processing.

¹¹ Source: UniCredit Group processing of internal data and National Bank of Poland data.

¹² Source: UniCredit Group processing of reporting data and Banca d'Italia data.

¹³ Source: UniCredit Group processing of reporting data and Bundesbank data.

¹⁴ Source: UniCredit Group processing of reporting data and OeNB data.

¹⁵ Source: UniCredit Group processing of internal data and National Bank of Poland data.

¹⁶ Source: UniCredit Group processing of reporting data and Banca d'Italia data.

¹⁷ Source: UniCredit Group processing of reporting data and Bundesbank data.

¹⁸ Source: UniCredit Group processing of reporting data and OeNB data.

¹⁹ Source: UniCredit Group processing of internal data and National Bank of Poland data.

²⁰ Source: UniCredit Group processing of internal data and Banca d'Italia data.

Emilia Romagna (with a market share of more than 15%). It also has a particularly important presence in Campania, Umbria, Liguria, Apulia and Friuli-Venezia Giulia, where the share of the total bank branches is over 10%.

With reference to Austria and Germany, this market share stands at a consolidated level of 5.9%²¹ and 2.2%²², respectively.

(b) CEE Countries

The UniCredit Group enjoys an important competitive position in Central and Eastern Europe, with a distribution network presence (excluding Poland) of 2,835 branches (at 30 September 2011) in 18 countries in the region²³.

The recent unsettled situation as a result of the debt crisis in the Eurozone and signs that the world economy is slowing down in the second half of 2011 will also have implications for growth in CEE Countries. However, even in this less favourable situation, according to IMF (International Monetary Fund) estimates, average growth in Central and Eastern Europe forecast for the period 2011-2012 should be around +3.9% compared with the forecast of +1.4% for the Eurozone²⁴.

In spite of the international economic-financial crisis, the UniCredit Group has sustained its key role as one of the 5 main banks in terms of total assets in the majority of countries in which it operates²⁵ and, at the same time, benefits from excellent diversification within the area.

The table below shows the breakdown of market shares in terms of total assets and the UniCredit Group's position in the main CEE Countries in which the Group operates, at 30 June 2011.

Country	UniCredit % Share	UniCredit Ranking
Bosnia and Herzegovina	20.6%	1
Bulgaria	15.3%	1
Croatia	25.6%	1
Estonia	1.6%	6
Kazakhstan	8.8%	5
Latvia	3.5%	10
Lithuania	1.3%	9
Czech Republic	6.1%	4
Romania	5.8%	5
Russia	2.0%	8
Serbia	6.7%	4
Slovakia	6.7%	5
Slovenia	6.0%	5
Turkey	9.0%	5
Ukraine	4.7%	5
Hungary	5.4%	7

Source: UniCredit Group processing of internal data and national central databases.

²¹ Source: UniCredit Group processing of internal data and OeNB data.

²² Source: UniCredit Group processing of internal data and Bundesbank data (Latest available update: 31 December 2010).

²³ Source: UniCredit Group processing of internal data (the total number of branches and countries includes Azerbaijan and Kyrgyzstan).

²⁴ Source: IMF, World Economic Outlook, September 2011, pages 75, 78 and 83.

²⁵ Source: UniCredit Group processing of internal data and national central databases.

With reference to loans²⁶, in CEE Countries where it has a presence, at 30 June 2011, the UniCredit Group enjoyed a market share of 6.3%. The most important Countries in terms of market share are Croatia (25.7%), Bosnia and Herzegovina (18.6%), Bulgaria (15.3%) and Turkey (10.1%). In the first three countries UniCredit can claim to be the leader in terms of total assets controlled. As far as loans to non-financial companies are concerned, the market share of the UniCredit Group is equal to 6.5%, while for loans to households the Group weighting in the region total stands at 5.8%²⁷.

Lastly, on the deposits²⁸ side, the UniCredit Group recorded a market share in the same period of 5.1%, with a weighting of 6.6% in non-financial company deposits and 4.2% in deposits from households. In terms of deposits, the UniCredit Group enjoys a significant market share in the countries listed above: Croatia (25.5%), Bosnia and Herzegovina (22.0%), Bulgaria (13.8%) and Turkey (9.0%)²⁹.

(c) Asset Management

Pioneer Investments³⁰ is a global asset manager, present in 27 countries and with a capital of Euro 178 billion managed at 30 June 2011. The mutual funds market at a worldwide level was worth Euro 21.8 thousand billion at 30 June 2011; the United States represents 44% of the market, Europe 38% and Asia-Pacific 11%³¹.

Italy is the main target market for Pioneer Investments with a capital of Euro 62.5 billion³² managed at 30 June 2011. Taking the overall size of the mutual funds market in Italy, which is equal to Euro 457 billion, as a reference, Pioneer Investments is ranked in second place with a market share of 13.7%³³.

In Germany, the market ranked second in Europe for the UniCredit Group in terms of Asset Management, Pioneer Investments has a market share for the retail segment of 1.8%, with total assets of Euro 11 billion³⁴. The company is also present in the special funds market, funds dedicated to the institutional sector, with assets managed at 30 June 2011 of Euro 5.9 billion and a market share of 0.74%³⁵.

²⁶ Source: UniCredit Group processing of internal data and national central databases.

²⁷ Source: UniCredit Group processing of internal data and national central databases.

²⁸ Source: UniCredit Group processing of internal data and national central databases.

²⁹ Source: UniCredit Group processing of internal data and national central databases.

³⁰ Pioneer Investments is the commercial name of the Group savings/asset management companies.

³¹ Source: Strategic Insight. The Asia-Pacific area includes Australia. The remaining 7% is represented by other countries namely Canada, Latin America and South Africa.

³² The data relating to assets exclusively includes retail mutual funds.

³³ Source: Assogestioni.

³⁴ Source: BVI (Bundesverband Deutscher Investment-Gesellschaften, i.e. the association that groups together mutual fund management companies in Germany). The data refer to the mutual funds sold to the retail segment by Pioneer Investments, market share calculated by Real Estate, total retail market segment: Euro 694.9 billion at 30 June 2011.

³⁵ Source: BVI (Bundesverband Deutscher Investment-Gesellschaften, in other words the association that groups together mutual fund management companies in Germany). The data refer to the special funds sold by Pioneer Investments, market share calculated by Real Estate; total special funds market: Euro 832.7 billion at 30 June 2011.

In Austria, the mutual funds market stood at Euro 142.4 billion at 30 June 2011. On the same date, Pioneer Investments was ranked number three with total assets managed of Euro 18.5 billion and a market share of 13.0%³⁶.

The position of Pioneer Investments in Poland is particularly important as far as CEE Countries are concerned: with a market share of 14.6% at 30 June 2011, Pioneer was the major player in the market with a total of Euro 4.4 billion assets managed.³⁷

Lastly, in the United States, Pioneer Investments is present as a consolidated operator in the mutual funds sector, especially in the non-proprietary segment, with total assets managed at 30 June 2011 of US Dollar 27.4 billion, corresponding to a market share of 0.92% in relation to this segment³⁸.

(d) Private Banking

The Private Banking Division activities mainly involve private customers with medium-high financial assets, providing advisory services and solutions for wealth management with a 360 degree approach. The Division operates in five countries (Italy, Germany, Austria, Luxembourg and Poland) through a network of more than 1,200 private bankers located in around 250 branches in the territory. In Italy, UniCredit is among the top banks³⁹ dedicated to private customers (including the private Business Lines of UniCredit and Cordusio S.p.A.). Total financial assets at 30 September 2011 stood at approximately Euro 88 billion.

In Germany too, UniCredit is one of the main banks⁴⁰ dedicated to the private segment, with totals at 30 September 2011 of approximately Euro 28 billion (including the Private Business Line of UCB AG and Wealth Management Capital Holding).

In Austria, through the Private Business Line of Bank Austria and its subsidiary Schoellerbank AG, at 30 September 2011, UniCredit held total financial assets of approximately Euro 17 billion.

In Luxembourg, at 30 September 2011, the UniCredit Luxembourg SA Private Business Line held total assets of approximately Euro 10 billion, relating to wealth management assets for high net worth and ultra high net worth customers, as well as the provision of specialist services for the UniCredit Group in sectors such as asset management of life insurance. At 30 September 2011, under the scope of the Bank Pekao Private Business Line, in Poland UniCredit held total financial assets of approximately Euro 2 billion.

(e) Corporate & Investment Banking

With a banking operation in 22 countries and an international network that extends to 26 countries, with a key strategic presence in Munich, London, Milan, Vienna and CEE Countries, as well as the United States of America and Asia, CIB (Corporate & Investment Banking) is at the service of its

³⁶ Source: Voeig. The data include both assets managed and assets in administration. The data for Pioneer Austria also include own funds.

³⁷ Source: Pioneer Investments, internal data. Total mutual funds market at 30 June 2011: Euro 30 billion.

³⁸ Source: Strategic Insight. The non-proprietary segment features total assets managed of US Dollar 2,970 billion. The data relating to the US market includes closed and open funds, but excludes variable annuities and ETFs (Exchange-Traded Funds).

³⁹ Based on estimated data provided by AIPB/Prometeia relating to the Italian market at 31 December 2010; the market share in Italy represents around 10% of overall financial assets.

⁴⁰ The market share in Germany is estimated to be around 5.4% against a market estimated to be Euro 481 billion (Source: BCG report on the private banking market in Germany, dated May 2011).

business customers and financial institutions with a wide range of specialist services and products, combining unique geographic proximity at a European level with primary international standing in all the main operating sectors.

Financing & Advisory (F&A). The important position in credit activities in the three main countries where CIB customers are present (Italy, Germany and Austria) is a key indicator of the strategic positioning of CIB in corporate banking.

In addition to financing operations, CIB offers its customers a full range of investment banking services in the countries where it has a presence, also courtesy of the support of an international platform of products; CIB has developed a strong network of skills in this sector including corporate finance & advisory, capital markets (both equity capital markets and debt capital markets), syndicated loans, leveraged buy-out, project and commodity finance, real estate financing and principal investments.

The position of F&A in relation to competitors in the various classifications is very important. Special mention should be made of its first place as European LBO Bookrunner,⁴¹ with first place as Sponsor LBO Bookrunner also having been achieved in Germany, Italy and Central and Eastern Europe⁴²; third place as Financial Advisor to Italian M&A – excluding financial institutions⁴³ and third place, for Central and Eastern Europe as well – excluding Turkey and Russia,⁴⁴ in 2011 CIB also gained recognition as the Best M&A house in CEE⁴⁵ and fourth place as European Project Finance Loans.⁴⁶

Markets. In addition to concrete skills in the areas of Fixed Income and Rates & Foreign Exchange, CIB also claims an important position in capital markets⁴⁷ (both equity capital markets and debt capital markets).

With a market share that has been constant over the years at around 3% of the revenues pool in the EMEA area, Markets maintains its important position in relation to other competitors at a local level. The Market assets give it first place for Bookrunner Municipal, City, State, Province issues in Euro,⁴⁸ first place for the issue of CCEMEA Corporate Bonds in Euro⁴⁹ and fifth place for volumes of Euro Covered Bonds⁵⁰; it is ranked in first place for Bookrunner Equity Linked transactions in Europe⁵¹; and it is in first place for Bookrunner ECM transactions in Italy (excluding banks), Austria and Poland⁵².

⁴¹ Source: Dealogic, period of January - September 2011.

⁴² Source: Dealogic, period of January - September 2011.

⁴³ Source: Mergermarket, period of January - September 2011.

⁴⁴ Source: Mergermarket, period of January - September 2011.

⁴⁵ Source: Emea Finance, period of January - June 2011.

⁴⁶ Source: Dealogic, period of January - September 2011.

⁴⁷ At the Date of the Registration Document, capital market assets were included in the F&A product line and are only reported here for the purpose of competitive positioning.

⁴⁸ Source: Thomson Financial, period of January - September 2011.

⁴⁹ Source: Bondrad, period of January - June 2011.

⁵⁰ Source: Euroweek, period of January - September 2011.

⁵¹ Source: Dealogic, period of January - June 2011.

⁵² Source: Dealogic, period of January - June 2011.

GTB. CIB is one of the main operators in the GTB sector in terms of revenues generated in continental Europe⁵³. By combining in-depth domestic market expertise with the accumulated experience of an international bank in all aspects of transaction banking, the GTB Product Line offers a complete set of products and services in the areas of payments and e-banking, trade finance, financial management of procurement, export finance, and custodian bank services in Central and Eastern Europe.

UniCredit won major international awards during the first nine months of 2011 for its Global Transaction Banking activities. For its Cash Management services: first place in five countries and in the top seven at a global level⁵⁴. For Export Trade & Supply Chain Finance: “Best Forfeiting Institutions 2011”; “Best Trade Finance Bank 2011”⁵⁵; “Best Supply Chain Finance Provider in CEE 2011”⁵⁶; “Best Bank in Eastern Europe for Financial Supply Chain”⁵⁷. For Securities Services: “Best Sub-Custodian Bank in CEE 2011”⁵⁸.

6.3 Exceptional factors

With the exception of the detailed description in Chapters 4 and 12 of the Registration Document, there are no exceptional factors that have affected the activities of the UniCredit Group as at the Date of the Registration Document.

6.4 Dependency on patents or licences, industrial, commercial or financial contracts or on new manufacturing processes

At the Date of the Registration Document, the Groups’ assets do not depend significantly on patents, licences, third-party manufacturing processes, industrial, commercial or financial contracts, considered on an individual basis.

⁵³ UniCredit processing of consolidated financial statement data.

⁵⁴ Euromoney Poll 2011, period of January - September 2011.

⁵⁵ Source: TFR, period of January - September 2011.

⁵⁶ Source: Global Finance, period of January - September 2011.

⁵⁷ Source: TMI, period of January - September 2011.

⁵⁸ Source: Global Finance, period of January - September 2011.

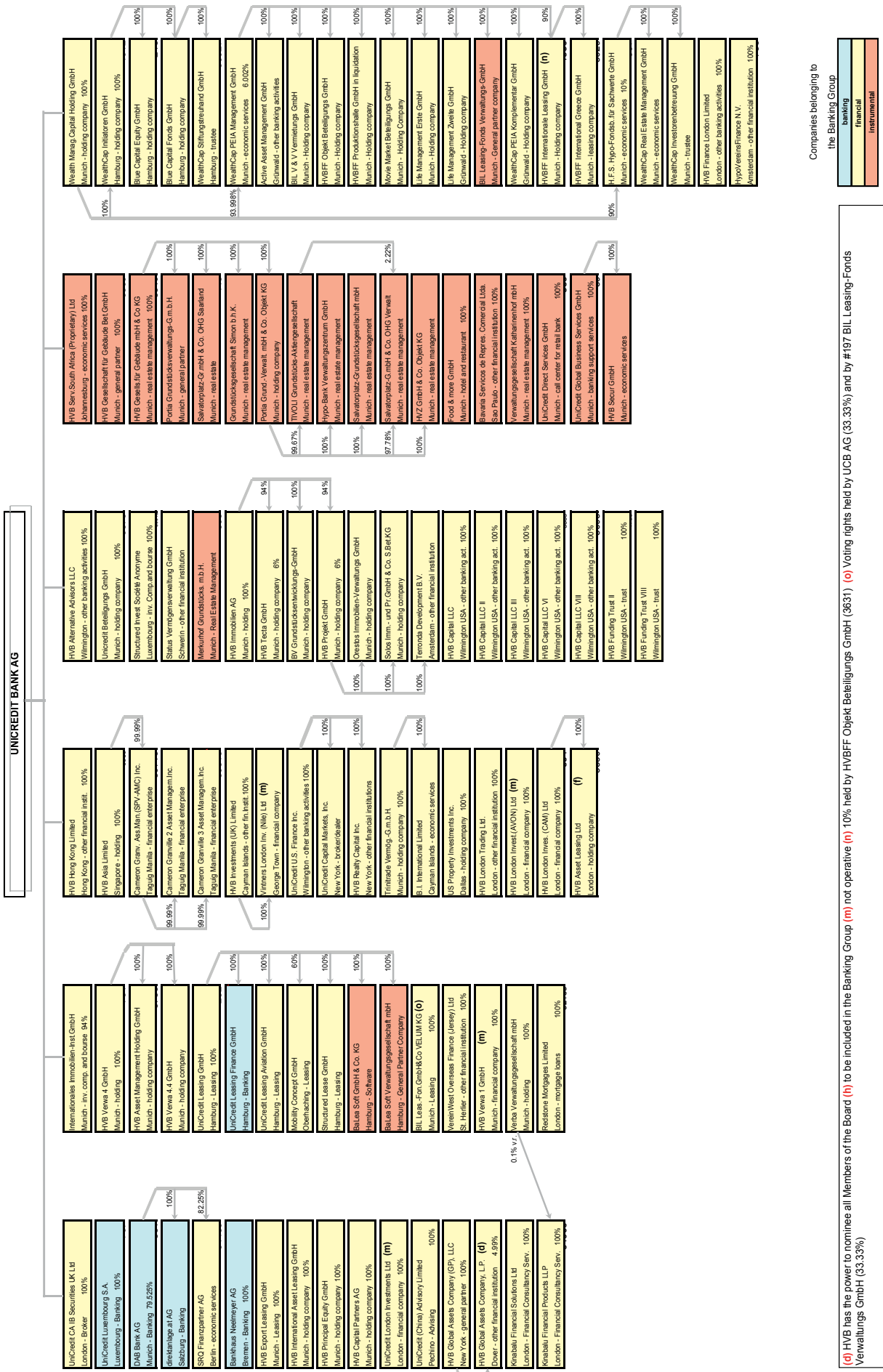
7. ORGANISATIONAL STRUCTURE

7.1 Companies belonging to the same group as the Issuer

UniCredit is the parent company of the UniCredit Group and, in addition to banking activity, performs the function of directing, governing and controlling the banking, financial and SPV subsidiaries.

The Issuer, as a bank carrying out direction and coordination activities for the UniCredit Banking Group pursuant to Article 61, paragraph 4, of the TUB, issues, as part of its duties of direction and coordination, provisions for the UniCredit Banking Group members which also covers the execution of the instructions given by the supervisory authorities and in the interest of the stability of the UniCredit Banking Group.

The organisation chart for the main companies of the UniCredit Banking Group at the Date of the Registration Document is given below.

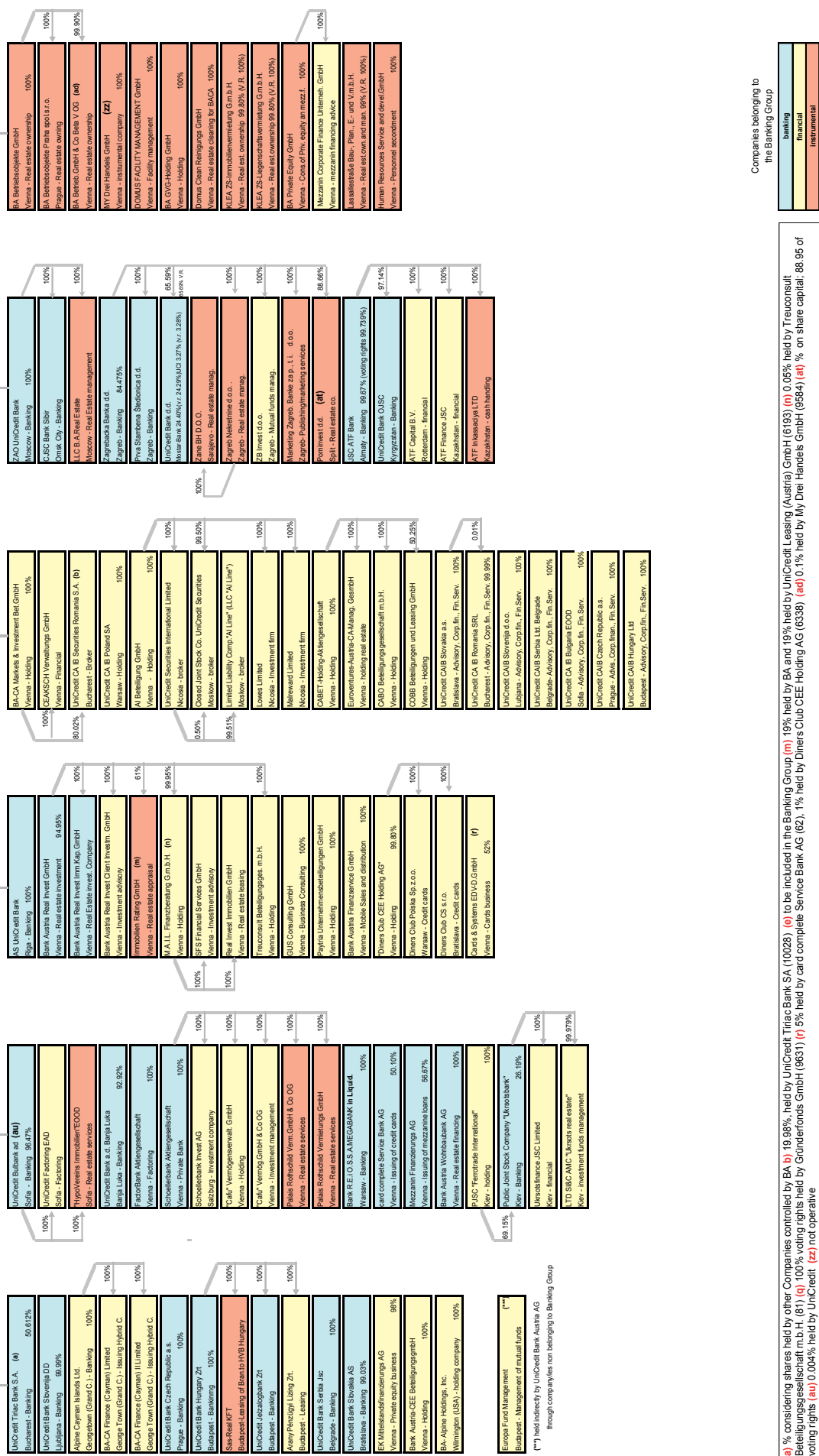


Companies belonging to the Banking Group



(d) HVB has the power to nominate all Members of the Board (h) to be included in the Banking Group (m) not operative (n) 10% held by HVBF Objekt Beteiligungs GmbH (3631) (o) Voting rights held by UCB AG (33.33%) and by #197 BIL Leasing-Fonds Verwaltungs GmbH (33.33%)

UNICREDIT BANK AUSTRIA AG



7.2 Companies controlled by UniCredit

The tables below contain certain information about the main companies controlled, directly or indirectly, by the Issuer at the Date of the Registration Document.

For further details, please refer to the 2011 Condensed Interim Consolidated Financial Statements. The Company adheres to the system of inclusion by reference to the above document pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004.

List of the main subsidiaries that are part of the UniCredit Banking Group

NAME	REGISTERED OFFICE	COUNTRY	ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		CURRENCY	SHARE CAPITAL
					DIR.	IND.	DIR.	IND.		
ALPINE CAYMAN ISLANDS LTD.	CAYMAN ISLANDS		HOLDING	UNICREDIT BANK AUSTRIA AG	100	100	100	100	USD	305,908,387
AS UNICREDIT BANK	LITHUANIA		BANK	UNICREDIT BANK AUSTRIA AG	100	100	100	100	LVL	86,100,170
BA- ALPINE HOLDINGS, INC.	UNITED STATES OF AMERICA		HOLDING	UNICREDIT BANK AUSTRIA AG	100	100	100	100	USD	10
BA-CA FINANCE (CAYMAN) LIMITED	CAYMAN ISLANDS		ISSUING COMPANY	ALPINE CAYMAN ISLANDS LTD.	100	100	100	100	EUR	15,000
BA-CA MARKETS & INVESTMENT BETEILIGUNG GMBH	AUSTRIA		HOLDING	UNICREDIT BANK AUSTRIA AG	100	100	100	100	EUR	127,177
BANK AUSTRIA REAL INVEST GMBH	AUSTRIA		PROPERTY COMPANY	UNICREDIT BANK AUSTRIA AG	94.954	94.954	94.954	94.954	EUR	10,900,500
BANK AUSTRIA REAL INVEST IMMOBILIEN-KAPITALANLAGE GMBH	AUSTRIA		PROPERTY COMPANY	BANK AUSTRIA REAL INVEST GMBH	100	100	100	100	EUR	5,000,000
BANK AUSTRIA WOHNBAUBANK AG	AUSTRIA		PROPERTY COMPANY	UNICREDIT BANK AUSTRIA AG	100	100	100	100	EUR	18,765,944
BANK PEKAO SA	POLAND		BANK	UNICREDIT S.P.A.	59.243	59.243	59.243	59.243	PLN	262,367,367
BANKHAUS NEELMEYER AG	GERMANY		BANK	UNICREDIT BANK AG	100	100	100	100	EUR	12,800,000
CABET-HOLDING-AKTIENGESELLSCHAFT	AUSTRIA		HOLDING	UNICREDIT BANK AUSTRIA AG	100	100	100	100	EUR	290,909
CABO BETEILIGUNGSGESELLSCHAFT M.B.H.	AUSTRIA		HOLDING	CABET-HOLDING-AKTIENGESELLSCHAFT	100	100	100	100	EUR	35,000
CARD COMPLETE SERVICE BANK AG	AUSTRIA		BANK CARD MANAGEMENT	UNICREDIT BANK AUSTRIA AG	50.1	50.1	50.1	50.1	EUR	6,000,000
CEAKSCH VERWALTUNGS GMBH	AUSTRIA		HOLDING	BA-CA MARKETS & INVESTMENT BETEILIGUNG GMBH	100	100	100	100	EUR	12,613,779
CJSC BANK SIBIR	RUSSIA		BANK	ZAO UNICREDIT BANK	100	100	100	100	RUB	849,800,000
DAB BANK AG	GERMANY		BANK	UNICREDIT BANK AG	79.525	79.525	79.525	79.525	EUR	82,705,706
DIREKTANLAGE.AT AG	AUSTRIA		BANK	DAB BANK AG	100	100	100	100	EUR	15,000,000
FACTORBANK AKTIENGESELLSCHAFT	AUSTRIA		FACTORING	UNICREDIT BANK AUSTRIA AG	100	100	100	100	EUR	1,791,385
FINECO LEASING S.P.A.	ITALY		PROPERTY LEASING / FINANCING	UNICREDIT S.P.A.	100	100	100	100	EUR	62,915,416
FINECO VERWALTUNG AG	GERMANY		FINANCE COMPANY	UNICREDIT S.P.A.	100	100	100	100	EUR	36,270,000
FINECOBANK S.P.A.	ITALY		BANK	UNICREDIT S.P.A.	100	100	100	100	EUR	200,070,431
HVB CAPITAL LLC	UNITED STATES OF AMERICA		BANKING ACTIVITY	UNICREDIT BANK AG	100	100	100	100	USD	10,000
HVB CAPITAL LLC VI	UNITED STATES OF AMERICA		BANKING ACTIVITY	UNICREDIT BANK AG	100	100	100	100	JPY	1,000

NAME	REGISTERED OFFICE	COUNTRY	ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL	
					DIR.	IND.	DIR.	IND.		CURRENCY
HVB CAPITAL LLC VIII	UNITED STATES OF AMERICA		BANKING ACTIVITY	UNICREDIT BANK AG	100		100		EUR	100
HVB CAPITAL PARTNERS AG	GERMANY		HOLDING	UNICREDIT BANK AG	100		100		EUR	2,500,000
HVB FUNDING TRUST VIII	UNITED STATES OF AMERICA		ECONOMIC SERVICES	UNICREDIT BANK AG	100		100		EUR	100
HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	GERMANY		PROPERTY COMPANY	UNICREDIT BANK AG	100		100		EUR	10,000,000
HVB GLOBAL ASSETS COMPANY L.P.	UNITED STATES OF AMERICA		HOLDING	HVB GLOBAL ASSETS COMPANY (GP), LLC	0.01		0.01		USD	589,413,364
HVB IMMOBILIEN AG	GERMANY		HOLDING	UNICREDIT BANK AG	32.478		32.478		EUR	520,000
HVB INVESTMENTS (UK) LIMITED	CAYMAN ISLANDS		FINANCE COMPANY	UNICREDIT BANK AG	100		100		GBP	201
HVB PROJEKT GMBH	GERMANY		HOLDING	HVB IMMOBILIEN AG	94		94		EUR	24,543,000
				UNICREDIT BANK AG	6		6		EUR	
HVZ GMBH & CO. OBJEKT KG	GERMANY		PROPERTY COMPANY	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	100		100		EUR	148,090,766
HYPOVEREINSFINANCE N.V.	NETHERLANDS		FINANCE COMPANY	UNICREDIT BANK AG	100		100		EUR	181,512
IRFIS – FINANZIARIA PER LO SVILUPPO DELLA SICILIA S.P.A.	ITALY		FINANCE COMPANY	UNICREDIT S.P.A.	76.259		76.259		EUR	76,501,914
JSC ATF BANK	KAZAKHSTAN		BANK	UNICREDIT BANK AUSTRIA AG	99.672		99.739		KZT	152,878,422,000
LEASFINANZ BANK GMBH	AUSTRIA		LEASING	BACA LEASING UND BETEILGUNGSMANAGEMENT GMBH	100		100		EUR	36,500
LEASFINANZ GMBH	AUSTRIA		LEASING	LF BETEILIGUNGEN GMBH	100		100		EUR	218,019
MEZZANIN FINANZIERUNGS AG	AUSTRIA		ISSUING COMPANY FOR MEZZAZINE FINANCE	UNICREDIT BANK AUSTRIA AG	56.667		56.67		EUR	30,000,000
MOBILITY CONCEPT GMBH	GERMANY		LEASING- FINANCE	UNICREDIT LEASING GMBH	60		60		EUR	2,650,000
OOO UNICREDIT LEASING	RUSSIA		LEASING	UNICREDIT LEASING S.P.A. ZAO UNICREDIT BANK	60		60		RUB	160,000,000
OROSTOS IMMOBILIEN-VERWALTUNGS GMBH	GERMANY		HOLDING	HVB PROJEKT GMBH	100		100		EUR	10,149,150
PEKAO BANK HIPOTECZNY S.A.	POLAND		BANK	BANK PEKAO SA	100		100		PLN	223,000,000
PEKAO LEASING HOLDING S.A.	POLAND		LEASING	BANK PEKAO SA	80.1		80.1		PLN	207,671,225
				UNICREDIT LEASING S.P.A.	19.9		19.9		PLN	
PEKAO LEASING SP ZO.O.	POLAND		LEASING	BANK PEKAO SA	36.487		36.487		PLN	241,588,600
				PEKAO LEASING HOLDING S.A.	63.513		63.513		PLN	

NAME	REGISTERED OFFICE	ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL	
				COUNTRY	COUNTRY	DIR.	IND.		DIR.
PIONEER ALTERNATIVE INVESTMENT MANAGEMENT (BERMUDA) LIMITED	BERMUDA	HOLDING	PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	100	100	100	100	USD	12,000
PIONEER ASSET MANAGEMENT SA	LUXEMBOURG	INVESTMENT FUNDS	PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	100	100	100	100	EUR	10,000,000
PIONEER FUNDS DISTRIBUTOR INC	UNITED STATES OF AMERICA	INVESTMENT FUNDS	PIONEER INVESTMENT MANAGEMENT INC	100	100	100	100	USD	51
PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	ITALY	HOLDING	UNICREDIT S.P.A.	100	100	100	100	EUR	1,219,463,434
PIONEER GLOBAL INVESTMENTS LIMITED	IRELAND	INVESTMENT FUNDS	PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	100	100	100	100	USD	700,000
PIONEER INVESTMENT MANAGEMENT INC	UNITED STATES OF AMERICA	INVESTMENT FUNDS	PIONEER INVESTMENT MANAGEMENT USA INC.	100	100	100	100	USD	1,999
PIONEER INVESTMENT MANAGEMENT LIMITED	IRELAND	ASSET MANAGEMENT COMPANY	PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	100	100	100	100	EUR	1,032,920
PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	ITALY	INVESTMENT FUNDS	PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	100	100	100	100	EUR	51,340,995
PIONEER INVESTMENT MANAGEMENT USA INC.	UNITED STATES OF AMERICA	HOLDING	PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	100	100	100	100	USD	1
PIONEER INVESTMENTS AUSTRIA GMBH	AUSTRIA	INVESTMENT COMPANY	PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	100	100	100	100	EUR	5,000,000
PIONEER INVESTMENTS KAPITALANLAGEGESELLSCHAFT MBH	GERMANY	INVESTMENT COMPANY	PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	100	100	100	100	EUR	6,500,000
PIONEER PEKAO INVESTMENT MANAGEMENT SA	POLAND	INVESTMENT FUNDS	BANK PEKAO SA PIONEER GLOBAL ASSET MANAGEMENT S.P.A.	49	49	51	51	PLN	28,914,000
PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	GERMANY	HOLDING	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	100	100	100	100	EUR	500,013,550
PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL	UKRAINE	HOLDING	UNICREDIT BANK AUSTRIA AG	100	100	100	100	UAH	877,000,000
PRVA STAMBENA STEDIONICA DD ZAGREB	CROATIA	BANK	ZAGREBACKA BANKA DD	100	100	100	100	HRK	80,000,000
PUBLIC JOINT STOCK COMPANY UKRSOTSIBANK	UKRAINE	BANK	PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL UNICREDIT BANK AUSTRIA AG	69.146	69.164	26.193	26.202	UAH	1,269,498,605

NAME	REGISTERED OFFICE		ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL
	COUNTRY				DIR.	IND.	DIR.	IND.	
PUBLIC JOINT STOCK COMPANY UNICREDIT BANK	UKRAINE		BANK	BANK PEKAO SA	100	100	100	100	UAH 653,507,670
REDSTONE MORTGAGES LIMITED	UNITED KINGDOM	NON- CONFORMING MORTGAGE PURCHASE		UNICREDIT BANK AG	100	100	100	100	GBP 100,000
SALVATORPLATZ-GRUNDSTUCKSGESELLSCHAFT MBH & CO. OHG VERWALTUNGSZENTRUM	GERMANY	PROPERTY COMPANY		PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	97.778	97.778	2.222	2.222	EUR 2,300,850
SCHOELLERBANK AKTIENGESELLSCHAFT	AUSTRIA	PRIVATE BANKING		UNICREDIT BANK AUSTRIA AG	100	100	100	100	EUR 20,000,000
STRUCTURED LEASE GMBH	GERMANY	LEASING		UNICREDIT LEASING GMBH	100	100	100	100	EUR 250,000
TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	GERMANY	PROPERTY COMPANY		PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	99.667	99.667	99.667	99.667	EUR 6,240,000
UNICREDIT BANK AD BANJA LUKA	BOSNIA HERZEGOVINA	BANK		UNICREDIT BANK AUSTRIA AG	92.916	92.916	92.916	92.916	BAM 82,054,700
UNICREDIT BANK AG	GERMANY	BANK		UNICREDIT S.P.A.	100	100	100	100	EUR 2,407,151,016
UNICREDIT BANK AUSTRIA AG	AUSTRIA	BANK		UNICREDIT S.P.A.	99.996	99.996	99.996	99.996	EUR 1,681,033,521
UNICREDIT BANK CZECH REPUBLIC A.S.	CZECH REPUBLIC	BANK		UNICREDIT BANK AUSTRIA AG	100	100	100	100	CZK 8,749,716,000
UNICREDIT BANK DD	BOSNIA HERZEGOVINA	BANK		UNICREDIT BANK AUSTRIA AG UNICREDIT S.P.A. ZAGREBACKA BANKA DD	24.396 3.272 65.587	24.286 3.277 65.688	24.286 3.277 65.688	24.286	BAM 119,011,000
UNICREDIT BANK HUNGARY ZRT.	HUNGARY	BANK		UNICREDIT BANK AUSTRIA AG	100	100	100	100	HUF 24,118,220,000
UNICREDIT BANK IRELAND PLC	IRELAND	BANK		UNICREDIT S.P.A.	100	100	100	100	EUR 1,343,118,650
UNICREDIT BANK OJSC	KYRGYZSTAN	BANK		JSC AIF BANK	97.143	97.143	97.143	97.143	KGS 700,000,000
UNICREDIT BANK SERBIA JSC	SERBIA	BANK		UNICREDIT BANK AUSTRIA AG	100	100	100	100	CSD 23,607,620,000
UNICREDIT BANK SLOVAKIA AS	SLOVAKIA	BANK		UNICREDIT BANK AUSTRIA AG	99.032	99.032	99.032	99.032	EUR 235,492,694
UNICREDIT BANKA SLOVENIJA D.D.	SLOVENIA	BANK		UNICREDIT BANK AUSTRIA AG	99.992	99.992	99.992	99.992	EUR 20,383,765
UNICREDIT BULBANK AD	BULGARIA	BANK		UNICREDIT BANK AUSTRIA AG UNICREDIT S.P.A.	96.462 0.004	96.462 0.004	96.462 0.004	96.462	BGN 285,776,674

NAME	REGISTERED OFFICE	ACTIVITY	STAKEHOLDER	% OF		SHARE CAPITAL
				CAPITAL OWNED	VOTING RIGHTS	
	COUNTRY			DIR.	IND.	CURRENCY
				IND.	DIR.	CAPITAL
			FINCOBANK S.P.A.	0.001	0.001	
			PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	0.001	0.001	
			PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ.	0.001	0.001	
UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	ITALY	ADMINISTRATIVE-ACCOUNTING ACTIVITIES	SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) S.P.A.	0.001	0.001	EUR 5,708,933
			UNICREDIT BANK AG	0.001	0.001	
			UNICREDIT FACTORING S.P.A.	0.001	0.001	
			UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	0.001	0.001	
			UNICREDIT S.P.A.	99.998	99.998	
			UNIMANAGEMENT SCARL	0	0	
UNICREDIT CAIB POLAND S.A.	POLAND	COMMERCIAL-FINANCE COMPANY	UNICREDIT BANK AUSTRIA AG	100	100	PLN 532,153,466
UNICREDIT CAIB SECURITIES UK LTD.	UNITED KINGDOM	BROKERAGE	UNICREDIT BANK AG	100	100	GBP 50,000
UNICREDIT CAPITAL MARKETS LLC	UNITED STATES OF AMERICA	FINANCE COMPANY	UNICREDIT U.S. FINANCE LLC	100	100	USD 100,000
UNICREDIT CREDIT MANAGEMENT BANK S.P.A.	ITALY	BANK	UNICREDIT CREDIT MANAGEMENT BANK S.P.A.	2.188	0	EUR 41,280,000
			UNICREDIT S.P.A.	97.813	100	
UNICREDIT DELAWARE INC	UNITED STATES OF AMERICA	ISSUING COMPANY	UNICREDIT S.P.A.	100	100	USA 1,000
UNICREDIT FACTORING S.P.A.	ITALY	FACTORING	UNICREDIT S.P.A.	100	100	EUR 114,518,475

NAME	REGISTERED OFFICE	ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL
				DIR.	IND.	DIR.	IND.	
COUNTRY								
			FAMILY CREDIT NETWORK S.P.A.	0.001	0.001	0.001	0.001	
			FINCOBANK S.P.A.	0.001	0.001	0.001	0.001	
			IRFIS – FINANZIARIA PER LO SVILUPPO DELLA SICILIA S.P.A.	0.001	0.001	0.001	0.001	
			PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	0.001	0.001	0.001	0.001	
			PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	0.001	0.001	0.001	0.001	
			SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) S.P.A.	0.001	0.001	0.001	0.001	
UNICREDIT GLOBAL INFORMATION SERVICES SOCIETÀ CONSORTILE PER AZIONI	ITALY	SOFTWARE HOUSE	UNICREDIT AUDIT SOCIETÀ CONSORTILE PER AZIONI	0.001	0.001	0.001	0.001	EUR 237,523,160
			UNICREDIT BANK AG	0.001	0.001	0.001	0.001	
			UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	0.001	0.001	0.001	0.001	
			UNICREDIT FACTORING S.P.A.	0.001	0.001	0.001	0.001	
			UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	0.001	0.001	0.001	0.001	
			UNICREDIT S.P.A.	99.998	98.998			
			UNIMANAGEMENT SCARL	0.001	0.001			
UNICREDIT GLOBAL LEASING EXPORT GMBH	AUSTRIA	LEASING	UNICREDIT GLOBAL LEASING PARTICIPATION MANAGEMENT GMBH	100	100	100	100	EUR 36,336
UNICREDIT INTERNATIONAL BANK (LUXEMBOURG) SA	LUXEMBOURG	BANK	UNICREDIT S.P.A.	100	100	100	100	EUR 10,000,000
UNICREDIT JELZALOGBANK ZRT.	HUNGARY	BANK	UNICREDIT BANK HUNGARY ZRT.	100	100	100	100	HUF 3,000,000,000
UNICREDIT LEASING (AUSTRIA) GMBH	AUSTRIA	LEASING	UNICREDIT LEASING S.P.A.	99.982	100	100	100	EUR 17,296,134
			HVB LEASING OOD	40.218	40.218			
			UNICREDIT BULBANK AD	24.366	24.366			
UNICREDIT LEASING AD	BULGARIA	LEASING	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	10.055	10.055			BGN 2,605,000
			UNICREDIT LEASING S.P.A.	25.361	25.361			
UNICREDIT LEASING CORPORATION IFN S.A.	ROMANIA	LEASING- FINANCE	UNICREDIT LEASING S.P.A.	80	80			RON 40,930,730
			UNICREDIT TIRIAC BANK S.A.	20	20			
UNICREDIT LEASING CROATIA D.O.O. ZA LEASING	CROATIA	LEASING	UNICREDIT LEASING S.P.A.	100	100	100	100	HRK 28,741,800
UNICREDIT LEASING CZ, A.S.	CZECH REPUBLIC	LEASING- FINANCE	UNICREDIT LEASING S.P.A.	100	100	100	100	CZK 226,000,000
UNICREDIT LEASING FINANCE GMBH	GERMANY	BANK	UNICREDIT LEASING GMBH	100	100	100	100	EUR 17,580,000

NAME	REGISTERED OFFICE		ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL	
	COUNTRY				DIR.	IND.	DIR.	IND.		CURRENCY
UNICREDIT LEASING GMBH	GERMANY		LEASING- FINANCE	UNICREDIT BANK AG	100		100		EUR	15,000,000
UNICREDIT LEASING HUNGARY ZRT	HUNGARY		LEASING	BA EUROLEASE	3.571		3.571		HUF	140,000,000
				BETELIGUNGSGESELLSCHAFT M.B.H. UNICREDIT LEASING (AUSTRIA) GMBH	96.429		96.429			
UNICREDIT LEASING S.P.A.	ITALY		LEASING FINANCE/ FACTORING COMPANY	UNICREDIT BANK AUSTRIA AG	31.014		31.014		EUR	410,131,062
				UNICREDIT S.P.A.	68.986		68.986			
UNICREDIT LEASING SLOVAKIA A.S.	SLOVAKIA		LEASING- FINANCE	UNICREDIT BANK SLOVAKIA AS	19.9		19.9		EUR	26,560,000
				UNICREDIT LEASING CZ, A.S.	8.8		8.8			
				UNICREDIT LEASING S.P.A.	71.3		71.3			
UNICREDIT LEASING, LEASING, D.O.O.	SLOVENIA		LEASING- FINANCE	UNICREDIT BANK A SLOVENIJA D.D. UNICREDIT LEASING S.P.A.	1.792		1.792		EUR	8,299,973
UNICREDIT LUXEMBOURG FINANCE SA	LUXEMBOURG		FINANCE	UNICREDIT INTERNATIONAL BANK (LUXEMBOURG) SA	100		100		EUR	350,000
UNICREDIT LUXEMBOURG S.A. UNICREDIT MERCHANT S.P.A.	LUXEMBOURG ITALY		BANK FINANCE COMPANY	UNICREDIT BANK AG	100		100		EUR	238,000,000
				UNICREDIT S.P.A.	100		100			
UNICREDIT REAL ESTATE SOCIETA CONSORTILE PER AZIONI	ITALY		PROPERTY COMPANY	FAMILY CREDIT NETWORK S.P.A.	0.001		0.001		EUR	1,045,000,000
				FINCOBANK S.P.A.	0.001		0.001			
				IRFIS – FINANZIARIA PER LO SVILUPPO DELLA SICILIA S.P.A.	0.001		0.001			
				PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ.	0.001		0.001			
				SOFIPA SOCIETA DI GESTIONE DEL RISPARMIO (SGR) S.P.A.	0.001		0.001			
				UNICREDIT AUDIT SOCIETA CONSORTILE PER AZIONI	0.001		0.001			
				UNICREDIT BANK AG	0.001		0.001			
				UNICREDIT BUSINESS PARTNER SOCIETA CONSORTILE PER AZIONI	0.001		0.001			
				UNICREDIT FACTORING S.P.A.	0.001		0.001			
				UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI	0.001		0.001			
UNICREDIT S.P.A.	99.99		99.99							
UNIMANAGEMENT SCARL				0.001		0.001				

NAME	REGISTERED OFFICE	COUNTRY	ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL
					DIR.	IND.	DIR.	IND.	
				ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT M.B.H.		0.013	0.013		
				BANK AUSTRIA-CEE BETEILIGUNGS GMBH		0.013	0.013		
				BETEILIGUNGSVERWALTUNGSELSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	BANK	0.013	0.013	RON	379,075,291
				UNICREDIT BANK AUSTRIA AG		50.559	50.559		
				UNICREDIT LEASING (AUSTRIA) GMBH		0.013	0.013		
				UNICREDIT LEASING ROMANIA S.A.		0	0		
UNICREDIT U.S. FINANCE LLC	UNITED STATES OF AMERICA		FINANCE COMPANY	UNICREDIT BANK AG		100	100	USD	10
UNICREDITO ITALIANO CAPITAL TRUST III	UNITED STATES OF AMERICA		FINANCE COMPANY	UNICREDITO ITALIANO FUNDING LLC III		100	100	EUR	1,000
UNICREDITO ITALIANO CAPITAL TRUST IV	UNITED STATES OF AMERICA		FINANCE COMPANY	UNICREDITO ITALIANO FUNDING LLC IV		100	100	GBP	1,000
UNICREDITO ITALIANO FUNDING LLC III	UNITED STATES OF AMERICA		FINANCE COMPANY	UNICREDIT S.P.A.		100	100	EUR	1,000
UNICREDITO ITALIANO FUNDING LLC IV	UNITED STATES OF AMERICA		FINANCE COMPANY	UNICREDIT S.P.A.		100	100	GBP	1,000
ZAGREBACKA BANKA DD	CROATIA		BANK	UNICREDIT BANK AUSTRIA AG		84.475	84.475	HRK	6,404,839,100
ZAO LOCAT LEASING RUSSIA	RUSSIA		LEASING	OOO UNICREDIT LEASING		100	100	RUB	107,000,000
ZAO UNICREDIT BANK	RUSSIA		BANK	UNICREDIT BANK AUSTRIA AG		100	100	RUB	27,264,345,360

List of the main subsidiaries that are not part of the UniCredit Banking Group

NAME	REGISTERED OFFICE	ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		SHARE
				DIR. IND.	% OF VOTING RIGHTS	
ARGENTHAURUS IMMOBILIEN-VERMIETUNGS- UND VERWALTUNGS GMBH	GERMANY	PROPERTY COMPANY	HVB PROJEKT GMBH	100	100	EUR 511,300
ARTIST MARKETING ENTERTAINMENT GMBH	AUSTRIA	MARKETING COMPANY	MY BETEILIGUNGS GMBH	100	100	EUR 50,000
AWT HANDELS GESELLSCHAFT M.B.H.	AUSTRIA	TRADING COMPANY	AWT INTERNATIONAL TRADE GMBH	100	100	EUR 2,906,913
AWT INTERNATIONAL TRADE GMBH	AUSTRIA	TRADING COMPANY	UNICREDIT BANK AUSTRIA AG	100	100	EUR 100,000
BA-CA INFRASTRUCTURE FINANCE ADVISORY GMBH	AUSTRIA	NON-FINANCE COMPANY	ZETA FUNF HANDELS GMBH	100	100	EUR 36,336
BA-CA WIEN MITTE HOLDING GMBH	AUSTRIA	HOLDING	UNICREDIT BANK AUSTRIA AG	100	100	EUR 35,000
			IMMOBILIARE PATETTA S.R.L.	72.5	72.5	
			INFISSER S.R.L.	15	15	
COMPAGNIA FONDARIA ROMANA (C.F.R.) S.R.L.	ITALY	PROPERTY COMPANY	SOCIETA VERONESE GESTIONE	12.5	12.5	EUR 103,400
			COMPRAVENDITA IMMOBILIA R.L.			
COMPAGNIA ITALPETROLI S.P.A.	ITALY	INDUSTRIAL HOLDING	UNICREDIT S.P.A.	100	100	EUR 31,673,532
HVB TRUST PENSIONSFONDS AG	GERMANY	PENSION FUND	UNICREDIT BANK AG	100	0	EUR 3,000,000
MC MARKETING GMBH	AUSTRIA	MARKETING COMPANY	UNICREDIT BANK AUSTRIA AG	100	100	EUR 300,000
MY BETEILIGUNGS GMBH	AUSTRIA	HOLDING	UNICREDIT BANK AUSTRIA AG	100	100	EUR 35,000
TERRENO GRUNDSTUCKSVERWALTUNG GMBH & CO. OBJEKTGESELLSCHAFT GRILLPARZERSTRASSE KG	GERMANY	PROPERTY COMPANY	UNICREDIT BANK AG	75	75	EUR 51,200
UNIVERSALE INTERNATIONAL REALITATEN GMBH	AUSTRIA	PROPERTY COMPANY	UNICREDIT BANK AUSTRIA AG	100	100	EUR 32,715,000
ZETA FUNF HANDELS GMBH	AUSTRIA	NON-FINANCE COMPANY	UNICREDIT BANK AUSTRIA AG	100	100	EUR 35,000

8. PROPERTY, PLANT AND MACHINERY

8.1 Tangible fixed assets

The information below relates to the property, equipment and investment property of the Group at 30 September 2011 and at 31 December 2010, 2009 and 2008, valued, respectively, at cost and at fair value or revalued.

Property, equipment and investment property: breakdown of assets valued at cost

Property, equipment and investment property valued at cost (in millions of Euros)	31 December				% Change		
	30 September 2011	2010	2009	2008	First nine months of 2011	2010 vs. 2009	2009 vs. 2008
A. Assets for functional use							
1.1 ownership title	8,629	9,120	8,706	9,122	-5.4%	4.8%	-4.6%
a) land	1,647	1,676	1,724	2,237	-1.7%	-2.8%	-22.9%
b) buildings	3,434	3,810	3,784	4,369	-9.9%	0.7%	-13.4%
c) furniture	233	248	266	287	-6.0%	-6.8%	-7.3%
d) electronic equipment	704	734	792	814	-4.1%	-7.3%	-2.7%
e) other	2,611	2,652	2,140	1,415	-1.5%	23.9%	51.2%
1.2 purchased through finance lease	57	62	63	138	-8.1%	-1.6%	-54.3%
a) land	1	3	3	3	-66.7%	-	-
b) buildings	44	47	49	50	-6.4%	-4.1%	-2.0%
c) furniture	-	-	-	2	-	-	n.s.
d) electronic equipment	-	-	2	7	-	n.s.	-71.4%
e) other	12	12	9	76	-	33.3%	-88.2%
Total A	8,686	9,182	8,769	9,260	-5.4%	4.7%	-5.3%
B. Assets held for investment purposes							
2.1 ownership title	3,512	3,337	3,320	1,368	5.2%	0.5%	142.7%
a) land	1,286	1,165	1,076	631	10.4%	8.3%	70.5%
b) buildings	2,226	2,172	2,244	737	2.5%	-3.2%	204.5%
2.2 purchased through finance lease	-	-	-	-	-	-	-
a) land	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-
Total B	3,512	3,337	3,320	1,368	5.2%	0.5%	142.7%
Total (A+B)	12,198	12,519	12,089	10,628	-2.6%	3.6%	13.7%

Property, equipment and investment property: breakdown of assets at fair value or revalued

Property, equipment and investment property at fair value or revalued							
<i>(in millions of Euros)</i>							
	30 September 2011	31 December			% Change		
		2010	2009	2010	First nine months of 2011	2010 vs. 2009	2009 vs. 2008
A. Assets for functional use							
1.1 ownership title	-	-	-	-	-	-	-
a) land	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-	-
d) electronic equipment	-	-	-	-	-	-	-
e) other	-	-	-	-	-	-	-
1.2 purchased through finance lease	-	-	-	-	-	-	-
a) land	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-	-
d) electronic equipment	-	-	-	-	-	-	-
e) other	-	-	-	-	-	-	-
Total A	-	-	-	-	-	-	-
B. Assets held for investment purposes							
2.1 ownership title	90	93	-	1,307	-3.2%	n.s.	n.s.
a) land	20	21	-	315	-4.8%	n.s.	n.s.
b) buildings	70	72	-	992	-2.8%	n.s.	n.s.
2.2 purchased through finance lease	-	-	-	-	-	-	-
a) land	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-
Total B	90	93	-	1,307	-3.2%	n.s.	n.s.
Total (A+B)	90	93	-	1,307	-3.2%	n.s.	n.s.

Owned fixed assets*Fixed assets in Italy*

The table below contains the main fixed assets (IAS value above Euro 20 million) owned by UniCredit Real Estate (a Group company entrusted with the management of property sites in Italy) at 30 September 2011.

Municipality	Address	Use	Value at 30 September 2011 <i>(in millions of Euros)</i>
Bologna	Via del Lavoro 42	Functional	51.0
Genoa ¹	Piazza De Ferrari 3/R – Salita S. Matteo	Investment	27.4
Palermo ¹	Via Roma 183	Functional	23.7
Palermo	Via Ruggero Settimo 24/a Piazzale Ungheria	Functional	53.4
Rome	Via Affile 102	Investment	25.9
Rome ¹	Via del Corso 270 – Palazzo Mancini	Investment	80.6
Rome ¹	Via del Corso 307 – Palazzo De Carolis	Functional	96.8
Rome ¹	Piazza Del Monte di Pietà 34	Functional	81.6
Rome ¹	Via Minghetti 10/16 – Via Dell'Umiltà 79	Functional	121.9
Rome	Largo A. Fochetti – Via Padre Semeria 1/23	Investment	60.0
Rome	Via Manduria 48 Via Molfetta 101/103	Functional	21.6
Rome	Largo F. Anzani 13 – Via Parboni 20	Investment	27.8
Rome	Largo F. Anzani 3	Functional	26.1
Rome	Via Veneto 74/76	Functional	23.0
Verona	Via Monte Bianco 18/20/22/24	Functional	24.5

¹ Property of historical-artistic interest subject to restrictions pursuant to Legislative Decree no. 42 of 22 January 2004.

It should also be noted that, at 30 September 2011, there were other fixed assets (with an IAS value of more than Euro 20 million), in Italy, owned by Compagnia Italtipetroli S.p.A., UniCredit Leasing, Crivelli S.r.l. and Fondo Sigma.

Fixed assets overseas

The table below contains the main fixed assets (IAS value of more than Euro 20 million, determined according to the contribution to the consolidated financial statements) located overseas, owned by the Group, with reference to 30 September 2011.

Municipality	Address	Use	Value at 30 September 2011 <i>(in millions of Euros)</i>
Hamburg	Nagelsweg 49	Functional	47.4
Hamburg	Friedrich-Ebert-Damm 111,111 a-c	Investment	25.0
Berlin	Landsberger Allee 171	Investment	29.7
Berlin ²	Parkkolonnaden Haus 3	Investment	48.7
Berlin ²	Oberbaum City Haus 3/Turm	Investment	28.6
Berlin ²	OBC4	Investment	21.6
Budapest	Szabadság tér 5-6	Functional	40.2
Cottbus	Spreegalerie	Investment	72.4
Ebfurt	Steigerstrasse 24	Investment	29.9
Essen	Theodor-Althoff-Str. 1	Investment	42.5
Rijeka	Zvonimirova 3	Investment	43.7
Frankfurt	Baseler Str. 46-48, Gutleustr. 80-82	Investment	30.0
Frankfurt	Lyoner Str. 20	Investment	38.2
Göteborg	Theres Svenssons Gata 15	Investment	29.4
Hanover	Hildesheimer Str. 265, 267, Peiner Str. 2-8	Investment	41.4

Municipality	Address	Use	Value at 30 September 2011 (in millions of Euros)
Ismaning ²	Munchener Str. 101	Investment	88.8
Istanbul	Kusbakisi Sok. N.18 Uskudar	Functional	28.2
Istanbul	Buyukdere Cad. 34330 Levent Besiktas	Functional	25.1
Linz-Leonding	Im Bäckerfeld 1	Investment	51.8
Lipsia	Prager Str. 118, 120, 126, 128, 130, 132, 134, 136	Investment	51.1
London	100 Lower Thames Street	Investment	29.7
Ljubljana	Verovskova 55	Investment	30.1
Ludwigshafen	Rathausplatz 21	Investment	29.1
Luxembourg-Kirchberg	Rue Alphonse Weicker 4	Investment	26.6
Luxembourg-Kirchberg	Rue Jean Monnet 6-8	Functional	32.0
Meerbusch-Osterrath	Am Mollsfeld 1-14	Investment	24.8
Munich	Albrechtstr. 14, Hilblestr. 54	Investment	56.1
Munich	Landshuter Allee 4, 6, Arnulfstr. 122-126	Investment	57.7
Munich	Thomas-Dehler-Str. 27, Putzbrunner Str. 69	Investment	24.3
Munich ⁽²⁾	Grillparzerstr.	Investment	76.0
Munich	Kardinal-Faulhaber-Str. 12, 14 / Maffeistraße 6, 8, 14	Functional	68.4
Munich	Arabellastr. 10, 12 / Denninger Str. 23	Functional	202.6
Munich	Arabellastr. 14	Functional	62.2
Munich	Messezentrum	Investment	46.3
Munich	Am Eisbach 4	Functional	40.7
Munich	Am Tucherpark 1, Sederanger 5 (ERB)	Functional	46.7
Munich	Sederanger 4-6	Functional	29.8
Munich	Am Tucherpark 12	Functional	45.7
Munich	Am Tucherpark 14 u. 16	Functional	56.7
Munich	Am Tucherpark 7 (GR)	Investment	38.6
Moscow	Andropova prospekt, 18/1	Functional	30.1
Moscow	Butikovskiy per., 9	Functional	44.1
Nürnberg ⁽²⁾	Königstrasse 1	Functional	26.6
Nürnberg ⁽²⁾	Lorenzerplatz 17/25	Functional	24.6
Offenbach-Kaiserlei	Strahlenberger Str. 11, 13, 15, 17	Investment	123.1
Prague ⁽²⁾	Radlická 14/3201 – Prague 5	Functional	25.5
Sarajevo	Zelenih Beretki 24	Investment	20.3
Schwalbach ⁽²⁾	Schwalbach	Investment	44.9
Schwerin	Am Packhof 2-6	Investment	29.3
Stuttgart	Hauffstr. 5, Am Neckartor 22	Investment	54.9
Stuttgart	Rotebühlstr. 121	Investment	32.7
Tatabánya ⁽²⁾	Tatabánya commercial	Investment	22.8
Umag ⁽²⁾	Umag	Functional	53.3
Umag ⁽²⁾	Umag – Katoro	Functional	73.2
Vienna	Schottengasse 6-8	Functional	82.1
Vienna ⁽²⁾	1020, Lassallestrasse 5	Functional	132.8
Vienna	Althannstrasse 21-25	Functional	38.8
Vienna	1020, Donau-CityStr.	Investment	116.3
Vienna	1020, Donau-CityStr.	Investment	29.2
Vienna	Operngasse 21	Investment	21.6
Vienna	Operngasse 21	Investment	29.3
Wiesbaden	Kreuzberger Ring 17, 17°, 17b, 19	Investment	24.8
Wienes Neudorf ²	Wienes Neudorf	Investment	63.2
Zagreb	Nova Ves 17	Investment	20.1
Zagreb	Heinzlova 33	Investment	26.3

² Property burdened with a mortgage.

Fixed assets in use

In carrying out its activities, the Group leases a large number of fixed assets owned by third parties.

These fixed assets are mainly fixed assets for functional use.

At 30 September 2011 and at 31 December 2010, the amounts relating to rent paid by the Group was equal to Euro 577 million and Euro 772 million, respectively.

8.2 Environmental problems

At the Date of the Registration Document, also taking into account the activity conducted by the Group, there are no environmental problems that significantly affect the use of the fixed assets.

9. STATEMENT OF OPERATIONS AND FINANCIAL POSITION

The information relating to the Group's statement of operations and financial position for the period ended 30 September 2011 and the financial years ended 31 December 2010, 2009 and 2008 are found in the following documents: Consolidated Interim Report as at 30 September 2011, 2010 Consolidated Reports and Financial Statements, 2009 Consolidated Reports and Financial Statements and 2008 Consolidated Reports and Financial Statements, with comments on:

- the important changes that have taken place in the financial position;
- the important factors that have had repercussions on the income from the Group's activity;
- other factors that have had significant repercussions on the Group's activity; and
- the reasons for any substantial variations in the Group's net income.

These documents were sent to the CONSOB and are available to the public at the Company's Registered Office and Central Management Office, and on the internet www.unicreditgroup.eu as well as at Borsa Italiana.

The Company adheres to the system of inclusion by reference to the above documents pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004.

For further details, please also see Chapter 3 of the Registration Document.

10. FINANCIAL RESOURCES

10.1 Introduction

Balance sheet and financial data, information concerning the Group's financial resources, sources, investments and cash flows as well as borrowing requirements and the loan structure at 30 September 2011, 31 December 2010, 2009 and 2008 are presented in the following documents: Consolidated Interim Report as at 30 September 2011, 2010 Consolidated Reports and Financial Statements, 2009 Consolidated Reports and Financial Statements and 2008 Consolidated Reports and Financial Statements. These documents were forwarded to CONSOB and are available to the public at the Company's headquarters and Central Management Office, on the Company's website www.unicreditgroup.eu and at Borsa Italiana.

Although the Company has chosen to adhere to the inclusion scheme by referring to the aforementioned documents in accordance with Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004, key information concerning the Group's financial resources is provided below.

10.2 Group's financial resources

The Group obtains the resources needed to fund its operations mainly through traditional deposits from customers, the issuance of bonds and by accessing the interbank market.

The following table provides information regarding direct deposits and the Group's interbank position at 30 September 2011, 31 December 2010, 2009 and 2008.

Total direct deposits and net interbank position (in millions of Euros)	31 December				Change %		
	30 September 2011	2010	2009	2008	First 9 months 2011	2010 vs. 2009	2009 vs. 2008
Deposits from customers	(392,517)	(402,248)	(381,623)	(388,831)	-2.4%	5.4%	-1.9%
Securities in issue	(166,714)	(180,990)	(214,773)	(202,459)	-7.9%	-15.7%	6.1%
Total direct deposits	(559,231)	(583,238)	(596,396)	(591,290)	-4.1%	-2.2%	0.9%
Deposits from banks	(139,476)	(111,735)	(106,800)	(177,677)	24.8%	4.6%	-39.9%
Loans and advances to banks	72,474	70,215	78,269	80,827	3.2%	-10.3%	-3.2%
Net interbank position	(67,002)	(41,520)	(28,531)	(96,850)	61.4%	45.5%	-70.5%
Total	(626,233)	(624,758)	(624,927)	(688,140)	0.2%	0.0%	-9.2%

Direct deposits

Direct deposits include deposits from customers and securities in issue which are broken down in the following table.

Breakdown of direct deposits (in millions of Euros)	30 September 2011		31 December		% Change		
	2010	2009	2008 ¹	First 9 months 2011	2010 vs. 2009	2009 vs. 2008	
Current accounts and demand deposits	(218,725)	(225,086)	(217,353)	(197,011)	-2.8%	3.6%	10.3%
Time deposits	(107,176)	(109,202)	(111,558)	(121,471)	-1.9%	-2.1%	-8.2%
Loans	(50,991)	(48,260)	(29,727)	(44,831)	5.7%	62.3%	-33.7%
Other liabilities	(15,625)	(19,700)	(22,985)	(25,518)	-20.7%	-14.3%	-9.9%
Deposits from customers	(392,517)	(402,248)	(381,623)	(388,831)	-2.4%	5.4%	-1.9%
Bonds	(148,731)	(145,517)	(161,670)	(158,935)	2.2%	-10.0%	1.7%
Other securities	(17,983)	(35,473)	(53,103)	(43,524)	-49.3%	-33.2%	22.0%
Securities in issue	(166,714)	(180,990)	(214,773)	(202,459)	-7.9%	-15.7%	6.1%
Total direct deposits	(559,231)	(583,238)	(596,396)	(591,290)	-4.1%	-2.2%	0.9%

¹ The figures at 31 December 2008 were taken from the 2009 Consolidated Reports and Financial Statements where they were reported for comparison purposes. In the 2008 Consolidated Reports and Financial Statements, figures for the breakdown of direct deposits were reported with a different degree of detail and were not readily comparable to the information reported in subsequent periods.

30 September 2011 vs. 31 December 2010

As at 30 September 2011 direct deposits totalled Euro 559.2 billion representing a decrease from the 31 December 2010 figure of Euro 583.2 billion (-7.9%) in the securities component and of Euro 9.7 billion in overall deposits from customers (-2.4%).

Looking more closely, in the first nine months of 2011 overall customer deposits were down in the current account and demand deposit component (-2.8%) and time deposit component (-1.9%), and up in the loan component (+5.7%).

At 30 September 2011 securities in issue consisted of bonds totalling Euro 148.7 billion and other securities totalling Euro 18.0 billion for a total of Euro 166.7 billion.

The decrease in direct deposits from other securities was concentrated in particular in the certificate of deposit component and commercial paper with institutional counterparties which gradually reduced their contribution as the sovereign debt crisis intensified in Europe, and especially in Italy, confirming the trend already seen in 2010.

31 December 2010 vs. 31 December 2009

At 31 December 2010 direct deposits totalled Euro 583.2 billion representing a decrease of Euro 13.2 billion compared to 31 December 2009 (-2.2%) due to a reduction in securities in issue of Euro 33.8 billion (-15.7%), which was partially offset by an increase in deposits from customers totalling Euro 20.6 billion (+5.4%).

Deposits in the form of securities were affected by the lower placement of certificates of deposit and commercial paper with institutional customers due to tensions resulting from the sovereign debt crisis.

The movement in deposits from customers between 31 December 2009 and 31 December 2010 was driven by the significant rise in repos (+Euro 20.0 billion) and in current accounts (+Euro 7.7 billion),

which was only partially offset by the reduction in loans other than repos and other liabilities (for a total of -Euro 4.7 billion) and time deposits (-Euro 2.4 billion).

31 December 2009 vs. 31 December 2008

At 31 December 2009 direct deposits totalled Euro 596.4 billion, which was slightly higher than the Euro 591.3 billion reported at 31 December 2008. Comparing figures for 31 December 2008 and 31 December 2009, there was an increase in the securities in issue component (+Euro 12.3 billion) while overall deposits from customers were down (-Euro 7.2 billion) mainly due to the decline in loans (-Euro 15.1 billion), time deposits (-Euro 9.9 billion) and other liabilities (-Euro 2.5 billion), which were offset by a significant increase in current accounts (+Euro 20.3 billion).

Net interbank position

At 30 September 2011, 31 December 2010, 2009 and 2008 the net interbank position was a negative figure equal to Euro 67.0 billion, Euro 41.5 billion, Euro 28.5 billion and Euro 96.9 billion, respectively.

10.3 Sources, investments and cash flows

Below are the Group's cash flow statements for the periods ended 31 December 2010, 2009 and 2008 taken from the Group's consolidated financial statements on those dates.

Consolidated cash flow statement (indirect method) (in millions of Euros)	Year ended 31 December		
	2010	2009 ¹	2008
A. OPERATING ACTIVITIES			
1. Operations	11,381	12,120	10,647
- profit and loss for the year (+/-)	1,323	1,702	4,012
- capital gains/losses on financial assets/liabilities held for trading and on assets/liabilities designated at fair value through profit or loss (+/-)	1,281	(178)	1,206
- capital gains/losses on hedging operations (+/-)	(52)	(24)	(17)
- net impairment losses/writebacks (+/-)	5,637	7,821	3,013
- net impairment losses/writebacks on property, equipment and investment property and intangible assets (+/-)	1,672	1,557	2,367
- provisions and other income/expenses (+/-)	1,340	467	617
- uncollected net premiums (+/-)	11	3	3
- other uncollected insurance income and expenses (+/-)	(5)	(11)	(4)
- unpaid tax (+)	(62)	482	(160)
- other adjustments (+/-)	236	301	(390)
2. Liquidity generated/absorbed by financial assets	(11,726)	111,478	(36,798)
- held-for-trading financial assets	10,324	72,255	(3,242)
- financial assets designated at fair value	(12,179)	1,019	(1,360)
- available-for-sale financial assets	(20,909)	(5,684)	(1,710)
- loans and advances to banks	8,092	1,518	17,523
- loans and advances to customers	5,999	39,706	(47,333)
- other assets	(3,053)	2,664	(676)
3. Liquidity generated/absorbed by financial liabilities	(7,921)	(127,494)	32,658
- deposits from banks	4,411	(72,318)	18,093
- deposits from customers	19,635	(4,547)	5,173
- securities in issue	(33,331)	10,922	(37,726)
- held for trading financial liabilities	27	(51,323)	51,988
- financial liabilities designated at fair value	(344)	(47)	(304)
- other liabilities	1,681	(10,181)	(4,566)
Net liquidity generated/absorbed by operating activities	(8,266)	(3,896)	6,507
B. INVESTMENT ACTIVITIES			
1. Liquidity generated by	8,389	12,280	10,464
- sales of equity investments	81	70	706
- collected dividends on equity investments	119	89	223
- sales of financial assets held to maturity	7,761	10,572	6,720
- sales of property, equipment and investment property	288	1,139	663
- sales of intangible assets	13	16	169
- sales of subsidiaries and divisions	127	394	1,983
2. Liquidity absorbed by	(8,831)	(6,642)	(16,234)
- purchases of equity investments	(189)	(164)	(573)
- purchases of financial assets held to maturity	(6,755)	(4,397)	(12,158)
- purchases of property, equipment and investment property	(1,401)	(1,634)	(1,487)
- purchases of intangible assets	(486)	(447)	(410)
- purchases of subsidiaries and divisions	-	-	(1,606)
Net liquidity generated/absorbed by investment activities	(442)	5,638	(5,770)
C. FUNDING ACTIVITIES			
- issue/purchase of treasury shares	3,915	2,799	(222)
- distribution of dividends and other scopes	(876)	(94)	(3,443)
Net liquidity generated/absorbed by funding activities	3,039	2,705	(3,665)
NET LIQUIDITY GENERATED/ABSORBED DURING THE YEAR	(5,669)	4,447	(2,928)

¹ The figures at 31 December 2009 were taken from comparative figures included in the 2010 Consolidated Financial Statements and differ from figures published in the 2009 Consolidated Financial Statements due to a different allocation of the "dividends and other purposes" component in relation to minority interests. Figures for 2008 do not reflect this difference in allocation.

<i>(in millions of Euros)</i>	Year ended 31 December		
	2010	2009	2008
RECONCILIATION			
Cash and cash equivalents at the beginning of the year	11,987	7,652	11,072
Total liquidity generated/absorbed during the year	(5,669)	4,447	(2,928)
Cash and cash equivalents: effect of exchange rate variations	96	(112)	(492)
Cash and cash equivalents at the end of the year	6,414	11,987	7,652

Legend: (+) generated; (-) absorbed.

Below are the Group's cash flow statements for the periods ended 30 September 2011 and 2010 taken from the Condensed Interim Consolidated Financial Statements contained in the Consolidated Interim Report as at 30 September 2011.

Consolidated cash flow statement (indirect method)		
<i>(in millions of Euros)</i>	First 9 months 2011	First 9 months 2010
A. OPERATING ACTIVITIES		
1. Operations	7,708	115
- profit and loss for the period (+/-)	(9,320)	1,003
- capital gains/losses on financial assets/liabilities held for trading and on assets/liabilities designated at fair value through profit or loss (+/-)	235	(7,743)
- capital gains/losses on hedging operations (+/-)	(102)	(77)
- net impairment losses/writebacks (+/-)	12,105	4,135
- net impairment losses/writebacks on property, equipment and investment property and intangible assets (+/-)	2,048	1,184
- net provisions for risks and charges and other income/expenses (+/-)	1,737	675
- uncollected net premiums (+/-)	-	-
- other uncollected insurance income and expenses (+/-)	-	-
- unpaid tax (+)	722	708
- other adjustments (+/-)	283	230
2. Liquidity generated/absorbed by financial assets	(40,267)	(35,541)
- held-for-trading financial assets	(17,885)	(15,131)
- financial assets designated at fair value	(2,479)	(11,168)
- available-for-sale financial assets	(1,388)	(14,670)
- loans and advances to banks	(3,468)	964
- loans and advances to customers	(16,212)	4,864
- other assets	1,165	(400)
3. Liquidity generated/absorbed by financial liabilities	32,464	24,863
- deposits from banks	28,507	(1,151)
- deposits from customers	(3,888)	9,964
- securities in issue	(13,833)	(20,934)
- held for trading financial liabilities	23,742	35,302
- financial liabilities designated at fair value	(355)	(262)
- other liabilities	(1,709)	1,944
Net liquidity generated/absorbed by operating activities	(95)	(10,563)
B. INVESTMENT ACTIVITIES		
Liquidity generated/absorbed by		
- equity investments	(145)	(14)
- collected dividends on equity investments	44	93
- financial assets held to maturity	619	909
- property, equipment and investment property	(96)	(503)
- intangible assets	(349)	(256)
- sales/purchases of subsidiaries and divisions	287	84
Net liquidity generated/absorbed by investment activities	360	313
C. FUNDING ACTIVITIES		
- issue/purchase of treasury shares	-	3,916
- issue/purchase of equity instruments	-	-
- distribution of dividends and other scopes	(919)	(791)
Net liquidity generated/absorbed by funding activities	(919)	3,125
NET LIQUIDITY GENERATED/ABSORBED DURING THE PERIOD	(654)	(7,125)

<i>(in millions of Euros)</i>	First 9 months 2011	First 9 months 2010
RECONCILIATION		
Cash and cash equivalents at the beginning of the period	6,414	11,987
Total liquidity generated/absorbed during the period	(654)	(7,125)
Cash and cash equivalents: effect of exchange rate variations	(194)	73
Cash and cash equivalents at the end of the period	5,566	4,935

Legend: (+) generated; (-) absorbed.

10.4 Borrowing requirements and loan structure

With regard to the Group's borrowing requirements, below are figures related to changes in direct deposits and loans represented by loans and advances to customers at 30 September 2011 and at 31 December 2010, 2009 and 2008

<i>(in millions of Euros)</i>	30 September 2011		31 December			Change %		
		2010	2009	2008	First 9 months 2011	2010 vs. 2009	2009 vs. 2008	
Direct deposits	(559,231)	(583,238)	(596,396)	(591,290)	-4.1%	-2.2%	0.9%	
Loans and advances to customers	562,447	555,653	564,986	612,480	1.2%	-1.7%	-7.8%	
Ratio of direct deposits to loans	99.4%	105.0%	105.6%	96.5%	-5.6%	-0.6%	9.1%	

See Paragraph 10.2 above for information on the structure of direct deposits.

10.5 Limitations on the use of the Group's financial resources

The limitations placed by applicable regulatory authorities in terms of oversight and the transfer of funds within the Group between entities in different countries, and in particular to the parent company UniCredit, could affect the Group's ability to efficiently meet the liquidity requirements of its subsidiaries through capital transfers at the intra-group level. For further information, see also Chapter 20, Paragraph 20.11 of the Registration Document.

10.6 Projected sources of funding

Internally generated cash flow and the traditional deposit instruments used by the Group, together with any financial resources raised in market transactions, are the main sources of funding for loans.

11. RESEARCH, DEVELOPMENT, PATENTS AND USAGE LICENCES**11.1 Research and development activities**

In light of the business sector in which it operates, the Issuer does not believe that research and development activities are significant for the purposes of the Registration Document.

The most significant institutional trademark owned by the Group is “UniCredit S.p.A.” accompanied by a red sphere in which a stylised, white number “1” is depicted.

12. INFORMATION ON PROJECTED TRENDS**12.1 Significant recent trends in the performance of production, sales, inventories and changes in costs and sales prices from the end of the last period until the Date of the Registration Document**

Following the approval of the Consolidated Interim Report as at 30 September 2011 by the Board of Directors, there were no negative changes in the outlook for the Company and Group companies.

12.2 Information on trends, uncertainties, requirements, obligations or known facts that could reasonably have material repercussions on the Company's outlook, at least for the current period

As at the Date of the Registration Document, with the exception of the content of Chapter 4, UniCredit is not aware of any trends, uncertainties, requirements, obligations or known facts that could reasonably have material repercussions on the Company's or Group's outlook, at least for the current period.

13. PROJECTIONS OR ESTIMATES OF PROFITS

13.1 Key assumptions used by the Issuer for its Projected Data

13.1.1 Introduction

On 14 November 2011 the Board of Directors of UniCredit approved the 2010-2015 Strategic Plan containing the Group's strategic guidelines and operating, financial and capital targets for 2013 and 2015.

The 2010-2015 Strategic Plan includes projections for certain operating and capital indicators that are included in this chapter (hereinafter also "**Projected Data**").

On the same date, the 2010-2015 Strategic Plan was also presented to the financial community, and the related document is available for reference at the website www.unicreditgroup.eu.

The main assumptions used for the Projected Data are a part of those used in the 2010-2015 Strategic Plan presented to the financial community.

The 2010-2015 Strategic Plan was completed in a process involving the management of the parent company UniCredit and companies belonging to the Group which prepared their proposals based on strategic guidelines established by the management of the parent company UniCredit.

The preparation of the 2010-2015 Strategic Plan is based on estimates and assumptions related to the occurrence of future events and actions that must be taken by management. The main assumptions used for the 2010-2015 Strategic Plan include the following:

- assumptions of a general nature related to future events that largely depend on variables beyond the control of management (e.g., macroeconomic situation, financial market performance, etc.) indicated in Paragraph 13.1.3 below;
- assumptions of a discretionary nature linked to the impact of specific operational and organisational actions that management intends to take during the period of time covered by the 2010-2015 Strategic Plan as indicated in Paragraph 13.1.4 below; and
- the expected effects of management as a result of such operational and organisational actions.

The projections of Projected Data are based on operating figures that are consistent with the Group's accounting records at 31 December 2010. In addition, the scope of Group companies for the purposes of preparing the 2010-2015 Strategic Plan was largely the same as that for the Group at 31 December 2010. The Projected Data also took into account the results for the first nine months of 2011.

The 2010-2015 Strategic Plan and the Projected Data included therein are based on a set of estimates and assumptions related to the occurrence of future events and actions that must be taken by management as described in the paragraphs below. The main assumptions used for the 2010-2015 Strategic Plan include assumptions related to the macroeconomic situation

over which management has no influence, and hypothetical assumptions related to the impact of specific actions and concerning future events over which management has only partial influence, and which may not occur or may change during the plan period, and thus, could result in minor or significant deviations from forecasts.

13.1.2 Guidelines of the 2010-2015 Strategic Plan

The 2010-2015 Strategic Plan was prepared with the goal of continuing “also in the future” to be one of the most significant European banking groups active in many regions with a focus on commercial banking operations and capable of generating sustainable profits over time by leveraging its strong capital position.

The 2010-2015 Strategic Plan is broken down into four well-defined pillars indicated below:

- a rigorous focus on capital strength, risk profile, equilibrium in the liquidity position and in movements of loans and deposits;
- close cost management aimed at the more efficient use of available resources with an emphasis on simplifying and rationalising management structures and redesigning the distribution network;
- revision of business strategies as a function of changes in respective reference markets in the context of developing tighter divisional integration capable of generating greater business synergies; and
- a special focus on Italy with the aim of reducing the gap between loan and deposit volumes, improving loan quality and improving operating efficiency.

13.1.3 Key assumptions of a general nature concerning the relevant economic situation

The 2010-2015 Strategic Plan is based on an analysis of the relevant economic situation developed by the Group’s management by computing forecasts on changes in the economy and financial brokerage activities that have been properly adjusted for the context and environment in which the Group operates.

Growth and inflation

The relevant macroeconomic situation calls for a slowdown in economic activity in the first half of the timeframe of the 2010-2015 Strategic Plan followed by a gradual normalisation in the second half. However, the slowdown, which is mainly due to the actual repercussions of the continuing tensions in the European sovereign debt market, does not incorporate a recession scenario.

For the two-year period 2011-12 the average growth rate of anticipated gross domestic product (hereinafter, also “GDP”) for the Eurozone and “CEE”⁵⁹ area is 1.3% and 3.7%, respectively. With regard to Italy, the average growth rate projected for the two-year period 2011-2012 is 0.2%, which is significantly lower than the average for countries in the

⁵⁹ The CEE grouping also includes Poland.

Eurozone due primarily to restrictive fiscal policies that have been announced or are expected.

For the three-year period 2013-2015 a gradual cyclical acceleration is expected with GDP growth rates remaining below pre-crisis levels (average GDP growth for 2004-2007: Eurozone: 2.5%, CEE area: 6.9%). The average GDP growth rate for the same period is projected at 1.6% for the Eurozone and 4.1% for the “CEE” area, with a growth rate of 0.8% projected for Italy.

This highly conservative growth scenario is consistent with moderate inflationary spikes.

Reference rates

The interest rate scenario incorporates the recent 25 basis point cut in the official discount rate by the ECB on 3 November 2011 and the possible resulting change in direction toward a moderately expansionary monetary policy after the brief restrictive phase in April 2011.

In keeping with projections on growth and inflation, the projected increase in the ECB refinancing rate assumes a continuing expansionary monetary policy in the initial years of the plan, followed in the second half of the timeframe concerned by a shift toward a normalisation of monetary policy rates. This scenario results in a projected average 3-month Euribor rate of 1.3% in the two-year period 2011-2012 and of 2.0% in the three-year period 2013-2015.

Loan and deposit aggregates

Assumptions on movements in loan and deposit aggregates were developed on the basis of the macroeconomic situation described in the paragraphs above.

System-wide deposits in western European countries where the Group operates are expected to grow at rates close to the rise in nominal GDP assuming that businesses and households continue to have a greater preference for liquidity than in the current scenario. For countries in the “CEE” area the scenario instead incorporates the expectation of a gradual convergence toward a model with a greater emphasis on direct deposits from customers. This dynamic is expected to be more visible especially in banking systems that currently have a higher loan volume than deposit volume.

In terms of loan growth, the scenario calls for moderate growth in banking systems in western Europe in which the Group operates. The determination of growth rates for the various components of loans is based on lower assumptions of GDP elasticity than those observed before the crisis. This structural change is due to several factors including the changed regulatory environment and reduced access to medium and long-term sources of funding including the securitisation market. In particular, for countries with a significant mismatch between the level of loans and deposits, a restriction on loan growth was applied that is tied to projected deposit growth.

In countries in the “CEE” area, the expectation of higher economic activity than in western European countries and the current gap concerning the penetration of banking operations are the key factors underlying steadier growth in lending activities than in Eurozone markets, but at rates much lower than pre-crisis levels (average expected growth of 14% from 2011-

2015 compared to 38% reported from 2004-2007) and significant differences in the growth rates in the various Countries.

Rates of return on deposits and loans were projected taking into account the expected growth in (short, medium and long-term) reference rates.

The growth in the various components of assets under management and administration is tied to the anticipated growth of volume at the industry level and incorporates a gradual normalisation of returns on the various types of investments based on their risk.

13.1.4 Assumptions regarding variables that can be influenced in whole or in part by management decisions

The assumptions indicated below can be partly classified as hypothetical assumptions since they are related to future events and management actions which, by virtue of their specific nature, will not necessarily occur.

As already noted, the 2010-2015 Strategic Plan focuses on the following key action areas:

- strengthening capital structure;
- simplifying and managing costs;
- fine-tuning the focus of CEE and CIB businesses; and
- reviving operations in Italy.

Strengthening capital structure

The 2010-2015 Strategic Plan has set the goal of strengthening the Group's capital structure. Common Equity Tier 1 is expected to be greater than 9%⁶⁰ as early as 2012, reflecting the impact of Basel 3, and greater than 10% in 2015.

UniCredit will immediately be in compliance with EBA requirements with a pro-forma Common Equity Tier 1 (i.e., including the negative impact during the period of stress tests on exposure to sovereign debt, regulatory requirements contained in CRD III, the rights issue, the restructuring of CASHES and the decision not to pay dividends for 2011) of 9.3% at 30 September 2011⁶¹.

The key management actions aimed at strengthening capital that are included in the 2010-2015 Strategic Plan entail the following:

- a rights issue up to a maximum of Euro 7.5 billion fully guaranteed by a banking consortium, to be submitted for the approval of the Extraordinary Shareholders' Meeting of 15 December 2011;

⁶⁰ Based on the assumption of the full subscription of the rights issue and the restructuring of CASHES through the capitalisation of additional paid-in capital through a free capital increase.

⁶¹ The calculation of capital indicators using EBA calculations was updated with results at 30 September on the basis of internal estimates. The EBA will publish the official calculation by the end of November, and this calculation could differ from internal estimates.

- the restructuring of CASHES through the capitalisation of premium reserves underlying these instruments through a free capital increase. This measure will enable the partial recognition of Common Equity Tier 1 of Euro 2.4 billion out of a total of Euro 3 billion. The remaining Euro 0.6 billion can be calculated as Additional Tier 1 Capital;
- no payment of dividends for 2011. The 2010-2015 Strategic Plan instead calls for an implicit pay-out of 44% on 2013 profits and 39% on 2015 profits;
- the targeted management (ring-fencing) of Euro 48 billion of RWAs related to performing loans that are no longer considered strategic with the aim of gradually closing those positions in order to achieve lower capital and liquidity absorption; and
- once the Extraordinary Shareholders' Meeting called for 15 December 2011 has approved the revision of the Corporate By-Laws, the possibility of making a proposal to shareholders for the payment of a dividend in cash or ordinary Company shares, or a mix of these at the option of the recipient ("scrip dividend").

In addition, the 2010-2015 Strategic Plan calls for further strengthening of the Group's liquidity position. This goal will be achieved through a more effective balancing of the capital structure and by leveraging the Group's diversified funding platform.

With regard to the improvement of the capital structure, the main objectives are as follows:

- reduction of the Loans/Customer Deposit ratio from 1.4 in 2010 to 1.2 in 2015;
- achievement by the end of 2015 of a positive interbank position and liquidity indicators that conform to parameters currently being studied as a part of Basel 3.

With regard to the diversification of sources of funding, i.e., raising medium and long-term liquidity, the 2010-2015 Strategic Plan will leverage:

- the ability to issue further guaranteed bank bonds up to Euro 31 billion by the end of 2015; and
- the distribution of bonds through the retail network, which the Group currently uses to a lesser extent than its competitors, especially in Italy.

With regard to loan quality, significant changes are planned for the origination and monitoring processes in order to reduce the portfolio's risk profile. In addition, projects have been launched with a focus on improving the management of the riskiest performing portfolios and on enhancing the areas dedicated to loan recovery activities in order to expedite and make related processes more efficient.

Finally, management has identified additional capital management initiatives that can provide benefits in addition to the goals referenced above. However, in light of the prudential approach used in preparing the 2010-2015 Strategic Plan with the aim of reducing the risk of implementing the plan, these benefits were not included in the estimate of Projected Data. In particular, the following factors were not taken into account:

- the run-off of non-core operations in addition to those already indicated; and
- the further rationalisation/sale of investments and non-core operations.

Simplifying and managing costs

By simplifying the organisational structure, downsizing management structures, introducing stricter funding criteria and optimising real estate assets, management has set itself the goal of reducing the cost base, and especially in the Eurozone.

Key areas for simplifying and managing costs include:

- **Management structures** – simplifying support areas and rationalising key offices;
- **Operations** – rationalising general banking services by consolidating operations in a single company, converging toward a single common computer platform and optimising funding expenses by redesigning the related processes;
- **Distribution network** – extensive reorganisation of the branch network in Italy into a two-level model in which key branches (“Hubs”) will be supported by “light” branches (“Spokes”) which have a more limited offering of services and are smaller on average thereby providing an extensive local presence. As a result, the percentage of key branches is expected to drop from 87% in 2011 to 26% in 2015.

Fine-tuning the focus of CEE and CIB businesses

The 2010-2015 Strategic Plan confirms management’s willingness to maintain its undisputed leadership position in the “CEE” area although with a more selective approach than in the past. In particular, the Group intends to make larger investments in areas with greater growth potential where UniCredit is better positioned in terms of regional presence and the risk/return profile (Poland, Turkey, Russia and the Czech Republic).

Also in the context of optimising the Group’s presence in the “CEE” area, initiatives are planned to develop and perfect the multi-channel approach, especially with regard to Internet and mobile banking. In addition, CRM instruments will be further enhanced as a key element for maximising the return on customer relationships.

With regard to the CIB division, the 2010-2015 Strategic Plan calls for the reallocation of capital in favour of core customers in order to maximise the business potential of a broad, diversified corporate portfolio. This strategic approach will make it possible to optimise the use of RWAs in mature markets (dropping from Euro 185 billion in 2010 to Euro 170 billion in 2015 despite the regulatory impact of Basel 2.5 and Basel 3) by increasing, at the same time, the percentage of RWAs attributable to core customers (up from 55% in 2010 to 65% in 2015).

Operating initiatives will be developed along the following main lines:

- enhancement of franchise with core customers;
- implementation of new performance indicators of the corporate sales network focused on the profitability of RWAs adjusted for the customer's risk profile;
- the reduction of RWAs through the targeted management (ring-fencing) of Euro 43 billion of performing loans that are no longer considered strategic with the aim of gradually closing those positions in order to achieve lower capital and liquidity absorption. About 80% of the portfolio will be liquidated by the end of 2015 with the resulting release of capital and liquidity; and
- immediate reduction in costs through the proper sizing of operations and withdrawal from operations that are not of a sufficient size including the creation of strategic alliances in stock brokerage and research activities for western Europe.

Reviving operations in Italy

With regard to operations in Italy, the 2010-2015 Strategic Plan confirms UniCredit's role as a leading commercial bank in terms of efficiency and innovation with a broad presence in key areas, and it also provides its domestic customers full access to its international network.

The key goals and related operational actions call for the following:

- deposit growth: increase in deposits of about 15% between 2010 and 2015 by leveraging an advanced range of multi-channel products and services and investing in the growth of the online segment through the further development of FinecoBank;
- greater operating efficiency: the Group is projecting a 1.4% reduction in operating expenses (CAGR 2010-15) by redefining the network structure and streamlining support structures. In addition, the Group is projecting a reduction of about 6,500 FTEs⁶² from 2010-2015, of which about 5,200 between September 2011 and 2015 equal to 12% of the current total; and
- improvement in the cost of credit (defined as net impairment losses on loans/customer loan volume) from 168 basis points in 2010 to 83 basis points in 2015 by introducing rigorous criteria for making loans (targeting first and foremost customers with the highest ratings) and improving the effectiveness of rapidly identifying doubtful loans and loans in the recovery process.

⁶² Full time equivalents.

13.1.5 Projected data

The 2010-2015 Strategic Plan, which was prepared on the basis of assumptions outlined above, includes Projected Data for 2013 and 2015 as indicated below.

<i>(in billions of Euros)</i>	2010	2013	CAGR 2010-'13	2015	CAGR 2010-'15
Operating income	26.1	27.6	1.9%	31.2	3.7%
Operating expenses	-15.3	-15.3	-0.1%	-15.8	0.6%
Net profit	1.3	3.8	42.1%	6.5	37.3%
Cost of credit (basis points)	123	90	-33 bp	75	-48 bp
RoTE		7.9%		12.0%	
Common Equity Tier 1		9.4%		>10%	

Net profit and RoTE

To be specific, as already indicated in the paragraphs above, these goals will be achieved by using different approaches depending on the geographical area concerned: i) containment of costs and RWAs in Italy, Germany and Austria; ii) growth in Poland and the “CEE” area in keeping with balanced liquidity and profitability; and iii) reduction of the cost of credit from 123 basis points in 2010 to 90 basis points in 2013 and 75 basis points in 2015.

Operating income

In the initial years of the 2010-2015 Strategic Plan modest growth in operating income (+1.9% CAGR 2010-13) is expected due exclusively to Countries in the “CEE” area, while in western Europe this measure is projected to remain stable with a decline in the volume of loans to customers (-1.4% CAGR 2010-13).

Operating expenses

From 2010-2013 the Group is projecting a slight decline in operating expenses (-0.1% CAGR 2010-13) resulting from improvements in efficiency in western Europe where expenses are expected to decline an average of 1.2% in the reference period (-1.5% before extraordinary taxes on banking operations introduced starting in 2011 in certain countries in which the Group operates, and especially Austria and the UK), and a marginal increase in the following period of time in the Plan. This result was partly due to a reduction in the number of FTEs of about 6,150 compared to the figure at 30 September 2011 which is made up of a decrease of about 7,290 employees in western Europe offset by an increase of about 1,135 employees in the “CEE” area.

13.2 Report of external auditors

The External Auditors issued a report reviewing the Group’s Projected Data provided in the paragraphs above in Chapter 13. A copy of this report is provided as an Annex to the Registration Document.

13.3 Base for calculation of profit projections

The Projected Data related to the period of the 2010-2015 Strategic Plan were prepared on the basis of the accounting standards used to prepare the Consolidated Financial Statements for the year ended 31 December 2010 of the UniCredit Group, which were prepared in accordance with International

Accounting Standards. When calculating Projected Data, the results for the first nine months of 2011 were also taken into account.

13.4 Profit projections contained in other prospectuses

At the Date of the Registration Document, there were no other currently valid prospectuses containing projections of the Issuer's profits.

* * *

For further information about the 2010-2015 Strategic Plan, please see the information contained in the document available on the Company's website, www.unicreditgroup.eu, which was used to present the plan to the financial community.

14. BOARD OF DIRECTORS, BOARD OF STATUTORY AUDITORS, GENERAL MANAGEMENT AND SENIOR MANAGERS

14.1 Information concerning the Board of Directors, Board of Statutory Auditors, General Management and Senior Managers

14.1.1 Board of Directors

The Board of Directors currently in office was appointed by the Ordinary Shareholders' Meeting of 29 April 2009 for financial years 2009, 2010 and 2011, and its term expires on the date of the Shareholders' Meeting called for the approval of the 2011 financial statements.

Members of the Board of Directors in office at the Date of the Registration Document are indicated in the following table.

Name and surname	Position	Place and date of birth
Dieter Rampl ¹	Chairman	Munich, Germany, 5 September 1947
Luigi Castelletti ²	First Deputy Chairman	Ferrara di Monte Baldo (VR), 19 April 1955
Farhat Omar Bengdara ²	Deputy Chairman	Benghazi, Libya, 27 September 1965
Vincenzo Calandra Buonauro ²	Deputy Chairman	Reggio Emilia, 21 August 1946
Fabrizio Palenzona ¹	Deputy Chairman	Novi Ligure (AL), 1 September 1953
Federico Ghizzoni ^{3 4}	CEO	Piacenza, 14 October 1955
Giovanni Belluzzi ²	Director	Mirandola (MO), 10 December 1943
Manfred Bischoff ²	Director	Calw, Germany, 22 April 1942
Enrico Tommaso Cucchiani ³	Director	Milan, 20 February 1950
Donato Fontanesi ²	Director	Castelnovo di Sotto (RE), 30 January 1943
Francesco Giacomini ¹	Director	San Polo di Piave (TV) 2 August 1951
Friedrich Kadrnoska ²	Director	Vienna, Austria, 28 June 1951
Marianna Li Calzi ²	Director	Campobello di Licata (AG), 21 March 1949
Luigi Maramotti ²	Director	Reggio Emilia, 12 March 1957
Antonio Maria Marocco ²	Director	Rivoli (TO), 15 September 1934
Carlo Pesenti ²	Director	Milan, 30 March 1963
Lucrezia Reichlin ²	Director	Rome, 14 August 1954
Hans-Jürgen Schinzler ²	Director	Madrid, Spain, 12 October 1940
Theodor Waigel ²	Director	Ursberg – Oberrohr, Germany, 22 April 1939
Anthony Wyand ²	Director	Crowborough, United Kingdom, 24 November 1943
Franz Zwickl ²	Director	Vienna, Austria, 11 November 1953

¹ Director meeting the requirements of independence established by Article 148 of the TUF.

² Director meeting the requirements of independence established by Article 148 of the TUF and Article 3 of the Corporate Governance Code.

³ Director not meeting the requirements of independence established by Article 148 of the TUF or Article 3 of the Corporate Governance Code.

⁴ Director co-opted on 30 September 2010 following the resignation of Alessandro Profumo (on 21 September 2010) and confirmed by the Shareholders' Meeting on 29 April 2011.

For the purposes of the position held, all members of the Board of Directors are domiciled at the Company's Central Management Office.

The Board of Directors has been given all powers to administer the Company with the exception of those reserved by law for the Shareholders' Meeting, to be exercised within the provisions, duties and authorities set by current laws and regulations, the Corporate By-Laws and principles and application criteria indicated in the Corporate Governance Code. In addition, in accordance with the relevant provision of the Corporate By-Laws, the Board of Directors has adopted the "Regulations of the Board of Directors of UniCredit" which

governs its operating procedures. For further information on the procedures of the Board of Directors and related provisions of the Corporate By-Laws, see Chapter 16 and Chapter 21, Paragraph 21.2.2 of the Registration Document.

The only director who has received management powers from the Board of Directors is CEO Federico Ghizzoni, within pre-established limits and with the potential ability to sub-delegate in all areas of the Company's operations such as: lending; management of subsidiaries and affiliates and transactions involving equity investments; trading and structural and strategic banking book activities; authorisations in the area of expenses, contributions and donations; personnel management; determination and revision of organisational structures and internal regulations; dispute management; and real estate related operations. Certain powers of the CEO in the area of the management of subsidiaries and affiliates and transactions involving equity investments must be exercised with the approval of the Chairman of the Board of Directors if over specific, pre-established limits. In any case, no management powers have been given to the Chairman of the Board of Directors.

Below is a brief curriculum vitae of each director:

Dieter Rampl. He studied economics and began his career in 1968 in Munich at Bayerische Vereinsbank in the Trade and Commodity Finance Business and the following year went to Société de Banque Suisse in Geneva. He returned to Bayerische Vereinsbank in Munich in 1971 and worked in the Foreign Trade Financing area. In 1974 he moved to New York to head the Corporate Lending and Loan areas and remained there until 1980. From 1980 to 1982 he held the same position at the headquarters in Düsseldorf. In 1983 he joined BHF-Bank in Frankfurt, and from 1984 to 1987 he held the position of General Manager of BHF North America in New York. He returned to Frankfurt in 1988 as General Manager for the Corporate Business, and in 1993 he completed the acquisition of Investment Bank Charterhouse of London where he held the position of CEO until 1994. In 1995 he returned to Munich to Bayerische Vereinsbank as a member of the Management Board and head of Corporate Business and Corporate Finance, and he was appointed CEO of Hypovereinsbank in January 2003.

He has been Chairman of UniCredit since January 2006. He holds positions in several Italian and German companies and institutions.

Luigi Castelletti. He has been enrolled on the professional register of attorneys since 1983, and in 2004 he earned a Master *Honoris Causa* in integrated logistics at the University of Verona. From 1997 to 2003 he was Chairman of the Industrial Area Consortium of Verona – European Quadrant (platform for logistical facilities). From 2004 to 2007 he was a member of the Board of the Banca d'Italia, Verona office, and from 2003 to 2009 he was Chairman of the Trade Fair Board of Verona. Since 2009, he has been First Deputy Chairman of UniCredit. He currently also performs professional activities in the area of civil law with a specialisation in corporate law and bankruptcy law. He acts as a receiver and liquidator in receivership proceedings, counsel for the active defence in the interest of bankruptcy and/or creditor composition proceedings with a direct appointment of judges from the bankruptcy section of the court. He is also a member of the Board of Directors and Executive Committee of the Italian Banking Association and a member of the Management Board of the Federation of Banks, Insurance and Finance Companies. Since 2010 he has been a member

of the Supervisory Body of Cattolica Assicurazioni S.p.A. and Chairman of the Supervisory Body of BCC Ass.ni S.p.A., Duomo UniOne Ass.ni S.p.A., TUA Ass.ni S.p.A., San Miniato Previdenza S.p.A. and Berica Vita Ass.ni S.p.A.

Farhat Omar Bengdara. He obtained a B.A. in economics at Garyounis University in Benghazi, Libya and an M.A. in banking and financial economics at Sheffield University in the UK. From 1993 to 1995 he was a researcher at the Ministry of Economics and Commerce and then a staff member in the Department of Economics, School of Economics and Commerce at Garyounis University. In 1998 he was appointed a member of the Management Committee of Wahda Bank where he remained until 2000 when he joined the Central Bank of Libya as Deputy Governor. From 2006 to March 2011 he served as Governor of the Central Bank of Libya.

Vincenzo Calandra Buonauro. He holds a degree in law from the University of Modena. He is a freelance attorney and co-owner of a law office specialising in corporate, banking and bankruptcy matters. From 1973 to 1986 he was head of the Banking Law discipline at the School of Economics and Commerce at the University of Modena, and of the Business Law discipline from 1984 to 1986. From 1987 to October 2008 he was a full professor of business law at the School of Law of the University of Modena and Reggio Emilia. Since 1 November 2008, he has been a full professor of business law at the School of Law of Alma Mater Studiorum University in Bologna. He is currently a member of the management of the magazine “Giurisprudenza Commerciale” and the author of technical publications on corporate, banking and bankruptcy matters. Starting in 1983 he has continually served as a director on the boards of various credit institutions including Cassa di Risparmio di Modena, Carimonte Banca and Rolo Banca.

Fabrizio Palenzona. He holds a degree in law from the University of Pavia. In 1981 he founded and managed the cooperative company UNITRA c.a.r.l. until 1995. In 1987 he became a director of UNITRA S.r.l., a road transport and logistics company. Since 1994 he has been Chairman of FAI SERVICE s.c.a.r.l. From 1990 to 2006 he was National Chairman of FAI – Federation of Italian Haulage Contractors. He has a strong commitment to the fields of finance, banking and insurance. He has been Deputy Chairman of UniCredit since its founding (1999); he has been Chairman of AVIVA ITALIA S.p.A. since 2003; and he is the Chairman of AISCAT. In addition, he is a member of the Board of Directors of Mediobanca and Fondazione della Cassa di Risparmio di Alessandria, a director of the Italian Banking Association and Chairman of Conftrasporto. Finally, in 2007 he was asked to serve as Chairman of ADR S.p.A. and in 2008 he was Chairman of GWH S.A. and is a member of the Executive Committee of Rome’s Board of Industrialists.

Federico Ghizzoni. After obtaining a degree in law at the University of Parma, he began his career in 1980 as Customer Relations Manager at the Piacenza branch of Credito Italiano. After working as the head of Credit & Marketing at the Piacenza branch, Ghizzoni then held the position of branch manager in Trieste from 1988 to 1989. He was then branch manager in Seriate from 1990 to 1992 and then Deputy General Manager of the London office of Credito Italiano. After being appointed in 1995 as the General Manager of the Singapore office of Credito Italiano, between 2000 and 2002 he was Executive Director in charge of Corporate and International Banking of Bank Pekao, a UniCredit subsidiary. In 2003 he began working at Koç Financial Services, a 50/50 joint venture between Koç Holding and the UniCredit Group. As a member of the Executive Board of Koç Financial Services and all

its affiliates, Ghizzoni joined top management as the head of auditing, risk management, planning and control. Following the acquisition by Koç Financial Services of Yapi ve Kredi Bankasi and its affiliates, he became COO and Executive Board Member of Koç Financial Services and COO and Vice Chairman of Yapi ve Kredi Bankasi.

In July 2007 he was appointed head of the Poland's Markets Division of UniCredit, head of CEE Banking Operations and Board member in charge of the CEE Banking Division of Bank Austria. In August 2010 he took the position of Deputy CEO and Deputy General Manager of UniCredit. Since 30 September 2010 he has been CEO of UniCredit, and since March 2011 he has been Chairman of the Supervisory Board of UCB AG. He is also Chairman of the La Scala Philharmonic Orchestra Association, a member of the International Monetary Conference in Washington and member of the Institut International d'Etudes Bancaires in Brussels.

Giovanni Belluzzi. After obtaining a degree in Economics and Business at the University of Bologna, he obtained a specialisation diploma at the AMA (American Management Association) in Brussels (Belgium) in corporate management, and he is a business consultant and official auditor. In 1970 he began his professional career at the office of special studies at Esso Italiana S.p.A. in Rome. In 1974 he became manager of the Planning and Control Department of a pharmaceutical company in the Sandoz group (currently Avertis) until 1978, and in 1979 he took the position of administrative, financial and personnel manager of the publishing company Calderini S.p.A. in Bologna and held the same positions at the publishing company Il Mulino until 1990. In 1991 he began working as a business consultant and official auditor and still does this work. He has held, and continues to hold, positions as full auditor, Board member and advisor at industrial and financial companies such as Eni Trading and Shipping S.p.A., Belco S.p.A. (SNIA Group), Cassa di Risparmio di Parma e Piacenza S.p.A., Cassa di Risparmio di Mirandola S.p.A., Mediocredito Italiano S.p.A. and Banque Cantonale Vaudoise Italia S.p.A. He is registered with the Court of Modena as an expert witness. Since academic year 2003-2004 he has served as a contract lecturer at University of Ferrara in the School of Economics and Business in the area of professional management.

Manfred Bischoff. After obtaining a degree in economics, he took up teaching (1968-1976) at the Alfred Weber Institute of the University of Heidelberg where he obtained a doctorate in 1973. In 1976 he joined Daimler-Benz AG as a project coordinator for the Mercedes Benz areas Cross-Country Cars, Subsidiaries and Merger & Acquisitions. In 1981 he was appointed Deputy Chairman with supervisory duties for all sales finance companies and the financial aspects of subsidiaries. In 1988 he was appointed Finance Director and member of the Management Board of Mercedes-Benz do Brasil. In 1989 he returned to Germany and joined the Board of Management of Deutsche Aerospace (DASA) with responsibilities in the Finance and Control area. From 1995 to 2000 he was Chairman and CEO of DaimlerChrysler Aerospace AG, and from 1995 to 2003 a member of the Board of Management of DaimlerChrysler AG. From its foundation in 2000 until 2007 he was Chairman of EADS (European Aeronautic, Defence and Space Company). At present, his positions include Chairman of the Supervisory Board of Daimler AG and Chairman of the Supervisory Board of SMS GmbH and Voith GmbH.

Enrico Tommaso Cucchiani. After obtaining a degree in economics with the highest grades and honours at Luigi Bocconi Business School, he obtained an MBA at Stanford University

and then worked in the international department at Continental Illinois National Bank and Trust. He did research on the strategies of multinational companies at Harvard University and taught finance and control at Luigi Bocconi Business School. After professional training at the consulting firm McKinsey, he worked in the Milan, London and New York offices concentrating on the banking sector. After founding a venture capital company (SRPM) and serving as General Manager of Gucci Group, he joined Lloyd Adriatico (as Chairman of the Board of Directors from 2001 to 2007). He is Chairman of Allianz S.p.A., the company created from merging the Italian businesses of Allianz SE. Since January 2006 he has been a member of the Management Board (“Vorstand”) of Allianz AG (starting in October 2006, Allianz SE) with responsibility for insurance markets in Europe, Latin America and Africa. He is also head of the non-life branch business (the most significant in terms of profitability) worldwide and the “Direct” channel. He was bestowed the honour of “Cavaliere del Lavoro” and “Bocconiano” in 2006. In addition, on 24 November 2011 he was appointed Managing Director and CEO of Intesa Sanpaolo S.p.A. with the position taking effect on 22 December 2011.

Donato Fontanesi. He obtained a tech school diploma as a surveyor and has worked his entire career in cooperative companies. In 1974 he was appointed Chairman of COCEP-CM S.C.R.L. He was appointed Chairman and General Manager of the foundation COOPSETTE S.C.R.L. in 1977. In 2000 he also took the position of CEO of the company, which he held until 2007. He is currently Chairman of the COOPSETTE Foundation. His previous positions included being a Board member of FinecoBank and Holmo S.p.A.

Francesco Giacomini. He obtained a degree in law and was member of the Board of Directors of Cassa di Risparmio della Marca Trevigiana, General Secretary of Confartigianato Treviso, Confartigianato del Veneto and Confartigianato Nazionale and Deputy Chairman of the European Union of Artisans and Small and Medium-Sized Businesses (UEAPME), and his positions also included Chairman of APS S.p.A. and APS Holding S.p.A. and CEO of Acegas APS S.p.A. From academic year 2003-2004 to academic year 2008-2009 he was a contract professor at the University of Trieste. He currently holds several positions including: Chairman of Industrial Park Sofia AD (Bulgaria), Chairman of La Fenice dell’Innovazione Foundation, Chairman of Fidi-prof Nord Soc. Cooperativa, Board member of the Italian Banking Association and Board member of UniCredit Foundation.

Friedrich Kadrnoska. After completing his studies in business at the School of Economics and Business of the University of Vienna, he began his career at the Austrian bank Zentralsparkasse where he held various positions until 1991 when he became head of the Equity Interest Management and Special Financings Division. In 1991 he joined Bank Austria AG and in 1995 became a member of its Board of Directors. In 2003 he was appointed Deputy Chairman of the Management Board of Bank Austria Creditanstalt AG, and manager of human resources, investments and Eastern Europe, a position he held until 2004. He is currently a member of the Management Board of the private foundation “Privatstiftung zur Verwaltung von Anteilsrechten”, and a non-executive member of national companies (Wienerberger, PORR, etc.). Since 2005 he has also worked as a consultant.

Marianna Li Calzi. Freelance attorney. Between 1976 and 1994 she served as a magistrate and became Magistrate of Canicatti (AG) at the Palermo Court of Appeals and Substitute General Prosecutor at the Caltanissetta Court of Appeals. In 1994 she was elected to the Chamber of Deputies for the Twelfth Legislature. She was Undersecretary of State at the

Ministry of the Interior in the Berlusconi government and participated in the second permanent committee of the Chamber and the Bicameral Investigation Committee on the Mafia. After being re-elected to the Chamber of Deputies for the Thirteenth Legislature, she participated in various committees including the second permanent committee of the Chamber, the Board for Future Authorisations and the Anti-Corruption Committee. She was appointed Undersecretary of State at the Ministry of Justice in the first and second D'Alema governments and the Amato government. In July 2001 she was appointed Se.C.I.T. expert and confirmed in 2004. In 2007 she resigned from the magistrature and from her position as Se.C.I.T. expert. Since 13 October 2008 she has been a member of the "Commissione per il Futuro di Roma Capitale".

Luigi Maramotti. After earning a degree in economics and business at the University of Parma, he began his career in 1976 as a sales assistant at Evan Picone in New York and then joined the family company Max Mara S.r.l. in 1981 where he held the positions of Sales Manager, Foreign Marketing Manager and, starting in 1989, CEO. He is currently Chairman of Max Mara S.r.l., Deputy Chairman of Max Mara Fashion Group and his other positions include Deputy Chairman of the Board of Directors of Credito Emiliano S.p.A.

Antonio Maria Marocco. From 1963 to 15 September 2009 he was a notary and then attorney with an office at Corso Re Umberto, 8 in Turin. His current positions include Board Member and Chairman of the Regulatory Body of UniCredit, Board member of Società Reale Mutua di Assicurazioni and Reale Immobili S.p.A., Board member of the publisher LA STAMPA S.p.A. and member of the Supervisory Board of IOR, Institute for Religious Works of the Vatican. He was Founder, Chairman and then Board member of Castello di Rivoli – Museum of Contemporary Art; Board member and member of the Internal Control Committee and Lead Independent Director of Exor S.p.A.; Board member of Banca SANPAOLO IMI S.p.A.; member of the Oversight and Supervisory Committee of the Turin 2006 Winter Olympics. He is Honorary Chairman of the National Association of Carabinieri of which he was Chairman in Turin for over forty years. He is the author of numerous publications on legal and tax matters including books on limited partnerships with share capital and limited liability companies that were published by Giuffrè in 1990 and 1992 respectively, and a work related to abuses of the public trust in Comments on the Criminal Code edited by Marini-La Monica-Mazza and published by UTET in four volumes in 2002.

Carlo Pesenti. After obtaining a degree in mechanical engineering at the Polytechnic Institute of Milan, he obtained a masters degree in economics and management at Luigi Bocconi Business School. After graduating and spending a period of time working and studying abroad, he worked in several capacities at Italcementi. He had significant training in several different production units of the Group and enhanced his experience first in the area of the company's technical services, and then at Italcementi Ingegneria where he held the position of project engineer and project manager for certain large job orders in Italy and abroad. He also completed a significant internship in the central finance, administration and control department thereby enhancing his master's degree in economics and management that he previously obtained at Luigi Bocconi Business School. After holding the position of Co-General Manager, in May 2004 he was appointed CEO of Italcementi. Since April 2007 he has been Deputy Chairman of Ciments Français and he also holds the position of General Manager at the holding company Italmobiliare S.p.A. In addition to the positions held in the Italmobiliare Group, he is on the Boards of Directors of other leading companies including

Mediobanca and RCS Media Group. In 2003 he was appointed a member of the Confindustria Board. During the two-year period from 2006-2008 he held the position of Co-Chairman of the Italo-Egyptian Business Council. He is also a member of the Board of the Italy-India CEO Forum.

Lucrezia Reichlin. She is a professor of economics (and department head) at the London Business School, co-founder of Now-Casting Economics Ltd., manager of research at the Centre for European Policy Research (CEPR) and editorial writer for *Corriere della Sera*. From March 2005 to September 2008 she was General Manager of Research at the European Central Bank. She obtained a Ph.D. (doctorate degree) in economics at New York University. She has held several academic positions including professor of economics at Université Libre de Bruxelles. Her professional experience includes working as a consultant at many central banks including the Board of Governors of the Federal Reserve. She is a member of the technical review committee of many institutions, co-publisher of the Journal of Applied Econometrics and International Symposium in Open Macroeconomics of the National Bureau of Economic Research (NBER). She is also a fellow of the European Economic Association and a member of the Board of the Royal Economic Society. She is an expert in forecasting, the economic cycle and monetary policy, and her research was the basis for practical applications on short-term forecasts (now-casting), which are now used in many central banks and institutions worldwide and marketed by her company Now-Casting Economics. In terms of monetary policy, she studied the role of currency in the European Central Bank's strategy, and recently published studies on the monetary policy of the European Central Bank in response to the crisis. Her works have appeared in major international technical journals such as the American Economic Review, Review of Economic Studies, Review of Economics and Statistics, Journal of Econometrics, Journal of Monetary Economics and Journal of the American Statistical Association.

Hans-Jürgen Schinzler. He completed his studies in law at the University of Munich and Würzburg and obtained a doctorate degree. After a period of training at HVB (formerly Bavarian Union Bank), he began his career in 1968 in the finance division of Munich Reinsurance Company. In 1981 he was appointed member of the Board of Management with responsibilities in the finance, investment and loan reinsurance segments. From 1993 to 2003 he held the position of its CEO, and since 2004 has been Chairman of the Supervisory Board. In addition to his work in the area of economics and finance, he holds positions in several organisations working in the common interest.

Theodor Waigel. A former federal minister, he studied at the University of Munich (Germany) and Würzburg and obtained a Ph.D in law and political science. From 1969 to 1970 he was the personal assistant to the Undersecretary of State of the Bavarian Ministry of Finance, and then until 1972, of the Bavarian Ministry of Economics and Transportation. During his career, he has held several political party positions. From 1971 to 1975 he was Chairman of the Junge Union Bayern, the youth arm of the CSU party in Bavaria. He was appointed Chairman of the Doctrine Commission of the CSU in 1973, and he held this position until 1988. From 1988 to January 1999 he was Chairman of the CSU. He began his career in government as a member of the county council of Krumbach. He became a member of the Bundestag in 1972, and from 1982 to 1989 was Chairman of the Bavarian Group of the CSU at the Bundestag and First Deputy Chairman of the CDU/CSU parliamentary group. He was appointed Federal Minister of Finance in April 1989, and held this position until

October 1998. Since 1999 he has continued his professional life as an attorney at the law offices of GSK Stockmann & Kollegen with head office in Munich. In November 2008 Waigel was appointed Monitor for Siemens AG by the Securities and Exchange Commission (SEC) and by the US Department of Justice (DOJ).

Anthony Wyand. He obtained a B.A. with honours at Royal Military College, Kingston (Canada) and an M.A. at Kings College in London, and served in the Canadian army from 1962 to 1971. He has spent his entire career at Commercial Union: from 1971 to 1983 he worked in the Investment Management Department; in 1983 he was appointed First Senior Vice President (Finance) in Boston and in 1985 he became General Manager (Investments and Finance) in London. In 1998, following the merger with General Accident, he was appointed Deputy CEO of the Group, and after the merger with Norwich Union in 2000, he became Executive Director of the new group (CGNU/Aviva). He has been a Board member at UniCredit since 1999 and was Deputy Chairman of UniCredit from August 2006 to March 2009. His other current positions include Non-Executive Director of Société Générale.

Franz Zwickl. After obtaining a degree in corporate information technology at the University of Vienna, he obtained the professional qualification of tax expert. He began his career in the area of auditing and tax consulting at KPMG, and most recently was granted business powers before moving to the banking sector. After five years as a member of the Management Board of Austrian Postal Savings Bank, he joined the Management Board of Bank Austria, and then that of Creditanstalt, and after the merger that led to the creation of the largest Austrian bank, he joined the Management Board of Bank Austria. In 2002 he left the leading Austrian banking group to become an independent trustee and tax expert. He is a member of the Executive Board of Privatstiftung zur Verwaltung von Anteilsrechten, he is the Chairman of the Supervisory Board of Wiener Privat Bank SE, and is a member of the Supervisory Board of several Austrian stock companies.

The following table indicates the companies, other than the Company, in which members of the Board of Directors were and/or are members of Boards of Directors, Boards of Statutory Auditors and General Management or owners of a “qualified” stake (greater than 2% for listed companies and 10% for unlisted companies) at any time during the five years preceding the Date of the Registration Document:

Name and surname	Company	Position	Status of position
Dieter Rampl	Mediobanca – Banca di Credito Finanziario S.p.A.	Deputy Chairman of the Board of Directors	Current
	Italian Banking Association (ABI)	Member of the Board of Directors	Current
	Koenig & Bauer AG	Chairman of the Supervisory Board	Current
	FC Bayern Munchen AG	Member of the Supervisory Board	Current
	KKR Management LLC (New York)	Member of the Board of Directors	Current
	Institute for International Policy Studies (ISPI)	Deputy Chairman	Current
	Italian Association for Cancer Research (AIRC)	Member of the Board of Directors	Current
	Aspen Institute Italy	Member of the General Board	Current
	Trilateral Commission	Member	Current
	Group Italy		
	Hypo-Kulturstiftung	Chairman of the Management Committee	Current
	Gesellschaft zur Förderung der Münchner Opernfestspiele e.V.	Chairman	Current
	International Chamber of Commerce (CCI)	Member of the Board of Directors	Current
	Bayerische Börse AG	Chairman of the Supervisory Board	Terminated
	KKR Guernsey GP Limited	Independent Director and Chairman of the Audit Committee	Terminated
	European School of Management and Technology (ESMT)	Member of the Board of Trustees	Terminated
	Bode Hewitt Beteiligungs AG	Member of the Board of Directors	Terminated
	Mediobanca – Banca di Credito Finanziario S.p.A.	Deputy Chairman of the Supervisory Board	Terminated
	Mediobanca – Banca di Credito Finanziario S.p.A.	Deputy Chairman of the Board of Directors	Terminated
	Luigi Castelletti	Babcock & Brown Ltd	Non Executive Director
Babcock & Brown Intl Pty Ltd		Non Executive Director	Terminated
A.B.I. – Italian Banking Association		Member of the Board of Directors and Executive Committee	Current
Federation of Banks and Insurance and Finance Companies		Member of the Management Board	Current
Cattolica Assicurazione S.p.A.		Member of Regulatory Body	Current
BCC Assicurazioni S.p.A.		Chairman of Regulatory Body	Current
Berica Vita S.p.A.		Chairman of Regulatory Body	Current
Duomo-Unione Assicurazioni S.p.A.		Chairman of Regulatory Body	Current
San Miniato Previdenza S.p.A.		Chairman of Regulatory Body	Current
Tua Assicurazioni S.p.A.		Chairman of Regulatory Body	Current
Favini S.p.A. Rossano Veneto		Liquidator	Current
Verona Trade Fair Board		Chairman	Terminated
Banca d’Italia Verona office		Board Member	Terminated
UniCredit Corporate Banking S.p.A.		Member of the Board of Directors and Executive Committee	Terminated
Farhat Omar Bengdara		Noor – Consultancy JLT Dubai – United Arab Emirates	General partner
	Central Bank of Libya	Governor	Terminated
	African Investment Bank	Head of Constitutive Committee	Terminated
	Libyan Fund for Domestic Investment and Development	Chairman	Terminated
	Arab Banking Corporation – London	Chairman	Terminated

Name and surname	Company	Position	Status of position
Vincenzo Calandra	Libyan Investment Authority	Member of the Board of Trustees	Terminated
	Supreme Council for Oil and Gas	Member	Terminated
	Fund for Economic and Social Development	Member of the Board of Trustees	Terminated
	National Planning Council	Member	Terminated
	Arab Banking Corporation – Bahrain	Director	Terminated
	Central Bank of Libya	Deputy Governor	Terminated
	Association of the African Central Banks	Chairman	Terminated
	Credito Emiliano S.p.A.	Director	Current
	A.B.I. – Italian Banking Association	Director	Current
	UniCredit Banca S.p.A.	Director	Terminated
Buonaura	Carimonte Holding S.p.A.	Chairman of the Board of Directors	Terminated
	UniCredit Bank Austria AG (formerly Bank Austria Creditanstalt AG)	Member of Supervisory Board	Terminated
	UniCredit Private Banking S.p.A.	Deputy Chairman of the Board of Directors	Terminated
	Cassa di Risparmio di Carpi S.p.A.	Director	Terminated
	ADR S.p.A.	Chairman	Current
	Aviva Italia S.p.A.	Chairman	Current
	Assaeroporti S.p.A. – Italian Airport Manager Association	Chairman	Current
	Faiservice S.c.a.r.l.	Chairman	Current
	Italian Association of Highway and Tunnel Concessionaires (AISCAT)	Chairman	Current
	AISCAT Servizi S.r.l.	Chairman	Current
Fabrizio Palenzona	ASECAP-Association Européenne des Concessionnaires d’Autoroutes et d’Ouvrages à Peage	Honorary Chairman	Current
	Confraspporto	Honorary Chairman	Current
	Gemina S.p.A.	Chairman	Current
	Mediobanca – Banca di Credito Finanziario S.p.A.	Member of the Board of Directors	Current
	Italian Banking Association (ABI)	Member of the Board of Directors	Current
	Fondazione Cassa di Risparmio di Alessandria	Member of the Board of Directors	Current
	Rome Board of Industrialists	Member of Executive Committee	Current
	Fondazione SLALA	Chairman	Terminated
	GWH S.A.	Chairman	Terminated
	REAM Sgr	Chairman	Terminated
Federico Ghizzoni	Norman 95 S.p.A.	Deputy Chairman	Terminated
	Schema28 S.p.A.	Member of the Board of Directors	Terminated
	Unitra C.a.r.l.	Member of the Board of Directors	Terminated
	Unitra S.r.l.	Member of the Board of Directors	Terminated
	Mediobanca – Banca di Credito Finanziario S.p.A.	Member of the Supervisory Board	Terminated
	Mediterranean Highway Network (RAM)	Member of the Board of Directors	Terminated
	Federation of Italian Haulage Contractors (FAI)	Chairman	Terminated
	Azienda Mediterranea Gas e Acqua S.p.A.	Member of the Board of Directors	Terminated
	Gothe Italiana Logistical Services	Member of the Board of Directors	Terminated
	Confcommercio	Deputy Chairman	Terminated
Federico Ghizzoni	A.B.I. – Italian Banking Association	Member of Executive Committee and Board of Directors	Current
	La Scala Philharmonic Association	Chairman of Board of Directors	Current
	Mediobanca – Banca di Credito Finanziario S.p.A.	Member of Management Committee of the Syndicate Agreement	Current
	IIEB – Institut International D’etudes Bancaires	Member	Current
	IMC – International Monetary Conference	Member	Current
European Financial Services Roundtable (EFR)	Member	Current	

Name and surname	Company	Position	Status of position
	Council for relations between Italy and the United States	Member	Current
	Koc Finansal Hizmetler AS	Deputy Chairman of Board of Directors	Terminated
	Yapi Ve Kredi Bankasi AS	Deputy Chairman of Board of Directors and Chairman of Audit Committee	Terminated
	Koc Finansal Hizmetler AS	Member of the Board of Directors	Terminated
	Yapi Ve Kredi Bankasi AS	Member of the Board of Directors	Terminated
	Koc Bank AS	Manager	Terminated
	Koc Finansal Hizmetler AS	Member of Internal Control and Risk Committee	Terminated
Giovanni Belluzzi	AREL Servizi S.r.l.	Chairman of the Board of Directors	Current
	Giovanni Carocci Editore S.p.A.	Member of the Board of Directors	Current
	Green Source Poland sp. z.o.o.	Member of the Board of Directors	Current
	AIMAG S.p.A.	Chairman of the Board of Statutory Auditors	Current
	Amazzonia 90	Member of the Board of Statutory Auditors	Current
	Banca Emilveneta S.p.A.	Member of the Board of Statutory Auditors	Current
	Centro Editoriale Dehoniano S.p.A.	Chairman of the Board of Statutory Auditors	Current
	CER Consorzio Emiliano Romagnolo a r.l.	Chairman of the Board of Statutory Auditors	Current
	Catholic Publishing Consortium	Auditor	Current
	Costruzioni Elettroferroviarie Meccaniche Edili Stradali S.p.A. (CEMES S.p.A.)	Chairman of the Board of Statutory Auditors	Current
	Dehoniana Libri S.p.A.	Chairman of the Board of Statutory Auditors	Current
	Eni Trading & Shipping S.p.A.	Chairman of the Board of Statutory Auditors	Current
	Ferrari Erio & C S.p.A.	Member of the Board of Statutory Auditors	Current
	San Carlo Foundation	Chairman of the Board of Statutory Auditors	Current
	Giba Fund	Member of the Supervisory Board	Current
	Franco Panini Scuola S.p.A.	Member of the Board of Statutory Auditors	Current
	Luisa Spagnoli S.p.A.	Member of the Board of Statutory Auditors	Current
	Mar Plast S.p.A.	Member of the Board of Statutory Auditors	Current
	SIRIA S.p.A.	Chairman of the Board of Statutory Auditors	Current
	SPAIM S.r.l.	Member of the Board of Statutory Auditors	Current
	SPAMA S.r.l.	Member of the Board of Statutory Auditors	Current
	SPAPI S.r.l.	Member of the Board of Statutory Auditors	Current
	Trans Tunisian Pipeline Co Ltd	Member of the Board of Statutory Auditors	Current
	Serfico Institute for Deaf Mutes and the Blind (ecclesiastical entity recognised under civil law by Royal Decree of 31 December 1931)	Chairman of the Board of Statutory Auditors	Terminated
	AeB Energie S.r.l.	Member of the Board of Directors	Terminated
	AS Retigas S.r.l.	Member of the Board of Directors	Terminated
	Farmacie Comunali di Modena S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Raffineria di Gela S.p.A.	Member of the Board of Statutory Auditors	Terminated
	Salumificio Ferrari Erio S.p.A.	Member of the Board of Statutory Auditors	Terminated
	Carimonte Holding S.p.A.	Deputy Chairman of the Board of Directors	Terminated
	Cassa di Risparmio di Parma e Piacenza S.p.A.	Member of the Board of Directors	Terminated
	Acquafitness Miami S.r.l.	Member of the Board of Statutory Auditors	Terminated
	Acquirente Unico S.p.A.	Member of the Board of Statutory Auditors	Terminated
	Aziende Agricole e Vinicole Brianvini S.p.A.	Member of the Board of Statutory Auditors	Terminated

Name and surname	Company	Position	Status of position
	Casa Vinicola Bellavita S.r.l.	Member of the Board of Statutory Auditors	Terminated
	Casa Vinicola Caldirola S.p.A.	Member of the Board of Statutory Auditors	Terminated
	Municipality of Mirandola	Member of the Board of Auditors	Terminated
	Cop Vini Finanziaria S.p.A.	Member of the Board of Statutory Auditors	Terminated
	Enofood S.r.l.	Member of the Board of Statutory Auditors	Terminated
	Giacobazzi Grandi Vini S.r.l.	Member of the Board of Statutory Auditors	Terminated
	Gruppo Soeco S.p.A.	Member of the Board of Statutory Auditors	Terminated
	I Collicchi S.p.A.	Member of the Board of Statutory Auditors	Terminated
	Informazioni Editoriale S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Editrice Bibliografica S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Mediocredito Italiano S.p.A.	Member of the Board of Statutory Auditors	Terminated
	Trident Editore S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Trigano S.p.A.	Member of the Board of Statutory Auditors	Terminated
	Z1 S.r.l.	Member of the Board of Statutory Auditors	Terminated
Manfred Bischoff	Daimler AG	Chairman of the Supervisory Board	Current
	Fraport AG	Member of the Supervisory Board	Current
	Royal KPN NV	Member of the Supervisory Board	Current
	SMS GmbH	Chairman of the Supervisory Board	Current
	Voith GmbH	Chairman of the Supervisory Board	Current
	Nortel	Member of the Board of Directors	Terminated
	DaimlerChrysler AG	Chairman of the Supervisory Board Management Board Member	Terminated
	European Aeronautic, Defence and Space Company	Chairman of the Board of Directors	Terminated
Enrico Tommaso Cucchiani	Allianz SE	Member of the Management Board	Current
	Allianz S.p.A.	Chairman	Current
	Allianz Holding France SAS	Chairman of the Board of Directors	Current
	AGF Ras Holding BV	Chairman	Current
	Companhia de Seguros Allianz Portugal SA	Member of the Board of Directors	Current
	Allianz Sigorta P&C A.S.	Deputy Chairman	Current
	Allianz Hayat ve Emklilik A.S.	Deputy Chairman	Current
	Allianz Compania de Seguros y Reaseguros SA	Deputy Chairman	Current
	Allianz Hellas Insurance Company SA	Deputy Chairman	Current
	Allianz France SA	Member of the Board of Directors	Current
	Pirelli & C. S.p.A.	Member of the Board of Directors	Current
	ANIA	Member of Executive Committee	Current
	ABI-ANIA Federation	Member of the Management Committee	Current
	MIB School of Management	Chairman	Current
	Stanford University	Member of Advisory Council	Current
	Javotte Bocconi Institute	Life board member	Current
	The Trilateral Commission, Italian Group	Member	Current
	Aspen Institute Italy	Director	Current
	Council for Relations between Italy and the United States	Member of Executive Committee	Current
	Institute for International Policy Studies (ISPI)	Member of the Board of Directors	Current
	ISPI – Italo-German Dialogue Forum – Italian Section	Chairman	Current
	Associazione di Civita	Member of the Board of Directors	Current
	Intercultura	Member of Advisory Council	Current
	Bocconi International Advisory Council	Member	Current
	La Scala Philharmonic	Member of the Board of Directors	Current
	Acif S.p.A.	Chairman	Terminated

Name and surname	Company	Position	Status of position
	Acif 2 S.p.A.	Chairman	Terminated
	Editoriale FVG S.p.A. – Il Piccolo Division (L'Espresso Publishing Group)	Member of the Board of Directors	Terminated
	Lloyd Adriatico Holding S.p.A.	Director	Terminated
	Illycaffè S.p.A.	Member of the Board of Directors	Terminated
	Allianz Life Insurance Company SA	Deputy Chairman	Terminated
	AAA Antonveneta ABN AMRO BANK	Member of the Board of Directors	Terminated
	ACEGAS S.p.A.	Member of the Board of Directors	Terminated
	Antonveneta Assicurazioni S.p.A.	Chairman	Terminated
	Antonveneta Vita S.p.A.	Chairman	Terminated
	Banca Antonveneta S.p.A.	Member of the Board of Directors and Executive Committee	Terminated
	Beni Stabili S.p.A.	Member of the Board of Directors	Terminated
	Compagnia Finanziaria Italiana	Member of the Board of Directors	Terminated
	Interbanca S.p.A.	Member of the Board of Directors	Terminated
	Lloyd Adriatico S.p.A.	Chairman	Terminated
		Member of Executive Committee	
		CEO	
		General Manager	
	L.A. Vita S.p.A.	Member of the Board of Directors	Terminated
	Mondial Assistance (formerly Elvia)	Member of the Board of Directors	Terminated
	RAS S.p.A.	CEO and Member of Board of Directors	Terminated
	Allianz Elementar Versicherungs – AG	Deputy Chairman and Member of the Board of Directors	Terminated
	Allianz Elementar Lebensversicherungs – AG	Deputy Chairman and Member of the Board of Directors	Terminated
	Allianz Investment Bank	Member of the Board of Directors	Terminated
	Allianz Suisse Versicherungs- Gesellschaft	Member of the Board of Directors	Terminated
	Allianz Suisse Lebensversicherungs	Member of the Board of Directors	Terminated
	RAS International NV	Deputy Chairman	Terminated
Donato Fontanesi	Coopsette Foundation	Chairman	Current
	Coopsette	Member of Management	Terminated
	LegaCoop	Member of National Management	Terminated
	Parco S.p.A.	Member of the Board of Directors	Terminated
	Holmo S.p.A.	Member of the Board of Directors	Terminated
	Finecobank S.p.A.	Member of the Board of Directors	Terminated
	Coopsette	Chairman	Terminated
	FinecoGroup S.p.A.	Member of the Board of Directors	Terminated
	Ariete S.p.A.	Member of the Board of Directors	Terminated
	CCPL Reggio Emilia	Member of the Board of Directors	Terminated
Francesco Giacomini	“Kiln for Innovation” Foundation	Chairman	Current
	Industrial Park Sofia AD	Chairman	Current
	Fidiprof Nord, Cooperative Company, Milan	Chairman	Current
	Italian Banking Association (ABI)	Member of the Board of Directors	Current
	G. Caccianiga Pension Fund	Member of Administrative Committee	Current
	I Tigli 2, Not-for-Profit Cooperative Company	Director	Current
	Danubio Real Estate Management	Chairman/Shareholder	Current
	Balcania S.r.l.	Shareholder	Current
	Partimest S.r.l.	Shareholder	Current
	Sviluppo Industrial Parks	Member of the Board of Directors	Terminated
	Naonis Energie S.r.l.	Deputy Chairman	Terminated
	Italian Confederation of Public Services – Confservizi	Deputy Chairman	Terminated
	Balcania S.r.l.	Managing Director	Terminated
	IES.CO S.r.l.	CEO	Terminated
	IES.CO doo Pola	Chairman	Terminated

Name and surname	Company	Position	Status of position
	Acegas APS S.p.A.	CEO	Terminated
	Acegas APS Holding S.p.A.	Member of the Board of Directors	Terminated
	APS S.p.A.	Chairman	Terminated
	APS Holding S.p.A.	Chairman	Terminated
	Interporto di Padova S.p.A.	Member of the Board of Directors and Executive Committee	Terminated
	Rilagas AD	Member of the Board of Directors	Terminated
	Elettrogas S.r.l.	Member of the Board of Directors	Terminated
	Est Gas S.p.A.	Member of the Board of Directors	Terminated
Friedrich Kadrnoska	Privatstiftung zur Verwaltung von Anteilsrechten	Member of Executive Board	Current
	Wienerberger AG	Chairman of Supervisory Board	Current
	Österreichisches Verkehrsbüro AG	Chairman of Supervisory Board	Current
	Allgemeine Baugesellschaft – A. Porr AG	Deputy Chairman of Supervisory Board	Current
	Wiener Privatbank SE	Member of the Board of Directors	Current
	CEESEG AG	Chairman of Supervisory Board	Current
	Card complete Service Bank AG	Member of Supervisory Board	Current
	Wiener Börse AG	Chairman of Supervisory Board	Current
	A & I Beteiligung und Management GmbH	Shareholder	Current
	Porr Projekt und Hochbau AG	Member of Supervisory Board	Terminated
	Porr Technobau und Umwelt AG	Member of Supervisory Board	Terminated
	Conwert Immobilieninvest SE	Deputy Chairman	Terminated
	VISA Europe Limited	Member of the Board of Directors	Terminated
	Gain Capital Participations GmbH	Shareholder	Terminated
	Adria Bank AG	Chairman of Supervisory Board	Terminated
	Ruefa Reisen AG	Chairman of Supervisory Board	Terminated
	Österreichische Kontrollbank AG	Member of Supervisory Board	Terminated
	Investkredit AG	Member of Supervisory Board	Terminated
	UniCredit Bank Austria AG (formerly Bank Austria Creditanstalt AG)	Deputy Chairman of the Management Board	Terminated
Marianna Li Calzi	Committee for the Future of Rome as Capital	Member	Current
	Civita Sicilia S.r.l.	Member of the Board of Directors	Current
Luigi Maramotti	Credito Emiliano S.p.A.	Deputy Chairman	Current
	Credito Emiliano Holding S.p.A.	Deputy Chairman	Current
	Cofimar S.r.l.	Director	Current
	Diffusione Tessile S.r.l.	Chairman of the Board of Directors	Current
	Dartora S.r.l.	Sole Director	Current
	Fintorlonia S.p.A.	Chairman of the Board of Directors	Current
	Imax S.r.l.	Chairman of the Board of Directors	Current
	Istituto Immobiliare Italiano del Nord S.p.A.	Chairman of the Board of Directors	Current
	Manifatture del Nord S.r.l.	Deputy Chairman of the Board of Directors	Current
	Marella S.r.l.	Deputy Chairman of the Board of Directors	Current
	Marina Rinaldi S.r.l.	Deputy Chairman of the Board of Directors	Current
	Max Mara S.r.l.	Chairman of the Board of Directors	Current
	Max Mara Fashion Group S.r.l.	Deputy Chairman of the Board of Directors	Current
	Max Mara Finance S.r.l.	Deputy Chairman of the Board of Directors	Current
	Maxima S.r.l.	Chairman of the Board of Directors	Current
	Finca y Comercio de Gratia S.A.	Chairman of the Board of Directors	Current
	International Fashion Trading S.A.	Chairman of the Board of Directors	Current
	Max Mara S.a.S.	Director	Current
	Max Mara Japan Ltd.	Director	Current
	Max Mara Hosiery S.r.l.	Chairman of the Board of Directors	Current

Name and surname	Company	Position	Status of position
Antonio Maria Marocco	Max Mara USA Inc.	Chairman of the Board of Directors	Current
	Max Mara USA Retail Inc.	Chairman of the Board of Directors	Current
	Cams S.r.l.	Shareholder	Current
	Madonna dell'Uliveto Cooperative Company	Director	Current
	Unity R.E. S.p.A.	Chairman of the Board of Directors	Current
	Cobema S.A.	Director	Terminated
	Comax S.A.	Director	Terminated
	Max Mara Ltd.	Director	Terminated
	Max Mara Scandinavia Aps	Chairman of the Board of Directors	Terminated
	Abaxbank S.p.A.	Director	Terminated
	Tessitura Varano Borghi S.r.l.	Director	Terminated
	Grosvenor Continental Europe S.A.S.	Non Executive Director	Terminated
	Soprotex S.A.	Chairman of the Board of Directors	Terminated
	Credemvita S.p.A.	Director	Terminated
	Credemassicuarazioni S.p.A.	Director	Terminated
	Reale Mutua Assicurazioni S.p.A.	Member of the Board of Directors	Current
	Reale Immobili S.p.A.	Member of the Board of Directors	Current
	Institute for Religious Works of the Vatican (IOR)	Member of the Supervisory Board	Current
	Editrice LA STAMPA S.p.A.	Member of the Board of Directors	Current
	Officine Meccaniche Giovanni Cerutti S.p.A.	Shareholder	Current
CERFIN S.p.A.	Major Shareholder	Current	
COREMBO Società Semplice Immobiliare Exor S.p.A.	Major Shareholder	Current	
Carlo Pesenti	IFIL – Finanziaria di Partecipazioni S.p.A.	Member of the Board of Directors and Audit Committee	Terminated
	Banca SANPAOLO IMI S.p.A.	Chairman of the Audit Committee	Terminated
	Fondazione Cassa di Risparmio di Torino	Member of the Board of Directors	Terminated
	Italmobiliare S.p.A.	Planning Advisor	Terminated
	Ciments Français S.A.	General Manager and Member of the Board of Directors and Executive Committee	Current
	RCS Media Group S.p.A.	Deputy Chairman	Current
	Mediobanca – Banca di Credito Finanziario S.p.A.	Member of the Board of Directors and Executive Committee	Current
	Italcementi S.p.A.	Managing Director and Member of Executive Committee	Current
	Ambienta Sgr	Independent Director	Current
	BravoSolution S.p.A.	Deputy Chairman	Terminated
BravoSolution Espana SA	Member of the Board of Directors	Terminated	
Unione di Banche Italiane Scpa (formerly Banche Popolari Unite S.r.l.)	Member of the Board of Directors	Terminated	
Italo-Egyptian Business Council	Co-Chairman	Terminated	
Mediobanca – Banca di Credito Finanziario S.p.A.	Member of the Supervisory Board	Terminated	
Mediobanca – Banca di Credito Finanziario S.p.A.	Member of the Board of Directors	Terminated	
Intertrading S.r.l.	Chairman	Terminated	
SESAAB S.p.A.	Director	Terminated	
KM Europa Metal AG	Member of the Supervisory Board	Terminated	
Lucrezia Reichlin	Department of Economics, London Business School	Full Professor and Department Head	Current
Centre for Economic Policy Research	Research Director	Current	
Now- Casting Economics Ltd	Co-Founder and Director	Current	
European Central Bank	General Manager of Research	Terminated	
Université Libre de Bruxelles	Full Professor of Economics	Terminated	

Name and surname	Company	Position	Status of position	
Hans-Jürgen Schinzler	Munich Reinsurance Company	Chairman of the Supervisory Board	Current	
	Max-Planck-Gesellschaft zur Förderung der Wissenschaften e.V.	Treasurer and member of the Senate	Current	
	Wittelsbacher Ausgleichsfonds	Chairman	Current	
	Münchener Rück Stiftung	Chairman of the Board of Trustees	Current	
	Metro AG	Member of the Supervisory Board	Current	
	Deutsche Telekom Stiftung	Member of the Board of Trustees	Current	
	Freundeskreis des Bayerischen Nationalmuseums e.V.	Member of the Board of Directors	Current	
	Jürgen Ponto-Stiftung	Member of the Board of Trustees	Current	
	Hypo-Kulturstiftung	Member of the Board of Trustees	Current	
	Gemeinnützige Hertie-Stiftung	Member of the Board of Trustees	Current	
	Konzertgesellschaft München e.V.	Member of the Board of Trustees	Current	
	Stifterverband für die Deutsche Wissenschaft	Member of the Board of Trustees for the State of Bavaria	Current	
	Stiftung Demoskopie Allensbach	Member of the Board of Trustees	Current	
	Stiftung Pinakothek der Moderne	Member of the Board of Trustees	Terminated	
	Deutscher Verein für Versicherungswissenschaft e.V.	Member of the Board of Directors	Terminated	
	Bundesanstalt für Finanzdienstleistungsaufsicht	Member of Insurance Advisory Council	Terminated	
	Deutsche Telekom AG	Member of Supervisory Board	Terminated	
	Bayerische Hypo- und Vereinsbank AG	Member of Supervisory Board	Terminated	
	Aventis S.A.	Member of Supervisory Board	Terminated	
	Theodor Waigel	AachenMünchener Versicherung AG	Member of Supervisory Board	Current
AachenMünchener Lebensversicherung AG		Member of Supervisory Board	Current	
Deutsche Vermögensberatung AG		Member of Supervisory Board	Current	
NSM Lowen Entertainment GmbH		Chairman of Supervisory Board	Current	
AGCO Fendt GmbH		Member of Supervisory Board	Current	
Bayerische Gewerbebau AG		Member of Supervisory Board	Current	
Eli Lilly and Company		Member of European Advisory Board	Current	
Assicurazioni Generali S.p.A		Member of the General Board	Current	
Deutscher Vermögensberatung AG		Member of Advisory Board	Current	
EnBW Energie BadenWürttemberg AG		Member of Advisory Board	Terminated	
LexisNexis Deutschland GmbH		Member of Advisory Board	Terminated	
Generali Vienna Holding AG		Member of Supervisory Board	Terminated	
Anthony Wyand		Aviva France	Member of the Board of Directors	Current
		Société Foncière Lyonnaise SA	Member of the Board of Directors	Current
	Société Générale	Deputy Chairman of the Board of Directors	Current	
	Grosvenor Continental Europe	Chairman	Terminated	
	Grosvenor Group Ltd.	Member of the Board of Directors	Terminated	
	Atis Real	Member of the Supervisory Board	Terminated	
Franz Zwickl	Lehman Brothers	Member of Advisory Board	Terminated	
	Privatstiftung zur Verwaltung von Anteilsrechten	Member of Executive Board	Current	
	Mischek Privatstiftung	Member of Executive Board	Current	
	Österreichische Gewerkschaftliche Solidarität Privatstiftung	Member of Executive Board	Current	
	Venus Privatstiftung	Member of Executive Board	Current	
	Wiener Wissenschafts-und Technologiefonds	Member of Executive Board	Current	
	Wiener Privatbank SE	Chairman of the Supervisory Board	Current	
	Oesterreichische Kontrollbank AG	Member of Supervisory Board	Current	
	Card complete Service Bank AG	Member of Supervisory Board	Current	
	Österreichische Verkehrsbüro AG	Member of Supervisory Board	Current	
	CA Immobilien Anlagen AG	Member of Supervisory Board	Current	
Volksbank Romania S.A.	Member of Supervisory Board	Current		

Name and surname	Company	Position	Status of position
	Austrian Tax Advisory & Trustees Steuerberatung GmbH	Shareholder, Executive	Current
	Franz Zwickl Beteiligungsverwaltung GmbH	Shareholder, Executive	Current
	A&I Beteiligung und Management GmbH	Shareholder, Executive	Current
	x.services systems GmbH	Shareholder	Current
	Herakles Holding GmbH	Shareholder	Current
	B 70 Immobilienverwaltung OG	Shareholder, Executive	Current
	Franz Zwickl & CO Immobilienverwaltung	Shareholder, Executive	Current
	SBV Social Business GmbH	Shareholder	Current
	AVZ GmbH (A&B Banken-Holding GmbH)	Executive	Current
	AVZ Finanz Holding GmbH (A&B Beteiligungsverwaltung drei GmbH)	Executive	Current
	AVZ Holding GmbH (AVZ Holding drei GmbH)	Executive	Current
	LVBG Luftverkehrsbeteiligungs GmbH	Executive	Current
	BHS Holding GmbH	Shareholder, Executive	Terminated
	Solproiect s.A. Grivita	Shareholder	Terminated
	AV-Z Kapitalgesellschaft mbH, BRD	Executive	Terminated
	K 5 Privatstiftung	Member of Executive Board	Terminated
	ECO Business-Immobilien AG	Member of Supervisory Board	Terminated
	Conwert Immobilieninvest SE	Member of the Board of Directors	Terminated
	AV – Z Holding S.p.A.	Chairman of the Supervisory Board	Terminated
	Associazione “Wohnungseigentum” GmbH	Chairman of Supervisory Board	Terminated
	A&B Beteiligungsverwaltung zwei GmbH	Executive	Terminated
	AV-Z Vermögensverwaltung GmbH	Executive	Terminated
	AVZ Holding eins GmbH	Executive	Terminated
	AVZ Holding zwei GmbH	Executive	Terminated
	Helmut Fleischman Privatstiftung	Member of Executive Board	Terminated
	AVA Mineralölhandel GmbH IL	Member of Supervisory Board	Terminated
	Bank Austria Creditanstalt Wohnbaubank AG	Chairman of Supervisory Board	Terminated
	Lenzing AG	Member of Supervisory Board	Terminated
	Mischek Systembau GmbH	Member of Supervisory Board	Terminated
	NOTARTREUHANDBANK AG	Deputy Chairman of Supervisory Board	Terminated
	PEF Privatuniversität für Management GmbH	Deputy Chairman of Supervisory Board	Terminated
	Tarbuk GmbH	Member of Supervisory Board	Terminated
	UNIVERSALE International Realitäten GmbH	Chairman of Supervisory Board	Terminated
	VBV-Pensionskasse AG	Chairman of Supervisory Board	Terminated
	WED Wiener Entwicklungsgesellschaft für den Donauraum AG	Member and Chairman of Supervisory Board	Terminated
	Wiener RisikoCapitalfonds GmbH	Chairman of Supervisory Board	Terminated
	ING-DiBa AG	Member of Supervisory Board	Terminated

For all members of the Board of Directors, the required verifications were performed to ensure members meet the requirements of respectability, professionalism and independence as required by current regulations.

Except as specified in Paragraph 20.11 of the Registration Document with regard to Deputy Chairman Fabrizio Palenzona and Director Donato Fontanesi, as far as the Company is aware, in the five years preceding the Date of the Registration Document, no member of the Board of Directors: (i) was found guilty of fraud; (ii) was declared bankrupt or subject to receivership proceedings, or, in the performance of their duties, was connected with any bankruptcy, temporary receivership proceedings or liquidation; and (iii) was subject to official prosecution and/or sanctions by government or regulatory authorities (including designated professional associations) or was disqualified by a court from his/her position as a

member of the Board of Directors, management or control body of the Company or from performing management or administrative activities of any company.

None of the members of the Board of Directors indicated in the table above has a family relationship with any other members of the Board of Directors, members of the Board of Statutory Auditors and/or key management personnel (as defined in Chapter 14, Paragraph 14.1.3 of the Registration Document) of the Company.

14.1.2 Board of Statutory Auditors

The Board of Statutory Auditors currently in office was appointed by the Ordinary Shareholders' Meeting held on 22 April 2010 for 2010, 2011 and 2012, and its term expires on the date of the Shareholders' Meeting called for the approval of the 2012 financial statements.

Members of the Board of Statutory Auditors in office at the Date of the Registration Document are indicated in the following table.

First and last name	Position	Place and date of birth
Maurizio Lauri	Chairman	Rome, 16 August 1962
Cesare Bioni	Full auditor	Caslino d'Erba (CO), 1 October 1944
Vincenzo Nicastro	Full auditor	Rome, 22 February 1947
Michele Rutigliano	Full auditor	Milan, 6 October 1953
Marco Ventoruzzo	Full auditor	Milan, 4 October 1973
Massimo Livatino	Substitute auditor	Parma, 5 August 1964
Paolo Domenico Sfameni	Substitute auditor	Milan, 25 November 1965

The Board of Statutory Auditors oversees compliance with laws, regulations and provisions of the Corporate By-Laws and the proper administration, adequacy of organisational and accounting structures of the Company, the risk management and control system, and the operations of the overall internal control system, official audits of annual financial statements and consolidated financial statements, the independence of the official external auditors and the process of financial disclosure. For further information, see also Chapter 21, Paragraph 21.2.2 of the Registration Document.

Below is a brief curriculum vitae of each full auditor indicating their capabilities and experience.

Maurizio Lauri. After enrolling on the Register of Auditors and Register of Business Consultants, he obtained a Master of Laws (LL.M.) in law and international corporate economics at the London School of Economics and Political Science, University of London, and he obtained a degree in economics at LUISS University in Rome. He is a member of the Board of Auditors for the Audit of Financial Statements of Political Parties for the duration of the Fifteenth Legislature, and Auditor at the Italian Revenue Agency (from 2007 to 2010). He is a lecturer in international tax law in the Advanced Training Course in Tax Law, Accounting and Tax Planning of LUISS Business School, LUISS University in Rome; Chairman of the Board of Statutory Auditors of ACEA S.p.A., elected on the list of minority shareholders presented by the GDF Suez Group (from 2007 to 2010), Substitute Auditor of ENI S.p.A. and Telecom Italia S.p.A., Full Auditor of Acea Distribuzione S.p.A., Tirreno Power S.p.A., Mita Resorts S.r.l.; Sole Auditor of the American Academy in Rome;

Chairman of the Board of Auditors of ASSINFORM CONFINDUSTRIA; and member of the Supervisory Body of the Bietti Foundation established pursuant to Legislative Decree no. 231/2001.

He is also a member of the Management Committee of NedCommunity, a member of the Commission on the Study of International Taxation of the Order of Business Consultants in Rome, and member of the Commission for the Provision of Principles of Conduct of Control Bodies (Board of Statutory Auditors, Internal Control Committee and Supervisory Board) of the National Council of Business Consultants and Accounting Experts, member of the Corporate Governance Study Group at Assogestioni and the Corporate Governance Study Group at ANDAF and Ordinary Academic Member of the Roman Academy of Accounting Foundation.

Cesare Bioni. He obtained a degree in economics and business at Luigi Bocconi Business School in Milan and the ITP diploma (Program in Business Administration) at Harvard Business School in Boston, Massachusetts, USA. He is enrolled in the register of auditors. After two years as a scholarship recipient at the Institute of Economics of Credit Institutions at Luigi Bocconi Business School in Milan, he continued his university career and was named full professor of economics of financial intermediaries at the University of Modena and Reggio Emilia where he holds the position of President of the Degree Course in Corporate Economics at the Marco Biagi School of Economics. He was and is a member of the technical review committee of journals and publishing series. Since 2010 he has been Chairman of the Association of Lecturers of Economics of Intermediaries and Financial Markets (ADEIMF). Through the years he has held positions at the Fondazione Cassa di Risparmio di Modena, banks, including the UniCredit Group, and other financial intermediaries. Since 2003 he has been Chairman of the Supervisory Committee on Professional Football Companies (Co.Vi.So.C.) at the Italian Federation of Football. He is the author of numerous publications on credit and financial matters.

Vincenzo Nicastro. After obtaining a degree in law with a score of 110 cum laude, he was licensed to practice law in 1972. He currently works “of counsel” at a leading international law firm. He has been enrolled in the Register of Official Auditors since 1995. He has held the position of Chairman, member of the Board of Directors and Full Auditor at numerous companies including Infracom S.p.A., Granarolo S.p.A., Centrale del Latte di Milano S.p.A. and Cariverona S.p.A. He is currently a member of the Board of Directors and Board of Statutory Auditors of several listed and unlisted companies. He is the author of several publications on law. He is a member of the NED Community.

Michele Rutigliano. He received a degree in corporate economics at Luigi Bocconi University in Milan (Summa cum Laude). He has been a contract worker at Bocconi University since April 1979 as a professor of economics of credit institutions. Since 1 August 1980 he has been a researcher in “Economics of Credit Institutions” at Bocconi University. He has a specialisation in finance from the Wharton School, University of Pennsylvania (1980-1981). He completed a post-graduate course in Corporate Tax Law at Bocconi University in 1994. Since 1987 he has been an associate professor of Industrial Credit Economics and Techniques at the University of Brescia. From November 1994 to September 2000 he was a full professor of Banking at the University of Udine. Since October 2000 he has been a full professor of Economics of Financial Intermediaries and lecturer of Corporate Finance and Corporate Restructuring at the University of Verona. He is the Director of the

course for obtaining a teaching degree in banking and finance at the University of Verona. He is a senior lecturer in the School of Corporate Management at Bocconi University in Milan. He is a business consultant and auditor. He is an expert witness of the Court and Court of Appeals of Milan.

Marco Ventoruzzo. He obtained a degree in economics and business from Bocconi University and a degree in law from the University of Milan. He obtained a Master of Law degree at Yale Law School and the title of Doctor of Research at the University of Brescia. He completed post-graduate studies at Michigan Law School and Faculté de Droit of Université Sorbonne in Paris. He is an attorney, business consultant and auditor and is enrolled in the register. He was an independent director at Banca Caboto S.p.A. (Banca Intesa Group) and is full auditor on the Board of Statutory Auditors of the Democratic Party. He is a full professor with tenure at Pennsylvania University, Dickinson School of Law where he teaches Corporations, Corporate Finance and Securities Regulation, and a full professor of business law at Bocconi University. He is a Research associate at the European Corporate Governance Institute (ECGI). He has been a visiting professor at numerous universities and law schools including: Fudan University, Shanghai, China; the Department of Law of the University of Hamburg, Germany; Esade Law School, Barcelona, Spain; National Law School of India, Bangalore, India; and LSU Law School, Baton Rouge, LA, USA, and has given lectures and held conferences at various foreign universities including Oxford Law School and Pennsylvania University Law School. He is the director of the PhD programme in business law at Bocconi University and deputy director of the Paolo Baffi Centre for the Study of Financial Markets at Bocconi University in Milan. He is a member of the editorial committees for the following magazines: *Rivista delle Società*, *Rivista di Diritto Societario*, *Rivista dei Dottori Commercialisti*, and also of the technical review committees *Associazione Italiana degli Analisti Finanziari (AIAF)* and *Associazione Italiana degli Amministratori Indipendenti (NED)*. He is the author of numerous publications in Italian, English and French on corporate law and financial markets.

Massimo Livatino. He obtained a degree in economics and business at the University of Parma, and is a business consultant and auditor. He is a lecturer and researcher in the Department of Accounting at Bocconi University in Milan and senior lecturer at SDA Bocconi where he teaches in various masters programmes, and is the head of research at the auditing research centre. He is the author of numerous publications on administration and control and a speaker at numerous conferences on auditing, internal auditing, corporate governance, corporate liability and risk management. He assists leading companies as a management, strategic and organisational consultant and is primarily engaged in identifying, assessing and managing corporate risks, analysing internal control and process reengineering systems and implementing reporting systems, and he provides assistance to the internal auditing department. He holds positions as the Chairman of the Board of Statutory Auditors of Parmalat Distribuzione Alimenti S.r.l., and is a full auditor at Fresenius Kabi Italia S.p.A., Fresenius Kabi Italia S.r.l. and Holostem Terapie Avanzate S.r.l. (Chiesi Farmaceutici Group). He is Chairman of the Supervisory Body of leading listed and unlisted companies including 3M S.p.A., Chiesi Farmaceutici S.p.A., G.D. S.p.A. and Interpump Group S.p.A.

Paolo Domenico Sfameni. He obtained a degree in economics at Luigi Bocconi Business School in Milan and is a business consultant and auditor. From 2000-2002 he was a consultant at Assonime in the corporate law area. He is an independent consultant in the

areas of corporate law, banking law and financial markets. As a part of the technical review committee of the Ref.irs Forum, he collaborated in the preparation of the “Market Information Guide” as a part of the Ref Forum on corporate information. He is an associate professor of business law in the department of economics at the University of Aosta, where he was also a hired professor in private law. He is also a contract professor in the law of financial intermediaries at Luigi Bocconi Business School in Milan and a lecturer in the PhD program in business law. In addition, he has a PhD in business law research and a researcher of business law at Luigi Bocconi Business School in Milan (since 2004). He is also a member of the editorial committee of the “Corporate Journal,” “Journal of Comparative Government Law” and “Journal of Corporate Law” and academic member of the European Corporate Governance Institute and an associate in the International Corporate Governance Network (ICGN). He is the author of numerous publications on corporate and business law.

The following table indicates the companies in which members of the Board of Statutory Auditors were and/or are members of Boards of Directors, Boards of Statutory Auditors and General Management or owners of a “qualified” stake (greater than 2% for listed companies and 10% for unlisted companies) at any time during the five years preceding the Date of the Registration Document:

Name and surname	Company	Position	Status of position
Maurizio Lauri	Mita Resort S.r.l.	Chairman of the Board of Statutory Auditors	Current
	Tirreno Power S.p.A.	Full auditor	Current
	Acea Distribuzione S.p.A.	Full auditor	Current
	AFP Capital S.r.l.	Chairman of the Board of Statutory Auditors	Current
	Lori S.A.P.A.	Chairman of the Board of Statutory Auditors	Current
	GDF Suez Rinnovabili S.p.A.	Chairman of the Board of Statutory Auditors	Current
	CBT S.p.A.	Chairman of the Board of Statutory Auditors	Current
	Rino Pratesi S.p.A.	Chairman of the Board of Statutory Auditors	Current
	Pratesi Hotel Division S.r.l.	Chairman of the Board of Statutory Auditors	Current
	Rino Immobiliare S.p.A.	Chairman of the Board of Statutory Auditors	Current
	Pratesi Service S.r.l.	Chairman of the Board of Statutory Auditors	Current
	Finnat Investments S.p.A.	Full auditor	Current
	Elektron Sigma Sistemi S.r.l. in liquidation	Chairman of the Board of Statutory Auditors/Full auditor	Current
	EnerFlus S.r.l.	Chairman of the Board of Statutory Auditors	Current
	Finnat Fiduciaria S.p.A.	Full auditor	Current
	Fedra Fiduciaria S.p.A.	Full auditor	Current
	RSM Tax & Advisory Italy S.r.l.	Chairman of the Board of Directors/Board Member/CEO	Current
	HRS — Help Rental Service S.r.l. in liq.	Liquidator	Current
	Agf di Susanna Barbaliscia e C. Sas	Limited Partner	Current
	Autopremium S.p.A.	Shareholder	Current
	Energion S.r.l.	Shareholder	Current
	Russell Bedford Italia S.r.l. in liq.	Shareholder	Current
	Selve Roma S.r.l.	Chairman of the Board of Statutory Auditors	Terminated
	Tad Energia Ambiente S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Blue Team 2000 S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	F.I.A.N. Forza Italiana di AeroNavigazione S.r.l.	Liquidator	Terminated
	AceaElectrabel Toller S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Mondialpol Roma S.r.l.	Full auditor	Terminated
	E.COINT. S.r.l.	Full auditor	Terminated
	Enercornustibili S.r.l.	Chairman of the Board of Statutory Auditors	Terminated
	Obiettivo Locazione S.r.l.	Chairman of the Board of Statutory Auditors	Terminated
	Axitea S.p.A.	Full auditor	Terminated
	Ambra Verde 2 S.r.l.	Director	Terminated
	Autocentri Balduina S.r.l.	Full auditor	Terminated
	Gimias S.r.l.	Full auditor	Terminated
	Volante S.r.l. in liquidation	Sole Director	Terminated
	Risorse – R.P.R. S.p.A.	Full auditor	Terminated
	Armonia S.r.l.	Chairman of the Board of Statutory Auditors	Terminated
	Acea Energia Holding S.p.A.	Full auditor	Terminated
	Acea Luce S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
Gambero Rosso Holding S.p.A.	Director	Terminated	
LAIT – Lazio Innovazione Tecnologica S.p.A.	Chairman of the Board of Statutory Auditors	Terminated	
Marco Polo S.p.A.	Full auditor	Terminated	
GDF Suez Italia Holding Partecipazioni S.p.A.	Full auditor	Terminated	
Acea Reti e Servizi Energetici S.p.A.	Chairman of the Board of Statutory Auditors	Terminated	
Roselectra S.p.A.	Chairman of the Board of Statutory Auditors	Terminated	

Name and surname	Company	Position	Status of position
	Servizi Azionista Roma S.r.l. with Single Shareholder	Sole Director	Terminated
	Investire Immobiliare-Leveraged –Asset Management Company	Full auditor	Terminated
	Consorzio Formautility in liquidation	Full auditor	Terminated
	Ecogena S.p.A.	Full auditor	Terminated
	S.A.O. Servizi Ambientali Orvieto S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	E.A.L.L. Energia Ambiente Litorale Laziale S.r.l.	Chairman of the Board of Statutory Auditors	Terminated
	Terni EN.A. S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Interpark Servizi per l'Ecologia S.r.l.	Chairman of the Board of Statutory Auditors	Terminated
	Acea Risorse e Impianti per l'Ambiente S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Diadema S.p.A.	Director	Terminated
Cesare Bioni	Marco Biagi University Foundation	Member of the Board of Auditors	Current
Vincenzo Nicastro	Carrozzeria Bertone S.p.A. Limited Partnership	Extraordinary Commissioner	Current
	Bertone S.p.A. Limited Partnership	Extraordinary Commissioner	Current
	UniCredit Leasing S.p.A.	Full auditor	Current
	Realty Vailog S.p.A. (currently Industria e Innovazione S.p.A.)	Director	Current
	Reno de Medici S.p.A.	Director	Current
	Red.IM. S.r.l.	Chairman of the Board of Directors	Current
	Crédit Agricole Private Equity Italia Sgr. S.p.A.	Chairman of the Board of Statutory Auditors	Current
	Filati Bertrand Limited Partnership	Chairman of the Supervisory Committee	Terminated
	UniCredit Corporate Banking S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Sitech S.p.A.	Full auditor	Terminated
	Stim S.p.A.	Full auditor	Terminated
	Chia Invest S.p.A.	Full auditor	Terminated
	Baia Chia Hotels S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Chia Hotels & Resorts S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
	Costa Verde Arbus S.r.l.	Full auditor	Terminated
	Cosud S.r.l.	Full auditor	Terminated
	Darwin Airlines S.A.	Director	Terminated
Michele Rutigliano	European Finance S.r.l.	Full auditor	Current
	CitifIn S.r.l.	Chairman of the Board of Statutory Auditors	Current
	Dicembre 2007	Chairman of the Board of Statutory Auditors	Current
	Alerion Clean Power S.p.A.	Full auditor	Current
	Snaidero Rino S.p.A.	Full auditor	Terminated
	Credito Veronese S.p.A.	Board member	Terminated
	Nt-Europe S.r.l.	Full auditor	Terminated
	D-net S.r.l.	Full auditor	Terminated
	F2i Sgr	Full auditor	Terminated
	Gts Group S.p.A.	Full auditor	Terminated
	Business Company Veronese S.Coop.pA	Chairman of the Board of Statutory Auditors	Terminated
	Digital Bros S.p.A.	Chairman of the Board of Statutory Auditors	Terminated
Marco Ventoruzzo	Democratic Party	Full Auditor	Current
Massimo Livatino	Parmalat Distribuzione Alimenti S.r.l.	Chairman of the Board of Statutory Auditors	Current
	Fresenius Kabi Italia S.p.A.	Full auditor	Current
	Fresenius Kabi Italia S.r.l.	Full auditor	Current
	Holostem Terapie Avanzate S.r.l.	Full auditor	Current
	3M Italia S.p.A.	Chairman of Regulatory Body	Current
	ACMA S.p.A.	Chairman of Regulatory Body	Current
	Bonatti S.p.A.	Chairman of Regulatory Body	Current
	Centrale del Latte di Roma S.p.A.	Chairman of Regulatory Body	Current
	Chiesi Farmaceutici S.p.A.	Chairman of Regulatory Body	Current
	CIMA S.p.A.	Chairman of Regulatory Body	Current
	Coesia S.p.A.	Chairman of Regulatory Body	Current
	Consorzio Agrario di Parma	Chairman of Regulatory Body	Current

Name and surname	Company	Position	Status of position
Paolo Domenico Sfameni	G.D. S.p.A.	Chairman of Regulatory Body	Current
	Interpump Group S.p.A.	Chairman of Regulatory Body	Current
	Matthews International S.p.A.	Chairman of Regulatory Body	Current
	Mazars S.p.A.	Chairman of Regulatory Body	Current
	Napoli Metro Engineering S.r.l.	Chairman of Regulatory Body	Current
	Metropolitana Milanese S.p.A.	Member of Regulatory Body	Current
	Gilead Sciences S.r.l.	Member of Regulatory Body	Current
	Euromilano S.p.A.	Member of Regulatory Body	Current
	SNIA S.p.A.	Internal Control Manager	Terminated
	Banca ITB.	Full auditor	Current
	Equita sim S.p.A.	Full auditor	Current
	Spig S.p.A.	Full auditor	Current
	Pirelli & C. S.p.A.	Full auditor	Current
	Italmobiliare S.p.A.	Director	Current
	Allianz Global Investors SGR S.p.A.	Deputy Chairman of the Board of Directors	Current
	Allianz Bank Financial Advisors S.p.A.	Director	Current
	Italtel Group S.p.A.	Full auditor	Terminated
	Italtel S.p.A.	Full auditor	Terminated
	E2H S.p.A.	Full auditor	Terminated
	Telecom Italia Sparkle S.p.A.	Full auditor	Terminated
TI Audit S.c.r.l.	Full auditor	Terminated	

For all members of the Board of Statutory Auditors, the required verifications were performed to ensure members meet the requirements of respectability, professionalism and independence as required by current regulations.

All members of UniCredit's Board of Statutory Auditors are enrolled on the Register of Auditors and, for the purposes of the position held, are domiciled at the Company's Central Management Office.

Except as specified in Paragraph 20.11 of the Registration Document with regard to Full Auditors Vincenzo Nicastro and Michele Rutigliano and as noted below, as far as the Company is aware, in the five years preceding the Date of the Registration Document, no member of the Board of Statutory Auditors: (i) was found guilty of fraud; (ii) was declared bankrupt or subject to receivership proceedings, or, in the performance of their duties, was connected with any bankruptcy, temporary receivership proceedings or liquidation; or (iii) was subject to official prosecution and/or sanctions by government or regulatory authorities (including designated professional associations) or was disqualified by a court from his/her position as a member of the Board of Directors, management or control body of the Company or from performing management or administrative activities of any company.

In 2010 the Banca d'Italia imposed a monetary administrative penalty totalling Euro 14,000 on Full Auditor Michele Rutigliano as a member of the Board of Statutory Auditors of a financial company not part of the UniCredit Group, following the determination of alleged irregularities concerning the minimum capital requirement of this financial company.

In 2009 CONSOB imposed a monetary administration penalty totalling Euro 13,300 on Substitute Auditor Paolo Domenico Sfameni as a member of the Board of Directors of an intermediary not part of the UniCredit Group, following the determination of alleged

deficiencies with respect to the need to ensure, in the performance of services involving the placement, receipt and transmission of orders, an assessment of the adequacy of transactions ordered by customers with regard to the profiling phase of the assessment and in relation to the methods of performing related tests of adequacy. In 2009 Banca d'Italia imposed a monetary administrative penalty of Euro 8,000 on Substitute Auditor Paolo Domenico Sfameni in his capacity as a member of the Board of Statutory Auditors of a securities intermediation company not a part of the UniCredit Group, following the determination of alleged deficiencies in controls performed by members of the Board of Statutory Auditors of that company. In 2011 Banca d'Italia imposed a monetary administrative penalty of Euro 12,000 on Substitute Auditor Paolo Domenico Sfameni in his capacity as a member of the Board of Directors of an asset management company not a part of the UniCredit Group, following the determination of alleged deficiencies in internal controls performed by members of the Board of Directors of that company.

None of the members of the Board of Statutory Auditors indicated in the tables above has a family relationship with any members of the Board of Directors, other members of the Board of Statutory Auditors and/or with senior managers of the Company.

14.1.3 General management and senior managers

Below is a list of the Company's senior managers and the positions held by them within the Company at the Date of the Registration Document (the "**Key Management Personnel**").

First and last name	Position held
Federico Ghizzoni	CEO and General Manager
Roberto Nicastro	General Manager with responsibility for the F&SME, Private Bank and CEE divisions and the entire "Italy" area falling under the Country Manager Italy
Paolo Fiorentino	Deputy General Manager – Chief Operating Officer responsible in particular for organisational, operational and service areas ("GBS" areas)
Jean-Pierre Mustier	Deputy General Manager – Head of CIB division
Nadine Farida Faruque	General Counsel & Group Compliance Officer
Kallol Karl Guha	Group Chief Risk Officer
Marina Natale	Chief Financial Officer and manager in charge of preparing corporate accounting documents
Paolo Cornetta	Head of Group Human Resources
Ranieri de Marchis	Head of Internal Audit

Below is a brief curriculum vitae of each manager indicated above with the exception of CEO Federico Ghizzoni whose curriculum vitae can be found in Paragraph 14.1.1 of this Chapter 14. This summary indicates the managers' capabilities and experience in the area of corporate management.

Roberto Nicastro. He obtained a degree in Business Administration, and from 1989 to 1991 worked at Salomon Brothers, London in the M&A department. From 1991 to 1997 he was senior manager at McKinsey & Company with responsibility for strategic and organisational projects concerning banks, financial institutions, regulatory authorities and manufacturers of consumer goods in Italy and Latin America. In May 1997 he joined Credito Italiano as head of the Planning and Equity Investment Department. In October 2000 he was appointed head of the New Europe Division of the UniCredit Group with the duty of developing and maintaining a leadership position in Central and Eastern Europe. In November 2001 he was appointed Deputy General Manager of UniCredit. On 1 August 2003 he was appointed head

of the UniCredit Group's Retail Division and Chief Executive Officer of UniCredit Banca, the Group bank involved in the retail sector in Italy. In July 2007 he was appointed Deputy Chief Executive Officer of UniCredit and head of the Retail Area. In April 2009, after establishing the Group's new governance model based on Strategic Business Areas ("SBA"), he was made head of the Retail SBA with responsibility for all retail branch networks (households and small businesses) in Italy, Germany, Austria and Poland, and for asset gathering and household financing. Since 1 November 2010 he has been General Manager with responsibility for the F&SME, Private Banking and Central Eastern Europe divisions and the entire "Italy" area falling under the Country Manager Italy

Paolo Fiorentino. He obtained a degree in economics and business at Federico II University in Naples and has been Deputy Chief Executive Office of the UniCredit Group since July 2007. In 1981 he began working at Credito Italiano (currently UniCredit) where he gained experience in all segments of the bank. He was appointed Personnel Manager in Campania in 1990 and was later sent to Sicily where he took on the position of Manager of Organisation and Resources of the Sicily Regional Department. In 1996 he was appointed Manager of Organisation for Credito Italiano. Two years later, in 1998, while on the staff of Alessandro Profumo, he became manager of the Integration Unit of the Federated Banks. In October 1999 he was appointed co-Chief Manager of the Group, and in November of the same year, he became COO of Bank Pekao. In 2003 he was appointed Deputy General Manager of UniCredito Italiano (currently UniCredit) and head of the New Europe Division, and a year later became head of the Global Banking Services Division. His appointment to Deputy Chief Executive Officer of UniCredit occurred on 17 July 2007, and less than a month later, on 3 August he was appointed CEO of Capitalia (until 1 October). On 26 September of the same year he was appointed CEO of Banca di Roma (until 6 May 2009). In April 2009, after determining the Group's new governance model based on Strategic Business Areas ("SBA"), he became head of the Global Banking Services SBA with responsibility, among other things, for operating areas, ICT, Real Estate, Work Out, Logistics and for the Line Identity & Communications Competence Line. Since 1 November 2010 he has been Deputy General Manager and Chief Operating Officer with responsibility in particular for organisational, operational and service areas ("GBS" areas).

Jean-Pierre Mustier. After obtaining a degree at École Polytechnique and École des Mines de Paris, he began his career at Société Générale where he worked from 1987 to 2009. His career at Société Générale was entirely concentrated in the Corporate and Investment Banking area. Jean-Pierre Mustier has proven experience in the sector in which he has held numerous positions in several markets involving various financial activities in Europe as well as Asia and the US. In 2003 he became head of the Corporate & Investment Banking division of Société Générale and was also a member of that bank's Executive Committee. In September 2008 he was appointed head of Asset Management, Private Banking and Securities Services operations. Starting in 2009, the year he left Société Générale, he worked as a consultant for various financial institutions and did fundraising for several non-profit institutions. On 14 March 2011 he joined UniCredit as Deputy General Manager in charge of Corporate & Investment Banking (CIB).

Nadine Farida Faruque. After studying in Bern and obtaining the title of "Fuersprecher", she obtained a Legum Magister (L.L.M. Degree) at Duke University School of Law (North Carolina, USA). She is an attorney authorised to work in the jurisdictions of New York

(USA) and the Swiss Confederation. She speaks English, French, German, Italian and Urdu fluently. She began her career working for well-known law firms in Europe and North America before joining the Office of General Counsel (OGC) of Merrill Lynch International in London in 1998. There she was responsible for continental Europe and a member of the OGC EMEA Management Committee of Merrill Lynch International. She was hired by UniCredit in October 2008 to hold the position of General Counsel & Group Compliance Officer with the title of Senior Executive Vice President.

Kallol Karl Guha. He began his career at ABN in 1989 after completing his studies in economics and management sciences at Boston University. He is of Dutch nationality and speaks Dutch, English, Hindi and some Italian. After spending some twenty years at ABN he held various positions in the areas of Structured Products, Cross-Border Risk Trading, Risk Management and Group Treasury. In terms of work locations, he has worked in the US, UK, Australia, the Netherlands and Italy. On 1 January 2009 he was hired by UniCredit as the Group Chief Risk Officer with the title of Senior Executive Vice President.

Marina Natale. She obtained a degree in corporate economics at Catholic University in Milan. She joined the UniCredit Group (Credito Italiano at that time) in January 1988 working in the Research and Planning office. After managing several projects for the Planning and Control office and the Equity Investment Area, she directly looked after over 50 Group acquisitions as the head of the M&A and Business Development Group. In particular, she managed the combination with the HVB Group and the merger with the Capitalia Group supervising all integration/reorganisation processes that followed. From July 2008 to April 2009 she was the head of UniCredit's Private Banking Division. Since May 2009 she has held the position of Chief Financial Officer (CFO) and manager in charge of preparing corporate accounting documents with the title of Senior Executive Vice President.

Paolo Cornetta. He obtained a degree in law and holds an MBA. He began his career in 1987 with Credito Italiano. After holding various positions in the commercial banking area, in 1992 he joined Human Resources. In July 1994 he left Credito Italiano to go to the ING Group as the head of Recruiting and Compensation. In July 1995 he became head of Personnel Development at Banca Agricola Mantovana where he remained until November 1998. Between December 1998 and March 2004 he was the head of Human Resources for the ING Italy Group. When a portion of ING was acquired and merged into UniCredit in 2004, he was appointed head of HR for the New Europe division. In January 2006 he became head of Executive Development, and in January 2007 he was also assigned responsibility for Compensation & Benefits thereby becoming the head of Executive Development & Compensation. Since September 2009 he has been head of the HR F&SME SBA, and since 1 November 2010 has been head of HR Italy. Since 15 December 2010 he has been head of the Group's Human Resource department with the title of Senior Executive Vice President.

Ranieri de Marchis. He obtained a degree in economics with honours at LUISS University in Rome and an MBA at INSEAD in Fontainebleau. In 1987 he landed at Italcable as a financial analyst, and in 1988 he moved to Procter & Gamble. From 1990 to 2003 he worked for the General Electric Group: from 1990 to 1997 he was part of the Corporate Audit Staff and then held the position of Chief Auditor for Europe. From 1995 to 1997 he was head of finance and business development; from 1996 to 1997 he was appointed head of Financial Planning for GE Power Systems. Between 1997 and 2001 he was General Manager of the

finance area at Nuovo Pignone. In 2001 he was promoted to Vice President and Finance Manager on behalf of the Oil & Gas Division of General Electric. In May 2003 he joined UniCredit as Chief Financial Officer, and in 2007 was given the Group title of Senior Executive Vice President. In May 2009 he was appointed head of the Internal Audit Department.

The following table indicates the companies not held by UniCredit where the Company's key managers (with the exception of CEO Federico Ghizzoni; information on the latter can be obtained in Paragraph 14.1.1 of this Chapter 14) are and/or were, over the last five years prior to the Date of the Registration Document, members of Boards of Directors, management or control bodies, or managers in charge of preparing corporate accounting documents.

Name and surname	Company	Position	Status of position
Roberto Nicastro	A.B.I. – Italian Banking Association	Member of the Board of Directors and Executive Committee	Current
	ASSONIME (Association of Italian Stock Companies)	Member of the Board of Directors	Current
	EFMA (European Financial Management and Marketing)	Chairman of the Board of Directors	Current
	Consortium for the Management of the Pattichiari Trademark	Member of the Board of Directors	Terminated
Paolo Fiorentino	NEEP Roma Holding S.p.A.	Chairman of the Board of Directors	Current
	Officinae Verdi S.p.A.	Deputy Chairman of the Board of Directors	Current
	A.S. ROMA S.p.A.	Member of the Board of Directors and Executive Committee	Current
Jean-Pierre Mustier	None	None	None
Nadine Farida Faruque	None	None	None
Kallol Karl Guha	Tamarind Capital Investments (Family Trust)	Managing Director	Terminated
Marina Natale	None	None	None
Paolo Cornetta	None	None	None
Ranieri de Marchis	9REN	Member of Regulatory Body	Current
	Interbank Deposit Protection Fund	Member of the Board of Directors	Current
	Fondiarria – SAI S.p.A.	Member of the Board of Directors and Executive Committee	Current
	Interbank Deposit Protection Fund	Deputy Chairman of the Board of Directors	Terminated
	Interbank Deposit Protection Fund	Member of the Management Committee	Terminated
	Koc Finansal Hizmetler A.S.	Member of the Board of Directors	Terminated
	Koc Finansal Hizmetler A.S.	Member of Internal Control and Risk Committee	Terminated
	Yapi Ve Kredi Bankasi A.S.	Member of Board of Directors and Chairman of Audit Committee	Terminated
	Koc Bank A.S.	Manager	Terminated

As far as the Company is aware, none of the key managers holds, or held over the last five years, significant equity investments (equity investments of over 2% in listed companies and over 10% in unlisted companies).

Except as specified in Paragraph 20.11 of the Registration Document with regard to key managers Roberto Nicastro, Nadine Farida Faruque, Marina Natale and Ranieri de Marchis, and as noted below, as far as the Company is aware, in the five years preceding the Date of

the Registration Document, no key manager: (i) was found guilty of fraud; (ii) was declared bankrupt or subject to receivership proceedings, or, in the performance of their duties, was connected with any bankruptcy, temporary receivership proceedings or liquidation; and (iii) was subject to official prosecution and/or sanctions by government or regulatory authorities (including designated professional associations) or was disqualified by a court from his/her position as a member of the Board of Directors, management or control body of the Company or from performing management or administrative activities of any company.

Key Manager Jean-Pierre Mustier as head of the Corporate & Investment Banking division of Société Générale received a monetary administrative penalty of Euro 100,000 from the AMF (Autorité des Marchés Financiers) in relation to the liquidation of his personal portfolio in August 2007 (a portfolio that included less than 4% of the shares of Société Générale S.A.) since this transaction was initiated on the basis of certain information received by him in July 2007 that was considered price-sensitive.

None of the Key Managers has a family relationship with members of the Board of Directors, members of the Board of Statutory Auditors and/or with any of the other Key Managers of the Company.

14.2 Conflicts of interest of Boards of Directors, management, control bodies and senior managers

14.2.1 Potential conflicts of interest of members of Boards of Directors, management, control bodies and senior managers

At the Date of the Registration Document, as far as the Company is aware, the members of Boards of Directors, management and control bodies and senior managers of the Company have no interests that conflict with the obligations of their positions held at the Company with the exception of any interests concerning transactions submitted to the appropriate bodies of UniCredit in accordance with required procedures and in strict compliance with current laws and regulations. In fact, members of Boards of Directors, management and control bodies of UniCredit are required to comply with the provisions set forth below that are aimed at governing situations in which the interests of the aforementioned individuals may be relevant:

- Article 136 of the TUB, which requires the use of a specific authorisation procedure (resolution of Board of Directors passed unanimously with the favourable vote of all members of the control body and, if applicable, the consent of the parent company) if a bank or company forming a part of the banking group assumes obligations of any nature or carries out purchases or sales directly or indirectly with the respective company employees, or initiates lending transactions with employees of another company/bank of the banking group. Obligations are also relevant for this purpose with companies controlled by the aforementioned employees, or at which such employees carry out administrative, management or control duties, and with companies controlled by such companies or that control them;
- Article 2391 of the Civil Code pursuant to which directors must give notice to other directors and the Board of Statutory Auditors of any interest which they have for their own account or on behalf of third parties in a specific transaction of the company, subject to the withdrawal from the completion of the transaction if the member of the Board of Directors concerned is the company's CEO;

- Article 2391-*bis* of the Civil Code and CONSOB Decision no. 17221 of 12 March 2010 as revised concerning related-party transactions, pursuant to which UniCredit uses specific procedures to ensure that transactions entered into with related parties directly or through subsidiaries are transparent and appropriate from a substantive and procedural standpoint. In accordance with the referenced provisions, only the Board of Directors of UniCredit may authorise significant related-party transactions with the exception of those transactions that fall under the authority of the Shareholders' Meeting of UniCredit. For further details, see also Chapter 19, Paragraph 19.1 of the Registration Document.

14.2.2 Agreements or understandings with major shareholders, customers, suppliers or others as a result of which members of Boards of Directors, management or control bodies or senior managers were selected

The Company is not aware of any agreements or understandings with major shareholders, customers, suppliers or others as a result of which members of Boards of Directors, management or control bodies or senior managers were selected

14.2.3 Any restrictions agreed to by members of the Board of Directors and/or Board of Statutory Auditors and/or managers with respect to the sale of the Company's securities

Members of the Board of Directors, excluding the CEO, and members of the Board of Statutory Auditors have not agreed to restrictions with respect to the sale of the Company's securities held by them within a certain period of time.

With regard to the CEO and Key Managers – excluding the General Counsel & Group Compliance Officer and Head of Internal Audit – “Guidelines on Stock Holdings” are in effect that call for the commitment to establish and hold an investment in Company shares in a variable percentage, depending on the grade of the individual, of between 200% and 50% of his/her fixed compensation.

Furthermore, the incentive system for the CEO and Key Managers calls for the deferred payment of a portion of their annual incentive, including through the allocation of Company shares that are restricted for at least one year.

The aforementioned individuals must still comply with regulations concerning internal dealing and personal dealing and the procedures used by UniCredit's Board of Directors that govern disclosure obligations and the limitations concerning certain types of transactions involving UniCredit shares, as well as related financial instruments, that were initiated by “key individuals” of UniCredit and persons closely related to them.

In particular, the procedure concerning internal dealing also contains operating requirements for fulfilling disclosure obligations resulting from the listing of UniCredit shares:

- at the Frankfurt Stock Exchange with respect to BaFin pursuant to Article 15a of the Wertpapierhandelsgesetz–WpHG (“Securities Trading Act”) and related application instructions issued by BaFin; and

- at the Warsaw Stock Exchange with respect to the PFSA pursuant to Article 160 of the Consolidated Act of 29 July 2005 on trading financial instruments (Trading in Financial Instruments Act) and related application instructions issued by the Ministry of Finance.

15. COMPENSATION AND BENEFITS**15.1 Compensation and benefits paid to members of the Board of Directors and Board of Statutory Auditors and to the General Manager and other managers**

As dictated by Article 78 of the Issuer Regulations, the following tables indicate compensation paid for any purpose and in any form during the year ended 31 December 2010 by the Company and its direct and indirect subsidiaries to current members of the Board of Directors and Board of Statutory Auditors who were in office in 2010.

Board of Directors

<i>(in thousands of Euros)</i>	PERIOD POSITION WAS HELD	COMPENSATION FOR THE POSITION AT THE COMPANY PREPARING FINANCIAL STATEMENTS	NON- CASH BENEFITS	BONUSES AND OTHER INCENTIVES	OTHER COMPENSATION
Dieter Rampl					
Chairman of the Board of Directors	1.1.2010-31.12.2010	1,506	25		11
Chairman of the Permanent Strategy Committee	1.1.2010-31.12.2010	6			
Chairman of Corporate Governance, HR and Nomination Committee	1.1.2010-31.12.2010	6			
Chairman of the Remuneration Committee	1.1.2010-31.12.2010	2			
Member of Internal Control and Risk Committee	1.1.2010-31.12.2010	44			
Member of Internal Control Sub-Committee	9.11.2010-31.12.2010				
Member of Risk Sub-Committee	9.11.2010-31.12.2010				
Luigi Castelletti					
First Deputy Chairman of the Board of Directors	1.1.2010-31.12.2010	241	4		17
Member of the Permanent Strategy Committee	1.1.2010-31.12.2010	45			
Member of Corporate Governance, HR and Nomination Committee	1.1.2010-31.12.2010	46			
Member of Remuneration Committee	1.1.2010-31.12.2010	42			
Member of Internal Control and Risk Committee	1.1.2010-31.12.2010	44			
Member of Internal Control Sub-Committee	9.11.2010-31.12.2010				
Member of Risk Sub-Committee	9.11.2010-31.12.2010				
Chairman of Sub-Committee on Related-Party Transactions	30.9.2010-31.12.2010				
Farhat Omar Bengdara					
Deputy Chairman of the Board of Directors	1.1.2010-31.12.2010	239			
Member of the Permanent Strategy Committee	1.1.2010-31.12.2010	42			

<i>(in thousands of Euros)</i>	PERIOD POSITION WAS HELD	COMPENSATION FOR THE POSITION AT THE COMPANY PREPARING FINANCIAL STATEMENTS	NON- CASH BENEFITS	BONUSES AND OTHER INCENTIVES	OTHER COMPENSATION
Vincenzo Calandra Buonauro					
Deputy Chairman of the Board of Directors	1.1.2010-31.12.2010	241	4		14
Member of the Permanent Strategy Committee	1.1.2010-31.12.2010	46			
Member of Corporate Governance, HR and Nomination Committee	1.1.2010-31.12.2010	46			
Fabrizio Palenzona					
Deputy Chairman of the Board of Directors	1.1.2010-31.12.2010	241			
Member of the Permanent Strategy Committee	1.1.2010-31.12.2010	46			
Member of Corporate Governance, HR and Nomination Committee	1.1.2010-31.12.2010	46			
Federico Ghizzoni					
CEO	30.9.2010-31.12.2010	108	6	216 ⁽¹⁾	301 ⁽²⁾
Member of the Permanent Strategy Committee	30.9.2010-31.12.2010	11			
Member of Corporate Governance, HR and Nomination Committee	30.9.2010-31.12.2010	11			
Giovanni Belluzzi					
Member of the Board of Directors	1.1.2010-31.12.2010	88	4		5
Member of Internal Control and Risk Committee	1.1.2010-31.12.2010	44			
Member of Internal Control Sub-Committee	9.11.2010-31.12.2010				
Member of Sub-Committee on Related-Party Transactions	30.9.2010-31.12.2010				
Manfred Bischoff					
Member of the Board of Directors	1.1.2010-31.12.2010	85			
Member of the Permanent Strategy Committee	1.1.2010-31.12.2010	44			
Enrico Tommaso Cucchiani					
Member of the Board of Directors	1.1.2010-31.12.2010	84			
Member of Remuneration Committee	1.1.2010-31.12.2010	41			
Donato Fontanesi					
Member of the Board of Directors	1.1.2010-31.12.2010	86			
Francesco Giacomini					
Member of the Board of Directors	1.1.2010-31.12.2010	86			
Member of Corporate Governance, HR and Nomination Committee	1.1.2010-31.12.2010	46			

<i>(in thousands of Euros)</i>	PERIOD WAS HELD	POSITION	COMPENSATION FOR THE POSITION AT THE COMPANY PREPARING FINANCIAL STATEMENTS	NON- CASH BENEFITS	BONUSES AND OTHER INCENTIVES	OTHER COMPENSATION
Member of Internal Control and Risk Committee	30.9.2010-31.12.2010		11			
Member of Risk Sub-Committee	9.11.2010-31.12.2010					
Friedrich Kadrnoska						
Member of the Board of Directors	1.1.2010-31.12.2010		86			
Member of Remuneration Committee	1.1.2010-31.12.2010		42			
Director at other Group companies						4
Marianna Li Calzi						
Member of the Board of Directors	1.1.2010-31.12.2010		86	4		5
Member of Internal Control and Risk Committee	1.1.2010-31.12.2010		44			
Member of Internal Control Sub-Committee	9.11.2010-31.12.2010					
Member of Sub-Committee on Related-Party Transactions	30.9.2010-31.12.2010					
Luigi Maramotti						
Member of the Board of Directors	1.1.2010-31.12.2010		86			
Member of the Permanent Strategy Committee	1.1.2010-31.12.2010		45			
Member of Corporate Governance, HR and Nomination Committee	1.1.2010-31.12.2010		45			
Member of Internal Control and Risk Committee	30.9.2010-31.12.2010		11			
Member of Internal Control Sub-Committee	9.11.2010-31.12.2010					
Antonio Maria Marocco						
Member of the Board of Directors	1.1.2010-31.12.2010		86	4		5
Chairman of Regulatory Body	1.1.2010-31.12.2010		38			
Carlo Pesenti⁽³⁾						
Member of the Board of Directors	1.1.2010-31.12.2010		85			
Member of Remuneration Committee	1.1.2010-31.12.2010		42			
Lucrezia Reichlin						
Member of the Board of Directors	1.1.2010-31.12.2010		85			
Member of Internal Control and Risk Committee	1.1.2010-31.12.2010		44			
Member of Risk Sub-Committee	9.11.2010-31.12.2010					
Member of Regulatory Body	1.11.2010-31.12.2010					
Hans Jürgen Schinzler						
Member of the Board of Directors	1.1.2010-31.12.2010		85			

<i>(in thousands of Euros)</i>	PERIOD POSITION WAS HELD	COMPENSATION FOR THE POSITION AT THE COMPANY PREPARING FINANCIAL STATEMENTS	NON- CASH BENEFITS	BONUSES AND OTHER INCENTIVES	OTHER COMPENSATION
Member of the Permanent Strategy Committee	1.1.2010-31.12.2010	44			
Member of Remuneration Committee	1.1.2010-31.12.2010	42			
Theodor Waigel					
Member of the Board of Directors	1.1.2010-31.12.2010	85	4		
Anthony Wyand					
Member of the Board of Directors	1.1.2010-31.12.2010	86			
Member of the Permanent Strategy Committee	1.1.2010-31.12.2010	45			
Chairman of Internal Control and Risk Committee	1.1.2010-31.12.2010	199			
Chairman of Internal Control Sub-Committee	9.11.2010-31.12.2010				
Chairman of Risk Sub-Committee	9.11.2010-31.12.2010				
Franz Zwickl					
Member of the Board of Directors	1.1.2010-31.12.2010	86			
Member of Internal Control and Risk Committee	1.1.2010-31.12.2010	44			
Member of Risk Sub-Committee	9.11.2010-31.12.2010				
Director at other Group companies					4

⁽¹⁾ Of which about Euro 52,000 as a deferred incentive for 2009.

⁽²⁾ This amount includes salary and other employment-related non-variable compensation components for the period the position was held.

⁽³⁾ The compensation due to Carlo Pesenti was paid to Italmobiliare S.p.A. Compensation of Euro 240,000 related to work as director in other Group companies, which was paid directly to UniCredit, was excluded.

For the sake of complete reporting, below is information on compensation received for 2010 by Alessandro Profumo and Salvatore Ligresti, directors who resigned in 2010 and 2011 respectively, and by Piero Gnudi, a director who resigned on 16 November 2011 to work for the government.

<i>(in thousands of Euros)</i>	PERIOD POSITION WAS HELD	COMPENSATION FOR THE POSITION AT THE COMPANY PREPARING FINANCIAL STATEMENTS	NON- CASH BENEFITS	BONUSES AND OTHER INCENTIVES	OTHER COMPENSATION
Alessandro Profumo					
CEO	1.1.2010-21.9.2010	243	13		40,280 ⁽¹⁾
Member of the Permanent Strategy Committee	1.1.2010-21.9.2010	34			
Member of Corporate Governance, HR and Nomination Committee	1.1.2010-21.9.2010	33			
Salvatore Ligresti					
Member of the Board of Directors	1.1.2010-31.12.2010	84			
Piero Gnudi					
Member of the Board of Directors	1.1.2010-31.12.2010	95	4		6
Member of Remuneration Committee	1.1.2010-31.12.2010	41			

⁽¹⁾ In addition to salary and other employment-related non-variable compensation components already accrued on the termination date in the amount of Euro 2.28 million, this amount also includes Euro 38 million in relation to the individual termination agreement reached on 21 September 2010, which specifically called for the following:

- (a) the payment of a “layoff incentive” of Euro 36.5 million to Alessandro Profumo;
- (b) an annual non-competition obligation with specific compensation of Euro 1.5 million; on the basis of this, Alessandro Profumo may not, for the period of its duration, perform any activity of any type for companies operating in the financial sector in Italy, Germany and Austria. Compensation is paid in quarterly instalments in arrears;
- (c) Alessandro Profumo’s right to retain 33,935,714 UniCredit subscription rights received in previous years as a part of long-term share-incentive plans and already duly disclosed to the market at that time, at an average strike price of Euro 4.2327; and
- (d) Mr. Profumo’s waiver of rights tied, among other things, to the 2010 incentive system, the portion of deferred compensation for 2009, performance shares for 2007 and 2008 and to the long-term cash incentive system for 2010-2012.

As a part of the agreement, UniCredit also agreed to make a charitable donation of Euro 2 million to a non-profit organisation.

Board of Statutory Auditors

<i>(in thousands of Euros)</i>	PERIOD POSITION WAS HELD	COMPENSATION FOR THE POSITION AT THE COMPANY PREPARING FINANCIAL STATEMENTS	NON-CASH BENEFITS	BONUSES AND OTHER INCENTIVES	OTHER COMPENSATION
Maurizio Lauri					
Chairman of the Board of Statutory Auditors	23.04.2010-31.12.2010	98			4
Cesare Bioni					
Full auditor	23.04.2010-31.12.2010	75	3		2
Full auditor at other Group companies					40
Vincenzo Nicastro					
Full auditor	1.1.2010-22.4.2010 23.04.2010-31.12.2010	99			4
Full auditor at other Group companies					110
Michele Rutigliano					
Full auditor	23.04.2010-31.12.2010	75			3
Full auditor at other Group companies					96
Marco Ventoruzzo					
Full auditor	23.04.2010-31.12.2010	73			3
Paolo Domenico Sfameni					
Substitute auditor	23.04.2010-31.12.2010				
Full auditor at other Group companies					72
Massimo Livatino					
Substitute auditor	1.1.2010-22.4.2010 23.04.2010-31.12.2010				
Full auditor at other Group companies					

In 2010 Key Managers received from the Company and Group companies compensation totalling Euro 9.624 million (including bonuses, incentives and benefits)⁶³. The Company also paid Euro 16.6 million to two individuals in the group of Key Managers whose employment was terminated during the year.

Further information on the remuneration policy adopted by the Company is available on its website, www.unicreditgroup.eu, under the “Governance” section.

⁶³ One of the current Key Managers was hired in 2011, and thus, his compensation is not included in the calculation. However, the amount indicated includes compensation paid to the current CEO for the period 1 January 2010 - 29 September 2010 (see Chapter 14, Paragraph 14.1 of the Registration Document).

15.2 Total amount allocated or accrued by the Company or other Group companies to pay pensions, severance pay or similar benefits

For the year ended 31 December 2010, the total amount allocated or accrued by Group companies to pay pensions, severance pay or similar benefits to the CEO and Key Managers was Euro 2.27 million.

For more information, please see the Annual Report on Corporate Governance and ownership structures for 2010, which was published pursuant to and under the terms of law, and is available on the Company's website, www.unicreditgroup.eu, and at Borsa Italiana. The information contained in section 9 (Remuneration for Directors) is included by reference in the Registration Document, pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 2004/89.

16. PRACTICES OF THE BOARD OF DIRECTORS**16.1 End of term of office of directors in relation to the last period completed by the Company**

Pursuant to Article 20 of the UniCredit Corporate By-Laws, the term of office of directors is set at three years unless a shorter duration is established when they are appointed. The term of office for directors ends on the date of the Shareholders' Meeting called to approve the financial statements for the last year of their appointment.

The following table indicates the dates of the last appointment and end of current term of directors in office at the Date of the Registration Document and the date of the related first appointment and any co-optation.

BOARD OF DIRECTORS					
Name	Position	Date of appointment	End of term of office	Date of first appointment	Co-optation date
Dieter Rampl	Chairman	29 April 2009	Approval of financial statements on 31 December 2011	16 December 2005, effective 11 January 2006	
Luigi Castelletti	First Deputy Chairman	29 April 2009	Approval of financial statements on 31 December 2011	29 April 2009	
Farhat Omar Bengdara	Deputy Chairman	29 April 2009	Approval of financial statements on 31 December 2011	29 April 2009	
Vincenzo Calandra Buonauro	Deputy Chairman	29 April 2009	Approval of financial statements on 31 December 2011	6 May 2002	
Fabrizio Palenzona	Deputy Chairman	29 April 2009	Approval of financial statements on 31 December 2011	11 January 1999	
Federico Ghizzoni	CEO	30 September 2010	Approval of financial statements on 31 December 2011	29 April 2011	30 September 2010
Giovanni Belluzzi	Director	29 April 2009	Approval of financial statements on 31 December 2011	29 April 2009	
Manfred Bischoff	Director	29 April 2009	Approval of financial statements on 31 December 2011	16 December 2005, effective 11 January 2006	
Enrico Tommaso Cucchiani	Director	29 April 2009	Approval of financial statements on 31 December 2011	8 May 2008	18 September 2007
Donato Fontanesi	Director	29 April 2009	Approval of financial statements on 31 December 2011	8 May 2008	3 August 2007
Francesco Giacomini	Director	29 April 2009	Approval of financial statements on 31 December 2011	12 March 2001	19 October 2000
Friedrich Kadrnoska	Director	29 April 2009	Approval of financial statements on 31 December 2011	16 December 2005, effective 11 January 2006	
Marianna Li Calzi	Director	29 April 2009	Approval of financial statements on 31 December 2011	8 May 2008	

BOARD OF DIRECTORS					
Name	Position	Date of appointment	End of term of office	Date of first appointment	Co-optation date
Luigi Maramotti	Director	29 April 2009	Approval of financial statements on 31 December 2011	2 May 2005	27 January 2005
Antonio Maria Marocco	Director	29 April 2009	Approval of financial statements on 31 December 2011	30 July 2007	20 May 2007
Carlo Pesenti	Director	29 April 2009	Approval of financial statements on 31 December 2011	6 May 2002	
Lucrezia Reichlin	Director	29 April 2009	Approval of financial statements on 31 December 2011	29 April 2009	
Hans-Jürgen Schinzler	Director	29 April 2009	Approval of financial statements on 31 December 2011	16 December 2005, effective 11 January 2006	
Theodor Waigel	Director	29 April 2009	Approval of financial statements on 31 December 2011	29 April 2009	
Anthony Wyand	Director	29 April 2009	Approval of financial statements on 31 December 2011	11 January 1999	
Franz Zwickl	Director	29 April 2009	Approval of financial statements on 31 December 2011	8 May 2008	18 September 2007

On 23 October 1998 the Company's name was changed from Credito Italiano S.p.A. to UniCredito Italiano S.p.A. On 8 May 2008 the name was changed from UniCredito Italiano S.p.A. to UniCredit S.p.A.

16.2 Information on labour contracts that were entered into by members of Boards of Directors, management or control bodies with the Company or with subsidiaries, and that call for severance pay

Except as stated below, there were no labour contracts entered into by members of the Board of Directors or Board of Statutory Auditors with the Company or its subsidiaries that call for severance pay.

The individual manager labour contract for the current CEO, Federico Ghizzoni, is governed, including in the case of resignation, firing, revocation or termination, by the normal provisions of law and the National Labour Contract for Loan Managers dated 10 January 2008. In this context, the annual compensation used to determine any payment due in the cases described above would consist of fixed compensation, any other continuing compensation and the average of variable compensation received over the last three years (including components paid in shares such as free shares, restricted shares and performance shares, with the sole exclusion of the increased value of any stock options allocated as a part of long-term incentive plans) prior to termination. The actual amount of this payment, in terms of the monthly instalments concerned, will also vary as a function of the events that brought about termination and the duration of employment.

16.3 Composition and functions of the Internal Control and Risk Committee, the Remuneration Committee and Corporate Governance, HR and Nomination Committee

In order to promote an efficient information and consulting system that allows the Board of Directors to better assess certain matters under their authority, four committees were established with advisory

and proposal-making duties, having restricted structure and diversification to reflected the segment concerned: in addition to the Permanent Strategy Committee, the Internal Control and Risk Committee, Remuneration Committee and Corporate Governance, HR and Nomination Committee were set up in relation to which the compensation and duties are described below. These committees may operate in the manner deemed appropriate including with the establishment of sub-committees.

16.3.1 Internal Control and Risk Committee

The Internal Control and Risk Committee consists of 9 non-executive directors, the majority of whom are independent. By law, the Chairman and First Deputy Chairman of the Board of Directors are members. At least one member of the Committee must be selected from directors that were candidates on minority lists (if presented) in order to ensure greater transparency, responsibility and the participation of various components of the corporate structure. Committee members must be selected based on the best skills and availability to carry out the assignment, and at least one of them must have sufficient accounting and financial experience. The Chairman of the committee is selected from members other than those participating by law.

At the Date of the Registration Document, the Internal Control and Risk Committee was made up of the following directors: Anthony Wyand (Chairman), Giovanni Belluzzi, Luigi Castelletti, Francesco Giacomini, Marianna Li Calzi, Luigi Maramotti, Dieter Rampl, Lucrezia Reichlin and Franz Zwickl.

The Internal Control and Risk Committee, which has advisory and proposal-making functions, performs its duties at a plenary session or with a limited membership in three sub-committees:

- (i) Internal Control Sub-Committee;
- (ii) Risk Sub-Committee; and
- (iii) Sub-Committee on Related-Party Transactions.

The Internal Control Sub-Committee and Risk Sub-Committee each have 6 members, and they are presided over by the Chairman of the Internal Control and Risk Committee who is a member by law of each of the two Sub-Committees along with the Chairman and First Deputy Chairman of the Board of Directors.

At the Date of the Registration Document:

- (i) the Internal Control Sub-Committee was made up of directors Anthony Wyand (Chairman), Dieter Rampl, Luigi Castelletti, Giovanni Belluzzi, Marianna Li Calzi and Luigi Maramotti; and
- (ii) the Risk Sub-Committee was made up of directors Anthony Wyand (Chairman), Dieter Rampl, Luigi Castelletti, Francesco Giacomini, Lucrezia Reichlin and Franz Zwickl.

On the other hand, the Sub-Committee on Related-Party Transactions was made up of 3 members meeting the independence requirements specified by the Corporate Governance Code, from whom a Chairman is designated. At the Date of the Registration Document, the members of the Sub-Committee on Related-Party Transactions were directors Luigi Castelletti (Chairman), Giovanni Belluzzi and Marianna Li Calzi.

Normally meetings of the Committee in plenary session or with a limited membership in the case of the two Sub-Committees for internal controls and risks are called by the Chairman of the Internal

Control and Risk Committee unless a request is made by at least 2 of its members or 2 Full Auditors. In the latter case, all Full Auditors may participate.

Meetings of the Internal Control and Risk Committee are usually called monthly based on the following schedule:

- (i) at least twice annually in plenary session; and
- (ii) normally every other month with limited membership for the Internal Control Sub-Committee and Risk Sub-Committee.

On the other hand, the Sub-Committee on Related-Party Transactions meets whenever it is necessary (for further information, see Chapter 19 of the Registration Document).

The Chairman of the Board of Statutory Auditors or another full auditor designated by the Chairman of the Board of Statutory Auditors participate in the business of the Internal Control and Risk Committee in plenary session, or in the two Sub-Committees for internal controls and risks with limited membership. Other full auditors and members of the External Auditors may also be invited to participate.

The CEO, General Manager and heads of the Internal Audit and Compliance areas, Chief Risk Officer and Chief Financial Officer participate as permanent invitees in meetings of the Internal Control and Risk Committee in plenary session or in the two Sub-Committees for internal controls and risks with limited membership.

However, after assessing the relevance or urgency of a topic, the Chairman of the Internal Control and Risk Committee may decide to include it in the agenda of the next occurring meeting of the Committee whether in plenary session or in limited membership in the 2 Sub-Committees for internal controls and risks. In any case, the duties of the Internal Control and Risk Committee apply to all matters under the authority of the Board of Directors concerning risks and controls.

In terms of its duties, in plenary session, the Internal Control and Risk Committee:

- assists the Board of Directors in setting guidelines for the internal control system and, at least every six months, verifying the adequacy, effectiveness and actual operation of the internal control system ensuring that the main company risks have been accurately identified, measured, managed and properly monitored;
- reviews the six-monthly financial statements and annual (individual and consolidated) financial statements on the basis of reports of the manager in charge of preparing corporate accounting documents, including with respect to the proper use of accounting standards, and their consistency for the purposes of preparing the consolidated financial statements;
- reviews guidelines written by the appropriate area for the preparation of the annual budget;
- assists the Board of Directors in determining criteria for the compatibility of company risks with sound, proper management of the Company (risk appetite);
- assists the Board of Directors in formulating policies for risk management when they are reviewed periodically in order to ensure their effectiveness over time;

- analyses periodic reports prepared by control areas in accordance with legal or regulatory obligations;
- assesses the work done by the External Auditors or the Group's auditing firms and the results provided in report(s) and any recommendation letter(s);
- analyses reports on the activities of management committees that coordinate controls; and
- establishes functional links with similar committees established within the Group.

Following each meeting, the Internal Control and Risk Committee reports to the Board of Directors on the activities performed, and at least every six months, at the time of the approval of the financial statements and half-year report, on the adequacy of the internal control system.

The Internal Control Sub-Committee oversees control-related issues. In particular:

- it ensures that the Compliance area applies policies for the management of non-conforming risks established by the Board of Directors, and that the Internal Audit area implements the guidelines of the Board of Directors concerning the performance of third-level controls;
- it assesses any observations made in reports of the Internal Audit and Compliance areas or from the Boards of Statutory Auditors of Group companies or third-party investigations and/or reviews;
- it analyses the Group's guidelines for auditing activities, assesses the adequacy of the annual control plan prepared by the head of the Internal Audit area and may request that specific audits be performed;
- it analyses the Group's guidelines concerning matters under the responsibility of the Compliance area and monitors their receipt and implementation;
- it analyses periodic reports prepared by control areas (Internal Audit and Compliance) that do not comply with legal or regulatory obligations;
- it reviews the adequacy of organisational structures of the Compliance and Internal Audit areas from a qualitative/quantitative standpoint, and with regard to proposals concerning the Internal Audit area, it requests the preparation by the area manager of any proposals to modify the area which must be accompanied by a non-binding opinion of the CEO;
- it expresses an opinion on any proposal made by the Chairman of the Board of Directors concerning the appointment or replacement of managers of the Internal Audit and Compliance areas and regarding the variable portion of their compensation; and
- it reviews quarterly reports.

The Risk Sub-Committee oversees issues concerning risks; in particular:

- it reviews the assessment of risks at the Group level;
- it assists the Board of Directors in overseeing the specific functioning of operating processes and the control of (credit, market, liquidity and operational) risks in accordance with current laws and regulations. With specific reference to credit risk, it supports the Board of Directors in monitoring concentration risk by sector and individual entity; and

- it analyses periodic reports prepared by the Risk Management area in accordance with legal or regulatory obligations.

The Sub-Committee on Related-Party Transactions oversees issues concerning transactions with Related Parties within the limits of the duties assigned by current laws and regulations (for further details on information on Related-Party transactions, see Chapter 19 of the Registration Document).

16.3.2 Remuneration Committee

The Remuneration Committee is made up of 7 non-executive members, the majority of whom are independent. By law, the Chairman and First Deputy Chairman of the Board of Directors are members. The other members must be selected on the basis of the best qualifications and availability to carry out the assignment. The Chairman of the Committee is the Chairman of the Board. At the Date of the Registration Document, the Remuneration Committee was made up of the following directors: Dieter Rampl (Chairman), Luigi Castelletti, Enrico Tommaso Cucchiani, Friedrich Kadrnoska, Carlo Pesenti and Hans Jürgen Schinzler.^{64 65}

The Remuneration Committee generally meets every four months or whenever it is necessary to discuss issues falling under its area of responsibility.

The Remuneration Committee has proposal-making and advisory functions, and in particular, provides opinions to the Board of Directors – concerning proposals made by the CEO or Chairman of the Board of Directors – regarding:

- the remuneration of UniCredit directors with specific assignments, and especially the remuneration of the CEO;
- the remuneration of the General Manager of UniCredit if the latter is also CEO;
- the compensation structure for the CEO, General Manager and Deputy General Managers;
- the remuneration policy for Senior Executive Vice Presidents, the Group Management Team (Executive Vice Presidents), Leadership Team (Senior Vice Presidents) and department heads that report directly to the CEO;
- approval of the UniCredit Group's incentive plans based on financial instruments; and
- the remuneration policy for company employees (members of Boards of Directors, Boards of Statutory Auditors and Supervisory Boards of UniCredit Group companies).

Proposals in relation to items a) and b) above are to be prepared by the Chairman.

⁶⁴ Piero Gnudi was a member of this committee until 16 November 2011, the date on which he resigned from his position as a Company director to work for the government.

⁶⁵ See the new provisions concerning remuneration and incentive policies and practices in banks and banking groups. At the parent company of larger banking groups, and in all cases, at listed banks, a "Remuneration Committee" must be established within the body with strategic supervisory functions. This committee is made up of non-executive employees the majority of whom are independent. This committee must also have, or have the support of, experts in the area of risk, capital and liquidity management so that the incentives implicit in the remuneration system are consistent with the management of these profiles by the intermediary. The risk manager should participate in meetings of the Remuneration Committee especially to ensure that incentive systems are appropriate to take into account all risks assumed by the bank based on methodologies consistent with those that the bank uses to manage risks for regulatory and internal purposes.

Members of the Remuneration Committee for whom the latter is required to express an opinion on remuneration payable based on their specific assignments may not participate in meetings concerning the determination of the proposal regarding such remuneration.

16.3.3 Corporate Governance, HR and Nomination Committee

The Corporate Governance, HR and Nomination Committee is made up of 7 members, the majority of whom are non-executive and independent. By law, the Chairman of the Board of Directors and CEO are members. The other members must be selected on the basis of the best qualifications and availability to carry out the assignment. The Chairman of the Committee is the Chairman of the Board of Directors. At the Date of the Registration Document the Corporate Governance, HR and Nomination Committee was made up of: Dieter Rampl (Chairman), Vincenzo Calandra Buonauro, Luigi Castelletti, Federico Ghizzoni, Francesco Giacomini, Luigi Maramotti and Fabrizio Palenzona.

Meetings of the Committee are generally held monthly (usually one week prior to the meeting of the Board of Directors) or whenever it is necessary to discuss issues falling under its area of responsibility. It is up to the Chairman to call meetings of the Committee.

The Committee has proposal-making and advisory functions. In particular, the Committee provides opinions to the Board of Directors – concerning proposals made by the Chairman and/or CEO to the Board of Directors – concerning:

- (i) the determination of UniCredit's corporate governance system, corporate structure and the Group's governance models/guidelines;
- (ii) the determination of policies for appointing directors of UniCredit and policies for assessing the Board of Directors;
- (iii) the appointment of the CEO, General Manager, Deputy General Managers, other key management personnel, Senior Executive Vice Presidents and other department heads that report directly to the CEO;
- (iv) the determination of policies concerning the appointment and succession plan for the CEO, General Manager, Deputy General Managers and other key managers, Senior Executive Vice Presidents, the Group Management Team (Executive Vice Presidents) and Leadership Team (Senior Vice Presidents);
- (v) the determination of the policy for appointments of company employees (members of Boards of Directors, Boards of Statutory Auditors and Supervisory Boards of Group companies).
- (vi) the designation of company employees (members of Boards of Directors, Boards of Statutory Auditors and Supervisory Boards) in the Group's main companies.
- (vii) the identification of candidates for the position of director of UniCredit in the event of co-optation, and the identification of candidates for the position of independent director to be submitted to the Shareholders' Meeting of UniCredit taking into account any recommendations received from shareholders; and
- (viii) appointments of members of UniCredit's Board Committees based on the Chairman's proposals.

16.4 Statement confirming the Company's compliance with current corporate governance regulations

The Company has adapted its corporate system to comply with provisions of corporate governance, and in particular, those specified in the TUF and related implementation provisions, in Regulatory Provisions concerning the organisation and corporate governance of banks published by Banca d'Italia on 4 March 2008 and concerning remuneration and incentive policies and practices in banks and banking groups as well as provisions of the Corporate Governance Code.

Since its founding, UniCredit has used the traditional administration system. A key feature of this system is the separation between the company's management duties, administration controls and the auditing of financial statements.

In particular, the Board of Directors has sole responsibility for the strategic supervision and management of the company, the Board of Statutory Auditors has sole responsibility for administration controls, and the audit of financial statements is assigned by the Shareholders' Meeting, based on the substantiated proposal of the Board of Statutory Auditors, to an official auditing firm in accordance with current applicable regulations. The Company believes that this governance model has proven to be suitable for ensuring management efficiency and the effectiveness of controls; thus, these are the necessary conditions that allow the Company to provide sound and prudent management of a complex, global banking group such as the UniCredit Group.

In addition, in accordance with current regulations and regulatory provisions, the Company has, among other things:

- established the Internal Control and Risk Committee and Remuneration Committee;
- adopted a procedure for internal dealing and personal dealing;
- given the Ordinary Shareholders' Meeting sole authority to approve remuneration policies for Board members, employees and outside consultants who have no employment relationships with the Company as well as plans based on financial instruments (e.g., stock option and stock grant programmes);
- determined procedures for the internal management and external distribution of documents and information concerning the Company;
- adopted regulations for Shareholders' Meetings; and
- adopted a procedure regarding Related-Party transactions.

In addition, the Company has adopted an organisational model pursuant to Legislative Decree no. 231 of 8 June 2001 concerning the company's administrative liability for crimes committed by senior managers or their subordinates. Among other things, Legislative Decree no. 231 of 8 June 2001 also calls for the establishment of an internal Regulatory Body with independent powers to act and perform controls. The Regulatory Body is collegial in nature, and it is essentially charged with overseeing the operation and compliance of the organisation and management model specified by Legislative Decree no. 231 of 8 June 2001 and is also responsible for updating this model.

For additional information on the Company's corporate governance system, see the Annual Report on Corporate Governance and Ownership Structure for 2010 which was published in accordance with the

law and legally established deadlines and is available at the Company's website, www.unicreditgroup.eu, and at Borsa Italiana. The information contained in Chapters 5 (Treatment of Corporate Information), 6 (Committees within the Board), 7 (Nominations Committee) and 11 (Internal Control System) are incorporated in the Registration Document by reference pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 2004/89.

17. EMPLOYEES

17.1 Number of Employees

The following table indicates changes in the number of total active Group employees at 30 September 2011 and 31 December 2010, 2009 and 2008 broken down by geographic area and professional category.

Period ended	Total	Italy	Abroad	% Top Managers	% Executives & Middle Managers	% Other staff
30 September 2011	173,501	54,358	119,143	0.38%	15.29%	84.33%
31 December 2010	174,921	55,814	119,107	0.38%	15.24%	84.38%
31 December 2009	177,614	57,969	119,645	0.37%	14.86%	84.77%
31 December 2008	186,684	60,673	126,011	0.36%	14.71%	84.93%

At 30 September 2011 the Group had a total of 173,501 employees. In order to carry out its activities, at 30 September 2011 the Group used the services of a total of 5,038 temporary project-based workers and interns. At the same date, the Group had 7,333 workers on temporary contracts.

The change in the overall number of active employees of the Group at 30 September 2011 compared to the total number of active employees at 31 December 2010 was due to attrition based on the Industrial Plan for the Italy area.

17.2 Equity investments and stock options

Equity investments

The table below indicates members of the Board of Directors, Board of Statutory Auditors and Key Managers of the Company who directly or indirectly held an equity investment in the Company's share capital at 15 October 2011.

FIRST AND LAST NAME	NUMBER OF SHARES HELD AT 15 OCTOBER 2011
Dieter Rampl	309,746
Vincenzo Calandra Buonauro	60,779
Federico Ghizzoni	175,000 ¹
Manfred Bischoff	50,000
Luigi Maramotti	7,628,949
Antonio Maria Marocco	66,885
Anthony Wyand	20,415
Franz Zwickl	4,729
Vincenzo Nicastro	60,000
Roberto Nicastro	817,889
Paolo Fiorentino	519,818 ²
Marina Natale	51,943
Paolo Cornetta	18,876
Ranieri de Marchis	227,245

¹ Of which 5,000 through his spouse.

² Of which 143 through his spouse.

Stock Options

Below are stock options for the Company's shares allocated to the Company's Key Managers indicated in Chapter 14, Paragraph 14.1.3 of this Registration Document who were active at 30 September 2011.

NAME AND SURNAME	STOCK OPTIONS AT 30 September 2011	NUMBER OF SHARES RESULTING FROM EXERCISE OF STOCK OPTIONS
Federico Ghizzoni	1,651,989	1,949,997
Roberto Nicastrò	10,933,708	12,331,030
Paolo Fiorentino	7,073,525	7,932,278
Jean-Pierre Mustier	0	0
Nadine Faruque	0	0
Karl Guha	1,246,054	1,246,054
Marina Natale	2,912,280	3,145,422
Paolo Cornetta	451,619	494,873
Ranieri de Marchis	3,257,295	3,844,901

17.3 Description of any other employee agreements for equity investments in the Company's capital

Except as indicated below and in disclosures already made public concerning information on the allocation of financial instruments to company representatives, employees or outside contractors, there were no other employee agreements for equity investments in the Company's share capital in accordance with the requirements of Article 114-*bis* of the TUF and the requirements of the Issuer Regulations.

Starting in 2000, UniCredit approved 10 medium and long-term incentive plans, and as a result of merger transactions, it took over two incentive plans originally used by Rolo Banca (both of which have now expired) and five plans originally used by the Capitalia group (all of which have now expired). The last of these plans was approved as a part of the "2011 Group Compensation Systems" by the Ordinary Shareholders' Meeting of UniCredit of 29 April 2011.

In 2008 the first share ownership plan for Group employees, called the UniCredit Group Employee Share Ownership Plan (ESOP 2008) was launched, which was followed by the share ownership plans called ESOP 2009, ESOP 2010 and ESOP 2011.

Below is a description of the share components of the "2011 Group Compensation Systems" and the ESOP 2011 share ownership plan for the current period at the Date of the Registration Document.

17.3.1 2011 Group Compensation Systems

Based on instructions concerning compensation and incentive policies and practices provided by Banca d'Italia, and in keeping with guidelines contained in the European directive CRD III (Capital Requirements Directive) and in the guidelines issued by the CEBS (Committee of European Banking Supervisors), compensation systems based on financial instruments were established with the aim of aligning management interests with those of shareholders by providing compensation for the creation of long-term value and increases in share value, and at the same time, to motivate and build loyalty among key group human resources (hereinafter, "**2011 Compensation Systems**" or "**Plans**"). In this context, the following Plans were adopted:

- 2011 Incentive System for Group Executives (hereinafter, "**Group Executive Plan**") which calls for the payment of an incentive – in cash and free ordinary shares – to be paid over four years subject to the achievement of specific performance objectives;
- Share Plan for Talented Individuals and Strategic Group Resources (hereinafter, "**Plan for Strategic Group Resources**") which calls for the allocation of free ordinary shares over a three-year period subject to the achievement of specific performance objectives; and
- Stock Option Performance Plan for the Group's Senior Executives (hereinafter, "**Stock Option Performance Plan**"), which calls for allocating performance stock options that can be exercised starting the year after the reference period (2012-2015) subject to the achievement of specific performance objectives.

In view of the fact that the Plans are intended for specific categories of employees of Group companies, at present the potential recipients are as follows:

- currently about 1,000 employees for the Group Executive Plan;
- currently about 1,100 employees for the Plan for Strategic Group Resources, bearing also in mind that this may also be offered when hiring employees who are to hold significant positions in the Group;
- currently about 125 employees for the Stock Option Performance Plan.

Based on criteria set by the Shareholders' Meeting, the Board of Directors continues to identify actual recipients among those belonging to the above categories.

The employees of UniCredit and the companies directly or indirectly controlled by it who are entitled to benefit from the 2011 Compensation Systems are as follows:

- for the Group Executive Plan (in addition to the CEO of UniCredit): the General Manager and Deputy General Managers of UniCredit, Senior Executive Vice Presidents (currently 19 people), Executive Vice Presidents and other "risk takers" (currently about 160 people), Senior Vice Presidents (about 470 people) and other positions that have an impact on credit, market and liquidity risk, and that receive a total incentive of over Euro 100,000 (currently about 360 people);

- for the Plan for Strategic Group Resources: about 1,100 employees identified among talented individuals and other human resources considered to be strategic for achieving company results, taking into account the results of performance assessment and development programmes such as Performance Management, Executive Development Plan and Talent Management Review, or identified during the hiring phase among staff intended to hold significant positions in the Group; and
- for the Stock Option Performance Plan (in addition to the CEO of UniCredit): the General Manager and Deputy General Managers of UniCredit, Senior Executive Vice Presidents and Executive Vice Presidents. In this regard it should be noted that in accordance with current regulations concerning compensation for heads of independent control departments, human resources working in the Audit and Legal and Compliance departments are not included among recipients of the plan for the Group's senior executives.

The Group Executive Plan specifies that in 2012 the objectives determined for 2011 are to be verified using a balanced, multi-perspective approach to assess performance achieved with a particular emphasis on operational and sustainability objectives determined on an individual assessment grid ("performance screen"). If the objectives are achieved, the incentive will be paid in 4 instalments over the four-year period 2012-2015 in the following manner:

- (a) in 2012 the first portion of the overall incentive will be paid in cash ("1st instalment") subject to the application of a risk/sustainability factor ("Group Gate") related to the Group's profitability, capitalisation and liquidity for 2011 and to individual adherence to compliance, conduct and behaviour rules;
- (b) in 2013 the second portion of the overall incentive will be paid in cash ("2nd instalment") subject to the application of a Zero Factor related to the Group's profitability, capitalisation and liquidity for 2012 and to individual adherence to compliance, conduct and behaviour rules;
- (c) in 2014 UniCredit shares will be paid as the third portion of the overall incentive ("3rd instalment") subject to the application of the Zero Factor related to 2013 and to individual adherence to compliance, conduct and behaviour rules; and
- (d) in 2015 UniCredit shares will be paid as the fourth portion of the overall incentive ("4th instalment") subject to the application of the Zero Factor related to 2014 and to individual adherence to compliance, conduct and behaviour rules. The plan incorporates a requirement to retain these shares for a year from their allocation date.

The Plan for Strategic Group Resources provides free ordinary UniCredit shares in three equal instalments over a period of 3 years. Each allocation is subject to the condition that the recipient must be a current employee at the time of the allocation, and to the application of a Zero Factor related to the Group's profitability, capitalisation and liquidity for each year and to individual adherence to compliance, conduct and behaviour rules. The results of performance assessment and development programmes will also be considered, such as Performance Management, Executive Development Plan and Talent Management Review.

The Stock Option Performance Plan specifies that the performance indicators calculated during the reference period of 2012-2015 are as follows:

- Relative Total Shareholder Return, which measures the total return on the shareholders' investment (taking into account capital gains and dividends) in relation to a comparison group composed of those companies in the European Stoxx Banking Sector index, which, on the last day of the reference period, have capitalisation higher than the index median. All companies, which 30 days prior to the end of the reference period, were involved in specific corporate transactions such as mergers and acquisitions, will be excluded from the comparison group; and
- Group Economic Profit calculated as the difference between Net Operating Profit after Taxes and the product of Allocated Capital and Cost of Capital.

The maximum number of performance stock options allocated can be exercised if the level of the Group's Economic Profit for 2012-2015 is greater than the budgeted multi-year targets, and the position of the Relative Total Shareholder Return for 2012-2015 is greater than or equal to the third quartile of the comparison group used as a reference. No performance stock option may be exercised if the position of the Relative Total Shareholder Return is lower than the median and the Economic Profit is lower than defined targets. In order to comply with the requirements of regulatory authorities, options, in any case, may only be exercised one year after their vesting, and thus, after 31 December 2016.

17.3.2 2011 UniCredit Group Employee Share Ownership Plan

On 22 February 2011 the Company's Board of Directors approved the proposal related to the 2011 UniCredit Group Employee Share Ownership Plan ("2011 Employee Share Ownership Plan", or the "**Plan**").

The Plan was later approved by the Company's Ordinary Shareholders' Meeting on 29 April 2011 and launched on 27 October 2011.

The Plan's potential recipients are employees of UniCredit Group companies. In particular, the Plan is intended for the following categories of employees at UniCredit and the main banks and companies that belong to the Group in Italy, Germany, Austria, Bulgaria, Hungary, the Czech Republic, Poland, Romania, Serbia, the Slovak Republic, the UK and Luxembourg:

- General Managers and Deputy General Managers (and similar categories in the various territories where the Group operates) that work at UniCredit and the Group's main banks and companies;
- Managers (and similar categories in the various territories where the Group operates) that work at UniCredit and the Group's main banks and companies;
- Middle Managers (and similar categories in the various territories where the Group operates) that work at UniCredit and the Group's main banks and companies;
- Clerical staff (and similar categories in the various territories where the Group operates) that work at UniCredit and the Group's main banks and companies;

The Plan specifies that employees of Group companies that intend to enrol in the Plan (the “**Participants**”) must, during the enrolment period, indicate the amount to be allocated to the purchase of ordinary UniCredit shares in the next subscription period. At the end of the subscription period, and provided that the Participant has retained ownership of the shares purchased during the period, each Participant will be entitled to receive a free share for every 3 shares purchased, and this stock will be subject to a three-year restriction period.

To be specific, below is detailed information related to the various Plan phases:

- (a) Enrolment Period: during the period from October 2011 to December 2011, Participants will indicate the overall amount they want to invest which may be up to 6.5% of their fixed annual gross compensation up to a limit of Euro 20,000. On the other hand, the annual minimum percentage contribution will be set taking into account the specific nature of the individual participating countries;
- (b) Subscription Period: during the period from January 2012 to December 2012, Participants may purchase shares through monthly debits to their current accounts or through a contribution in one or more amounts to be made in March, May and/or October (the “one-off” method). If a Participant leaves the Plan during the Subscription Period, he or she will forfeit the right to receive free shares as indicated in items c) and d) below at the end of the Subscription Period;
- (c) “Matching Share”: at the end of the Subscription Period, each Participant will receive one free share for every 3 purchased. These free shares, called Matching Shares, will be subject to the condition that they cannot be sold for the following three years, and the Participant will lose ownership of them if he or she is no longer an employee of a UniCredit Group company during this three-year Restriction Period (as specified below), unless the employee has terminated employment for reasons allowed by the Plan’s regulations. For tax reasons, in certain countries it is not possible to allocate Matching Shares at the end of the Subscription Period. Thus, there is a provision for an “alternate structure” which grants Participants residing in these countries the right to receive Matching Shares at the end of the Restriction Period;
- (d) Restriction Period: from January 2013 to January 2016. During this period, Participants may sell “purchased” shares at any time, but they will lose the Matching Shares.

The Plan calls for the use of shares to be found in the market to avoid dilution of the Company’s share capital.

Plan Participants must give the Group reference bank a purchase order for ordinary UniCredit shares. This purchase will be made in the market through FinecoBank, a Group company headquartered in Italy that is designated as the sole intermediary for the Esop 2011 Plan, and all shares purchased will be sub-deposited in an account in the name of each participant bank at Société Générale Securities Services (SGSS), the Custodian Bank for the purposes of the Esop 2011 Plan.

For further information, see the disclosures related to information on the allocation of financial instruments to company representatives, employees and independent contractors in

accordance with the requirements of Article 114-*bis* of the TUF and the requirements of the Issuer Regulations available at the website www.unicreditgroup.eu.

The information contained in such disclosures is incorporated in the Registration Document by reference pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004.

18. MAIN SHAREHOLDERS

18.1 Main shareholders of the Company

According to the shareholder register, in the notifications received pursuant to the current regulations and other information available, at 27 September 2011 the shareholders, directly or indirectly, owning ordinary shares representing more than 2% of UniCredit ordinary share capital, were:

Shareholder	Ordinary shares	Shareholding of ordinary share capital
Mediobanca – Banca di Credito Finanziario S.p.A. ¹	1,011,293,781 ²	5.247%
International Petroleum Investment Company (<i>indirectly through Aabar Luxembourg Sarl</i>)	962,000,000	4.991%
Central Bank of Libya ³ of which:	961,421,874	4.988%
- <i>directly</i>	859,579,143	4.460%
- <i>indirectly through Libyan Foreign Bank</i>	101,842,731	0.528%
Fondazione Cassa di Risparmio di Verona, Vicenza, Belluno e Ancona ¹	811,550,000	4.211%
BlackRock Inc. (<i>indirectly through the Group funds</i>)	775,638,495	4.024%
Fondazione Cassa di Risparmio di Torino ¹	639,734,920	3.319%
Carimonte Holding S.p.A. ¹	557,706,383	2.894%
Libyan Investment Authority ^{1 3}	500,000,000	2.594%
Allianz SE (<i>indirectly through the subsidiaries</i>)	393,847,333	2.043%

¹ Directly held equity investment.

² 967,564,061 shares assigned to support the subordinated loan being converted to shares (CASHES loan) are held in usufruct for UniCredit and as collateral for Bank of New York, the issuer of the referenced loan; voting rights for these shares are suspended for the entire term of the usufruct. For further details on the rights and obligations resulting from the usufruct agreement, see Chapter 22, Paragraph 22.5 of the Registration Document.

³ Holding subject to the measures stipulated in Regulation (EU) No 204/2011 of 2 March 2011, as subsequently amended, and Implementing Regulation (EU) No 233/2011 of 10 March 2011. The exercise of administrative and property rights related to the shares held is frozen as dictated by the aforementioned measures.

18.2 Different voting rights pertaining to the main shareholders

At the Date of the Registration Document, the Company has issued ordinary shares and savings shares. The savings shares do not give the right to vote at the Company's Ordinary and Extraordinary Shareholders' Meetings.

18.3 Company controlling party

At the Date of the Registration Document, no party exercises control over the Issuer pursuant to Article 93 of the TUF.

18.4 Agreements that could cause a change in the control structure of the Company

As far as the Company is aware, at the Date of the Registration Document, there are no agreements in existence that could, at a later date, cause a change in the control structure of UniCredit.

It should, however, be pointed out that, pursuant to Article 5 of the UniCredit Corporate By-Laws, no one having voting rights may exercise such right, for any reason, for a portion of the Company's shares greater than 5% of the share capital having voting rights. For the purpose of calculating this threshold, the total shareholding pertaining to the parent company, individual – legal entity or company – to all the direct or indirect subsidiaries and to the associated companies should be taken into account, as well as shares held through trustees and/or nominees and/or those for which the voting rights are allocated to any party other than the holder; on the other hand, it is not necessary to

take into account shareholdings included in the mutual investment funds portfolio managed by subsidiaries or associated companies. For further details, please also see Chapter 21, Paragraph 21.2.6 of the Registration Document.

19. RELATED-PARTY TRANSACTIONS

19.1 Introduction

It is established Company practice, in the performance of its activity, to respect at all times the criteria of transparency, substantial and procedural correctness in transactions with Related-Parties – as identified by CONSOB and international accounting principle IAS 24 – in line with laws and regulations prevailing from time to time.

UniCredit has, for some time, adopted a process of monitoring and notifying the Board of Directors (and the Board of Statutory Auditors) of important, atypical and/or unusual transactions, as well as transactions concluded with Related Parties. This process, aimed at systematising the information flow destined for the Board of Statutory Auditors also pursuant to Article 150 of the TUF, containing information on the characteristics, parties involved and operating, financial and capital effects of the transactions in question, has ensured appropriate information is provided regularly, in the report on operations that accompanies the financial statements.

UniCredit, as a listed issuer, is also bound to comply with the obligations set out by the existing laws issued by CONSOB on the subject of company information and concerning Related-Party transactions, including those concluded via subsidiaries. Under this scope, in November 2010, the Company's Board of Directors approved the Procedures for the management of Related-Party transactions (the "**Related-Party Procedures**") in compliance with the provisions of the CONSOB Regulation, adopted through Decision no. 17221 of 12 March 2010 and subsequently supplemented with amendments made through Decision no. 17389 of 23 June 2010. This regulation dictates the principles to which Italian companies with shares listed on regulated markets in Italy or other European Union countries and with shares circulated to a great extent among the public must adhere in order to ensure substantial and procedural transparency and correctness for Related-Party transactions conducted directly or via subsidiaries. These documents are available to the public on the Company's website www.unicreditgroup.

The instructions necessary for systematically complying with the above disclosure requirements, starting from 1 January 2011, have therefore been issued to the structures of the Company and the companies belonging to the Group.

Specifically, the Related-Party Procedures adopted by the Company lay down informative and advisory rules with regard to the transactions put in place by UniCredit and also via subsidiaries as well as the methods of notifying corporate bodies and the market. The above-mentioned procedures, in compliance with the brief issued by CONSOB, identify:

- the requirements of independence which the UniCredit Directors called upon to express opinions on Related-Party transactions must possess;
- the scope of UniCredit Related Parties;
- Related-Party transactions of major significance;
- cases of exemption and exclusion which UniCredit resorts to;
- the methods with which Related-Party transactions are developed and approved, also where they have been put in place by Italian or foreign subsidiaries;

- the methods and times according to which information relating to Related-Party transactions is to be sent to Independent Directors, as well as to Administrative and Control Bodies; and
- the obligations of transparency with regard to Corporate Bodies, supervisory bodies and the market.

Furthermore, within the context of the Internal Control and Risk Committee (see Chapter 16, Paragraph 16.3.1 of the Registration Document), the Sub-Committee on Related-Party Transactions was set up. Its duties are as follows:

- It formulates opinions on procedures and related revisions in order to identify and manage Related-Party transactions initiated by UniCredit and Group companies;
- It formulates substantiated opinions for Related-Party transactions initiated by UniCredit and Group companies on the company's interest in carrying out the transactions and on the expediency and substantive correctness of related conditions; and
- In the case of Related-Party transactions of a greater significance (as identified in Related-Party Procedures and as defined in Chapter 19 of the Registration Document), it is involved (if deemed necessary, through one or more delegated components) in the negotiating phase and preliminary investigation phase by obtaining a complete and timely information flow with the option to request information and make comments to the delegated bodies and individuals hired to conduct negotiations and the preliminary investigation.

With regard to each individual transaction, members of the Sub-Committee on Related-Party Transactions must not be related to the counterparty or the relevant Related Parties.

If a member of the Sub-Committee on Related-Party Transactions is a counterparty in the transaction (or related to the counterparty), he must promptly give notice thereof to the Chairman of the Board of Directors and Chairman of the Sub-Committee and refrain from participating in further work of the Sub-Committee in relation to the transaction to which the relationship is connected. In this instance, this member will be immediately replaced by another member of the Internal Control and Risk Committee meeting the independence requirements described in the Corporate Governance Code in order to restore the presence of three unrelated directors who also meet the referenced independence requirements. If it is not possible to make this replacement on the Internal Control and Risk Committee, the Committee may identify the replacement among other unrelated independent members on the Board of Directors.

Without prejudice to the principle in Article 2391 of the Civil Code on the subject of the interests of Directors, it is also necessary to apply the contents of Article 136 of the TUB, relating to the obligations of corporate banking officers, to the banks and companies belonging to the UniCredit Group, pursuant to which corporate officers (or subsidiaries or companies where administrative, management or control functions are performed as well as the relative subsidiaries or parent companies) can take on obligations with regard to the company they administrate, manage or control or other companies that are part of the Group, in the case of financing operations. This is only possible following the unanimous approval of the administrative body of the relevant bank/company through a vote in favour by all members of the Board of Statutory Auditors and, where appropriate, with the consent of UniCredit as the parent company.

For this purpose, the above-mentioned representatives are bound to give notification of subjects pertaining to whom the foundation of possible relations could include the case of significant responsibility pursuant to Article 136 of the TUB.

It is Company practice to seek assistance from independent experts for issuing fairness or legal opinion if deemed necessary depending on the nature of the transaction, provided the transaction was conducted with Related Parties, also in line with the provisions of the Corporate Governance Code.

19.2 Related-Party relations and transactions

The Company has entertained and continues to entertain relations of a commercial and financial nature with Related Parties.

UniCredit Related Parties, as defined by IAS 24, with which Group companies have conducted transactions include:

- direct and indirect subsidiaries of UniCredit;
- UniCredit associated companies and joint ventures in which UniCredit is an investor;
- key management personnel;
- close family members of key management personnel and companies held by (or associated with) key management personnel or their close family members;
- Group employee pension funds.

Over the course of the last three financial years and the first nine months of 2011, intra-group transactions and/or transactions with related parties, Italian and foreign, were normally carried out under conditions similar to those for transactions with independent third parties. It should also be pointed out that in the first nine months of 2011, two transactions with related parties were put in place not under market or standard conditions, specifically:

- the transaction with Fondiaria SAI S.p.A. (for more details, please see Chapter 22, Paragraph 22.1 of the Registration Document) which, by virtue of its characteristics, was not conducted under market conditions but through methods which, nevertheless, would not have an effect on the completeness and correctness of the information, including accounting information, relating to the Company, and
- the transaction with Europrogetti & Finanza S.p.A. in liquidation, consisting of a non interest-bearing shareholder loan in favour of the company in which the stake is held of Euro 1,310,000 in order to guarantee the necessary financial support for the liquidation, without causing a financial burden.

Intra-group transactions were carried out based on assessments of mutual affordability and the definition of conditions to apply took place with regard to substantial correctness with the aim of creating value for the Group as a whole. The same principle was applied to intra-group services, which were quantified on the basis of a minimum charge for these services, calculated with a view to recovering the respective production costs.

It should be noted that during the first nine months of 2011 no transactions were conducted with Related Parties that could be classified as of major significance pursuant to the Related-Party Procedures.

The tables below contain the assets, liabilities, guarantees and commitments broken down by type with Related Parties pursuant to IAS 24 as at 30 September 2011 and as at 31 December 2010, 2009 and 2008.

30 September 2011

Related-Party Transactions							
<i>(in thousands of Euros)</i>							
	AMOUNT AS AT 30 SEPTEMBER 2011						
	NON-CONSOLIDATED SUBSIDIARIES	NON-CONSOLIDATED JOINT VENTURES	ASSOCIATED COMPANIES	KEY MANAGEMENT PERSONNEL	OTHER RELATED-PARTIES	TOTAL	% ON CONSOLIDATED
Held-for-trading financial assets	-	-	287,934	-	-	287,934	0.21%
Financial assets at fair value through profit or loss	-	-	42,702	-	-	42,702	0.14%
Available-for-sale financial assets	39	45	78,728	-	-	78,812	0.14%
Held-to-maturity financial assets	-	-	-	-	-	-	0.00%
Loans and advances to banks	-	2,537	819,283	-	3,042,957	3,864,777	5.33%
Loans and advances to customers	21,005	8,154	1,634,636	2,808	48,378	1,714,981	0.30%
Other assets	1,026	114	27,473	-	10,907	39,520	0.32%
Total – Assets	22,070	10,850	2,890,756	2,808	3,102,242	6,028,726	
Deposits from banks	-	14,346	11,264,515	-	2,986	11,281,847	8.09%
Deposits from customers	36,852	7,728	499,048	5,959	125,849	675,436	0.17%
Debt securities in issue	-	-	168,469	-	-	168,469	0.06%
Other liabilities	234	1	11,772	7	24,468	36,482	0.15%
Total – Liabilities	37,086	22,075	11,943,804	5,966	153,303	12,162,234	
Guarantees issued and commitments	385	2,100	117,840	-	717,208	837,533	0.45%

It should be noted that as at 30 September 2011, the interest held by the associate Fondiaria-SAI S.p.A. in UniCredit was less than 0.1%.

31 December 2010

Related-Party Transactions							
<i>(in thousands of Euros)</i>							
	AMOUNT AS AT 31 DECEMBER 2010						
	NON-CONSOLIDATED SUBSIDIARIES	NON-CONSOLIDATED JOINT VENTURES	ASSOCIATES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% ON CONSOLIDATED
Held-for-trading financial assets	-	-	234,578	-	35,472	270,050	0.22%
Financial assets at fair value through profit or loss	-	-	-	-	-	-	0.00%
Available-for-sale financial assets	39	45	113,408	-	-	113,492	0.21%
Held-to-maturity financial assets	-	-	-	-	-	-	0.00%
Loans and advances to banks	-	3,390	850,695	-	2,649,282	3,503,367	4.99%
Loans and advances to customers	512,211	47,872	321,044	2,763	541,632	1,425,522	0.26%
Other assets	21,749	-	26,279	2	205	48,235	0.37%
Total – Assets	533,999	51,307	1,546,004	2,765	3,226,591	5,360,666	
Deposits from banks	80,140	51,869	11,772,951	-	48,741	11,953,701	10.70%
Deposits from customers	180,359	5,554	96,852	3,114	257,253	543,132	0.14%
Debt securities in issue	-	-	128,413	-	382	128,795	0.04%
Other liabilities	2,213	-	15,316	4	16,287	33,820	0.15%
Total – Liabilities	262,712	57,423	12,013,532	3,118	322,663	12,659,448	
Guarantees issued and commitments	83,058	1,210	58,527	-	68,378	211,173	0.12%

31 December 2009

Related-Party Transactions							
<i>(in thousands of Euros)</i>							
	AMOUNT AS AT 31 DECEMBER 2009						
	NON-CONSOLIDATED SUBSIDIARIES	NON-CONSOLIDATED JOINT VENTURES	ASSOCIATES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% ON CONSOLIDATED
Held-for-trading financial assets	217,961	-	250,952	-	71,796	540,709	0.40%
Financial assets at fair value through profit or loss	-	-	9	-	-	9	0.00%
Available-for-sale financial assets	89	45	148,148	-	5,810	154,092	0.44%
Held-to-maturity financial assets	-	-	-	-	-	-	0.00%
Loans and advances to banks	38,691	17	1,049,506	-	538,991	1,627,205	2.08%
Loans and advances to customers	771,862	3,778	478,407	4,295	369,343	1,627,685	0.29%
Other assets	36,409	30	48,191	-	705	85,335	0.82%
Total – Assets	1,065,012	3,870	1,975,213	4,295	986,645	4,035,035	
Deposits from banks	195,244	6,254	10,970,546	-	31,974	11,204,018	10.49%
Deposits from customers	165,074	4,996	575,364	10,778	476,724	1,232,936	0.32%
Debt securities in issue	2,269	-	155,287	-	134,338	291,894	0.09%
Other liabilities	21,051	-	17,554	3	18,512	57,120	0.32%
Total – Liabilities	383,638	11,250	11,718,751	10,781	661,548	12,785,968	
Guarantees issued and commitments	7,319	6,273	44,717	40	86,831	145,180	0.07%

31 December 2008

Related-Party Transactions							
<i>(in thousands of Euros)</i>							
	AMOUNT AS AT 31 DECEMBER 2008						
	NON-CONSOLIDATED SUBSIDIARIES	NON-CONSOLIDATED JOINT VENTURES	ASSOCIATES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% ON CONSOLIDATED
Held-for-trading financial assets	329,178	-	675,160	-	8,080	1,012,418	0.49%
Financial assets at fair value through profit or loss	15,743	-	-	-	-	15,743	0.10%
Available-for-sale financial assets	254,244	45	87,075	-	6,415	347,779	1.21%
Held-to-maturity financial assets	208	-	-	-	-	208	0.00%
Loans and advances to banks	506	-	1,219,434	-	16,774	1,236,714	1.53%
Loans and advances to customers	619,236	1,239	418,715	772	454,719	1,494,681	0.24%
Other assets	177,404	1	62,858	-	728	240,991	1.72%
Total – Assets	1,396,519	1,285	2,463,242	772	486,716	4,348,534	
Deposits from banks	8,076	25,906	14,302,848	-	1,269	14,338,099	8.07%
Deposits from customers	460,378	3,113	542,872	11,804	266,461	1,284,628	0.33%
Debt securities in issue	329,178	-	432,511	-	1,717,810	2,479,499	0.67%
Other liabilities	245,628	-	1,819	5	13,144	260,596	1.10%
Total – Liabilities	1,043,260	29,019	15,280,050	11,809	1,998,684	18,362,822	
Guarantees issued and commitments	47,303	1,953	56,054	-	189,654	294,964	0.14%

The incidence of Related-Party transactions on the Groups' assets and liabilities (given above) is also indicative of the incidence on interest income and expense, taking into account that these transactions are usually conducted in the same conditions as those applied to similar transactions with third-parties. As far as fees are concerned, the unique significant phenomenon to be pointed out is that relating to associated insurance firms, which means they are consolidated through the equity method which pays a fee to Group companies for the placement of their insurance products with customers.

It should be pointed out that, in the application of the special provision set out in Article 136 of the TUB referred to above, the obligations established in relation to important subjects pursuant to the above regulation were the subject of unanimous approval by the Board of Directors with all the members of the Board of Statutory Auditors voting in favour, in compliance with the methods and criteria set out in the above-mentioned Article 136 of the TUB.

For more information about Related Parties, please refer to "Part H – Related-Party transactions" of the 2011 Condensed Interim Consolidated Financial Statements and the Group Consolidated Financial Statements as at 31 December 2010, 2009 and 2008.

The Company uses the system of inclusion by reference to the above-mentioned documents pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004. These documents are sent to CONSOB and are available to the public at the registered office and Central Management Office of the Company, on the Company's website www.unicreditgroup.eu as well as at Borsa Italiana.

After 30 September 2011 and until the Date of the Registration Document, the only non-ordinary transactions, and therefore of minor importance, involve the stand-by underwriting agreements signed

with Mediobanca – Banca di Credit Finanziario S.p.A. and Société Générale in the context of the proposed rights issue subject to the approval of the Shareholders' Meeting on 15 December 2011.

For more information about Related-Party transactions, please also see Chapter 22 of the Registration Document.

19.3 Intra-group service provision

In line with the organisational model in use, several Group companies make use of the services provided by the Company or by other specialist Group companies for conducting and expanding their activities.

Some of the main services include:

- provision of ICT services (Information & Communication Technology);
- management of services of a real estate and security technical nature;
- management of administrative and accounting services;
- outsourcing for the provision of auxiliary, administrative, strategic and business services;
- management of non-performing loans; and
- internal auditing service.

The provision of services in general is regulated by dedicated contracts which decide, among other things, the type of service, the level of service supplied and related monitoring, the fees and methods for determining such fees.

To be specific:

- provision of ICT services: operation and development of Group information systems, by way of example hardware infrastructure (servers and storage), data transmission network and software applications and related support services, help desk, fleet management, evolutionary maintenance;
- management of services of a real estate and security technical nature: rental of properties owned and leased to third parties, regulation of service charges (utilities, building management costs), space management, routine and extraordinary maintenance of real estate and related systems, planning and supervision of refurbishment and renovation operations agreed with Group companies (e.g. opening/closing branches), installation and maintenance of security systems;
- management of administrative and accounting services: non-commercial operating activities (e.g. regulation of transfers and cheques) broken down by application areas: financing and cash, payment systems, foreign and finance, administrative and accounting processes, treasury and Agencies, bonds;
- management of non-performing loans: activity aimed at minimising the current net value of the cost of managing the Groups' non-performing loans and maximising income from the activity of managing loans including from companies outside of the Group; and

- internal auditing: activity of verifying the suitability and operation of the entire internal control system and checking compliance with guidelines issued by UniCredit by Group companies that make use of this service.

19.4 Intra-group transactions

The table below contains details of the main intra-group transactions of a corporate nature over the last three financial years:

Intra-group transactions			
Date	Parties	Subject	Fee
March 2008	UniCredit/UBM	Merger by incorporation of UniCredit Banca Mobiliare into UniCredit	Incorporation of company wholly controlled by the incorporating party
April 2008	Pioneer I.M. SGR/Bipop Carire UniCredit Banca di Roma and Banco di Sicilia	Sale of the “management of investment capital” business unit of Bipop Carire UniCredit Banca di Roma and Banco di Sicilia to Pioneer I.M. SGR	Euro 5.7 million
July 2008	FinecoBank/UniCredit Xelion Banca	Merger by incorporation of Xelion into Fineco Bank	Incorporation of company wholly controlled by the incorporating party
October 2008	BA/UniCredit CAIB AG/ UniCredit CA IB Beteiligungs AG	Spin-off the business unit made up of trading activities of BA in favour of UniCredit CAIB AG, a company wholly owned by UniCredit CAIB Beteiligungs AG.	The business unit of BA was valued at Euro 2 billion
	UniCredit CAIB AG/UniCredit CA IB Beteiligungs AG	Incorporation of UniCredit CAIB AG into UniCredit CA IB Beteiligungs AG, renamed UniCredit CAIB AG	Incorporation of company wholly controlled by the incorporating party
November 2008	UniCredit/UniCredit Banca di Roma/Banco di Sicilia/UniCredit Banca/Bipop Carire/Capitalia Partecipazioni	Merger by incorporation of UniCredit Banca di Roma, Banco di Sicilia, UniCredit Banca, Bipop Carire and Capitalia Partecipazioni into UniCredit and later spin-off of “North Italy Retail”, “Central-Southern Italy Retail” and “Sicily Retail” business units already belonging to the above-mentioned banks incorporated in favour of three companies which, for continuity, have kept the names of UniCredit Banca, UniCredit Banca di Roma and Banco di Sicilia.	Incorporation of company wholly controlled by the incorporating party UniCredit Banca capital increase of Euro 1.6 billion UniCredit Banca di Roma capital increase of Euro 1.1 billion Banco di Sicilia capital increase of Euro 359 million

Intra-group transactions			
Date	Parties	Subject	Fee
November 2008	UniCredit/UniCredit Corporate Banking/UniCredit Private Banking/ UniCredit Banca per la Casa/ UniCredit Consumer Financing/ UniCredit Real Estate	Transfer by UniCredit of “corporate”, “private”, “mortgage”, “loans” and “real estate” business units in favour, respectively, of UniCredit Corporate Banking, UniCredit Private Banking, UniCredit Banca per la Casa, UniCredit Consumer Financing Bank S.p.A. (now UniCredit Family Financing Bank) and UniCredit Real Estate	UniCredit Corporate Banking capital increase of Euro 2.5 billion UniCredit Private Banking capital increase of Euro 15 million UniCredit Banca per la Casa capital increase of Euro 1.4 billion UniCredit Consumer Financing capital increase of Euro 175 million UniCredit Real Estate capital increase of Euro 2 million
December 2008	PGAM/BA	Purchase by PGAM from Bank Austria of 100% of share capital of Pioneer Investments Austria GmbH	Euro 117 million
January 2009	HVB/UCBP	Transfer by HVB to UCBP of their business unit known as “Back Office”.	UCBP capital increase for a total of Euro 51 million
	BA/UCBP	Transfer by BA to UCBP of its entire share in Administration Services GmbH and Banking Transaction Services s.r.o.	UCBP capital increase for a total of Euro 81 million
January 2009	UniCredit Global Leasing/Locat	Merger by incorporation of UniCredit Global Leasing into Locat (which took the name of UniCredit Leasing)	Incorporation of the company into its wholly-owned subsidiary
January 2009	UniCredit Banca per la Casa/UniCredit Consumer Financing Bank S.p.A.	Merger by incorporation of UniCredit Banca per la Casa into UniCredit Consumer Financing Bank S.p.A. (now UniCredit Family Financing Bank)	UniCredit Consumer Financing capital increase of Euro 2 billion
May 2009	HVB/UGIS	Transfer by HVB to UGIS of its wholly-owned stake in HVB IS	UGIS capital increase for a total of Euro 96 million
	BA/UGIS	Transfer by BA to UGIS of its wholly-owned stake in WAVE	UGIS capital increase for a total of Euro 39 million
November 2009	Fineco Prestiti/ UniCredit Family Financing Bank	Spin-off of the salary-backed loan scheme business unit of Fineco Prestiti to UniCredit Family Financing Bank	Increase in the capital reserves of the recipient equal to Euro 105.7 million
June 2010	Bank Austria / UniCredit CAIB AG / UCB AG	Sale by Bank Austria to UCB AG of the company UniCredit CAIB AG	Euro 5.9 billion.
July 2010	UCB AG / UniCredit CAIB AG	Merger by incorporation of UniCredit CAIB AG into UCB AG	Incorporation of the company into its wholly-owned subsidiary
September 2010	UniCredit Mediocredito Centrale (MCC) and UniCredit Corporate Banking (UCCB), UniCredit Business Partner (UCBP) and UniCredit Global Information Services (UGIS)	Reorganisation of MCC through (i) partial spin-off of “Corporate” business unit in favour of UCCB and (ii) spin-off of “IT” and “Back Office” business units in favour of UGIS and UCBP	The three branches of MCC were valued at Euro 591.1 million

Intra-group transactions			
Date	Parties	Subject	Fee
November 2010	UniCredit Banca (UCB), UniCredit Banca di Roma (UBDR), Banco di Sicilia (BDS), UniCredit Private Banking (UPB), UniCredit Corporate Banking (UCCB), UniCredit Family Financing Bank, (UCFIN) UniCredit Bancassurance Management & Administration (UCBANCASS) and UniCredit	Merger by incorporation of UCB, UBDR, BDS, UPB, UCCB, UCFIN and UCBANCASS into UniCredit, under the scope of One4C Project	Incorporation of the company into its wholly-owned subsidiary
January 2011	Aspra Finance (ASPRA) and UniCredit Credit Management Bank (UCCMB)	Merger by incorporation of ASPRA into UCCMB	Increase in the capital reserves of the recipient equal to Euro 840 million
May 2011	UniCredit/ Bank Austria / UCB AG	Sale by UCB AG and Bank Austria to UniCredit of equity holdings in UGIS (of 24.7% and 10%, respectively) and in UniCredit Business Partner (18.1% and 28.8%, respectively)	Approximately Euro 275 million (in total)
June 2011	UniCredit / IRFIS	Sale by IRFIS to UniCredit of “banking activity” business unit	Euro 8 million
June 2011	UGIS/ Bank Austria	Sale by Bank Austria to UGIS of the equity holding in Bank Austria Global Information Services GmbH	Euro 15 million

Further intra-group transactions of a corporate nature not mentioned in this Paragraph are given in the Consolidated Interim Report as at 30 September 2011 and the 2010, 2009 and 2008 Consolidated Reports and Financial Statements, mentioned in Chapter 20, Paragraph 20.1.

20. FINANCIAL INFORMATION REGARDING ASSETS AND LIABILITIES, THE FINANCIAL SITUATION AND PROFITS AND LOSSES OF THE COMPANY

20.1 Financial information relating to previous years

The Consolidated Reports and Financial Statements for the years ended 31 December 2010, 2009 and 2008 are included by reference pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004.

The documents are available at the registered office and Central Management Office of the Company, at the website www.unicreditgroup.eu as well as at Borsa Italiana.

The Consolidated Financial Statements for the years ended 31 December 2010, 2009 and 2008, in application of Legislative Decree no. 38 of 28 February 2005, have been drawn up in compliance with the IFRS and the Instructions of Banca d'Italia in Circular no. 262 of 22 December 2005 and subsequent updates.

To facilitate the identification of the information contained in the documents included by reference, a list of the pages relating to the main sections of the documents in question is given below:

Financial Year 2010

- Directors' Report on operations: pages 25-101;
- Balance sheet: pages 122-123;
- Income Statement: page 124;
- Comprehensive income: page 125;
- Changes in equity: pages 126-127;
- Cash Flow Statement: pages 128-129;
- Explanatory notes: pages 131-435;
- External Auditors' Report: pages 503-505.

Financial Year 2009

- Directors' Report on operations: pages 25-102;
- Balance sheet: pages 122-123;
- Income Statement: page 124;
- Comprehensive income: page 125;
- Changes in equity: pages 126-127;
- Cash Flow Statement: pages 128-129;
- Explanatory notes: pages 131-435;

- External Auditors' Report: pages 507-509.

Financial Year 2008

- Directors' Report on operations: pages 25-118;
- Balance sheet: pages 138-139;
- Income Statement: page 141;
- Changes in equity: pages 142-143;
- Cash Flow Statement: pages 144-145;
- Explanatory notes: pages 147-553;
- External Auditors' Report: pages 631-633.

The tables of the consolidated balance sheets as at 31 December 2010, 2009 and 2008 and the consolidated income statement, total consolidated comprehensive income and consolidated cash flow statement for the years ended 31 December 2010, 2009 and 2008 are given below.

Consolidated Balance Sheet

The table below gives the consolidated balance sheet for the Group as at 31 December 2010, 2009 and 2008.

Assets <i>(in millions of Euros)</i>	31 December		
	2010	2009	2008¹
10. Cash and cash equivalents	6,414	11,987	7,652
20. Held-for-trading financial assets	122,551	133,894	204,890
30. Financial assets at fair value through profit or loss	27,078	15,020	15,636
40. Available-for-sale financial assets	55,103	34,724	28,700
50. Held-to-maturity financial assets	10,004	10,662	16,882
60. Loans and advances to banks	70,215	78,269	80,827
70. Loans and advances to customers	555,653	564,986	612,480
80. Hedging instruments	11,368	11,662	7,051
90. Changes in fair value of portfolio hedged items (+/-)	2,248	2,123	1,660
100. Equity investments	3,963	3,866	4,003
110. Insurance reserves attributable to reinsurers	-	-	-
120. Property, equipment and investment property	12,611	12,089	11,935
130. Intangible assets	25,592	25,823	26,482
<i>of which:</i>			
<i>- goodwill</i>	20,428	20,491	20,889
140. Tax assets	12,961	12,577	12,392
<i>a) current tax liabilities</i>	1,675	2,416	1,928
<i>b) deferred tax assets</i>	11,286	10,161	10,464
150. Non-current assets and disposal groups classified as held for sale	776	622	1,030
160. Other assets	12,951	10,456	13,992
Total – Assets	929,488	928,760	1,045,612
Liabilities and equity <i>(in millions of Euros)</i>		31 December	
	2010	2009	2008¹
10. Deposits from banks	111,735	106,800	177,677
20. Deposits from customers	402,248	381,623	388,831
30. Securities in issue	180,990	214,773	202,459
40. Held for trading financial liabilities	114,099	114,045	165,335
50. Financial liabilities at fair value through profit or loss	1,268	1,612	1,659
60. Hedging instruments	9,681	9,919	7,751
70. Changes in fair value of portfolio hedged items (+/-)	2,798	2,760	1,572
80. Tax liabilities	5,837	6,451	8,229
<i>a) current tax liabilities</i>	1,465	1,988	2,827
<i>b) deferred tax liabilities</i>	4,372	4,463	5,402
90. Liabilities included in disposal groups classified as held for sale	1,395	311	537
100. Other liabilities	22,225	18,113	23,701
110. Provision for employee severance pay	1,202	1,317	1,415
120. Provisions for risks and charges	8,088	7,982	8,049
<i>a) post retirement benefit obligations</i>	4,515	4,590	4,553
<i>b) other provisions</i>	3,573	3,392	3,496
130. Insurance provisions	219	162	156
140. Revaluation reserves	(1,253)	(1,249)	(1,740)
170. Reserves	15,187	14,271	11,979
180. Issue premiums	39,322	36,582	34,070
190. Issued capital	9,649	8,390	6,684
200. Treasury shares	(4)	(6)	(6)
210. Minorities	3,479	3,202	3,242
220. Net profit (loss)	1,323	1,702	4,012
Total liabilities and equity	929,488	928,760	1,045,612

¹ Figures as at 31 December 2008 are different from those published due to the reclassification of exchange rate differences on net foreign investments (subsidiaries, associate companies and joint ventures) transferred from Item “170 Reserves” to Item “140 Revaluation reserves”.

Consolidated Income Statement

The table below contains the consolidated income state of the Group for the years ended 31 December 2010, 2009 and 2008.

Items <i>(in millions of Euros)</i>	Year ended 31 December		
	2010	2009 ¹	2008 ¹
10. Interest income and similar revenues	28,641	34,746	54,113
20. Interest expense and similar costs	(12,885)	(17,588)	(36,069)
30. Net interest income	15,756	17,158	18,044
40. Fee and commission income	10,209	9,423	11,125
50. Fee and commission expense	(1,754)	(1,768)	(2,032)
60. Net fees and commissions	8,455	7,655	9,093
70. Dividend income and similar revenue	718	574	1,666
80. Gains and losses on financial assets and liabilities held for trading	343	1,283	(2,522)
90. Gains and losses on hedging instruments	52	24	16
100. Gains and Losses on disposal or repurchase of:	312	411	198
<i>a) loans</i>	7	81	(7)
<i>b) available-for-sale financial assets</i>	120	195	170
<i>c) held-to-maturity financial assets</i>	-	6	-
<i>d) financial liabilities</i>	185	129	35
110. Gains and losses on financial assets/liabilities at fair value through profit or loss	(28)	(31)	(350)
120. Operating income	25,608	27,074	26,145
130. Net impairment losses/writebacks on:	(7,007)	(8,933)	(4,667)
<i>a) loans</i>	(6,708)	(8,152)	(3,582)
<i>b) available-for-sale financial assets</i>	(142)	(630)	(904)
<i>c) held-to-maturity financial assets</i>	-	(6)	(77)
<i>d) other financial assets</i>	(157)	(145)	(104)
140. Net profit from financial activities	18,601	18,141	21,478
150. Net premiums	118	87	112
160. Other income (net) from insurance activities	(94)	(80)	(86)
170. Net profit from financial and insurance activities	18,625	18,148	21,504
180. Administrative expenses	(14,972)	(14,761)	(16,084)
<i>a) staff expenses</i>	(9,478)	(9,345)	(10,025)
<i>b) other administrative expenses</i>	(5,494)	(5,416)	(6,059)
190. Net provisions for risks and charges	(765)	(607)	(254)
200. Impairment/writebacks on property, equipment and investment property	(996)	(867)	(819)
210. Impairment/writebacks on intangible assets	(675)	(651)	(714)
220. Other net operating income	952	841	995
230. Operating expenses	(16,456)	(16,045)	(16,876)
240. Profit (loss) of associates	209	84	416
250. Gains and losses on property, equipment and investment property and intangible assets measured at fair value	-	(38)	(84)
260. Impairment of goodwill	(362)	-	(750)
270. Gains and losses on disposal of investments	158	773	785
280. Total profit or loss before tax from continuing operations	2,174	2,922	4,995
290. Income tax for the year on continuing operations	(530)	(888)	(466)
300. Total profit or loss after tax from continuing operations	1,644	2,034	4,529
310. Gains and losses on groups of assets held for sale, net of tax	-	-	-
320. Net profit (loss)	1,644	2,034	4,529
330. Minorities	(321)	(332)	(517)
340. Profit (loss) relating to parent company	1,323	1,702	4,012
Earnings per share (Euros)	0.064	0.099	0.304
Diluted earnings per share (Euros)	0.064	0.099	0.304

¹ Under the scope of the aggregation operation, which involved the merger by incorporation of the placing banks into the issuing bank, the data published is 2009 relating to the results of the placement activity of shares issued by UniCredit were reclassified from "Fee and commission income" to "Interest expense". The figures for 2008 do not reflect this different allocation.

Statement of Consolidated Comprehensive Income

The table below contains the consolidated comprehensive income of the Group for the years ended 31 December 2010, 2009 and 2008.

Items <i>(in millions of Euros)</i>	Year ended 31 December		
	2010	2009	2008
10. Profit (loss) for the period	1,644	2,034	4,529
Other income components after tax			
20. Available-for-sale financial assets	(565)	787	(2,618)
30. Property, equipment and investment property	-	-	-
40. Intangible assets	-	-	-
50. Hedges of foreign investments	-	-	-
60. Cash-flow hedges	(56)	154	1,046
70. Exchange differences	716	(471)	(1,883)
80. Non-current assets classified as held for sale	(6)	-	-
90. Actuarial gains (losses) on defined benefit plans	-	-	-
100. Share of reserves from equity valuation valued at equity	31	(4)	(45)
110. Total other income components after tax	120	466	(3,500)
120. Comprehensive income (10+110)	1,764	2,500	1,029
130. Consolidated comprehensive income attributable to minorities	(445)	(341)	(310)
140. Consolidated comprehensive income attributable to parent company	1,319	2,159	719

Consolidated statement of cash flows

The table below contains the consolidated statement of cash flows of the Group for the years ended 31 December 2010, 2009 and 2008.

Consolidated cash flow statement (indirect method) <i>(in millions of Euros)</i>	Year ended 31 December		
	2010	2009¹	2008
A. OPERATING ACTIVITIES			
1. Operations	11,381	12,120	10,647
- profit and loss for the period (+/-)	1,323	1,702	4,012
- capital gains/losses on financial assets/liabilities held for trading and on assets/liabilities designated at fair value through profit and loss (+/-)	1,281	(178)	1,206
- capital gains/losses on hedging operations (+/-)	(52)	(24)	(17)
- net impairments/writebacks due to impairment (+/-)	5,637	7,821	3,013
- net impairments/writebacks on property, equipment and investment property and intangible assets (+/-)	1,672	1,557	2,367
- provisions and other incomes/expenses (+/-)	1,340	467	617
- net premiums to be collected (+/-)	11	3	3
- other insurance income and expenses to be collected (+/-)	(5)	(11)	(4)
- tax not paid (+)	(62)	482	(160)
- other adjustments (+/-)	236	301	(390)
2. Liquidity generated/absorbed by financial assets	(11,726)	111,478	(36,798)
- held-for-trading financial assets	10,324	72,255	(3,242)
- financial assets at fair value through profit or loss	(12,179)	1,019	(1,360)
- available-for-sale financial assets	(20,909)	(5,684)	(1,710)
- loans and advances to banks	8,092	1,518	17,523
- loans and advances to customers	5,999	39,706	(47,333)
- other assets	(3,053)	2,664	(676)
3. Liquidity generated/absorbed by financial liabilities	(7,921)	(127,494)	32,658
- deposits from banks	4,411	(72,318)	18,093
- deposits from customers	19,635	(4,547)	5,173
- securities in issue	(33,331)	10,922	(37,726)
- held for trading financial liabilities	27	(51,323)	51,988
- financial liabilities at fair value through profit or loss	(344)	(47)	(304)
- other liabilities	1,681	(10,181)	(4,566)
Net liquidity generated/absorbed by operating activities	(8,266)	(3,896)	6,507
B. INVESTMENT ACTIVITIES			
1. Liquidity generated by:	8,389	12,280	10,464
- sales of equity investments	81	70	706
- collected dividends on equity investments	119	89	223
- sales of held-to-maturity financial assets	7,761	10,572	6,720
- sales of property, plant, equipment	288	1,139	663
- sales of intangible assets	13	16	169
- sales of subsidiaries and divisions	127	394	1,983
2. Liquidity absorbed by:	(8,831)	(6,642)	(16,234)
- purchases of equity investments	(189)	(164)	(573)
- purchases of held-to-maturity financial assets	(6,755)	(4,397)	(12,158)
- purchases of property, plant, equipment	(1,401)	(1,634)	(1,487)
- purchases of intangible assets	(486)	(447)	(410)
- purchases of subsidiaries and divisions	-	-	(1,606)
Net liquidity generated/absorbed by investment activities	(442)	5,638	(5,770)
C. FUNDING ACTIVITIES			
- issue/purchase of treasury shares	3,915	2,799	(222)
- distribution of dividends and other scopes	(876)	(94)	(3,443)
Net liquidity generated/absorbed by funding activities	3,039	2,705	(3,665)
NET LIQUIDITY GENERATED/ABSORBED DURING THE YEAR	(5,669)	4,447	(2,928)

¹ The figures relating to 31 December 2009 have been extracted from comparative data included in the Group's Consolidated Financial Statements as at 31 December 2010 and differ from the figures in the Group's Consolidated Balance Sheet as at 31 December 2009 through the effect of the different allocation of the component "dividends and other destinations" which refers to minority equity.

<i>(in millions of Euros)</i>	Year ended 31 December		
	2010	2009	2008
RECONCILIATION			
Cash and cash equivalents at the beginning of the year	11,987	7,652	11,072
Total liquidity generated/absorbed in the year	(5,669)	4,447	(2,928)
Cash and cash equivalents: effect of changes in rates	96	(112)	(492)
Cash and cash equivalents at the end of the year	6,414	11,987	7,652

Legend: (+) generated; (-) absorbed.

20.2 Pro forma financial information

The Registration Document does not contain pro forma financial information.

20.3 Financial Statements

The Company prepares individual financial statements and consolidated financial statements.

The data in this Chapter of the Registration Document, like the data in the other Chapters, are from the consolidated financial statements because the Company's individual data do not provide any additional information to the consolidated data.

20.4 Auditing of annual financial information relating to previous years

20.4.1 Declaration stating that the financial information has been audited

The Group's consolidated financial statements at 31 December 2010, 2009 and 2008 have been subject to auditing by External Auditors, following which reports were issued dated 4 April 2011, 31 March 2010 and 9 April 2009, respectively. The External Auditors' reports should be read in conjunction with the consolidated financial statements which were audited and refer to the date these reports were issued.

These reports were issued without qualification or certification disclaimers.

20.4.2 Other information in the Registration Document which has been the subject of auditing by full auditors

The Group's Condensed Interim Consolidated Financial Statements as at 30 September 2011, prepared in compliance with IAS 34 have been subject to limited audit by External Auditors who issued their report on 21 November 2011. The External Auditor's Report is given in the Annex to the Registration Document.

20.5 Date of latest financial information

The latest financial information contained in this Chapter has been taken from the Group's Condensed Interim Consolidated Financial Statements as at 30 September 2011. Please see Paragraph 20.6. below.

20.6 Interim financial information and other financial information

The Consolidated Interim Report as at 30 September 2011 is included by reference pursuant to Article 11 of Directive 2003/71/EC and Article 28 of Regulation (EC) No 809/2004.

This document is available at the registered office and Central Management Office of the Company, at the website www.unicreditgroup.eu as well as at Borsa Italiana.

To facilitate the identification of the information contained in the documents included by reference, a list of the pages relating to the main sections of the documents in question is given below:

First nine months of 2011

- Directors' Interim Report on operations: pages 13-95;
- Balance sheet: pages 100-101;
- Income Statement: page 102;
- Comprehensive income: page 103;
- Changes in equity: pages 104-105;
- Cash Flow Statement: page 106;
- Notes to Financial Statements pages 109-300.

The tables of the consolidated balance sheets of the Group as at 30 September 2011 and as at 31 December 2010 and the consolidated income statement, total comprehensive income and consolidated cash flow statement for the years ended 30 September 2011 and 2010 are given below.

Consolidated Balance Sheet

The table below gives the consolidated balance sheet for the Group as at 30 September 2011 and as at 31 December 2010.

Assets <i>(in millions of Euros)</i>	30 September 2011	31 December 2010
10. Cash and cash equivalents	5,566	6,414
20. Held-for-trading financial assets	140,007	122,551
30. Financial assets at fair value through profit or loss	29,633	27,078
40. Available-for-sale financial assets	54,628	55,103
50. Held-to-maturity financial assets	8,944	10,004
60. Loans and advances to banks	72,474	70,215
70. Loans and advances to customers	562,447	555,653
80. Hedging instruments	16,188	11,368
90. Changes in fair value of portfolio hedged items (+/-)	2,438	2,248
100. Equity investments	3,682	3,963
110. Insurance reserves attributable to reinsurers	1	-
120. Property, equipment and investment property	12,287	12,611
130. Intangible assets	15,563	25,592
<i>of which:</i>		
<i>- goodwill</i>	<i>11,529</i>	<i>20,428</i>
140. Tax assets	13,519	12,961
a) current tax liabilities	<i>1,493</i>	<i>1,675</i>
b) deferred tax assets	<i>12,026</i>	<i>11,286</i>
150. Non-current assets and disposal groups classified as held for sale	376	776
160. Other assets	12,543	12,951
Total – Assets	950,296	929,488

Liabilities and equity <i>(in millions of Euros)</i>	30 September 2011	31 December 2010
10. Deposits from banks	139,476	111,735
20. Deposits from customers	392,517	402,248
30. Securities in issue	166,714	180,990
40. Held for trading financial liabilities:	137,734	114,099
50. Financial liabilities at fair value through profit or loss	912	1,268
60. Hedging instruments	12,439	9,681
70. Changes in fair value of portfolio hedged items (+/-)	4,826	2,798
80. Tax liabilities	5,873	5,837
a) <i>current tax liabilities</i>	<i>1,297</i>	<i>1,465</i>
b) <i>deferred tax liabilities</i>	<i>4,576</i>	<i>4,372</i>
90. Liabilities included in disposal groups classified as held for sale	260	1,395
100. Other liabilities	24,079	22,225
110. Provision for employee severance pay	1,093	1,202
120. Provisions for risks and charges	8,615	8,088
a) <i>post retirement benefit obligations</i>	<i>4,524</i>	<i>4,515</i>
b) <i>other provisions</i>	<i>4,091</i>	<i>3,573</i>
130. Insurance provisions	195	219
140. Revaluation reserves	(3,072)	(1,253)
170. Reserves	15,720	15,187
180. Issue premiums	39,322	39,322
190. Issued capital	9,649	9,649
200. Treasury shares	(7)	(4)
210. Minorities	3,271	3,479
220. Net profit (loss)	(9,320)	1,323
Total liabilities and equity	950,296	929,488

Consolidated Income Statement

The table below contains the consolidated income state of the Group for the years ended 30 September 2011 and 2010.

Items <i>(in millions of Euros)</i>	First nine months	
	2011	2010 ⁶⁶
10. Interest income and similar revenues	22,076	21,431
20. Interest expense and similar costs	(10,340)	(9,679)
30. Net interest income	11,736	11,752
40. Fee and commission income	7,622	7,609
50. Fee and commission expense	(1,354)	(1,309)
60. Net fees and commissions	6,268	6,300
70. Dividend income and similar revenue	699	635
80. Gains and losses on financial assets and liabilities held for trading	4	248
90. Gains and losses on hedging instruments	102	77
100. Gains and Losses on disposal or repurchase of:	255	293
<i>a) loans</i>	(2)	30
<i>b) available-for-sale financial assets</i>	245	81
<i>c) held-to-maturity financial assets</i>	(4)	-
<i>d) financial liabilities</i>	16	182
110. Gains and losses on financial assets/liabilities at fair value through profit or loss	79	(2)
120. Operating income	19,143	19,303
130. Net impairment losses/writebacks on:	(4,915)	(5,155)
<i>a) loans</i>	(4,432)	(5,016)
<i>b) available-for-sale financial assets</i>	(273)	(32)
<i>c) held-to-maturity financial assets</i>	(119)	-
<i>d) other financial assets</i>	(91)	(107)
140. Net profit from financial activities	14,228	14,148
150. Net premiums	94	83
160. Other income (net) from insurance activities	(74)	(71)
170. Net profit from financial and insurance activities	14,248	14,160
180. Administrative expenses	(11,365)	(11,109)
<i>a) staff expenses</i>	(7,200)	(7,036)
<i>b) other administrative expenses</i>	(4,165)	(4,073)
190. Net provisions for risks and charges	(671)	(293)
200. Impairment/writebacks on property, equipment and investment property	(619)	(679)
210. Impairment/writebacks on intangible assets	(1,429)	(505)
220. Other net operating income	599	646
230. Operating expenses	(13,485)	(11,940)
240. Profit (loss) of associates	(325)	146
250. Gains and losses on property, equipment and investment property and intangible assets measured at fair value	-	(1)
260. Impairment of goodwill	(8,669)	(162)
270. Gains and losses on disposal of investments	96	94
280. Total profit or loss before tax from continuing operations	(8,135)	2,297
290. Income tax for the year on continuing operations	(899)	(1,054)
300. Total profit or loss after tax from continuing operations	(9,034)	1,243
310. Gains and losses on groups of assets held for sale net of tax	-	-
320. Net profit (loss)	(9,034)	1,243
330. Minorities	(286)	(240)
340. Profit (loss) relating to parent company	(9,320)	(1,003)
Earnings per share (Euros)	-0.515	0.049
Diluted earnings per share (Euros)	-0.515	0.046

⁶⁶ Under the scope of the aggregation operation, which took place in November 2010, which involved the merger by incorporation of the placing banks into the issuing bank, the data that refer to the first nine months of 2010 relating to the results of the placement activity of shares issued by UniCredit were reclassified from "Fee and commission income" to "Interest expense".

Statement of Consolidated Comprehensive Income

The table below contains the consolidated comprehensive income of the Group for the periods ended 30 September 2011 and 2010.

Items <i>(in millions of Euros)</i>	First 9 months	
	2011	2010
10. Profit (loss) for the period	(9,034)	1,243
Other income components after tax		
20. Available-for-sale financial assets	(865)	(293)
30. Property, equipment and investment property	-	-
40. Intangible assets	-	-
50. Hedges of foreign investments	-	-
60. Cash-flow hedges	185	217
70. Exchange differences	(1,267)	724
80. Non-current assets classified as held for sale	(1)	-
90. Actuarial gains (losses) on defined benefit plans	-	-
100. Share of reserves from equity valuation valued at equity	(75)	(8)
110. Total other income components after tax	(2,023)	640
120. Comprehensive income (10+110)	(11,057)	1,883
130. Consolidated comprehensive income attributable to minorities ⁶⁷	(86)	(361)
140. Consolidated comprehensive income attributable to parent company	(11,143)	1,522

⁶⁷ The “comprehensive income attributable to minorities” (item 130) is different from “profit for the period attributable to minorities” (item 330 of the consolidated income state) through the effect of “Other income components net of tax” pertaining to the latter.

Consolidated statement of cash flows

The table below contains the consolidated cash flow statement of the Group for the periods ended 30 September 2011 and 2010.

Consolidated cash flow statement (indirect method) <i>(in millions of Euros)</i>	First 9 months	
	2011	2010
A. OPERATING ACTIVITIES		
1. Operations	7,708	115
- profit and loss for the period (+/-)	(9,320)	1,003
- capital gains/losses on financial assets/liabilities held for trading and on assets/liabilities designated at fair value through profit and loss (+/-)	235	(7,743)
- capital gains/losses on hedging operations (+/-)	(102)	(77)
- net impairments/writebacks due to impairment (+/-)	12,105	4,135
- net impairments/writebacks on property, equipment and investment property and intangible assets (+/-)	2,048	1,184
- provisions and other incomes/expenses (+/-)	1,737	675
- net premiums to be collected (+/-)	-	-
- other insurance income and expenses to be collected (+/-)	-	-
- tax not paid (+)	722	708
- other adjustments (+/-)	283	230
2. Liquidity generated/absorbed by financial assets	(40,267)	(35,541)
- Held-for-trading financial assets	(17,885)	(15,131)
- financial assets at fair value through profit or loss	(2,479)	(11,168)
- available-for-sale financial assets	(1,388)	(14,670)
- loans and advances to banks	(3,468)	964
- loans and advances to customers	(16,212)	4,864
- other assets	1,165	(400)
3. Liquidity generated/absorbed by financial liabilities	32,464	24,863
- deposits from banks	28,507	(1,151)
- deposits from customers	(3,888)	9,964
- securities in issue	(13,833)	(20,934)
- Held for trading financial liabilities	23,742	35,302
- financial liabilities at fair value through profit or loss	(355)	(262)
- other liabilities	(1,709)	1,944
Net liquidity generated/absorbed by operating activities	(95)	(10,563)
B. INVESTMENT ACTIVITIES		
Liquidity generated/absorbed by:		
- equity investments	(145)	(14)
- collected dividends on equity investments	44	93
- held-to-maturity financial assets	619	909
- property, equipment and investment property	(96)	(503)
- intangible assets	(349)	(256)
- sales/purchases of subsidiaries and divisions	287	84
Net liquidity generated/absorbed by investment activities	360	313
C. FUNDING ACTIVITIES		
- issue/purchase of treasury shares	-	3,916
- issue/purchase of capital instruments	-	-
- distribution of dividends and other scopes	(919)	(791)
Net liquidity generated/absorbed by funding activities	(919)	3,125
NET LIQUIDITY GENERATED/ABSORBED DURING THE PERIOD	(654)	(7,125)

<i>(in millions of Euros)</i>	First 9 months 2011	First 9 months 2010
RECONCILIATION		
Cash and cash equivalents at the beginning of the period	6,414	11,987
Net liquidity generated/absorbed during the period	(654)	(7,125)
Cash and cash equivalents: effect of changes in rates	(194)	73
Cash and cash equivalents at the end of the period	5,566	4,935

Legend: (+) generated; (-) absorbed.

20.7 Dividends policy

Pursuant to Article 32 of the Corporate By-Laws, net income from the financial statements is destined as follows:

- (a) a share of not less than 10% to the reserve; as long as the reserve is equal to the maximum set by law, the earnings are assigned as a priority to the savings shares to the extent in (b) below;
- (b) an amount up to five per cent of the par value is assigned to the savings shares; when a dividend of less than five per cent of the par value has been allocated in a year, the difference is calculated as an increase in the preferred dividend in the next two financial years; the earnings remaining, after the allocation of the dividend to the savings shares, are distributed among all the shares so that an increased total dividend is applied to the savings shares, compared with the ordinary shares, to an extent equal to three per cent of the par value of the share;
- (c) without prejudice to the above, regarding the increased total dividend attached to the savings shares, an amount up to 5% of their par value is allocated to the ordinary shares;
- (d) the earnings which remain and which the Shareholders' Meeting resolves to distribute are shared between all the shares in addition to the allocations in (b) and (c) above;
- (e) the Shareholders' Meeting decides on the destination of the earnings not distributed following the proposal of the Board of Directors.

Following the proposal of the Board of Directors, the Shareholders' Meeting can also resolve to create and increase reserves of an extraordinary and special nature to be taken from the net earnings even prior to the distributions in the previous (c), (d) and (e) above.

The Shareholders' Meeting, following the proposal of the Board of Directors, can allocate a share of net earnings to initiatives of a social, welfare and cultural nature, to be donated on the advice of the Board of Directors itself.

The Company can also decide on the distribution of interim dividends where applicable, through the methods and limits permitted by existing legislation.

Under the scope of the capital strengthening measures approved by the Company's Board of Directors on 14 November 2011, UniCredit decided not to distribute dividends in 2012 in relation to the results of 2011.

As far as the proposal to change the Corporate By-Laws is concerned, with regard to including the possibility of paying dividends in money or in shares (or both) according to the recipient's preference, please see Chapter 5, Paragraph 5.1.6 (C).

20.7.1 Amount of dividend per share

The table below contains the dividends distributed in the years 2011, 2010 and 2009 in light of the earnings in the years 2010, 2009 and 2008, respectively.

	31.12.2010	31.12.2009	31.12.2008
No. of ordinary shares	19,273,342,940 ²	16,755,500,045 ²	13,346,868,372 ¹
Gross dividend per ordinary share (Euro)	0.03	0.03	-
No. of savings shares	24,238,983	24,238,983	21,706,552
Gross dividend per savings share (Euro)	0.045	0.045	0.025
Distributable cash (Euro)	550,249,841	550,249,841	542,663.80

¹ Ordinary shares with dividend entitlement.

² Ordinary shares which include 476,000 treasury shares and 967,564,061 beneficial interest shares which do not enjoy dividends.

On 29 April 2009, the Ordinary Shareholders' Meeting approved the payment of a cash dividend of Euro 0.025 for each savings share, designating the remaining part of the earnings to reserves. An Extraordinary Shareholders' Meeting approved the allocation of earnings to shareholders through the allocation of new issue UniCredit shares (scrip dividend) from a free capital increase of Euro 1,218,815,136.50 through the use of the corresponding reserve and the consequent issue of 2,435,097,842 ordinary shares and 2,532,431 savings shares with a par unit value of Euro 0.50 each. Specifically, the Shareholders' Meeting approved the allocation of 29 new ordinary shares for every 159 ordinary shares owned and 7 new savings shares for every 60 savings shares owned, made available to the shareholders on 21 May 2009 (former listing 18 May 2009).

20.8 Legal and arbitration proceedings

At the Date of the Registration Document there are legal proceedings pending involving the Company and other companies belonging to the UniCredit Group. Sometimes, individual officers/employees, including those who are no longer with the Company, may be involved in civil or criminal cases, whose details the UniCredit Group company involved may not be at liberty to know or to divulge.

It is also necessary for the Group to comply in the most appropriate way with the various legal and regulatory requirements in relation to the different aspects of the activity such as the rules on the subject of conflict of interest, ethical questions, anti-money laundering, sanctions imposed by the United States or at an international level, privacy and security of information and other regulations.

Failure to comply with these provisions could lead to further litigation and/or investigations and result in the Group being subject to claims for damages, fines, criminal penalties or reputational damages.

The Group is subject to investigations conducted by the supervisory authorities in the various countries in which it operates. These investigations also include those relating to the Group's internal systems and controls and effective or potential violations of the regulations by the Group or its customers.

In many of these cases, there is considerable uncertainty with regard to the possible outcome of the proceedings and the scale of any loss suffered. These cases include criminal proceedings, administrative proceedings brought by regulatory authorities, and cases in which the petitioner has not specifically quantified their requests for compensation (as in the case of putative class actions in

the United States, for example). In such case, until it is possible to reliably predict the outcome and estimate any losses that may be suffered, no provisions are set aside. On the other hand, where it is possible to reliably estimate the scale of any losses suffered and where such loss is considered probable, provisions are set aside in the balance sheet in an amount considered suitable given the circumstances and in accordance with IAS.

As at 30 September 2011, the UniCredit Group had around Euro 1.4 billion of provisions for risks and charges to cover the liabilities that may arise from the pending cases in which it is a defendant (not including labour law, tax or debt recovery cases). The estimate of such liabilities is based on the information available, but also involves significant elements of judgment due to the numerous uncertainties that arise from legal proceedings. More specifically, sometimes it is not possible to produce a reliable estimate, as in cases in which the proceedings have not yet begun or where there are legal or factual uncertainties that make any estimate unreliable. Any provisions set aside may therefore be insufficient to fully cover the charges, expenses, fines and claims for compensation and payment of costs connected to pending cases, meaning that the actual cost of pending proceedings may turn out to be considerably higher.

Consequently, it cannot be ruled out that an unfavourable outcome of any of the legal proceedings and/or a negative result of the regulatory authority investigations may have major negative effects on the operating results and capital and financial position of the UniCredit Group.

Some of the information is given below in a summarised format to provide information on the significant disputes involving the UniCredit Group which are not entirely unfounded or normal in the context of the activities of Group companies. Cases relating to employment law, tax or debt recovery are excluded.

For further details about employment law disputes, please also see Chapter 20, Paragraph 20.9 of the Registration Document.

For further details about tax disputes, please also see Chapter 20, Paragraph 20.10 of the Registration Document.

Madoff

Situation

In March 2009 Bernard L. Madoff (“**Madoff**”), former chairman of NASDAQ and owner of Bernard L. Madoff Investment Securities LLC (“**BMIS**”), an investment company registered at the Securities Exchange Commission (the “**SEC**”) and the Financial Industry Regulatory Authority (the “**FINRA**”) was found guilty of crimes that resulted in him being sentenced to 150 years imprisonment and which included securities fraud, investment advisor fraud and false disclosures to the SEC for having set up, what was described by the US authorities, as a Ponzi Scheme. In December 2008, shortly after the arrest of Madoff, the receiver (the “**SIPA Trustee**”) was appointed for the liquidation of BMIS pursuant to the U.S. Securities Investor Protection Act of 1970.

Following the arrest of Madoff, criminal and civil proceedings were launched in various countries against financial institutions and investment advisors by, or in the interest of, investors, intermediaries in their role as brokers for investors, and public bodies relating to losses suffered.

At the time Madoff was arrested, and since mid 2007, the Alternative Investments division of Pioneer (“**PAI**”), a company controlled indirectly by UniCredit, has been acting as investment manager and/or investment advisor for several funds which, in turn, had invested in other funds which held accounts managed at BMIS. Specifically, PAI was acting as investment manager and/or investment advisor for Primeo “Primeo” funds, including Primeo Fund Ltd, now officially in liquidation, (the funds together known as, “**Primeo**”) and various funds of funds (“**FoFs**”). PAI was the owner of the Primeo founder shares since 2007. Previously, the role of investment advisor was performed by BA Worldwide Fund Management Ltd. (“**BAWFM**”), an indirect subsidiary of BA. For a certain period BAWFM had previously carried out investment advisory activities for Thema International Fund plc, a non-American fund that invested in BMIS.

UCB AG (formerly HypoVereinsbank) had issued tranches of debt securities whose potential yield was calculated with reference to the yield of a structured hypothetical investment in Primeo (synthetic investment). Several customers of BA had bought shares in Primeo which were found in their accounts at BA. BA owned 25% of the shares of Bank Medici AG (“**Bank Medici**”) a company which is a defendant in several of the cases described below. It is argued that Bank Medici was connected, among others, with Herald Fund SPC, a non-American fund which invested in BMIS.

Cases in the United States

Class Actions: UniCredit, BA, PAI and Pioneer Global Asset Management S.p.A. (“**PGAM**”), a subsidiary of UniCredit, are defendants, together with approximately 70 others, in three putative class actions launched before the United States District Court for the Southern District of New York (“Southern District”) (the “**Court**”) between January and March 2009, with the aim of representing those who had invested in three groups of funds (the “Herald” funds (together known as “**Herald**”), Primeo and the “Thema” funds (together known as “**Thema**”)) which directly or indirectly had invested in BMIS.

The three class actions were then consolidated during the pre-trial stage and in February 2010 amended and consolidated requests were submitted relating to each of the three groups. In April 2011, the plaintiffs in each of the three class actions made a claim to the Court in order to be able to further alter all three submissions, basically in order to withdraw some of the claims made connected with U.S. federal law on investments (United States federal securities laws), and, in one case, to add a submission linked to the United States Racketeer Influenced and Corrupt Organizations Act (“**RICO**”), about which more will be said later.

The “Herald” amended submission is put forward on behalf of investors who held stakes in Herald Fund SPC-Herald USA Segregated Portfolio One and/or Herald (Lux) at 10 December 2008 or who had acquired stakes in these funds between 12 January 2004 and 10 December 2008. The plaintiffs now argue primarily that the defendants, including UniCredit, Bank Austria and Bank Medici, had violated their duties pursuant to common law by not protecting the investments of the plaintiffs before the presumed warning signs (red flags) which, it is argued, should have raised the alarm about the Madoff fraud. The plaintiffs put in a claim to the Court in order to be able to add submissions linked to the fact that the defendants, including UniCredit, were violating RICO on the basis of a supposed plan aimed at making themselves rich by injecting money in the Ponzi scheme orchestrated by Madoff. The plaintiffs argue that the proposed class lost approximately US Dollar 2 billion in the Ponzi Scheme orchestrated by Madoff, an amount that they are now trying to recover three times over based on RICO.

The amended “Primeo” submission has been put forward on behalf of investors who held stakes in Primeo Select Fund and/or Primeo Executive Fund at 10 December 2008 or who acquired stakes in the above-mentioned funds between 12 January 2004 and 12 December 2008. Now the plaintiffs primarily argue that the defendants, including UniCredit, Bank Austria, Bank Medici, BA Worldwide, PAI and PGAM had violated their duties pursuant to common law by issuing false statements on the monitoring of Madoff and the investments of the plaintiffs and ignoring the danger signs relating to the fraud perpetrated by Madoff.

The amended “Thema” demand was put forward on behalf of investors who held stakes in Thema International Fund plc and/or Thema Fund at 10 December 2008 or who acquired stakes in these funds between 12 January 2004 and 14 December 2008. The plaintiffs now argue primarily that the defendants, including UniCredit, BAWFM and Bank Medici had violated their duties pursuant to common law by knowingly or recklessly issuing or not preventing the issuing of false statements on substantial facts and/or failing to exercise due care in relation to the investments of the plaintiffs in the Thema fund.

In the Herald, Primeo and Thema cases the plaintiffs are seeking unquantified damages (in addition to those relating to RICO in the Herald case mentioned above), interest or loss of earnings, punitive damages, costs and legal expenses, as well as a precautionary measure which prohibits the defendants from making use of the assets of the funds to defend themselves or be indemnified.

On 29 November 2011, at the request of UniCredit, PGAM, PAI, BA and the other defendants, the Court rejected all three class action submissions arguing that the United States is not the place of jurisdiction for UniCredit, PGAM, PAI and BA (*forum non conveniens*).

Cases brought by the receiver in the SIPA proceedings

In December 2010 the SIPA Trustee (“SIPA”) lodged two appeals (the “HSBC” appeal and the “KOHN” appeal) before the Bankruptcy Court of the Southern District of New York against a large number of defendants. Both cases were then transferred to the Ordinary Court of the Southern District of New York, following the request of UniCredit, PAI and several other defendants.

In the “HSBC” appeal SIPA is intending to recover, from approximately 60 subjects, including UniCredit, BA, BAWFM, PAI and Bank Medici, sums to be determined in court, allegedly represented by the voidable transfers to the top managers of funds by BMIS, later transfers of funds originating from BMIS (for a total amount, in an aggregate form for all the defendants, of more than US Dollar 400 million in the form, among others, of claims for fees for management, performance, reporting, administration or advertising), and punitive and compensatory damages of over US Dollar 2 billion against some of the defendants jointly and severally, including the five mentioned above. In addition to the voidable transfers, SIPA was seeking, in the “HSBC” case, to recover unspecified amounts (said to be more than several billion US Dollar) for various violations pursuant to common law including claims for compensation for unjust enrichment, aiding and abetting in the context of the violation of duties of trust by BMIS and aiding and abetting the fraud by BMIS and contribution. In any case, on 28 July 2011, following the request of several defendants, the Court rejected the claims of UniCredit, PAI, BA and several other defendants in connection with the alleged violations pursuant to common law, namely the claims for aiding and abetting in the context of the violation of duties of trust by BMIS and aiding and abetting the fraud by BMIS, and in connection with the claims for damages for unjust enrichment and for contribution. Several of SIPA’s requests which were not part of the request for dismissal remain pending before the Bankruptcy Court.

In the “Kohn” case SIPA is seeking to recover, from more than 70 defendants, including UniCredit, BA, PGAM, BAWFM, Bank Medici, Bank Austria Cayman Islands and various persons connected to UniCredit and BA, unspecified voidable transfers coming from BA because the latter made the first transfer from BMIS and from UniCredit BA and other UniCredit Group companies in relation to later transfers that also originated from BMIS. Requests were also put forward for violations pursuant to common law, including claims for damages for unjust enrichment and transfer and also violations of the RICO By-Laws resulting, it is argued, from the introduction of money belonging to investors in the Madoff Ponzi scheme. SIPA is asking for three times the amount of damages based on RICO (three times the reported net amount of US Dollar 19.6 billion, which would correspond to the losses allegedly sustained in total by all investors in BMIS), the downgrading of alleged fees in general, management fees, custodian fees, compensatory damages, exemplary and punitive damages, and all legal costs, jointly and severally against all the defendants.

UniCredit, BA, several persons connected to these companies and various subsidiaries have moved for the requests pursuant to common law and those based on RICO to be rejected. The hearings on the matter were held on 5 October 2011. A decision is expected shortly. Several of SIPA’s requests which were not part of the request for dismissal remain pending.

Both the class actions and the actions proposed by SIPA are in the initial stages. UniCredit and the subjects related to it intend to continue to defend themselves vigorously.

Cases outside the United States

On 22 July 2011, the Joint Official Liquidators of Primeo (the “**Primeo Liquidators**”). cited PAI before the Grand Court of the Cayman Islands Financial Services Division. In the citation, the Primeo liquidators argue that PAI is responsible, in light of the clauses in the consulting agreement for investments between Primeo and PAI, for alleged violations of rights and that it is also responsible, secondly, in relation to alleged violations and omissions by BMIS. The Primeo liquidators also argue that the fees paid to PAI were paid as the result of a clerical error and they ask PAI to repay these fees. Overall, the Primeo Liquidators are demanding approximately US Dollar 262 million in addition to unquantified damages, interest and expenses.

In Austria civil proceedings connected to the Madoff fraud have been brought by various investors in which BA is among the defendants. The plaintiffs invested in funds which, in turn, were invested directly or indirectly in BMIS. At the Date of the Registration Document there are no definitive judgments against BA. There has only been one provisional decision, in favour of one plaintiff, which will be appealed.

There is a criminal investigation in progress in Austria linked to the Madoff case. This investigation, which includes BA and other subjects, was initiated by a complaint filed by the FMA with the Prosecutor of the Republic of Austria.

Later on, alleged investors in funds that were invested directly or indirectly in BMIS filed complaints. These complaints argue that BA violated Austrian regulations on investment in funds in its capacity for checking Primeo reports. This investigation is in its early stages and no charges have been brought.

Several cases have been initiated in Germany against UCB AG with regard to bonds issued by UCB AG and linked to Primeo. One of these cases has been abandoned by the plaintiff.

A Chilean investor in bonds linked to Primeo filed a complaint with a Chilean Prosecutor. The case is only in the investigative stage and no charge has been brought. Written questions have been directed at seven employees or former employees of Pioneer/UniCredit.

Investigations and actions

UniCredit and various UniCredit subsidiaries have received orders and requests to produce and submit information and documents by SEC, the U.S. Department of Justice and SIPA in the United States of America, the supervisory authorities of the Austrian financial markets, the supervisory authorities of the Irish financial services and by BaFin in Germany in relation to the respective investigations being carried out into the fraud perpetrated by Madoff.

Requests such as these actions or orders could, in the future, be directed at UniCredit, subsidiaries, employees or former employees, in the above-mentioned countries or in places where proceedings are being opened into the Madoff dispute.

Some potential consequences

In addition to the above-mentioned proceedings relating to the Madoff case against UniCredit, its subsidiaries and some employees and former employees, further actions linked to the Madoff fraud have been threatened or are about to be or could be brought in future in these countries or in others either by private investors or by local authorities. These pending or future actions could, individually or as a whole, have significant negative consequences on the Group.

UniCredit and its subsidiaries intend to defend themselves vigorously against claims and charges linked to the Madoff case.

At present, it is not possible to reliably forecast the timescale and outcome of the various actions, or assess the degree of responsibility, where there is any, that could result. In compliance with International Accounting Standards, no provisions have been set aside for the specific risk associated with the Madoff dispute.

Proceedings linked to the transaction with HVB – suits for damages

The annual Shareholders' Meeting of HVB on 27 June 2007 approved the launch of an action against UniCredit, its legal representatives, the (then) Board of Management and the (then) Supervisory Board of HVB for alleged damage caused to HVB by the sale of the stake in the latter held by BA and by the subscription of a Business Combination Agreement between HVB and UniCredit at the merger process. A Special Representative was appointed to pursue the case because UniCredit was excluded from the Shareholders' Meeting.

On 20 February 2008, the Special Representative brought a legal action against UniCredit and others, asking for the return of the BA shares to HVB together with compensation for damages suffered in relation to the event connected to it or, secondly, payment of a sum, by way of damages, equal to at least Euro 13.9 billion. The request was then amended to include a further sum of Euro 2.98 billion (plus interest) as well as all the damages to be paid in connection with the capital increase approved by HVB in April 2007 following the transfer to HVB of the former UBM, allegedly overestimated.

The Special Representative was later removed and cannot therefore bring any action. The cases, however, remain pending until the decision to withdraw them is taken by the Management Board and

the Supervisory Board of HVB. These two HVB bodies are assessing the situation with the help of outside legal advisors.

Cirio

In April 2004 the Extraordinary Administration of Cirio Finanziaria S.p.A. (formerly Cirio S.p.A.) (“**Cirio**”) notified Dr. Sergio Cagnotti and various credit institutions, including Capitalia (incorporated into UniCredit) and Banca di Roma (now UniCredit), of a citation to obtain a judicial declaration of invalidity for an agreement believed to be illegal with Cirio about the sale of the Eurolat dairy to Dalmata S.r.l. (“**Parmalat**”). The Extraordinary Administrator subsequently requested that Capitalia S.p.A. and Banca di Roma be jointly and severally found liable to pay back a sum of approximately Euro 168 million, and that all the defendants be jointly and severally found liable to pay damages of Euro 474 million. The Extraordinary Administrator also requested, as a subordinate alternative, the revocation pursuant to Article 2901 of the Civil Code of the deeds of settlement made by Cirio and/or repayment by the banks of the sums paid over by Cirio under the agreement in question, on the grounds of undue profiteering.

In spite of no pre-trial proceedings being launched, in February 2008, through an unexpected judgment, the Court found Capitalia and Dr. Sergio Cagnotti liable to pay the sum of Euro 223.3 million plus currency revaluation and interest from 1999. UniCredit has put in an appeal with a request to suspend the judgment of the first instance. The suspension of the enforcement of the first-instance decision was obtained by UniCredit in January 2009. The next hearing, to give details of the conclusions, has been set for 11 November 2014.

To cover these risks, provisions have been made in an amount deemed to be in line with what the actual risk of litigation would now appear to be.

In April 2007 certain Cirio Group companies in extraordinary administration filed a petition against Capitalia S.p.A. (now UniCredit), Banca di Roma, UniCredit Banca Mobiliare (now UniCredit) and other intermediaries for damages arising from their role as arrangers of bond issues by Cirio Group companies, which, according to the plaintiffs, were already insolvent at that time. Damages claimed jointly and severally from all defendants have been quantified as follows:

- for the damages suffered by the claimants as a result of the aggravation of their respective financial ruin: in a range of Euro 421.6 million to Euro 2.082 billion (depending on the criteria applied);
- fees paid by the claimants to the lead managers for the placement of bonds: a total of Euro 9.8 million;
- damages, to be quantified during the case, suffered by Cirio as a result of the loss of the possibility of recovering, through the bankruptcy clawback, at least the sums expended by the latter between 1999 and 2000 to return the debts of some Group companies to the banks,

all of the above with the addition of interest and currency appreciation from the date owed to the date of payment.

Through the judgment of 3 November 2009, the judge rejected the plaintiff’s request jointly sentencing all the Cirio Group companies in extraordinary administration to pay the costs of the

litigation in favour of the defendant banks. The Extraordinary Administration proposed an appeal and the hearing for the conclusions has been set for 27 January 2016.

Based also on the opinion of its counsel, UniCredit has always believed the action to be unfounded and, counting on a positive outcome, has not made any provisions.

Qui Tam Complaint against Vanderbilt LLC and other UniCredit Group companies

On 14 July 2008 Frank Foy (“Foy”) and his wife, in compliance with the local laws of New Mexico (Qui Tam Statutes), lodged a complaint on behalf of the State of New Mexico in relation to several investments in Vanderbilt LLC (“VF”) (a company in which UniCredit invested in indirectly) made by the New Mexico Educational Retirement Board (“ERB”) and by the State of New Mexico Investment Council (“SIC”). Frank Foy says he also served in the position as ERB Chief Investment Officer and says he retired in March 2008.

The plaintiffs, on behalf of the State of New Mexico, are seeking a total in excess of US Dollar 360 million in damages under the New Mexico Fraud Against Taxpayers Act on the grounds that Vanderbilt and the other defendants mentioned below falsely obtained US Dollar 90 million in investment funds relating to Vanderbilt products from ERB and SIC by (i) knowingly misrepresenting the risk and nature of the investments in VF products; and (ii) making improper payments to Governor Bill Richardson and other State officials to obtain the investment. Frank Foy argues that the State suffered damage equal to the entire initial investment of US Dollar 90 million (actual damage) and requests a further US Dollar 30 million for the loss sustained (profits).

Defendants include, among others, the following:

- Pioneer Investment Management USA Inc. (PIM US), a wholly-owned PGAM subsidiary;
- Vanderbilt Capital Advisors LLC (“VCA”), a company controlled indirectly by PIM US;
- Vanderbilt Financial, LLC (“VF”), a special purpose vehicle in which PIM US holds an 8% interest (VF was then liquidated);
- PGAM, a company entirely controlled by UniCredit;
- UniCredit;
- various Board members of VCA, VF, and PIM US;
- law firms, auditing firms, investment banks, and New Mexico State officials.

At present, it would be premature to assess the economic effects that could result from the proceedings in question and therefore no provisions have been set aside.

The summons was originally brought against the American companies, including Vanderbilt Capital Advisors and Pioneer Investment Management USA Inc. (both part of the UniCredit Group) and VF, and other summoned individuals.

On 24 September 2009 UniCredit, and on 17 December 2009 PGAM, received notice of the summons.

The defendants asked for the plaintiffs’ requests to be rejected.

On 8 March 2010, the main plaintiff presented an amended summons in an attempt to add a further plaintiff, various other defendants and more than 50 further motions. Also, Foy is seeking to bring up other transactions in Vanderbilt CDOs in which the New Mexico public funds would have been invested and has therefore increased his claims for damages from USD 90 million to US Dollar 243.5 million. The defendants raised doubts surrounding the fact that the summons was correctly presented and on 26 March 2010 the Court decreed that it will not take the new “amended” summons into consideration and that the defendants are not obliged to respond to it until the court decides on the previous requests to reject the original action.

On 28 April 2010, Judge Pfeffer issued an “order” rejecting all the pretexts in the original summons. The judge stated clearly that he believed that the retroactive application of the New Mexico Qui Tam Statute (“FATA”) violates the constitutional right of retroactivity of criminal law. This has been the assumption that led to the decision to reject all FATA claims. The judge also rejected Foy’s claims because, according to the Unfair Practice Act (“UPA”) these claims were based on stock exchange transactions that did not come under the scope of the care of the UPA.

In May 2010 Foy lodged seven motions requesting Judge Pfeffer, for various reasons, to review his original order of dismissal and, alternatively, to certify the legal question connected to the retroactive applicability of the FATA for the purposes of an interlocutory appeal at the Court of Appeal of the State of New Mexico. The defendants who are part of Vanderbilt and others are opposed to all the submissions and have asked for the amended act to be rejected deciding on the entire case. On 2 September 2010, Judge Pfeffer issued his decision. In it he certified the legal question for the purposes of the interlocutory appeal, but ordered the plaintiff to reformulate the amended act removing all questions that are not compatible with his decision surrounding the retroactive non-applicability of the FATA and on the non-admissibility of the requests based on the UPA.

On 16 September 2010, Foy lodged a request for an interlocutory review at the Court of Appeal of New Mexico and on 17 September 2010 the amended citation to the court of the first-instance. The plaintiffs are opposed to the request for an interlocutory appeal. On 21 October the Court of Appeal of New Mexico rejected Foy’s request for an interlocutory appeal. On 7 February 2011 the Court decided to allow Foy to continue with the requests put forward in the amended act with the aim of allowing him to contest facts that took place after the effective date of the FATA. On 31 March 2011, all the defendants that are part of the Group lodged a request to reject the remaining motions, whilst PGAM and UniCredit individually renewed their requests for rejection based on lack of jurisdiction.

On 6 May 2011, the Attorney General of the State of New Mexico intervened in the Qui Tam Complaint pursuant to FATA and asked for the demands of the Foy litigation to be rejected arguing that SIC made investments on the basis of improper donations to state officials (“pay to play” claims). Foy is opposed to the action of the Attorney General. The plaintiffs have not taken up a position regarding the motion of the Attorney General, which, if the outcome is positive, will leave the majority of the remaining claims put forward unchanged. In the hearing that took place on 17 August 2011, Judge Pfeffer informally sided with the position expressed by the Attorney General; however, no written decisions have been issued yet.

At the end of August 2011, there was a development with a second claim pursuant to FATA put forward by Foy against another finance group, “Foy versus Austin Capital Management” (“Austin”). The Austin Court followed the interpretation of Judge Pfeffer rejecting the claims pursuant to FATA, with retroactive effect, but while the Court of Appeal of New Mexico rejected the request to review

the Foy case, the application was accepted on appeal in Austin. The final decision will not be given for many months, but once it is, it could also be applicable to the Foy case.

On 4 October 2011, Judge Pfeffer arranged the postponement of the proceedings for the motions put forward by each defendant for the individual jurisdictions and authorised a series of in-depth enquiries into the important elements connected to these motions. The parties then began a comparison in order to clarify the scope and the time schedules of the presentation stage of the defence documents.

Also, in January 2010, a new class action was put to the Santa Fe State Court in New Mexico, known as Donna J. Hill versus Vanderbilt Capital Advisors LLC, in which Hill is seeking to recover, on behalf of the fund or the stakeholders in the Educational Retirement Fund pension fund of New Mexico, the amount lost by the fund through investing in Vanderbilt Financial LLC (“VF”) products.

In February 2010, another investor in the plan filed, with the same court, a similar case to the previous one called Michael J. Hammes versus Vanderbilt Capital Advisors LLC, with practically identical charges to the Hill case. The Hill and Hammes cases lay charges based on similar facts to those put forward by Foy, but they have been brought for fraud and violation of fiduciary obligations towards investors in the Educational Retirement Board pension plan.

The Hill and Hammes cases include the defendants Vanderbilt, VF, PIM and various officers and directors, past and present, of Vanderbilt, VF and/or PIM, various members of the ERB Board of Directors, past and present, and other parties not related to Vanderbilt (but not PGAM or UniCredit). In February 2010, at the request of one of the defendants, a member of ERB, the Hill case was transferred to the District Court of the United States, responsible for the District of New Mexico. Later on, following the agreement of the parties, the deadline for the defendants to respond was extended indefinitely in the Hammes case. Hammes remains before the state court. Also, the plaintiffs in the Hill case have agreed to waive the requests of the case, subject to any right (therefore a reinstatement is possible), against PIM US and against the employees named. None of the actions indicates the amount of damages for which compensation is being sought, but ERB had invested US Dollar 40 million in VF and the amount will, in any case, be included in the amount of damages requested in the Foy case. On 31 August 2010, the defendants who are part of Vanderbilt filed a request for the dismissal of all the requests in the Hill case. The plaintiffs are opposed to the motion, and on 29 October 2010 a hearing took place at a court in the Federal District of New Mexico. Several months later, the plaintiffs notified the court that the ERB Board of Directors had met and decided not to take part in the litigation. After having requested and obtained updates from the Vanderbilt defendants surrounding the legal action taken by Foy, on 30 September 2011, the Court in the Hill case found in favour of closing the case at the Federal Court on account of lack of jurisdiction, referring everything to the State Court of New Mexico. The findings contain a detailed description of the unsuccessful theories put forward by the plaintiffs, but no enforceable judgment.

The case will be transferred to the State Court, where it will be consolidated with the Hammes case.

Divania S.r.l.

In the first half of 2007, the (now bankrupt) company Divania S.r.l. (“**Divania**”) summoned before the Court of Bari, UniCredit Banca d’Impresa S.p.A. (then UniCredit Corporate Banking and now UniCredit) challenging violations to laws and regulations (relating, among other things, to financial products) with reference to transactions in derivative financial instruments in foreign exchange rates

that were implemented between January 2000 and May 2005 by Credito Italiano S.p.A. initially and by UniCredit Banca d'Impresa S.p.A. (now UniCredit).

The summons asks for the declaration of the non-existence or, alternatively, the nullity or annulment or the cancellation of the actual agreements and that UniCredit Banca d'Impresa S.p.A. (then UniCredit Corporate Banking and now UniCredit) be made to pay the total sum of approximately Euro 276.6 million plus legal costs and interest. It also asks for the annulment of a transaction in 2005 between the parties, in which Divania had accepted to renounce any claim in connection with the transactions.

UniCredit contested Divania's demands, stressing that, without acknowledging any responsibility, the amount requested had been calculated by algebraically adding all the charges (to an extent, moreover, that is more extensive than the actual amount) without calculating the receivables due which significantly reduce the claims of the plaintiff.

In 2010 the technical advisory office ("CTU") in substance confirmed the position of the bank highlighting a loss for derivatives of approximately Euro 6,400,000 (which will increase to Euro 10,884,000 if the settlement agreement below, contested by the plaintiff, is deemed to be illegitimate and therefore invalid). The CTU considers interest must be added to this amount to the tune of Euro 4,137,000 (at the full rate) or Euro 868,000 (at the legal rate).

To cover these risks, provisions have been made in an amount deemed to be in line with what the actual risk of litigation would now appear to be.

Another two claims have been made by Divania S.r.l. for Euro 68.9 million (a demand unexpectedly increased under Article 183 of the Italian Code of Civil Procedure to Euro 80.5 million) and Euro 1.6 million.

Both were deemed unfounded and no provisions have been set aside.

Proceedings have been interrupted following the bankruptcy of Divania in June 2011 and those relating to the demand for Euro 68.9/80.5 million have been taken up again in November 2011.

Acquisition of Cerruti Holding Company S.p.A. by Fin.Part S.p.A.

At the beginning of August 2008 the receivership of Fin.Part S.p.A. ("**Fin.Part**") brought a civil action against UniCredit, UniCredit Banca and UniCredit Corporate Banking (both merged with UniCredit) and another bank not belonging to the UniCredit Group for contractual and non-contractual responsibility. Fin.Part makes a claim against each of the defendant banks, jointly and severally or, as a subordinate alternative, against each to the extent applicable, for compensation of damages suffered by Fin.Part and by its creditors as a result of the acquisition of Cerruti Holding Company S.p.A. ("**Cerruti**").

It is argued that the Banks behaved illegitimately since Fin.Part was not in a position to absorb the acquisition of Cerruti and that the financial commitments connected to it led to the bankruptcy.

The receivership is asking for an amount equal to Euro 211 million, as well as the repayment of all the sums received by way of fees, commission and interest in relation to the alleged fraudulent activities.

On 23 December 2008, papers were filed that included the bankruptcy of C Finance S.A. (“**C Finance**”) in the case.

The trustee in bankruptcy asserts that the state of insolvency of C Finance, which was already in existence at the time of its establishment due to the issuance of the bond and the transfer of proceeds to Fin.Part in exchange for assets with no value, should be attributed to the banks involved in causing the financial difficulties since their executives contributed to devising and executing the transaction. The following damages were requested as a result: a) the entire bankruptcy liabilities (Euro 308.1 million); or, alternatively, b) the sums paid by C Finance in favour of Fin.Part and Fin.Part International (Euro 193 million); or, alternatively c) the amount collected by UniCredit (Euro 123.4 million).

In another area, the banks are being asked to return the amounts collected (Euro 123.4 million in addition to Euro 1.1 million in commissions) due to the alleged invalidity and illegality of the action, or for an illegal reason involving all the parties to the complex deal that the transaction in question allegedly turned into. This transaction was aimed at paying the debts of Fin.Part to UniCredit using the revenue from the issue of the C Finance bond. In addition, the transaction was allegedly a means for evading Italian laws on the limits and procedures for issuing bonds.

In January 2009 the judge rejected an order for seizure formulated against the defendant not belonging to the UniCredit Group.

The hearing for the detailed conclusions has been set for 20 December 2011.

Also, on 2 October 2009, the trustee in bankruptcy of Fin.Part summoned UniCredit Corporate Banking (now UniCredit) before the Court of Milan so that (i) the annulment of the “payment” of Euro 46 million, made in September 2001, by Fin.Part to the then Credito Italiano S.p.A. should be recognised and, as a result, (ii) the defendant will be ordered to pay this amount that refers to the return of an exposure granted by the bank in the context of the complex financial transaction already contested in the previous litigation.

The hearing for the detailed conclusions has been set for 20 December 2011.

UniCredit, on the advice of legal counsel, believes the plaintiff’s claims are unfounded and/or lacking in terms of evidence; provisions have been set aside for an amount considered suitable to cover expenses.

Valauret S.A.

In 2001 Valauret S.A. and Hughes de Lasteyrie du Saillant bought shares in the French company, Rhodia S.A. In 2004 a civil case was initiated arguing that damages had been sustained through the effect of a depreciation in the securities that took place between 2002 and 2003 caused by the asserted fraudulent activities of members of the Board of Directors of the company and others.

BA (in its capacity as successor of Creditanstalt) is among the 14 defendants because it was the bank of one of the other defendants. Valauret S.A. quantifies its damages at Euro 129.8 million plus legal costs and Hughes de Lasteyrie du Saillant as Euro 4.39 million in total.

In 2006, before the case was extended to BA, the civil proceedings were suspended following the launch of a prosecution brought by the French state which is in progress.

In December 2008 the civil proceedings were also suspended with regard to BA.

In BA's opinion the case is unfounded and no provisions have been set aside.

Treuhandanstalt

BA intervened in Switzerland in favour of the defendant AKB Privatbank Zürich AG (previously called Bank Austria (Schweiz) AG and a former subsidiary of BA) in a case brought by Bundesanstalt für vereinigungsbedingte Sonderaufgaben ("BvS"). BvS is one of the successors of Treuhandanstalt, a German public body responsible for the management of the assets of the former East Germany.

BvS argues that the former subsidiary of BA is responsible for the unauthorised transfer of funds from the accounts of two companies of the former East Germany set up by the previous CEO in early 1990. BvS is asking for damages of approximately Euro 128 million, plus interest and costs from 1992.

On 25 June 2008 the District Court of Zurich rejected, to a great extent, BvS's request and both parties launched an appeal. In March 2010 the Court of Appeal of Zurich amended the outcome of the first-instance, ordering BA and its former subsidiary to reimburse the plaintiffs with the total sum of approximately Euro 230 million (calculated at 30 March 2010).

An appeal was launched by BA and its former subsidiary against the decision, at the Court of Cassation of the Canton of Zurich, with a request for the suspension of the enforcement of the decision. The suspension was granted on 14 May 2010. On 30 November 2011, the Court of Cassation, upholding BA's appeal, annulled the decision of the Court of Appeal of Zurich (Obergericht) of 25 March 2010 and referred the matter to the latter for a new decision, the timeframe and outcome of which cannot be predicted. BvS may file a further appeal against this decision before the Federal Court.

On 1 February 2011 BA filed an appeal aimed at reviewing the decision of the Court of Appeal of Zurich (based on new facts and aimed at getting BvS's requests rejected or, alternatively, the amount requested by BvS reduced) all before the Court of Appeal of Zurich. The Court has suspended this judgment until a final decision is taken on the subject.

To cover these risks, provisions have been made in an amount deemed to be in line with what the actual risk of litigation would now appear to be.

Association of small shareholders of the bankrupt NAMA d.d; Slobodni Sindikat (free trade union)

Zagrebačka was summoned before the Municipal Court of Zagreb by two plaintiffs: (i) the association of small shareholders of the bankrupt NAMA d.d.; (ii) Slobodni Sindikat (Free Trade Union).

The plaintiffs argue that Zagrebačka violated the rights of NAMA d.d., as minority shareholder of Zagrebačka until 1994, among other things, failing to distribute profits in the form of shares in Zagrebačka to NAMA d.d. The plaintiffs are therefore asking the Court to order Zagrebačka to allocate shares in Zagrebačka or, alternatively to pay damages of approximately Euro 124 million.

Zagrebačka believes that it is not legitimate for the plaintiffs to bring this litigation because they have never been shareholders of Zagrebačka or holders of the rights allegedly violated

On 16 November 2009, the judge rejected the plaintiff's demands, without dealing with the merit of the case, stating that the plaintiffs had no right to act.

The decision has been appealed.

No provisions have been set aside in relation to these proceedings.

GBS S.p.A.

At the beginning of February 2008 the General Broker Service S.p.A. ("**GBS S.p.A.**") set up arbitration proceedings against UniCredit aimed at declaring the behaviour of the latter, with reference to the insurance brokerage role that it performed from an exclusive agreement in 1991, illegal.

Through a ruling issued on 18 November 2009, UniCredit was ordered to pay GBS S.p.A. a total amount of approximately Euro 144 million, plus the costs of litigation and expert witness report.

UniCredit, believing the arbitration decision to have no foundation, decided to appeal and asked for the enforcement of the decision to be suspended.

On 8 July 2010, the Court of Appeal agreed to this suspension request for amounts above Euro 10 million. UniCredit paid this amount to GBS whilst the decision of the second-instance on this subject is pending. The next hearing has been set for 5 November 2013.

A provision has been set aside in the amount felt to be consistent in relation to what appears to be, at present, the potential risk resulting from the issue of the ruling.

ADDITIONAL RELEVANT INFORMATION

The following section sets out further pending proceedings against UniCredit and other companies of the UniCredit Group that UniCredit considers relevant and which, at present, are not characterised by known economic demand or for which the economic request cannot be quantified.

Actions resulting from the deal with HVB and the reorganisation of the Group.

(1) *Voidance action challenging the transfer of shares of Bank Austria Creditanstalt AG (BA) held by HVB to UniCredit S.p.A. (Shareholders' Resolution of 25 October 2006)*

Numerous minority shareholders of HVB have filed petitions challenging the resolutions adopted by HVB's Extraordinary Shareholders' Meeting held on 25 October 2006 approving a Sale and Purchase Agreement ("**SPA**") transferring the shares held by HVB in BA and HVB Bank Ukraine to UniCredit, the shares held by HVB in International Moscow Bank and AS UniCredit Bank Riga to BA and the transfer of the Vilnius and Tallinn branches to AS UniCredit Bank Riga, asking the court to declare these resolutions null and void. The shareholders filed their lawsuits contesting alleged deficiencies of the formalities relating to the convocation and conduct of the Extraordinary Shareholders' Meeting of 25 October 2006, and that the sales price for the shares was allegedly inadequate.

In the course of this proceeding, some shareholders asked the Regional Court of Munich to state that the Business Combination Agreement entered into between HVB and UniCredit should be regarded as a de facto domination agreement.

With the judgment of 31 January 2008, the Court declared the resolutions passed at the Extraordinary Shareholders' Meeting held on 25 October 2006 to be null and void for formal reasons. The Court expressed no opinion on the problem of the alleged inadequacy of the purchase price, but expressed the opinion that the BCA entered into by UniCredit and HVB in June 2005 should have been submitted to the Shareholders' Meeting of HVB since it constituted a "concealed" domination agreement.

HVB appealed against this judgment in the belief that the provisions of the BCA would not be relevant to the purchase and sale agreements presented to the Extraordinary Shareholders' Meeting of 25 October 2006 and that the issue of the valuation parameters would not have affected the purchase and sale agreements submitted for the approval of the Shareholders' Meeting. HVB also believes that the BCA is not a "concealed" domination contract due in part to the fact that it specifically prevents entering into a domination agreement for five years following the purchase offer.

In essence, the HVB shareholder resolution could only become null and void when the Court's decision becomes final.

Using a legal tool recognised under German law, and pending the aforementioned proceedings, HVB asked the Shareholders' Meeting held on 29 and 30 July 2008 to reconfirm the resolutions that were passed by the Extraordinary Shareholders' Meeting of 25 October 2006 ("Confirmatory Resolutions") and contested. If passed, these resolutions would make the alleged improprieties irrelevant.

The Shareholders' Meeting approved these resolutions, which, however, were in turn challenged by several shareholders in August 2008. In February 2009, an additional resolution was adopted that confirmed the adopted resolutions.

At the hearing of 10 December 2009, the Court rejected the voidance action against the (first) Confirmatory Resolution adopted on 29 and 30 July 2008. Appeals filed by several former shareholders against this judgment were rejected by the Higher Regional Court of Munich on 22 December 2010. The case is currently pending before the German Federal Supreme Court. A definitive decision has not yet been taken.

In light of the above events, the appeal proceedings initiated by HVB against the judgment of 31 January 2008 were stayed until a final judgment is issued in relation to the confirmatory resolutions passed by the Shareholders' Meeting of HVB of 29 and 30 July 2008.

(2) Squeeze-out of HVB minority shareholders (Appraisal Proceedings)

About 300 former minority shareholders of HVB have filed a request to revise the price obtained in the squeeze-out ("Appraisal Proceedings"). The dispute mainly concerns profiles regarding the valuation of HVB.

The first negotiation hearing was held on 15 April 2010. The proceedings are ongoing and could last several years.

(3) Squeeze-out of Bank Austria's minority shareholders

After a settlement was reached on all legal challenges to the transaction in Austria, the resolution passed by the Bank Austria Shareholders' Meeting approving the squeeze-out of the ordinary shares held by minority shareholders (with the exception of the "Golden Shareholders") was registered in the Vienna Trades and Companies Register on 21 May 2008.

The minority shareholders received a total of Euro 1,045 million for the squeeze-out and the corresponding interest.

Several shareholders who felt the price paid for the squeeze-out was not adequate have initiated proceedings at the Commercial Court of Vienna in which they are asking the Court to review the adequacy of the amount paid (Appraisal Proceedings).

The proceedings are now under way before the Commercial Court of Vienna, which has appointed the “Gremium” to review the appropriateness of the valuation. The “Gremium” has in turn appointed an expert, who has used six different valuation methods, the results of which range from a figure lower than that paid and a figure of around Euro 10 per share more. Taking into account the nature of the valuation methods used by the expert, UniCredit continues to believe that the amount paid to the minority shareholders was appropriate. Nevertheless, it is impossible to predict the verdict of the “Gremium”. In any case, if an agreement is not reached, the matter shall be decided by the Commercial Court; an increase in the amount paid is still a possibility.

In addition to the legal proceeding before the Commercial Court of Vienna, a minority shareholder has commenced a parallel procedure before an arbitral tribunal. If the result is unfavourable to UniCredit, a negative impact on the Group cannot be ruled out.

Cirio and Parmalat criminal proceedings

Between the end of 2003 and the early months of 2004, criminal investigations of officers and managers of the former Capitalia group (now UniCredit Group) were conducted in relation to the insolvency of the Cirio group. This led to some managers and officers of Capitalia (now UniCredit) being committed for trial.

The administrator of Cirio and many bondholders joined the criminal judgment as civil complainants without specifying damages claimed. UniCredit S.p.A., also as the successor in all matters for UniCredit Banca di Roma was held legally liable.

On 23 December 2010, without admitting any liability, UniCredit offered a settlement to around 2,000 bondholders.

In March 2011, the administrator of Cirio submitted their conclusions regarding all the defendants and UniCredit (legally liable under civil law) – jointly and severally – claiming Euro 1.9 billion in compensation. The request currently appears to be baseless in fact and in law. The officers involved in the proceedings in question maintain that they performed their duties in a legal and proper manner.

As it stands, the negotiations to settle the Cirio issue has not had any outcome and on 4 July 2011 the Court of Rome sentenced UniCredit jointly and severally with the persons involved to pay the administrator of Cirio a provisional sum of Euro 200 million. We are awaiting the submission of the reasoning behind the judgment in order to assess an appeal.

With regard to the state of insolvency of the Parmalat group, from the end of 2003 to the end of 2005, investigations were also carried out on certain officers and managers of Capitalia (now UniCredit), who had been committed for trial within the scope of three distinct criminal proceedings known as “Ciappazzi”, “Parmatour” and “Eurolat”.

The companies of the Parmalat group in extraordinary administration and numerous Parmalat bondholders are the claimants in the civil suits in the aforementioned proceedings, reserving the right to quantify damages at the end of the first-instance trials.

In the “Ciappazzi” and “Parmatour” proceedings, some companies of the UniCredit Group were held legally liable.

Upon the conclusion of the settlement of 1 August 2008 between UniCredit and Parmalat along with the Parmalat Group companies in administration, the latter waived or revoked the filing of all civil charges.

The officers in question maintain that they performed their duties in a legal and proper manner.

On 11 June 2010, UniCredit reached an agreement with the Association of Parmalat Bondholders of the Sanpaolo IMI Group (the “**Association**”) aimed at settling, without any admission of responsibility, the civil claims brought against certain banks of the UniCredit Group by the approximately 32,000 Parmalat bondholders who are members of the Association. In October 2010 that agreement has been extended to the other bondholders who had joined the criminal proceedings as civil complainants (approximately 5,000).

On 4 October 2011, UniCredit also reached a settlement agreement with the Trustee of the civil party Cosal S.r.l.

With the judgment of 29 November 2011, the Court of Parma sentenced UniCredit, jointly and severally with the persons involved, to pay a provisional sum of 4% of the par value of the securities held to the Parmalat bondholders and shareholders who filed civil suit.

Bearing in mind the aforementioned transactions carried out with the bondholders in 2010, this sentence is considered in favour of a limited number of investors.

For the Parmalat and Cirio cases provisions have been made for an amount consistent with what currently appears to be the potential risk of liability for UniCredit S.p.A. as legally liable.

Medienfonds

Various customers bought shares in VIP Medienfonds 4 GmbH & Co. KG (“**Medienfonds**”).

HVB did not sell shares in the Medienfonds fund, but granted loans for investment in said fund, to all investors (for a part of the amount invested); moreover, to collateralise the fund, HVB assumed specific repayment obligations of certain film distributors with respect to the fund.

Since some of the benefits connected to this type of investment were revoked, many investors took various forms of legal action against HVB and others. The claimants say that HVB did not inform them of the risk connected to the revocation of the tax treatment and hold HVB and others, including the fund sponsors, liable for the alleged mistakes in the prospectus that was used to market the fund. Some investors are also requesting the protection of the rights afforded to them under German consumer protection law.

The courts of first and second instance have issued various judgments, many of which are unfavourable to HVB and a case is currently being heard before the German Federal Court.

The District High Court of Munich is looking at the issue of liability for the prospectus – which also involves HVB – through a special procedure carried out pursuant to the Capital Markets Test Case Act (Kapitalanleger-Musterverfahrensgesetz). The decision is expected in December 2011.

Civil proceedings aside, the tax court has not taken a decision on whether the tax benefit was correctly revoked.

HVB has made provisions which are, at present, deemed to be appropriate.

CODACONS class actions

With a petition served on 5 January 2010, CODACONS (an umbrella group of associations for the protection of the environment and consumer rights), on behalf of one of its applicants, submitted a class action to the Court of Rome against UniCredit Banca di Roma (now UniCredit) pursuant to Article 140-*bis* of the Consumer Code (Legislative Decree no. 206 of 6 September 2005). This action, which was brought for an amount of Euro 1,250 (plus unspecified non-material damages), is based on the allegations of AGCM, according to which Italian banks would have compensated for the abolition of maximum overdraft commission by introducing new and more costly commissions for customers. The applicant asked the Court of Rome to allow the action, specifying the criteria for being included in the class action and setting a period of not more than 120 days within which the parties may join the class action. If the Court considers the class action admissible, the amount requested could significantly increase based on the number of adhesions of current account holders of UniCredit Banca di Roma who consider that they have suffered damages as a result of the behaviour at issue.

Another class action – together with the request to join referred to above – was filed on 9 August 2010 by CODACONS on behalf of one of its members, before the Court of Rome against UniCredit Banca di Roma (now UniCredit) based on the same claims and asking for an amount of Euro 1,110 (including non-material damages).

The only difference between the two actions is that this claimant had a credit current account.

The Court of Rome, in two separate decisions issued on 25 March 2011, granting UniCredit's motions, rejected the request to join filed by CODACONS and dismissed the two class actions. In July 2011, both the decisions were appealed by CODACONS before the Court of Appeal of Rome and the first hearing was set for 11 January 2012.

UniCredit believes it has consistently operated in compliance with the law in relation to its commission policy.

Derivatives

In Germany and Italy there is a trend whereby non-institutional investors, above all, contest contracts in derivatives instruments, especially when their value is falling. This trend affects the financial system in general and not specifically UniCredit and the Group companies. The overall impact of these actions cannot currently be predicted.

Other significant events

At the Date of the Registration Document, there is increasing scrutiny of the financial sector, particularly by the United States authorities, with regard to anti-money laundering, combating terrorist financing and handing out economic penalties to ensure compliance with legislation in these

areas. The Office of Foreign Assets Control (“**OFAC**”) of the United States Treasury Department is responsible for US laws and regulations regarding economic penalties for foreign countries, citizens and other entities. A company of the UniCredit Group is currently responding to a “third-party witness subpoena” from the New York County District Attorney’s Office in relation to an ongoing investigation into a number of persons and/or entities deemed responsible for punishable actions. The relevant UniCredit Group company has, in addition, sent OFAC the information supplied to the District Attorney’s Office and is cooperating fully in ongoing dealings with these authorities. In addition, the company is conducting an internal audit of the accounts and transactions subject to the investigation. The outcome of this investigation cannot currently be predicted, nor the time necessary or financial impact that it could have on the Company’s future operating results.

Threatened actions

A customer has requested a little over Euro 100 million from UCB AG as damages for advice felt to be mistaken and for breaching obligations on German share transactions.

These transactions were carried out by the customer on the basis of the expectation that they would receive tax credits on dividends from German shares negotiated close to the dividend date.

After carrying out a check on said customer, the tax authorities asked them to repay the tax credit previously received. As far as UCB AG is aware, the customer and their tax advisor have appealed the decision of the tax authorities. There is a risk that UCB AG could be held liable under civil law. In addition, UCB AG could, in relation to this issue, be subject to requests to pay taxes and interest, mandatory penalties to repay profits and even criminal liability.

20.9 Employment law litigation

The Company and the other companies of the Group are involved in employment law litigation. In general, all employment law suits are accounted for with adequate provisions to cover any pay-outs. In any case, the Company does not believe that the possible losses linked to the outcome of the decisions in progress could have a significant effect on the Group’s capital, operating and/or financial situation.

20.10 Tax proceedings

Significant dispute with the Italian Financial Authority

As of the Date of the Registration Document, there are three pending tax proceedings, which relate to: (i) the dispute over the existence of a credit worth approximately Euro 25.6 million for tax on the income of legal entities (IRPEG) resulting from the annual income declaration submitted for the year 1984 by Cassa Centrale di Risparmio V.E. per le Province Siciliane (hereafter referred to as “Banco di Sicilia”); (ii) the dispute over the existence of a credit worth approximately Euro 21.1 million for tax on the income of legal entities (IRPEG) resulting from the annual income declaration submitted for the year 1984 by Banco di Sicilia; and (iii) the dispute over the existence of a credit worth approximately Euro 24.3 million for tax on the income of legal entities (IRPEG) resulting from the annual income declaration submitted for the year 1985 by Banco di Sicilia.

The total value of the disputes, bearing in mind interest accrued and recognised, totals approximately Euro 174 million.

On 12 June 2007, the Provincial Tax Commission of Palermo rejected the arguments put forward by Banco di Sicilia. Banco di Sicilia appealed. Two of the appeal hearings took place before the Regional Tax Commission, both of which ended in favour of the appellant, in line with the internal assessments and external opinions gathered at the time. The decisions were recorded on 28 January 2010.

The Italian Financial Authority contested these decisions, appealing in the Court of Cassation where, as of the Date of the Registration Document, judgments are still pending.

The third appeal, on the same subject, took place before the Regional Tax Commission of Palermo on 23 April 2010. The outcome was in favour of Banco di Sicilia and was recorded on 4 June 2010. However, a special procedure needs to be used to correct the judgment, which contains a value that differs from that indicated in the *ratio decidendi*. The order to correct the judgment was published on 20 April 2011.

In any case, the Italian Financial Authority contested the judgment, appealing in the Court of Cassation by writ of 6 July 2011.

In light of the favourable outcome of the dispute at appeal, no provisions have been made in this regard.

Furthermore, on 5 January 2011, the Revenue Agency served UniCredit Leasing with an assessment notice. The notice contested the IRAP and VAT for the 2005 financial year relating to certain real estate leasing operations carried out by the company.

The contested IRAP totals Euro 694,412.00, in addition to interest and fines of Euro 772,786.00, while the disputed VAT amounts to Euro 31,839,466.00, as well as fines totalling Euro 70,866,012.50.

The company filed a timely appeal with the Bologna Provincial Tax Commission on 31 May 2011. The date of the hearing has not yet been fixed.

On 22 November 2011, the company was served with a collection notice for Euro 13,391,744.50. UniCredit classes the risk as possible, and therefore, in accordance with International Accounting Standards, has not set aside any provisions to cover it.

Investigations on structured finance transactions

In the first half of 2009, the Milan Prosecutor's Office initiated an investigation. The alleged offence is that referred to in Article 3 of Legislative Decree no. 74 of 10 March 2000 ("False declaration using other devices").

In late December 2010, the Italian Revenue Agency (Regional Offices of Liguria, Emilia Romagna, Lazio and Sicily) informed UniCredit of a number of assessment notices relating to structured finance transactions concluded in the 2005 tax period with regard to corporate income tax (IRES) and regional tax on productive activities (IRAP).

Notices were given to UniCredit, on its own account and as the holding company for Capitalia, UniCredit Banca, UniCredit Banca di Roma and Banco di Sicilia.

In relation solely to UniCredit Banca, the Revenue Agency office of Emilia Romagna advised assessment notices relating to the 2004 tax period.

The total amount under assessment was Euro 614.2 million, of which Euro 136.3 million related to 2004.

All the aforementioned banks carried out a transaction called “DB Vantage”, which consisted of a repo transaction with an underlying bond issued by a British company of the Deutsche Bank group denominated in Turkish lira. In the Company’s view, these investments – which were a part of the Treasury Unit’s current operations – allowed the banks to generate profits greater than investments of the same nature with similar characteristics, disregarding any tax aspects.

In 2004 and 2005, only UniCredit Banca carried out a repo transaction on the shares of a company resident in New Zealand, which is also a part of the Deutsche Bank group. In this case, according to the Company, the investment again provided profits greater than investments of the same nature with similar characteristics, disregarding any tax aspects.

All charges of the Revenue Agency are based on the concept of “abusing rights”.

With regard to the financial year 2004, the assessment notices served upon UniCredit Banca for IRES and IRAP were promptly appealed.

Following the presentation of defence statements, the amount of the IRES penalty was reduced by half by the Agency in May 2011, moving from Euro 82.8 million to Euro 41.4 million; hence the total under investigation was reduced to Euro 94.9 million.

The decision to impose penalties was also appealed. The appeal is pending before the Regional Tax Commission of Bologna.

With regard to the financial year 2005, the Company settled all the assessments by paying a total of Euro 106.4 million (including taxes, interest and penalties) against an assessed total of Euro 479 million.

On 21 June 2011, the Guardia di Finanza (Italian Finance Police) notified UniCredit of various reports of findings (the “**Reports**”) relating to UniCredit – on its own account and as the holding company for UniCredit Banca, UniCredit Banca di Roma and Banco di Sicilia – and to UniCredit Corporate Banking, in relation to the “Brontos” transactions and other structured finance transactions. The Reports follow a tax assessment begun on 1 March 2011 by the Guardia di Finanza to look at structured finance transactions carried out by the aforesaid Group banks in the financial years 2006, 2007, 2008 and 2009.

The Reports reveal a total tax liability of Euro 444.6 million, of which Euro 269 million relate to the “Brontos” transaction and Euro 175.6 million relate to other structured finance transactions carried out from 2006 to 2008.

The “Brontos” transaction consists of a repo carried out between the Milan Branch of Barclays Plc and the aforesaid UniCredit Group banks, with underlying financial instruments issued by a Luxembourg company wholly owned by the Barclays Group and denominated in Turkish lira.

On 18 October 2011, UniCredit was served with a preventative seizure order pursuant to Article 321, paragraph 2 of the Code of Criminal Procedure for a total of Euro 245,956,118.49 against the

accounts that UniCredit holds at the Milan branch of Banca d'Italia. UniCredit has submitted a request for a review, which took place in a hearing on 22 November 2011.

Through a decision taken on the following 28 November, which may be appealed by the Public Prosecutor at the Court of Cassation, the Review Court of Milan annulled the preventive seizure and hence the formerly restricted amounts held at the Banca d'Italia became available to UniCredit once again.

On 27 October 2011, both the lawyers advising the persons involved in the investigations and these persons themselves received notification that the investigations had been concluded.

In relation to "Brontos" transactions:

- with regard to the criminal aspects, UniCredit's lawyers are proceeding to examine, within the timeframe permitted by law, the documentation submitted by the Public Prosecutor of Milan at the end of the investigations; and
- with regard to the tax aspects, UniCredit challenged the substance of the reports of findings by submitting defence statements to the relevant Revenue Agency offices during August 2011.

In light of the above, the Company decided it was not worthwhile making any provisions.

However, with regard to the other contested transactions, the Company has made suitable provisions, bearing in mind their similarity to the transactions that were investigated for the year 2005 and other relevant factors.

On 6 December 2011, following an order to file an appearance served by the Revenue Agency, UniCredit (partly in its role as the holding company of Capitalia) made a settlement in relation to the tax assessment report issued by the financial police on 21 June 2011 concerning disputes relating to the 2006 financial year. The settlement amounted to Euro 85,513,500, of which Euro 67,302,103 related to taxes and Euro 18,211,397 pertained to fines and interest, and was paid on 7 December 2011. This sum was fully covered by a specific provision set aside in the balance sheet.

Tax proceedings in Austria

On 6 December 2011, a general tax assessment of Bank Austria, looking at financial years 2003-2007, inclusive, was concluded. The final outcome of the assessment has not yet been formalised; based on the preliminary information available, the economic impact should be around Euro 21 million.

Tax proceedings in Germany

UCB AG is currently subject to a tax assessment in Germany in relation to the tax periods 2002-2004, which is close to completion, as well as the tax periods 2005-2008. The Company believes it has made suitable provisions in this regard.

Furthermore, UCB AG has informed the tax authorities in Munich that some dealing on account may have taken place close to the dividend dates and of the relevant tax credits requested by UCB AG. On this matter, and at the same time, UCB AG's Supervisory Board has asked external consultants to check these issues. This action has the full backing of UniCredit.

Since UCB AG voluntarily informed the Munich tax authorities of these circumstances, UCB AG expects that the German Federal Tax Authority (Bundeszentralamt für Steuern) and the Munich authorities will investigate these transactions. Even though the German tax authorities have recently rejected tax credits in some types of transaction carried out close to dividend dates, there is no clear guidance from the highest German tax judge on the tax treatment of such transactions. As of the Date of the Registration Document, the impact of any assessments by the federal tax authorities and the local Munich tax authorities cannot be predicted. Since the audit requested by the Supervisory Board is at an early stage, it is not possible to predict the outcome or the time it will take to reach its findings.

In relation to the transactions on the financial instruments described above, UCB AG could be subject to requests to pay what may be significant taxes and interest, penalties, mandatory repayment of profits and even criminal liability. UCB AG is in contact with the competent supervisory authorities on this issue.

20.11 Proceedings connected to actions of the supervisory authorities

The UniCredit Group is subject to complex regulation and supervision by, *inter alia*, Banca d'Italia, CONSOB, the ECB and the ESCB, as well as other local supervisory authorities. In this context, UniCredit Group is subject to normal supervision by the competent authorities. Some supervisory actions have resulted in investigations and charges of alleged irregularities that are in progress as of the Date of the Registration Document. The Group has acted to prove the regularity of its operations and does not believe that these proceedings could have negative consequences for the business of UniCredit Group.

In particular, in recent years some Group companies – including the Issuer – have been subject to CONSOB investigations into e.g. operations regarding bonds issued by Cirio and by the Argentinean government, and its operations in derivative financial instruments⁶⁸. In light of these investigations and findings, CONSOB opened punitive proceedings against officers of the banks involved, some of which are still ongoing, for allegedly failing to respect internal rules and procedures on investment services. Even though the Group acted to prove the regularity of the actions of the companies and the officers involved, in some cases the proceedings in question have led to provisional administrative fines against these officers, some of whom occupy roles in UniCredit⁶⁹, and against the relevant banks under joint and several liability.

Furthermore, during 2008 one Group company was investigated by CONSOB in relation to its work as the distribution manager and sponsor in relation to soliciting investments and listing the shares of an Italian company. Despite these findings, the Group responded by defending the regularity of its actions and the irrelevance of the disputed events. The proceedings led, in July 2009, to a provisional administrative fine being issued to one employee of the Company. As of the Date of the Registration Document, the proceedings are still pending. Then, in December 2010, CONSOB issued

⁶⁸ Some of which were incorporated into UniCredit from 1 November 2010.

⁶⁹ In particular, with reference to dealing in derivatives and together with other officers of the companies sanctioned, the Deputy Chairman of the Board of Directors Fabrizio Palenzona (as a board member of a UniCredit subsidiary), Full Auditor Vincenzo Nicastro (as full auditor of a UniCredit subsidiary), Full Auditor Michele Rutigliano (as chairman of the board of statutory auditors and full auditor of two UniCredit subsidiaries) and the Key Manager Roberto Nicastro (as a member of the board of directors of a UniCredit subsidiary), received administrative fines from CONSOB equal to Euro 12,300, Euro 16,200, Euro 36,200 and Euro 11,700, respectively.

administrative fines to some officers of a Group company, and to the company itself under joint and several liability, for the alleged inadequacy of some of the bank's internal procedures⁷⁰.

Between 2008 and the Date of the Registration Document, as part of its aforementioned normal supervisory activities, Banca d'Italia has carried out investigations in the following areas: derivatives; structure of the internal audit function; management of the mortgage and retail customer sector; management of liquidity, in coordination with OeNB and BaFin; business continuity; anti-money laundering; credit risk in the corporate sector; leasing; reliability of reporting and control procedures relating to consolidated supervision.

Following the aforesaid investigations, the Group took the necessary corrective actions to overcome the identified observations. The actions plans for each area are generally in line with the deadlines imposed. They are monitored by the top management and control functions of the company, and periodically brought to the attention of the supervisory authority.

Banca d'Italia found some irregularities during its investigations into regulatory reporting. As a result, pursuant to Article 144 of the TUB, administrative fines were issued to some company officers⁷¹.

At the Date of the Registration Document, the Issuer is being investigated in order to assess the governance, management and control of credit risk, particularly in relation to small and medium-sized enterprises.

Following checks carried out by AGCM, during August 2008 the companies UniCredit Banca, UniCredit Banca di Roma, Banco di Sicilia and Bipop Carire S.p.A. (now incorporated into UniCredit) were fined for alleged bad business practice in terms of mortgage portability. The companies appealed against these fines⁷². In December 2010, the Council of State definitively confirmed the earlier decision of the TAR (Regional Administrative Court) to annul the fines issued by the AGCM.

In December 2008, following checks carried out by the AGCM, UniCredit Banca (now UniCredit) was fined Euro 1,500,000 for having made anti-competitive agreements dating back to 1996 on the management of cashier services for Inail (Italian Workers' Compensation Authority). The aforesaid company appealed against this fine. As of the Date of the Registration Document, the relevant proceedings are still pending.

In July 2009, AGCM launched an investigation to see whether UniCredit, together with MasterCard and other leading banks⁷³, conspired to make anti-competitive arrangements in terms of payment cards. In November 2010, the AGCM imposed administrative fines on UniCredit and the other banks

⁷⁰ In particular, with regard to the lack of suitable measures for identifying and reporting suspicious transactions and together with other officers of the sanctioned company, Board of Directors member Donato Fontanesi (as a member of the board of directors of a UniCredit subsidiary) received an administrative fine of Euro 18,400 from CONSOB.

⁷¹ In particular, this involved Key Management Personnel: Ranieri De Marchis, Euro 28,000; Marina Natale, Euro 18,000; and Nadine Farida Faruque, Euro 14,000.

⁷² In particular, the administrative fines originally imposed by AGCM and then revoked were divided as follows: UniCredit Banca and UniCredit Banca di Roma Euro 500,000; Banco di Sicilia Euro 450,000, Bipop Carire S.p.A. Euro 420,000.

⁷³ In detail, this involved: Banca Monte dei Paschi di Siena S.p.A., Banca Nazionale del Lavoro S.p.A., Banca Sella Holding S.p.A., Barclays Bank plc, Deutsche Bank S.p.A., Intesa Sanpaolo S.p.A. and Istituto Centrale delle Banche Popolari Italiane S.p.A.

involved⁷⁴. UniCredit, MasterCard and the other banks involved appealed against this decision to the Lazio Regional Administrative Court (TAR). The court's judgment, deposited in July 2011, annulled the decision and the fines in question. In November 2011, the AGCM appealed to the Council of State about the Lazio TAR's judgment and the relating proceeding. As of the Date of the Registration Document, the proceeding is still pending.

Furthermore, it should be noted that in July 2009 the AGCM reopened an investigation against UniCredit Banca di Roma (now UniCredit) relating to alleged bad business practices in the information supplied to customers concerning, *inter alia*, the nature of and the process for calculating maximum overdraft charges. This investigation followed on from a proceeding that concluded in December 2008 without establishing the infraction and in light of a number of commitments assumed by said company, as provided for by the legislation in force. The reopening the investigation was due to the changed legal framework on maximum overdraft charges after the entry in force of Decree-Law 185 of 29 November 2008 (as converted into Law 2 of 28 January 2009). On 22 December 2009, the AGCM closed the investigation with only a general indication to Parliament, the Government and Banca d'Italia on the analysis of the economic effects of the new charges introduced instead of the maximum overdraft charge. See Paragraph 20.8, above, for information on the class action brought by CODACONS on behalf of one of its members in relation to actions connected to removing the maximum overdraft charge.

In December 2009, the AGCM opened a proceeding against UniCredit Banca di Roma (now UniCredit) relating to alleged bad business practices in applying the regulations on simplified mortgage cancellation. The AGCM then extended the proceeding to another Group company, UniCredit Family Financing Bank (now UniCredit). In May 2010, the proceeding concluded, imposing an administrative fine of Euro 150,000 on UniCredit Banca di Roma alone. This fine was appealed at the TAR. As of the Date of the Registration Document, the proceedings are still pending.

In February 2010, the AGCM opened a proceeding against UniCredit Banca di Roma (now UniCredit), relating to alleged bad business practices in ending current account relationships. The proceeding in question led, in July 2010, to the imposition of a fine of Euro 50,000. This fine was appealed at the TAR. As of the Date of the Registration Document, the proceedings are still pending.

In April 2010, the AGCM opened a proceeding against FinecoBank, a Group company, relating to alleged bad business practices in relation to a marketing message disseminated via the Internet. The proceeding led, in August 2010, to the imposition of an administrative fine of Euro 140,000. The aforesaid company appealed against the AGCM's fine to the TAR. As of the Date of the Registration Document, the proceedings are still pending.

In August 2011, the AGCM requested information and then opened a proceeding against UniCredit and Family Network Credit S.p.A., a Group company, relating to alleged bad business practices in relation to a flyer designed to promote their range of loans. In September 2011, written arguments were submitted to the AGCM, meeting the requests made. As of the Date of the Registration Document, the AGCM proceedings are still ongoing.

⁷⁴ The AGCM imposed administrative fines totalling Euro 6,030,000 of which Euro 380,000 were borne by UniCredit.

Various authorities that supervise UCB AG, including the German Central Bank, BaFin and the FSA, conducted checks and/or investigations into the UCB AG's internal risk management and control systems. They highlighted a number of critical problems (which were also subject to further internal and external checks by UCB AG) on the full compliance of these systems to the applicable legal and regulatory requirements in Germany. In early 2010, UCB AG launched a complete programme to deal with the risks that it deemed to be the most significant. UCB AG continues to work closely and under the total supervision of the Risk Management Department of the UniCredit Group in order to correct the critical problems identified and ensure that the Group risk management policies are implemented following UniCredit policy.

In addition, upon the outcome of discussions with BaFin about these issues – and having informed Banca d'Italia – UniCredit and UCB AG undertook to keep UCB AG's solvency ratio (as at the Date of the Registration Document, it is 13% of the Total Capital Ratio) above the minimum level required by law. The aim of this was to satisfy BaFin's request for UCB AG to have enough capital to be able to absorb any losses that may derive from shortcomings in the risk management policies, until BaFin deems that said shortcomings have been resolved. UCB AG reported – and continues to report – on the progress made to UniCredit and the competent authorities, including Banca d'Italia and BaFin.

Bank Pekao's activities are subject to ordinary supervision: inspections, controls and investigations or assessment proceedings by various regulatory authorities including in particular: (i) the PFSA; (ii) the competition watchdog, for the protection of competition on the market and collective consumer rights (“UOKiK”); (iii) the personal data protection watchdog, for the collection, processing, management and protection of personal data (“GIODO”); and (iv) the competent authorities for preventing and combating money-laundering and terrorist financing.

The PFSA carries out regular checks on all the activities carried out by the bank and on its financial status.

The most recent general check was carried out in 2008, at the outcome of which the PFSA drew a number of conclusions as to the operations of the bank in relation, *inter alia*, to the management of credit, liquidity and operational risk, and conclusions with regard to compliance with Polish legislation and the internal regulations of Bank Pekao. The PFSA made specific recommendations in regard to Bank Pekao, but did not impose any penalties. As a result, the bank brought in a plan to implement these recommendations, providing the PFSA with periodic updates. At the Date of the Registration Document, the recommendations have already been implemented, as set out in the plan presented.

At the end of 2010, the PFSA carried out a wide-ranging inspection focusing on certain issues which included, in particular: (i) the implementation of some specific recommendations made following the general check of 2008; (ii) the monitoring of the risk relating to the investment in the Ukrainian subsidiary of Bank Pekao; (iii) the functioning of the business continuity plan of Bank Pekao; and (iv) the outsourcing of IT and e-banking services to foreign businesses by Bank Pekao. During the course of the inspection, a number of critical factors were identified and specific recommendations were made, but no pecuniary or other sanctions were imposed on Bank Pekao; consequently, Bank Pekao implemented a plan for the implementation of these recommendations, with periodic reporting to the PFSA. As at the Date of the Registration Document, the recommendations have been implemented as provided for in the submitted plan.

Between 2007 - 2010, the PFSA carried out other regulatory checks on specific issues. In particular, the PFSA carried out:

- inspections of Bank Pekao's activities relating to the custody of the assets of several open pension funds and employers' pension funds;
- assessments of Bank Pekao to check compliance with regulations on preventing and combating money laundering and terrorist financing;
- an inspection of the activities carried out by Bank Pekao's brokerage company. At the outcome of this inspection, the PFSA made a number of recommendations which Bank Pekao has complied with;
- an inspection of the management of customer's personal data in relation to brokerage activities and management of escrow accounts;
- checks on custodian bank activities on behalf of two pension funds, completed in September 2010; and
- checks on control processes carried out in November 2010 (inspectors' report published in February 2011 without any sanctions). The Bank has taken the necessary corrective actions to address the points raised.

In the last five years, other regulatory proceedings have also been launched, including:

- proceedings to protect competition against the operators of the Visa and Europay systems, as well as the Polish banks that issued Visa and MasterCard credit cards, connected to the use of alleged anti-competitive practices that would have affected the Polish payment cards market. UOKiK deemed this practice to restrict competition within the key market and required the banks to stop using them, also imposing fines. The fine imposed on Bank Pekao was equal to approximately Zloty 16.6 million (roughly Euro 3.7 million); the bank appealed against this fine. On 12 November 2008, the Anti-Monopolies Court revoked UOKiK's decision. UOKiK then counter-appealed the decision of the Anti-Monopolies Court. On 22 April 2010, the Court of Appeal overturned the decision of the Anti-Monopolies Court and the case was referred once more to the latter for review; as of the Date of the Registration Document, proceedings are still pending;
- proceedings brought by UOKiK in relation to compliance with the consumer law on framework agreements for loans entered into by Bank Pekao. In 2010 Bank Pekao was fined Zloty 1.9 million, (equal to around Euro 500,000); the bank filed an appeal against this fine before the Anti-Monopolies Court in January 2011, which is still pending as of the Date of the Registration Document; and
- proceedings against UniCredit CAIB Securities UK Limited, a subsidiary of Bank Pekao, relating to a research report with a "target price" of zero. In 2011 the PGSA issued a fine of Zloty 500,000, (equal to around Euro 125,000); the bank appealed against this and, as of the Date of the Registration Document, proceedings are still pending.

BA is subject to the regulation set out in the Austrian banking act (Bankwesengesetz) and therefore to close supervision from the FMA and the OeNB.

The OeNB and the FMA checked BA's management of liquidity risk between February and May 2009 as part of the joint audit with the regulatory authorities of the UniCredit Group. The report published on the UniCredit Group (including BA) noted a number of shortcomings in the liquidity risk management policies and procedures.

During 2010, the OeNB and the FMA jointly carried out an assessment of BA's credit portfolio and some subsidiary companies in Central and Eastern Europe (CEE business sector). They found some deficiencies in the control and management of credit risk in relation to the subsidiaries in CEE Countries. As a result, according to the outcomes of the checks carried out by the authorities, it was not possible to exert overall management over the credit risk borne by BA at a sub-group level.

In order to rectify the shortfalls identified by the authority, BA has prepared an action plan in response to the points raised. This plan is currently being implemented and is expected to be completed by the end of 2012. As at the Date of the Registration Document, around 50% of the measures set out in the action plan have been implemented. The progress made on the action plan, which aims to resolve the deficiencies found, is constantly monitored by BA's supervisory board and the top management of the company, as well as by the FMA through quarterly reports from BA. Up to the Date of the Registration Document, the FMA has not made any objections as to the adequacy of the action plan and BA's measures to implement said plan.

The other banks operating in the CEE Countries are subject to ordinary supervision: inspections, controls and investigations or assessment procedures by various local authorities. Depending on the country, the Authorities carry out regular checks on the activities and financial status of the various Group entities with differing frequency and using different methods. Upon the outcome of these checks, the relevant supervisory authorities can impose the adoption of organisational measures and/or impose fines. The Company, its subsidiaries and the entities in which UniCredit holds interests, are subject to periodic investigations by the antitrust authorities. As of the Date of the Registration Document, investigations are at a very early stage into Hungarian (UniCredit Bank Hungary ZrT) and Turkish (Yapi ve Kredi Bankasi A.S.) subsidiary companies.

The activities of the various branches of UniCredit are also subject to supervision by local authorities, particularly the United Kingdom's Financial Service Authority (FSA).

During the last few months of 2010, the FSA conducted an assessment at the London branches of UniCredit and UCB AG, looking in particular at investment banking activities.

In this regard, the FSA drew up findings on the supervision and control of the branch of UCB AG and imposed operating limits until the necessary corrective actions were taken.

The branch therefore prepared an action plan that would be subject to regular monitoring and shared with the parent company, UniCredit, and the supervisory authorities.

In 2010, the FSA also issued a GB Pound 630,000 fine to a special purpose vehicle set up by UCB AG in the mortgages sector for having breached (i) the basic rules issued by the FSA; and (ii) the FSA Principles and Mortgage Conduct of Business Rules.

20.12 Significant changes in the Issuer's financial or trading situation

Without prejudice to the contents of the Consolidated Interim Report as at 30 September 2011, as of the Date of the Registration Document there are no significant changes in the Group's financial or trading situation.

21. ADDITIONAL INFORMATION

21.1 Share capital

21.1.1 Issued share capital

At the Date of the Registration Document, the Company's issued and fully paid-up share capital totalled Euro 9,649,245,346.50, divided into (i) 19,274,251,710 ordinary shares with a par value of Euro 0.50 each and (ii) 24,238,983 savings shares with a par value of Euro 0.50 each.

At 31 December 2010, the Company's share capital totalled Euro 9,648,790,961.50 divided into (i) No 19,273,342,940 ordinary shares with a par value of Euro 0.50 each and (ii) No 24,238,983 savings shares with a par value of Euro 0.50 each.

On 14 November 2011, the Board of Directors resolved to propose to the Shareholders' Meeting, *inter alia*, the elimination of the par value of the shares, a free capital increase of shares as part of the CASHES restructuring process, a rights issue and a reverse stock split. For further details, see Chapter 5, Paragraph 5.1.6 (C).

For further information on the authorised and unissued share capital, see Chapter 21, Paragraph 21.1.5 of the Registration Document.

21.1.2 Shares not representing capital

There are no shares not representing share capital.

21.1.3 Treasury Shares

At the Date of the Registration Document, the Company holds 476,000 treasury shares.

For the sake of completeness, it is noted that the Company also holds the right of usufruct for No 967,564,061 ordinary shares underlying the financial instruments known as CASHES. For further information, see Chapter 18, Paragraph 18.1 and Chapter 22, Paragraph 22.4 of the Registration Document.

21.1.4 Amount of convertible, exchangeable or warrant bonds

At the Date of the Registration Document, there are no convertible, exchangeable or warrant bonds that have been issued by the Company.

21.1.5 Purchase rights and/or obligations relating to authorised but unissued Company share capital, or commitments to increase capital

The Board of Directors – by the powers attributed to it by the Extraordinary Shareholders' Meeting of 6 May 2002, pursuant to Article 2443 of the Civil Code – resolved on 25 July 2002 to increase the Company's share capital up to a maximum of Euro 17,500,000, corresponding to a maximum of 35,000,000 ordinary shares with a par value of Euro 0.50 each. The purpose of this was to service the exercise of a corresponding number of subscription rights reserved to the Management of UniCredit and the Group companies identified by the Board of Directors who were participating in the "Stock Option Plan" approved by the Board on 11 March 2002. Of the rights issued, 19,317,852 were exercised,

against which a total of 19,317,852 ordinary shares were subscribed and issued. The aforesaid rights may be exercised until 2011, following the criteria and the terms established by the Board of Directors.

The Board of Directors, in partial exercise of the rights attributed to it by the Extraordinary Shareholders' Meeting of 4 May 2004, pursuant to Article 2443 of the Civil Code – resolved: (i) on 22 July 2004, to increase the Company's share capital by a maximum nominal amount of Euro 7,284,350, corresponding to a maximum of 14,568,700 ordinary shares with a par value of Euro 0.50 each; (ii) on 18 November 2005, to increase the Company's share capital by a maximum nominal amount of Euro 20,815,000, corresponding to a maximum of 41,630,000 ordinary shares with a par value of Euro 0.50 each; on 15 December 2005, to increase the Company's share capital by a maximum nominal amount of Euro 750,000, corresponding to a maximum of 1,500,000 ordinary shares with a par value of Euro 0.50 each, to service the exercise of a corresponding number of subscription rights reserved to the Management of UniCredit and the Group companies holding particularly significant positions, in order to achieve the overall goals of the Group. The aforesaid rights may be exercised between 2008 and 2017, following the criteria and the terms established by the Board of Directors.

The Board of Directors resolved: (i) on 13 June 2006, to increase the Company's share capital by a maximum nominal amount of Euro 14,602,350, corresponding to a maximum of 29,204,700 ordinary shares with a par value of Euro 0.50 each; and (ii) on 1 July 2006, to increase the Company's share capital by a maximum nominal amount of Euro 41,150, corresponding to a maximum of 90,300 ordinary shares with a par value of Euro 0.50 each, to service the exercise of a corresponding number of subscription rights reserved to the Management of UniCredit and the Group companies holding particularly significant positions, in order to achieve the overall goals of the Group. The aforesaid rights may be exercised between 2010 and 2019, following the criteria and the terms established by the Board of Directors. These decisions were taken by the Board of Directors in partial exercise of the powers attributed to it, pursuant to Article 2443 of the Civil Code, by the Extraordinary Shareholders' Meeting of 12 May 2006, to decide – including on a number of occasions and for a maximum period of one year from the date of the aforesaid shareholders' resolution – to increase the Company's share capital excluding the option right, as allowed by Article 2441, paragraph 8 of the Civil Code, to service the exercise of the rights that the Board of Directors will issue for the subscription of a maximum of 42,000,000 ordinary shares corresponding to a total nominal amount of Euro 21,000,000, to be reserved to the Management of UniCredit and the Group companies who hold particularly significant positions, for the purposes of achieving the overall goals of the Group. On 12 June 2007, the Board of Directors resolved to increase the Company's share capital by a maximum nominal amount of Euro 14,904,711.50, corresponding to a maximum of 29,809,423 ordinary shares with a par value of Euro 0.50 each, to service the exercise of a corresponding number of subscription rights reserved to the Management of UniCredit and the Group companies holding particularly significant positions, in order to achieve the overall goals of the Group. The aforesaid rights may be exercised between 2011 and 2017, following the criteria and the terms established by the Board of Directors. This decision was taken by the Board of Directors in partial exercise of the powers attributed to it, pursuant to Article 2443 of the Civil Code, by the Extraordinary Shareholders' Meeting of 10 May 2007, to decide – including on a number of occasions and for a maximum period of five years from the date of

the aforesaid shareholders' resolution – to increase the Company's share capital, as allowed by Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code, for a maximum nominal amount of Euro 525,000,000 corresponding to a maximum of 1,050,000,000 ordinary shares with a par value of Euro 0.50 each, to be used to service possible acquisitions by UniCredit.

The Extraordinary Shareholders' Meeting of 30 July 2007 resolved to increase the Company's share capital, excluding the option right pursuant to Article 2441, paragraph 8 of the Civil Code:

- by a nominal maximum of Euro 9,060,380, corresponding to a maximum of 18,120,760 ordinary shares with a nominal value of Euro 0.50 each, to service 16,179,250 "Diritti di Sottoscrizione UniCredit S.p.A. 2007 – 2011 – Ex Warrants Capitalia 2005" assigned instead of an equal number of Capitalia warrants issued as part of the "Share Incentive Plan 2005 for employees of the Capitalia group", which were assigned without consideration to employees of the Capitalia group in accordance with the decision of the Capitalia Extraordinary Shareholders' Meeting of 4 April 2005. These rights may be exercised not later than 31 December 2011, in accordance with the pertinent regulation adopted by the same Extraordinary Shareholders' Meeting. Of the rights issued, 535,000 were exercised, against which a total of 599,200 ordinary shares were subscribed and issued;
- by a nominal maximum of Euro 3,839,922, corresponding to a maximum of 7,679,844 ordinary shares with a nominal value of Euro 0.50 each, to service 6,857,004 "Diritti di Sottoscrizione UniCredit S.p.A. 2007 – 2011 – Ex Warrants FinecoGroup 2005" assigned instead of an equal number of warrants issued without consideration to employees of FinecoGroup and the network of FinecoBank promoters, in accordance with the resolution of the Capitalia Extraordinary Shareholders' Meeting of 28 November 2005. These rights may be exercised not later than 31 December 2011, in accordance with the pertinent regulation adopted by the same Extraordinary Shareholders' Meeting. Of the rights issued, 473,084 were exercised, against which a total of 529,842 ordinary shares were subscribed and issued.

On 25 June 2008, the Board of Directors resolved to increase the Company's share capital by a maximum nominal amount of Euro 39,097,923, corresponding to a maximum of 78,195,846 ordinary shares with a value of Euro 0.50 each, to service the exercise of a corresponding number of subscription rights reserved to the Management of UniCredit and the Group companies holding particularly significant positions, in order to achieve the overall goals of the Group. The aforesaid rights may be exercised between 2012 and 2018, following the criteria and the terms established by the Board of Directors. This decision was taken by the Board of Directors in partial exercise of the powers attributed to it, pursuant to Article 2443 of the Civil Code, by the Extraordinary Shareholders' Meeting of 8 May 2008, to decide – including on a number of occasions and for a maximum period of one year from the date of the aforesaid shareholders' resolution – to increase the Company's share capital excluding the option right, as allowed by Article 2441, paragraph 8 of the Italian Civil Code, to service the exercise of the rights that the Board of Directors will issue for the subscription of a maximum of 122,180,500 ordinary shares corresponding to a total nominal amount of Euro 61,090,250, to be reserved to the Staff of UniCredit and the Group companies who hold particularly significant positions, for the purposes of achieving the overall goals of the Group.

The capital increases under the aforementioned incentive schemes were increased by a further maximum Euro 3,645,855.50, corresponding to a maximum of 7,291,711 ordinary shares as a result of applying the corrective measures set out by AIAF (Italian Association of Financial Analysts) following the capital transactions carried out by the Company.

On 22 March 2011, the Board of Directors resolved to increase the Company's share capital by a maximum nominal amount of Euro 42,114,682, corresponding to a maximum of 84,229,364 ordinary shares with a value of Euro 0.50 each, to service the exercise of a corresponding number of subscription rights reserved to the Management of UniCredit and the Group companies holding particularly significant positions, in order to achieve the overall goals of the Group. The aforesaid rights may be exercised between the year following the three-year reference period (2011-2013) and 2020, following the criteria and the terms established by the Board of Directors. This decision was taken by the Board of Directors in partial exercise of the powers attributed to it, pursuant to Article 2443 of the Civil Code, by the Extraordinary Shareholders' Meeting of 22 April 2010, to decide – including on a number of occasions and for a maximum period of one year from the date of the aforesaid shareholders' resolution – to increase the Company's share capital excluding the option right, as allowed by Article 2441, paragraph 8 of the Italian Civil Code, to service the exercise of the rights that the Board of Directors will issue for the subscription of a maximum of 128,000,000 ordinary shares corresponding to a total nominal amount of Euro 64,000,000, to be reserved to the Staff of UniCredit and the Group companies who hold particularly significant positions, for the purposes of achieving the overall goals of the Group.

The Board of Directors has the power, pursuant to Article 2443 of the Civil Code, to decide – including on a number of occasions and for a maximum period of five years from the shareholders' resolution of 10 May 2007 – to increase the Company's share capital without consideration, as allowed by Article 2349 of the Civil Code, for a maximum nominal amount of Euro 5,500,000 corresponding to a maximum of 11,000,000 ordinary shares with a par value of Euro 0.50 each, to be assigned to the Staff of UniCredit and the Group companies.

The Board of Directors has the power, pursuant to Article 2443 of the Civil Code, to decide – including on a number of occasions and for a maximum period of five years from the shareholders' resolution of 8 May 2008 – to increase the Company's share capital without consideration, as allowed by Article 2349 of the Civil Code, for a maximum nominal amount of Euro 12,439,750 corresponding to a maximum of 24,879,500 ordinary shares with a par value of Euro 0.50 each, to be assigned to the Staff of UniCredit and the Group companies.

The Board of Directors has the power, pursuant to Article 2443 of the Civil Code, to decide – including on a number of occasions and for a maximum period of five years from the shareholders' resolution of 29 April 2011 – to increase the Company's share capital without consideration, as allowed by Article 2349 of the Civil Code, for a maximum nominal amount of Euro 103,000,000 corresponding to a maximum of 206,000,000 ordinary shares with a par value of Euro 0.50 each, to be assigned to the Staff of UniCredit and the Group companies.

The Board of Directors has the power, pursuant to Article 2443 of the Civil Code to decide, including on a number of occasions and for a maximum period of five years from the shareholders' resolution of 29 April 2011, to increase the Company's paid share capital excluding the option right, as allowed by Article 2441, paragraph 8 of the Civil Code, to service the exercise of the rights that the Board of Directors will issue for the subscription of

a maximum of 68,000,000 ordinary shares corresponding to a total nominal amount of Euro 34,000,000, to be reserved to the Staff of UniCredit and the Group companies who hold particularly significant positions, for the purposes of achieving the overall goals of the Group.

The Board of Directors has the power, pursuant to Article 2443 of the Civil Code, to decide, including on a number of occasions and for a maximum period of five years from the shareholders' resolution of 22 April 2010, to increase the Company's share capital without consideration, as allowed by Article 2349 of the Civil Code, for a maximum nominal amount of Euro 29,500,000 corresponding to a maximum of 59,000,000 ordinary shares with a par value of Euro 0.50 each, to be assigned to the Staff of UniCredit and the Group companies.

Once the periods have elapsed, in which the incentive scheme capital increases decided upon have to take place, the share capital shall be understood to be increased by an amount equal to the subscriptions received until the dates indicated in said plans.

21.1.6 Information about the Group company capital offered in rights issues

At the Date of the Registration Document, the Company is not aware of any transactions relating to rights offerings or that any conditional or unconditional rights offerings have been decided by any relevant Group companies.

21.1.7 Description of share capital development

The below table shows the development of the Company's share capital over the last three financial years

Date	Share capital: (in Euro)	Total shares	Ordinary shares	Savings shares	Notes	Shares issued	Par value (in Euro)
24 March 2011	9,649,245,346.50	19,298,490,693	19,274,251,710	24,238,983	Capital increase approved by Board of Directors on 22 March 2011	908,770	454,385.00
31 March 2010	9,648,790,961.50	19,297,581,923	19,273,342,940	24,238,983	Capital increase approved by Board of Directors on 16 March 2010	953,442	476,721.00
24 February 2010	9,648,314,240.50	19,296,628,481	19,272,389,498	24,238,983	Capital increase approved by Shareholders' Meeting on 16 November 2009	2,516,889,453	1,258,444,726.50
30 June 2009	8,389,869,514.00	16,779,739,028	16,755,500,045	24,238,983	Capital increase approved by Board of Directors on 23 June 2009	1,308,455	654,227.50
18 May 2009	8,389,215,286.50	16,778,430,573	16,754,191,590	24,238,983	Capital increase approved by Shareholders' Meeting on 29 April 2009	2,435,097,842	1,217,548,921.00
						ordinary	
						2,532,431	1,266,215.50
						savings	
						967,578,184	483,789,092.00
23 February 2009	7,170,400,150.00	14,340,800,300	14,319,093,748	21,706,552	Capital increase approved by Shareholders' Meeting on 14 November 2008 (subscription of unexercised shares)		
23 January 2009	6,686,611,058.00	13,373,222,116	13,351,515,564	21,706,552	Capital increase approved by Shareholders' Meeting on 14 November 2008 (after offer period)	4,647,192	2,323,596.00
3 October 2008	6,684,287,462.00	13,368,574,924	13,346,868,372	21,706,552	Subscription rights exercised 3 October 2008	380,240	190,120.00
2 October 2008	6,684,097,342.00	13,368,194,684	13,346,488,132	21,706,552	Subscription rights exercised 2 October 2008	481,040	240,520.00
1 October 2008	6,683,856,822.00	13,367,713,644	13,346,007,092	21,706,552	Subscription rights exercised 1 October 2008	103,600	51,800.00
30 September 2008	6,683,805,022.00	13,367,610,044	13,345,903,492	21,706,552	Subscription rights exercised 30 September 2008	235,200	117,600.00
25 September 2008	6,683,687,422.00	13,367,374,844	13,345,668,292	21,706,552	Subscription rights exercised 25 September 2008	161,840	80,920.00
24 September 2008	6,683,606,502.00	13,367,213,004	13,345,506,452	21,706,552	Subscription rights exercised 24 September 2008	234,080	117,040.00
23 September 2008	6,683,489,462.00	13,366,978,924	13,345,272,372	21,706,552	Subscription rights exercised 23 September 2008	16,800	8,400.00
19 September 2008	6,683,481,062.00	13,366,962,124	13,345,255,572	21,706,552	Subscription rights exercised 19 September 2008	53,200	26,600.00
18 September 2008	6,683,454,462.00	13,366,908,924	13,345,202,372	21,706,552	Subscription rights exercised 18 September 2008	33,600	16,800.00
16 September 2008	6,683,437,662.00	13,366,875,324	13,345,168,772	21,706,552	Subscription rights exercised 16 September 2008	14,000	7,000.00
12 September 2008	6,683,430,662.00	13,366,861,324	13,345,154,772	21,706,552	Subscription rights exercised 12 September 2008	33,600	16,800.00
8 September 2008	6,683,413,862.00	13,366,827,724	13,345,121,172	21,706,552	Subscription rights exercised 8 September 2008	84,000	42,000.00
20 August 2008	6,683,371,862.00	13,366,743,724	13,345,037,172	21,706,552	Subscription rights exercised 20 August 2008	1,400	700.00
6 August 2008	6,683,371,162.00	13,366,742,324	13,345,035,772	21,706,552	Subscription rights exercised 6 August 2008	4,667	2,333.50
1 August 2008	6,683,368,828.50	13,366,737,657	13,345,031,105	21,706,552	Subscription rights exercised 1 August 2008	14,000	7,000.00
28 July 2008	6,683,361,828.50	13,366,723,657	13,345,017,105	21,706,552	Subscription rights exercised 28 July 2008	14,000	7,000.00
21 July 2008	6,683,354,828.50	13,366,709,657	13,345,003,105	21,706,552	Subscription rights exercised 21 July 2008	16,800	8,400.00
27 June 2008	6,683,346,428.50	13,366,692,857	13,344,986,305	21,706,552	Subscription rights exercised 27 June 2008	5,040	2,520.00
26 June 2008	6,683,343,908.50	13,366,687,817	13,344,981,265	21,706,552	Subscription rights exercised 26 June 2008	121,520	60,760.00
16 June 2008	6,683,283,148.50	13,366,566,297	13,344,859,745	21,706,552	Subscription rights exercised 16 June 2008	5,600	2,800.00

Date	Share capital: (in Euro)	Total shares	Ordinary shares	Savings shares	Notes	Shares issued	Par value (in Euro)
12 June 2008	6,683,280,348.50	13,366,560,697	13,344,854,145	21,706,552	Subscription rights exercised 12 June 2008	5,040	2,520.00
10 June 2008	6,683,277,828.50	13,366,555,657	13,344,849,105	21,706,552	Subscription rights exercised 10 June 2008	78,400	39,200.00
9 June 2008	6,683,238,628.50	13,366,477,257	13,344,770,705	21,706,552	Subscription rights exercised 9 June 2008	17,172	8,586.00
6 June 2008	6,683,230,042.50	13,366,460,085	13,344,753,533	21,706,552	Subscription rights exercised 6 June 2008	27,907	13,953.50
4 June 2008	6,683,216,089.00	13,366,432,178	13,344,725,626	21,706,552	Subscription rights exercised 4 June 2008	19,600	9,800.00
3 June 2008	6,683,206,289.00	13,366,412,578	13,344,706,026	21,706,552	Subscription rights exercised 3 June 2008	62,997	31,498.50
2 June 2008	6,683,174,790.50	13,366,349,581	13,344,643,029	21,706,552	Subscription rights exercised 2 June 2008	48,627	24,313.50
30 May 2008	6,683,150,477.00	13,366,300,954	13,344,594,402	21,706,552	Subscription rights exercised 30 May 2008	58,520	29,260.00
29 May 2008	6,683,121,217.00	13,366,242,434	13,344,535,882	21,706,552	Subscription rights exercised 29 May 2008	73,919	36,959.50
5 March 2008	6,683,084,257.50	13,366,168,515	13,344,461,963	21,706,552	Subscription rights exercised 5 March 2008	75,600	37,800.00
4 March 2008	6,683,046,457.50	13,366,092,915	13,344,386,363	21,706,552	Subscription rights exercised 4 March 2008	34,989	17,494.50
3 March 2008	6,683,028,963.00	13,366,057,926	13,344,351,374	21,706,552	Subscription rights exercised 3 March 2008	293,440	146,720.00
29 February 2008	6,682,882,243.00	13,365,764,486	13,344,057,934	21,706,552	Subscription rights exercised 29 February 2008	50,957	25,478.50
28 February 2008	6,682,856,764.50	13,365,713,529	13,344,006,977	21,706,552	Subscription rights exercised 28 February 2008	143,920	71,960.00
27 February 2008	6,682,784,804.50	13,365,569,609	13,343,863,057	21,706,552	Subscription rights exercised 27 February 2008	5,600	2,800.00
7 February 2008	6,682,782,004.50	13,365,564,009	13,343,857,457	21,706,552	Subscription rights exercised 7 February 2008	5,040	2,520.00
5 February 2008	6,682,779,484.50	13,365,558,969	13,343,852,417	21,706,552	Subscription rights exercised 5 February 2008	5,600	2,800.00
1 February 2008	6,682,776,684.50	13,365,553,369	13,343,846,817	21,706,552	Subscription rights exercised 1 February 2008	28,000	14,000.00
31 January 2008	6,682,762,684.50	13,365,525,369	13,343,818,817	21,706,552	Subscription rights exercised 31 January 2008	10,000	5,000.00
17 January 2008	6,682,757,684.50	13,365,515,369	13,343,791,177	21,706,552	Subscription rights exercised 17 January 2008	17,640	8,820.00
16 January 2008	6,682,748,864.50	13,365,497,729	13,343,763,177	21,706,552	Subscription rights exercised 16 January 2008	28,000	14,000.00
15 January 2008	6,682,734,864.50	13,365,469,729	13,343,763,177	21,706,552	Subscription rights exercised 15 January 2008	11,240	5,620.00
11 January 2008	6,682,729,244.50	13,365,458,489	13,343,751,937	21,706,552	Subscription rights exercised 11 January 2008	19,914	9,957.00
10 January 2008	6,682,719,287.50	13,365,438,575	13,343,732,023	21,706,552	Subscription rights exercised 10 January 2008	28,000	14,000.00
7 January 2008	6,682,705,287.50	13,365,410,575	13,343,704,023	21,706,552	Subscription rights exercised 7 January 2008	21,280	10,640.00
4 January 2008	6,682,694,647.50	13,365,389,295	13,343,682,743	21,706,552	Subscription rights exercised 4 January 2008	23,800	11,900.00

Note: the "subscription rights" are issued through the Group's employee incentive schemes.

21.2 Memorandum of Association and Corporate By-Laws

The Company was established in Genoa by the private agreement of 28 April 1870.

21.2.1 Description of the corporate object and aims of the Company

According to Article 4 of the Corporate By-Laws, the Company's purpose is:

“to engage in deposit-taking and lending in its various forms, in Italy and abroad, operating wherever in accordance with prevailing norms and practice. It may execute, while complying with prevailing legal requirements, all permitted transactions and services of a banking and financial nature. In order to achieve its corporate purpose as efficiently as possible, the Bank may engage in any activity that is instrumental or in any case related to the above. The Company may, in compliance with current legal provisions, issue bonds and acquire shareholdings in Italy and abroad.”

According to the same provision of the Corporate By-Laws, in its capacity as parent company of the UniCredit Banking Group, the Company also issues, in exercising management and coordination activities, instructions to other members of the UniCredit Banking Group in compliance with the requirements laid down by the Banca d'Italia in the interest of the UniCredit Banking Group's stability, as per Article 61 of the TUB.

21.2.2 Summary of the Company's Corporate By-Laws concerning the members of the administrative, management and supervisory bodies

The main provisions of the Corporate By-Laws concerning the members of the Board of Directors, the Board of Statutory Auditors and the Central Management Office of the Company are set out below. For further information, consult the Corporate By-Laws on UniCredit's website, www.unicreditgroup.eu, and the relevant legislation.

Board of Directors

Pursuant to Article 20 of the Corporate By-Laws, the Board of Directors is composed of between 9 and 24 members.

The directors' term in office spans three financial years, except where a shorter term is established at the time they are appointed, and ends on the date of the Shareholders' Meeting convened for the approval of the financial statements relating to the last financial year in which they were in office.

Members of the Board of Directors must meet the experience and integrity requirements laid down by the prevailing laws and regulations. In terms of independence requirements, at least three directors must meet the independence requirements established for full auditors by the TUF and at least five directors must meet the additional independence requirements set forth by the Corporate Governance Code. The independence requirements established by the TUF and those set forth by the Corporate Governance Code may be met by the same person.

The Board of Directors is vested with all powers necessary for the running of the Company, except for those powers reserved for Shareholders' Meetings by law and by the Corporate By-Laws.

In addition to those duties and powers that may not be delegated according to the law, the Board of Directors is exclusively responsible for resolutions on:

- (i) the general direction, adoption and amendment of the Bank's industrial, strategic and financial plans;
- (ii) assessing the general business performance;
- (iii) adjustments made to the Corporate By-Laws to comply with legal requirements;
- (iv) the merger by incorporation of companies in the situations foreseen by Articles 2505 and 2505-*bis* of the Civil Code;
- (v) the demerger of companies in the situations foreseen by Article 2506-*ter* of the Civil Code;
- (vi) the reduction of capital in the event of a shareholder withdrawing;
- (vii) decisions as to which directors, in addition to those indicated in the Corporate By-Laws, may represent the Company;
- (viii) determining the rules for the coordination and management of Group companies and the rules for complying with Banca d'Italia instructions;
- (ix) risk management policies, as well as the evaluation of the functionality, efficiency and effectiveness of the internal audit system and the adequacy of the organisational, administrative and accounting structure;
- (x) the acquisition and sale of shareholdings, companies and/or business units involving investments or divestments that exceed 5% of equity, as recorded in the last set of financial statements approved by the Company, and in any event the acquisition and sale of shareholdings that modify the composition of UniCredit Banking Group and are not included in the industrial, strategic and financial plans already approved by the Board of Directors, without prejudice to the provisions of Article 2361, paragraph 2 of the Civil Code;
- (xi) resolutions concerning the organisational structures of the Company and the regulations deemed to be significant under the criteria established by the Board of Directors;
- (xii) the establishment of Board committees;
- (xiii) the creation and closing down of secondary offices, branches, however named, and representative offices;
- (xiv) the appointment and dismissal of General Managers, Deputy General Managers and other Key Management Personnel for the Company;
- (xv) the appointment and dismissal of the head of the internal audit function and the head of the compliance function.

The Directors report to the Board of Statutory Auditors on the activities undertaken by the Company and its Subsidiaries, as well as on those transactions effected by them that are of significant importance from an operating, financial and equity perspective, with specific attention being paid to those transactions that could potentially give rise to a conflict of interest. To this end, they provide the Board of Statutory Auditors, at least once every quarter, with reports received from the Company's relevant bodies and from subsidiaries concerning the activities and transactions in question, said reports being prepared in accordance with the guidelines issued by the directors themselves.

In order for Board resolutions to be valid, the presence of the majority of Directors in office at the time is required. The resolutions of the Board are adopted by a majority of votes cast, excluding abstentions; in the event of a tie, the Chairman will have a casting vote.

Method of appointment

Pursuant to Article 20 of the Corporate By-Laws, directors are appointed by the Shareholders' Meeting on the basis of lists submitted by shareholders in which candidates must be listed using sequential numbering.

In order to be valid, the lists submitted by legitimate parties must be filed at the registered office or the Central Management Office no later than the twenty-fifth day prior to the date of the Shareholders' Meeting and be made available to the public at the registered office, on the Company's website and through other channels provided for under prevailing laws at least twenty-one days prior to the date of the Meeting. Each legitimate party may submit or contribute to the submission of only one list and, similarly, each candidate may only be included on one list, on penalty of ineligibility.

Only those legitimate parties who individually or collectively with others represent at least 0.5% of share capital in the form of ordinary shares with voting rights at ordinary Shareholders' Meetings are entitled to submit lists.

The ownership of the minimum number of shares required for filing lists is calculated with regard to the shares registered to each individual shareholder, or to multiple shareholders combined, on the day on which the lists are submitted to the Company. Ownership of the number of shares necessary for filing lists must be proven in accordance with the prevailing laws; such proof can even be submitted to the Company after the time when the lists are filed provided that this occurs prior to the deadline for when the Company must make the lists public.

By the deadline indicated above, legitimate parties who filed lists must file the following together with each list:

- the information on those who filed lists with information on the total percentage of equity investment held;
- information on the personal and professional characteristics of the candidates indicated on the list;
- a statement whereby the individual candidates irrevocably accept the position (subject to their appointment) and attest, under their responsibility, that there are no reasons for their

ineligibility or incompatibility, and that they meet the experience and integrity requirements provided for by current regulatory and other provisions; and

- a statement that the independence requirements dictated by the Corporate By-Laws have been met.

Any list that does not meet the above requirements shall be deemed to have not been filed.

All those entitled to vote may only vote for one list.

The election of Members of the Board of Directors shall proceed as follows:

- (a) from the list obtaining the majority of votes cast shall be taken – in the consecutive order in which they are shown on the list – as many directors as to be appointed, decreased of one director, if the Board of Directors consists in a number lower or equal to 20 members, or decreased of two directors, if the Board of Directors consists in a number higher than 20 members. The remaining directors shall be taken – in the consecutive order in which they are shown on the list – from the minority list receiving the highest votes;
- (b) if the majority list doesn't reach a sufficient number of candidates for the election of the number of directors to be appointed, following the mechanism pointed out under letter a) above, all the candidates from the majority list shall be appointed and the remaining directors shall be taken from the minority list receiving the highest votes, in the consecutive order in which they are shown on such list. If the minority list receiving the highest votes does not reach a sufficient number of candidates for the election of the number of directors to be appointed, following the previous mechanism, the remaining directors shall be taken in succession from the further minority lists receiving the highest votes, always in the order in which they are shown on the lists;
- (c) if the number of candidates included on the majority as well as minority lists submitted is less than the number of the directors to be elected, the remaining directors shall be elected by a resolution passed by the Shareholder's Meeting by a relative majority. If there is a tie vote between several candidates, a run-off will be held between these candidates by means of another vote at the Meeting;
- (d) if in accordance with the deadlines and procedures specified in the above paragraphs only one list or no list is filed, the Meeting shall deliberate in accordance with the procedures set forth in item c) above; and
- (e) if the minimum necessary number of independent directors is not elected, the directors who have in each list the highest consecutive number and do not meet the requirements in question shall be replaced by the subsequent candidates, who meet the necessary requirements, taken from the same list. If the replacement of the directors who do not meet the requirements in question with the subsequent candidates taken from the same list is not possible, they shall be replaced by the candidates who meet the necessary requirements taken in succession from minority lists receiving the highest votes, in the order in which they are shown on the lists.

In the event of a director dying, leaving office or failing to hold it for any other reason or where his term in office is lapse or losing for any other reason the experience or integrity requirements, the Board of Directors can take steps to co-opt a director, taking into proper account the right of minority interests to be represented. Should for any reason the number of independent directors fall below the level established in these Corporate By-Laws, the Board of Directors shall make a replacement according to the criteria established in the above paragraph (e).

For the appointment of directors that need to be added to the Board of Directors, resolutions of the Shareholders' Meeting shall be by relative majority.

The Board of Directors elects from amongst its members, for three financial years, unless a different duration is established by the Shareholders' Meeting, one Chairman, one or more Deputy Chairmen (including one who acts as a stand-in) and a Secretary, who need not be one of its members. The Board of Directors may appoint a Managing Director, who is responsible for following the execution of resolutions carried by the Board of Directors, availing themselves of the Central Management Office. The Board of Directors can appoint one or more General Managers and/or one or more Deputy General Managers, establishing their roles and areas of competence. Should a Managing Director not have been appointed, the Board of Directors shall appoint a sole General Manager, and can appoint one or more Deputy General Managers.

Board of Statutory Auditors

Pursuant to Article 30 of the Corporate By-Laws, the Shareholders' Meeting appoints five full auditors (among whom it also appoints a Chairman) and two substitute auditors. Full and substitute auditors may be re-elected.

Pursuant to the provisions of prevailing legislation, at least two full auditors and one alternate auditor must have been listed for at least three years in the Register of Auditors and have undertaken the legal auditing of financial statements for a period of no less than three years. Any auditors who are not listed in the Register of Auditors must have gained at least three years' total experience of:

- a) undertaking professional activities as a business accountant or lawyer, primarily in the banking, insurance and financial sectors;
- b) teaching, at university level, subjects concerning – in the field of law – banking, commercial and/or tax law, as well as the running of financial markets and – in the field of business/finance – banking operations, business economics, accountancy, the running of the securities markets, the running of the financial and international markets and corporate finance; and
- c) performing managerial/executive duties within public organisations or offices of the public administration, as well as in the credit, financial or insurance sector, and the investment services sector and collective investment-management sector, both of which are defined in the TUF (Consolidated Financial Act).

For issues relating to the duties, powers and authorities assigned to Auditors, the determination of their remuneration and the length of their term in office, the prevailing laws

shall apply. The Board of Statutory Auditors performs the roles and functions required of it by the prevailing laws. In particular, it oversees compliance with laws, regulations and by-laws, the proper management and the adequacy of the organisational and accounting structure of the Company and of the risk management and control system, as well as the functionality of the whole internal audit system, of the external auditing of the financial statements and the consolidated financial statements, and of the independence of the External Auditors. It also oversees the financial information process.

Furthermore, in order to properly perform its tasks, and in particular to fulfil its obligation to promptly inform the Banca d'Italia and, where necessary, other supervisory authorities of management irregularities or violations of the law, the Board of Statutory Auditors is vested with all the powers provided for by prevailing laws and regulations.

The Board of Statutory Auditors is properly formed when the majority of Auditors are present, with resolutions being carried by outright majority of votes cast by those present. In the event of a tie, the vote of the Chairman shall prevail. Whenever the Chairman of the Board of Statutory Auditors deems necessary, meetings of the Board of Statutory Auditors may be held by using telecommunications technology, providing that each of the attendees may be identified by all the others and that each of the attendees is in a position to intervene in real time during the discussion of the topics being examined, as well as receive, transmit and view documents. Once the fulfilment of these prerequisites has been verified, the meeting of the Board of Statutory of Auditors is considered held in the place where the Chairman is located.

Method of appointment

Pursuant to Article 30 of the Corporate By-Laws, full and substitute members of the Board of Statutory Auditors are appointed according to lists in which candidates are given a sequential number; at least the first two candidates from each list for the position of full auditor and at least the first candidate from each list for the position of substitute auditor must be listed in the Register of Auditors. No candidate may appear in more than one list, or shall otherwise be disqualified.

The lists presented by legitimate parties, bearing the names of the candidates listed with a sequential number, must be submitted to the registered office or the Central Management Office no later than the twenty-fifth day prior to the date of the Shareholders' Meeting. The lists must be made available to the public at the registered office, on the Company's website and through other channels provided for under prevailing laws, at least twenty-one days prior to the date of the Meeting. The lists must be filed by enough legitimate parties to account, at the time of presentation, for at least 0.5% of ordinary share capital bearing voting rights at Ordinary Shareholders' Meetings. Minority shareholders without any connecting relationships to the shareholders concerned remain, in any case, entitled to use a deadline extension to present lists in the cases and using the procedures specified in current regulatory and other provisions.

The ownership of the minimum number of shares required for filing lists is calculated with regard to the shares registered to each individual shareholder, or to multiple shareholders combined, on the day on which the lists are submitted to the Company. Ownership of the number of shares necessary for filing lists must be proven in accordance with the prevailing

laws; such proof may also be submitted to the Company during or after the time when the lists are filed, provided that this occurs prior to the deadline for the Company to publish the lists.

Together with the lists, legitimate parties must also submit the following before the deadline:

- the information on those who filed lists with information on the total percentage of equity investment held;
- thorough information on the personal and professional characteristics of the candidates indicated on the list; and
- the statements whereby the individual candidates irrevocably accept the position (subject to their appointment) and attest, of their own responsibility, that there are no reasons why they may be ineligible or incompatible, and that they meet the experience and integrity requirements as per current regulations and other provisions, including those of the Corporate By-Laws.

Any list that does not meet the above requirements shall be deemed to have not been filed.

The lists for the appointment of members of the Board of Statutory Auditors are split into two sub-lists, which contain respectively up to five candidates for the position of full auditor and up to two candidates for the position of substitute auditor.

Every person entitled to vote may vote for one list only.

With regard to the appointment of full auditors, the votes obtained by each list are subsequently divided by one, two, three, four and five. The quotients thus obtained are allocated progressively to the candidates in the first sub-list of each list in the order of the list concerned, and are arranged in a single table from highest to lowest.

Those obtaining the highest quotients are elected, unless four or more candidates obtaining the highest quotients belong to the same list. In this case, the first three shall be elected, while the fourth and fifth elected shall be those who obtain the highest quotients out of those belonging to the minority lists.

The candidate who has obtained the highest quotient among the candidates on the list with the highest number of votes among the minority lists, as defined by the provisions and regulations in force, shall be elected by the Shareholders' Meeting as Chairman of the Board of Statutory Auditors. In case of a tie between lists, the candidate from the list presented by the legitimate parties with a larger stake or, subordinately, by the higher number of parties, shall be elected Chairman of the Board of Statutory Auditors. In case of a further tie, the more senior candidate in terms of age shall be appointed Chairman. If the Chairman of the Board of Statutory Auditors cannot be elected on the basis of the above mentioned criteria, the Shareholders' Meeting shall appoint directly with relative majority.

With regard to the appointment of substitute auditors, the votes obtained by each list are subsequently divided by one and two. The quotients thus obtained are allocated progressively to the candidates in the second sub-list of each list, and are arranged in a single table from highest to lowest.

The candidates with the highest quotients are elected except if the two candidates to obtain the highest quotients belong to the same list. In this case, the one with the highest quotients shall be elected, while the second one shall be the candidate who obtains the highest quotient out of those belonging to the other lists.

In the event of two or more quotients being level for the position of the last full auditor and/or the last substitute auditor, the candidate from the list which has obtained the highest number of votes shall take priority – and if the number of votes are equal, the oldest candidate shall then take priority – unless this list has already provided three full auditors or the other substitute auditor; in the event of this happening, the candidate from the list bearing the next lowest number of votes shall take priority.

If, in accordance with the deadlines and procedures set forth in the previous paragraphs only one list, or no list, has been presented, or the lists do not contain the required number of candidates to be elected, the Shareholders' Meeting shall pass a resolution for appointment or addition by relative majority. If there is a tie vote between several candidates, a run-off ballot shall be held between them through a further vote of the Shareholders' Meeting.

In the event of a full auditor dying or leaving office for any other reason, they shall be replaced by the substitute auditor belonging to the same list as the departing auditor. If this is not possible, the departing auditor shall be replaced by the candidate who eventually obtains the highest quotient of those not elected from the list that provided the outgoing auditor or, in the event of an auditor appointed by minority shareholders, from the minority lists receiving the highest votes. If auditors are not appointed by the list system, the substitute auditor provided for by law shall take over. Where the appointment of this auditor to the position of full auditor is not confirmed by the next Shareholders' Meeting, he shall return to his position of substitute auditor.

Central Management Office

As per Article 27 of the Corporate By-Laws, the Central Management Office comprises the General Managers, Deputy General Managers, other Key Management Personnel for the Company, employees assigned to the Central Management Office and secondees to it.

The Central Management Office guarantees, in accordance with the guidelines established by the Managing Director or – where not appointed – by the General Manager, the smooth running of the business and the correct execution of resolutions carried by the Board of Directors.

The Managing Director, the General Managers, the Deputy General Managers and the other Key Management Personnel for the Company are directly vested, without any further specific powers required, with the powers that may be exercised separately to take the following decisions: a) to bring and support legal and administrative actions, arbitration, dispute resolution and mediation proceedings, at any level of the law, including exercising, granting leniency and waiving the right to proceed with a lawsuit, as well as joining and withdrawing from criminal proceedings as a civil party; to represent the Company in all judicial, administrative, arbitration and dispute resolution proceedings before any authority and in any country and level of the law, including therefore in judgments on points of law and reviews before the Council of State, with the power to carry out the interrogations provided for by law, to mediate, settle and to submit to arbitration or to agree to an amicable

settlement as well as to withdraw proceedings and discontinue actions; b) to allow, including through the use of special agents, mortgages and liens to be registered, subrogated, reduced, postponed and cancelled, as well as to effect and cancel registrations and records of any kind, regardless of whether or not the loans to which these registrations, records and entries refer have been paid; c) to effect any transaction whatsoever, including the collection and withdrawal of securities and other instruments, with any company or body, with the Banca d'Italia, Cassa Depositi e Prestiti, the Public Debt Agency, and, in any event, any office of the Public Administration whatsoever, State-owned organisations, enterprises and companies or public bodies, and, furthermore, to carry out every measure pertaining to these transactions; d) to issue special mandates for the execution of single actions and operations or specific types of actions and operations and powers of attorney for litigation proceedings, as well as to appoint technical consultants and arbitrators, assigning to them the appropriate powers; e) to vest employees or third parties, including individually, with the power to represent the Company, as shareholder or as the delegate of minority interests, at Ordinary or Extraordinary Shareholders' Meetings of Italian or foreign companies, in conformity with prevailing laws.

The powers mentioned above may be delegated to the employees assigned to the Central Management Office or to secondees.

The Board of Directors is entitled to establish organisational structures and/or decision-making units of the Central Management Office, such as regional management offices, situated locally, to which the Managing Director or – where not appointed – the General Manager may delegate (availing itself of the Central Management Office if necessary) duties, powers and authorities for the management of branches, however named, determining the procedures by which they are to be exercised.

21.2.3 Description of the rights, privileges and restrictions connected to each existing class of shares

The ordinary shares issued by the Company are registered shares.

As per Article 5 of the Corporate By-Laws, no one entitled to vote may vote, for any reason whatsoever, for a number of shares exceeding 5% of the share capital bearing voting rights. For further information, see Chapter 21, Paragraph 21.2.6 of the Registration Document.

Savings shares issued by the Company do not confer any voting rights. Any reduction of share capital due to losses does not reduce the par value of savings shares, other than by the portion of any loss exceeding the global par value of other shares; in the event of the Company being wound up, savings shares enjoy the right of pre-emption in respect of the redemption of capital, for their full par value. In the event of reserves being distributed, savings shares bear the same rights as other shares.

Resolutions carried for the issuance of new savings and/or ordinary shares at the time of a capital increase or the conversion of shares of another class that have already been issued, do not require the approval of an extraordinary meeting of savings shareholders.

Whenever the Company's ordinary shares or savings shares are barred from trading, the saving shareholders may ask for its shares to be converted into ordinary shares, in accordance with the procedures resolved upon by the Extraordinary Shareholders' Meeting,

convened as and when the need arises within two months from shares being barred from trading.

Savings shares, when fully paid-up, are bearer shares, unless provided for otherwise by law. At the request and expense of the shareholder, they may be transformed into registered savings shares and vice versa.

For information on the rights connected to savings shares when profits are being distributed, see Chapter 20, Paragraph 20.7 of the Registration Document.

21.2.4 Description of the procedures for changing shareholders' rights, including the cases in which the conditions outweigh those provided by law

The Corporate By-Laws do not set out specific conditions for amending shareholders' rights, other than those provided by law. In particular, the right of withdrawal may only be exercised where it is expressly provided for by law. The right of withdrawal must be exercised as per the methods and time limits described in the relevant laws.

Shareholders who have not been involved in the approval of resolutions regarding the extension of the Company's duration or the introduction or removal of restrictions imposed upon the circulation of shares may not exercise the right of withdrawal.

21.2.5 Description of the conditions that regulate the procedures for calling Annual General Meetings and Extraordinary Shareholders' Meetings, including admission criteria

Below are the main provisions of the Corporate By-Laws concerning Ordinary and Extraordinary Shareholders' Meetings, which are contained in Section IV of the Corporate By-Laws (available on the Company website www.unicreditgroup.eu). For further information, consult the Corporate By-Laws and the relevant legislation.

Convening meetings

An Ordinary Shareholders' Meeting is called at least one a year, within 180 days of the end of the financial year, in order to take resolutions on the issues for which it is responsible pursuant to the Corporate By-Laws. An Extraordinary Shareholders' Meeting is called whenever necessary to resolve upon any of the matters that are exclusively attributed to it by the prevailing laws. In particular, the Ordinary Shareholders' Meeting sets the remuneration of the company bodies it has appointed and approves: (i) remuneration policies for directors, employees and external collaborators not employed by the company; and (ii) equity-based compensation schemes. Adequate information must be provided to the Shareholders' Meetings about the implementation of the remuneration policies.

Shareholders' Meetings are called in accordance with legal requirements via a notice published on the Company's website and through other channels provided for under prevailing laws and regulatory provisions.

Shareholders' Meetings take place at the Company's registered office, at its Central Management Office or in another location within Italy, as indicated in the notice of meeting. If the notice of meeting so states, then holders of voting rights may participate in the Shareholders' Meeting remotely and exercise their voting rights using electronic means, in accordance with the conditions established in the notice.

The Agenda of the Shareholders' Meeting is established in accordance with legal requirements and the Corporate By-Laws by whoever exercises the power to call a meeting. The right to amend the Agenda may be exercised – in the situations, methods and time limits indicated in current regulations – by shareholders who individually or collectively represent at least 0.50% of share capital.

Shareholders' Meetings of shareholders can be held in more than one call in accordance with the provisions of law. The Board of Directors may decide that the Shareholders' Meeting will be held in a single call and, in such a case, the majorities established by the prevailing laws shall be adopted.

Right of attendance

The Shareholders' Meeting may be attended by those who hold voting rights for whom notification has been received by the Company from the broker holding the relevant shareholder accounts within the time period established under prevailing laws.

Those entitled to attend the Meeting may arrange to be represented, in accordance with the provisions of prevailing legislation. The delegation of voting rights may be notified also through an electronic communication to a specific section of the Company's website, as provided for by the notice of the Shareholders' Meeting or alternately through other methods as may be provided for under legal and regulatory provisions in force.

Each ordinary share entitles the bearer to one vote, without prejudice to the provisions of Article 5 of the Corporate By-Laws (for further information, see Chapter 21, Paragraph 21.2.6 of the Registration Document).

Proceedings of Shareholders' Meetings and regulations

The Shareholders' Meeting is chaired by the Chairman of the Board of Directors or, in case of absence or impediment, by the Deputy Chairman or, where more than one Deputy Chairman has been appointed, by the Stand-in Chairman or, where the latter is absent or impeded, by the older Deputy Chairman. If the Chairman and all the Deputy Chairmen are absent or impeded, the Meeting is chaired by a Director or by a Shareholder designated by those in attendance.

In order for a Shareholders' Meeting along with the resolutions carried therein to be valid, the relevant legal provisions are to be duly observed, without prejudice to the provisions of Article 5 of the Corporate By-Laws (for further information, see Chapter 21, Paragraph 21.2.6 of the Registration Document).

The person chairing the Shareholders' Meeting is assisted by a Secretary designated by the majority of those holding voting rights. The assistance of a Secretary is not required when the minutes of the Meeting is drawn up by a notary assigned by the Chairman.

The Chairman of the Shareholders' Meeting has full powers to regulate activities and discussions, in accordance with the criteria and procedures established by prevailing laws and foreseen in the regulations for shareholders' meetings.

The Ordinary Shareholders' Meeting of 29 June 2004 adopted a meeting regulation (last modified on 29 April 2011) designed to govern the orderly and functional proceeding of

meetings. In particular, Article 8 of the meeting regulation provides that those who have the right to attend Shareholders' Meetings pursuant to the prevailing laws and the Corporate By-Laws have the right to speak on any of the matters under discussion.

Those who intend to speak must notify the Chairman via the Notary or the Secretary, submitting a written question indicating the relevant topic, having read the agenda and provided that the discussion on said topic has not already been declared closed. The Chairman normally gives the floor following the chronological order in which questions were submitted; if two or more questions are submitted at the same time then the Chairman will follow alphabetical order with regard to the surname of the askers.

The Chairman may authorise questions by raise of hands; in this case the Chairman will give the floor according to the alphabetical order of the askers' surnames.

The Members of the Board of Directors, the Statutory Auditors and the General Managers may ask to intervene in the discussions at the Meeting.

21.2.6 Description of the provisions of the Corporate By-Laws that may delay, postpone or impede a change to the management structure of the Company

As per Article 5 of the Corporate By-Laws, no one entitled to vote may vote, for any reason whatsoever, for a number of shares exceeding 5% of the share capital bearing voting rights. For this purpose, the total stake held by the controlling party, be it an individual, legal entity or a company, and all direct and indirect subsidiaries and affiliates is taken into consideration; those shareholdings included in the portfolios of mutual funds managed by subsidiaries or affiliates are not, on the other hand, taken into consideration. Control, including with regard to parties other than companies, is deemed to exist in the situations provided for by Article 2359, paragraphs 1 and 2 of the Civil Code. Control with dominant influence is deemed to exist in the cases provided for by Article 23, paragraph 2 of the TUB. Connection is deemed to exist in the cases provided for by Article 2359, paragraph 3 of the Italian Civil Code. For the purposes of computing the stake held, those shares held through custodian companies and/or intermediaries and/or those shares whose voting rights are assigned for any purpose to a party other than their owner, are also taken into consideration. In the event of the above provisions being breached, any shareholders resolution carried may be challenged pursuant to the provisions of Article 2377 of the Civil Code, where the majority required would not have been reached without this breach. Those shares for which voting rights may not be exercised are in any event computed in order for the Shareholders' Meeting to be properly formed.

21.2.7 Provisions of the Corporate By-Laws that govern the threshold above which the obligation to publicise the amount of shares held applies

There are no provisions in the Corporate By-Laws that govern the threshold above which the obligation to publicise the amount of shares held applies. The provisions of the relevant laws apply.

21.2.8 Provisions of the articles of association and the Corporate By-Laws on altering share capital

The Corporate By-Laws do not contain any provisions on amending the Company's share capital that are more restrictive than those provided by law.

22. IMPORTANT CONTRACTS

Below are the terms and conditions of the main contracts entered into by the Company or Group Companies during the two years prior to the Date of the Registration Document. These contracts do not relate to the normal carrying on of business and/or carry significant rights and/or obligations for the Company and the Group.

22.1 Agreement with Premafin Finanziaria S.p.A. and purchase of a stake in Fondiaria SAI S.p.A.

On 22 March 2011, Premafin Finanziaria S.p.A. Holding di Partecipazioni (“**Premafin**”) and UniCredit entered into an agreement (the “**Premafin Agreement**”) that governs the terms and conditions under which UniCredit has undertaken to invest in the capital of Fondiaria SAI S.p.A. (“**Fondiaria SAI**”). In particular, the Premafin Agreement provided for:

- the commitment by UniCredit to subscribe a sufficient number of Fondiaria SAI shares in the Euro 450 million capital increase decided by Fondiaria SAI so that it would hold 6.6% of its ordinary share capital after said capital increase;
- the commitment by Premafin to transfer to UniCredit a sufficient number of subscription rights to allow it to acquire 6.6% of Fondiaria SAI’s ordinary share capital, without prejudice to Premafin retaining *de facto* control;
- the commitment by UniCredit to invest the remainder of the Euro 170 million used to subscribe to the newly-issued Fondiaria SAI shares in order to purchase some of Premafin’s subscription rights; and
- the commitment by Premafin to use the consideration received as a result of transferring to UniCredit part of the subscription rights for taking up the Fondiaria SAI capital increase in order to maintain a direct and indirect holding, post-increase, of at least 35% of the ordinary capital (the “**Premafin Stake**”).

The Premafin Agreement also provided for the amendment of several provisions of a finance contract entered into by Premafin, UniCredit and other lending banks on 22 December 2004. In order for these changes to be completed, the finance contract – most recently supplemented and amended on 22 December 2010 – had to be approved by the other lending banks.

The Premafin Agreement was subject to confirmation from CONSOB, not later than 30 June 2011, of the absence of public offering obligations on Fondiaria SAI in respect of its execution and was further subject to obtaining, not later than 30 June 2011, the necessary waivers pursuant to the aforesaid finance contract. The aforesaid conditions were met as follows: on 13 May 2011, when CONSOB confirmed exemption from the public offering requirements due to ISVAP’s (Italian Insurance Supervisory Body) recapitalisation request for supervisory purposes; and on 10 May 2011, when the amendments to the finance contract between Premafin, UniCredit and the other lending banks were finalised.

Lastly, the Premafin Agreement stipulates that if, at 31 December 2016, the value of the Premafin Stake, computed on the basis of the average share price of the previous six months (the “**Forward Value**”), is higher than the value of the same stake computed on the basis of the Theoretical Ex-Rights Price of the Capital Increase (the “**Starting Value**”), Premafin will pay the Bank a premium (the “**Premafin Premium**”) equal to 12.5% of the difference between the Forward Value and the

Starting Value, it being understood that: (i) the share price used to calculate the Forward Value may not exceed Euro 12; and (ii) if the average market share price used to calculate the Forward Value exceeds Euro 9.5, the Premafin Premium for the portion of the premium due in relation to the Euro 9.5-Euro 12 price range will be 10%. The agreement also provides that if more than 10% of the Premafin Stake is realised before 31 December 2016, the part of the Premafin Premium realised will (a) be calculated according to the actual conditions of the realisation instead of the Forward Value and (b) will be paid after the realisation transaction has been completed.

On 8 July 2011, UniCredit and Premafin therefore executed the Premafin Agreement. In particular, UniCredit (i) acquired a total of 12,112,567 subscription rights in relation to the capital increase of Fondiaria SAI in exchange for approximately Euro 133.7 million and (ii) subscribed to 24,225,134 Fondiaria SAI ordinary shares, corresponding to 6.6% of the ordinary share capital, for a total price of approximately Euro 36.3 million.

As a further result of the Premafin Agreement, a shareholders' agreement (the "**Fondiaria SAI Agreement**") was entered into so as to regulate the governance structures of Fondiaria SAI.

In this regard, during the verification of the transaction by the various supervisory authorities involved (including ISVAP and AGCM), it was found that some of the provisions of the Fondiaria SAI Agreement needed to be amended in order to ensure conformity with the commitments that UniCredit assumed with the AGCM during the merger of UniCredit and Capitalia. In particular, the Fondiaria SAI Agreement stipulates that Premafin must take steps to ensure that (i) Fondiaria SAI disposes of the shares held in Assicurazioni Generali not later than 31 December 2012 and (ii) the Board Member of Mediobanca – Banca di Credito Finanziario S.p.A. provided by Fondiaria SAI will not participate in board meetings relating to negotiations and decisions over matters concerning the insurance sector, or investment banking operations for insurance purposes.

The Fondiaria SAI Agreement also provides:

- that UniCredit is entitled to appoint (i) three directors of Fondiaria SAI (two of whom must meet the independence requirements set forth in the regulations on listed companies), of whom two will be part of the Executive Committee and the third will act as Chairman of all committees where the relevant rules require there to be an independent member and (ii) the Chairman of the Board of Statutory Auditors, if a minority list is not submitted;
- the exclusive competence of Fondiaria SAI's Board of Directors – which may not be delegated under any circumstances – to take decisions on certain actions (e.g. approval of the business plan, investments, divestments and certain financing operations);
- the exclusive competence of Fondiaria SAI's Board of Directors – which may not be delegated under any circumstances – to take decisions on (i) capital transactions that would dilute UniCredit's stake in Fondiaria SAI and (ii) some extraordinary transactions (e.g. mergers and de-mergers) above a certain value. Furthermore, with reference to these transactions, the Board of Directors may not take decisions without (i) the express consent of a committee comprising independent directors, including one of the independent directors appointed by UniCredit and (ii) the prior acquisition of a 'fairness opinion' from a leading commercial bank;
- that UniCredit's prior consent is required in order to effect capital transactions pursuant to Article 2441, paragraph 5 of the Civil Code;

- that UniCredit is freely entitled to transfer its stake in Fondiaria SAI, provided that in this case the shareholders' rights connected to this stake may not be transferred;
- that UniCredit has the right of co-sale in the event that Premafin transfers more than 10% of its own stake in Fondiaria SAI;
- that the Fondiaria SAI Agreement will cease to be effective if UniCredit's stake in Fondiaria SAI falls below 4% of ordinary share capital; and
- that it has a duration of three years and will be automatically renewed for a further three-year period, unless the intention to not renew and extend the Fondiaria SAI Agreement is expressed by written communication at least four months before the expiry date.

The above transaction is considered a transaction with Related Parties.

22.2 Transactions with the Italtipetroli Group

22.2.1 Purchase of the entire share capital of Compagnia Italtipetroli S.p.A.

In August 2011, for a price of Euro 30 million, UniCredit acquired 100% of the share capital of Compagnia Italtipetroli S.p.A. ("**Italtipetroli**"), parent company of the Group of the same name (the "**Italtipetroli Group**"), in which UniCredit already held a 49% stake.

The transaction stemmed from the restructuring of Italtipetroli Group's bank debt, most of which was owed to UniCredit. This debt was subject to various debt rescheduling agreements, the last of which entered into in 2008, that led to a partial conversion of the debt owed to UniCredit into Italtipetroli shares. In late 2009, in light of the late execution of the asset disposal plan set out in the 2008 agreement, UniCredit began proceedings for the repayment of the debt which descended into litigation and arbitration that was resolved on 26 July 2010 through a settlement (the "**Italtipetroli Agreement**").

The Italtipetroli Agreement provided, inter alia, for:

- the transfer to UniCredit of control over all the assets of the Italtipetroli Group – except for the controlling stake in A.S. Roma S.p.A. ("**AS Roma**") – in order to proceed with their disposal, including in the interest of the other bank creditors;
- the commencement of a procedure, managed by a leading advisor, to dispose of the controlling stake in AS Roma;
- the sale to the Sensi family of a real estate portfolio with a total value not exceeding Euro 30 million.

The Italtipetroli Agreement was subject to the approval of the MPS Group, the other main creditor, which in August 2011 entered into an interbank agreement on the process for disposing of Italtipetroli's assets and the criteria for dividing the monies recovered.

The above transaction is considered a transaction with Related Parties.

22.2.2 Sale of AS Roma

As part of the Italtroli Agreement, between late 2010 and early 2011, a competitive process for the sale of Italtroli Group's stake in AS Roma was commenced. At the outcome of this process, separate negotiations were opened with a consortium of American investors led by Thomas R. DiBenedetto.

On 15 April 2011, a sale contract was entered into between UniCredit (via the subsidiary Roma 2000 S.r.l.) and DiBenedetto ASRoma LLC ("**DiBenedetto ASRoma**"), a company owned by the consortium of American investors led by Mr DiBenedetto. This contract related to (i) Italtroli Group's stake in AS Roma (approx. 67% of share capital) and (ii) the entire share capital of ASR Real Estate S.r.l. and Brand Management S.r.l., companies dedicated, respectively, to the management of the Trigoria sports centre and marketing activities. In particular, UniCredit and DiBenedetto ASRoma agreed that the purchase of the aforesaid stakes would be made by a newly-incorporated company called Neep Roma Holding S.p.A. ("**NEEP**"), owned 60% by DiBenedetto ASRoma and 40% by UniCredit.

The price agreed for the purchase of the three stakes was Euro 70.3 million, of which: Euro 60.3 million for the purchase of the AS Roma shares, equal to a per-share price of Euro 0.6781, Euro 6 million for the purchase of ASR Real Estate S.r.l. and Euro 4 million for the purchase of Brand Management S.r.l.

The acquisition was also subject to (i) antitrust authorisation and (ii) UniCredit and the Italtroli Group granting a total of Euro 40 million of finance to AS Roma.

Concurrently with the agreement of the above sale contract, UniCredit and DiBenedetto ASRoma entered into a shareholders' agreement which, *inter alia*, provides:

- the rules on the appointment of the Board of Directors and Board of Statutory Auditors of NEEP, AS Roma and the other companies subject to the sale contract and, more generally, the corporate governance rules of these companies, which assign management duties to DiBenedetto AS Roma and ensure that UniCredit, through its representatives in the corporate bodies, has significant minority rights;
- pre-emption clauses and co-sale rights and obligations for the stakes held in NEEP over the medium-long term, without prejudice to UniCredit's right to transfer part of its stake during the first quarter of 2012 to one or more suitable Italian investors;
- in the event that the agreement is not renewed, (i) put options granted by DiBenedetto ASRoma to UniCredit and (ii) call options assigned by UniCredit to DiBenedetto ASRoma;
- a shareholders' commitment to provide NEEP, on a *pro rata* basis, with the necessary resources to service the disbursements deriving from the public offering of the residual AS Roma shares (as specified in more detail below) and the subsequent planned recapitalisations;
- that it has a duration of three years (or five years, in the event that during this period AS Roma ceases to be listed on the stock market) and will be automatically renewed for a further three-year period, unless the intention to not renew and extend the

shareholders' agreement is expressed by written communication at least 12 months before the expiry date.

Subsequent to the signature of the agreement and pending the fulfilment of the conditions, in order to increase the cash available to AS Roma the following agreements, *inter alia*, were made: (i) to increase the commitment of NEEP shareholders for a total maximum of Euro 130 million in order to provide NEEP with sufficient resources for ensuring the capitalisation of AS Roma, and (ii) to increase the amount of financing granted by UniCredit and the Italtipetroli Group to AS Roma up to a total of Euro 50 million (of which Euro 30 million to be provided by UniCredit).

The transaction was executed on 18 August 2011; NEEP therefore carried out a mandatory public offering of the remaining AS Roma shares (approx. 33% of the share capital) at a price per share of Euro 0.6781. The offer ended on 3 November 2011 with 10.9% of AS Roma's share capital taken up (14,500,026 shares, equivalent to 33.253% of the shares offered) At the end of the offering, NEEP's stake in AS Roma's share capital was equivalent to 78.038% (103,418,712 shares).

22.3 Sale of stake in Assicurazioni Generali

On 17 March 2010, UniCredit Bank Ireland Plc (a wholly-owned subsidiary of UniCredit) sold its entire stake in Assicurazioni Generali, equivalent to 44,195,587 shares, representing approximately 2.84% of Assicurazioni Generali's share capital, through an accelerated book-building offer procedure directed exclusively at institutional investors. The price per share was Euro 18.00, giving a total countervalue of approximately Euro 796 million. The transaction generated a consolidated gross capital loss of approximately Euro 72 million.

The sale of this stake was one of the commitments made by UniCredit to the AGCM in accordance with the order authorising the merger by incorporation of Capitalia into UniCredit (and subsequent extensions). For further details, see Chapter 5, Paragraph 5.1.5 of the Registration Document.

22.4 CASHES contracts

As part of the 2009 capital increase, 967,564,061 ordinary shares (the "**Underlying Shares**") relating to subscription rights that were not taken up by the end of the market offering carried out in accordance with Article 2441, paragraph 3, of the Civil Code, subscribed by Mediobanca – Banca di Credito Finanziario S.p.A. under the related underwriting agreement, were made available by Mediobanca, as nominated bank (the "**Nominated Bank**") to service the issue of CASHES by The Bank of New York (Luxembourg) S.A. in its capacity as fiduciary bank (the "**Fiduciary Bank**"). CASHES are equity-linked instruments that (i) give holders the right to request their conversion into the UniCredit shares underwritten by the Nominated Bank (or a different number resulting from adjustments in the life of the loan due to extraordinary operations – namely mergers, demergers and reverse splits – in line with market practice for this type of instrument); (ii) are automatically

converted upon expiry (15 December 2050) or if certain events occur;⁷⁵ and (iii) entitle holders, under certain conditions, to quarterly interest payments.⁷⁶

As part of the transaction described above, on 23 February 2009 UniCredit and the Nominated Bank entered into a usufruct contract lasting 30 years (maximum permitted by relevant laws) relating to the UniCredit shares subscribed by the Nominated Bank (the “**Usufruct Contract**”).

The Usufruct Contract, bearing in mind the application of the regulations on treasury shares, provides, in relation to the ordinary shares in usufruct on each occasion and, until the expiry of the contract, *inter alia* that: (i) the voting rights relating to the ordinary UniCredit shares in usufruct remain suspended for the entire duration of the Usufruct Contract; (ii) dividend rights associated with said shares are allocated proportionally to the other UniCredit shares; and (iii) the subscription rights relating to the Underlying Shares are attributed to the Nominated Bank as bare owner⁷⁷.

As consideration for the usufruct of the shares, the Usufruct Contract provides for UniCredit to pay the Nominated Bank a quarterly fee equivalent to the 3-month Euribor rate increased by a spread of 450 basis points, calculated on the total non-converted CASHES at the end of the relevant interest period. Furthermore, UniCredit shall only have to pay this fee if: (i) the Issuer distributes cash dividends, and (ii) the financial statements show consolidated profits when the annual consolidated financial statements are approved⁷⁸.

Moreover, in accordance with the swap contract also entered into on 23 February 2009 between UniCredit and the Nominated Bank, as long as the CASHES are not entirely converted: (i) UniCredit undertakes to pay the Nominated Bank an amount equal to UniCredit’s excess dividend yield above 8%, calculated on the basis of the share price recorded over the 30 working days prior to the approval of the financial statements; (ii) after the expiry of the usufruct and if it is not renewed, UniCredit will be entitled to receive from the Nominated Bank an amount equal to the net dividends paid in relation to the UniCredit shares underlying the CASHES; (iii) also after the expiry of the usufruct and if it is not renewed, UniCredit shall pay an amount equal to the fee paid under the Usufruct Contract. The Usufruct Contract is a transaction with a Related Party.

On 14 November 2011, the Board of Directors resolved to convene an Extraordinary Shareholders’ Meeting to resolve, *inter alia*, on a free capital increase of shares as part of the CASHES restructuring process (see Chapter 5, Paragraph 5.1.6 (C) of the Registration Document). In particular, the free capital issue of shares is designed to strengthen the Company’s Common Equity Tier 1 capital for regulatory purposes, by allocating Euro 2,499,217,969.50 of the “Share Premium Reserve” to share

⁷⁵ The conversion will take place automatically if, *inter alia*: (i) after the seventh year since their issue, the market price of ordinary UniCredit shares on the MTA over a period of 30 consecutive trading days exceeds, for at least 20 days, 150% of the benchmark price of Euro 3.083 (hence Euro 4.625, excepting subsequent adjustments); (ii) UniCredit’s total individual or consolidated capital requirement falls below the threshold set forth in the legislation on banking supervision for the purposes of absorbing losses from new equity instruments, currently equal to 8%; (iii) UniCredit fails to meet the payments obligations assumed under the Usufruct Contract; (iv) UniCredit is declared insolvent or in liquidation; and (v) the Nominated Bank is declared insolvent or in liquidation.

⁷⁶ The quarterly payments to holders of CASHES are essentially equivalent to the payments due from UniCredit under the terms of the Usufruct Contract. If UniCredit fails to make the payments due under the terms of the Usufruct Contract, the Fiduciary Bank will not pay the dividend to the holders of the CASHES.

⁷⁷ The Issuer believes that the structure of the CASHES includes mechanisms through which holders of CASHES may participate in capital increases by the Issuer through the allocation of the relevant subscription rights.

⁷⁸ The fee may not in any case exceed the difference between the corrected consolidated profit for the financial year to which the financial statements refer and the cash dividend paid to shareholders. “Corrected consolidated profit” is understood to mean consolidated profit minus non-distributable items under Italian civil law.

capital, which corresponds to the total premium payments made when subscribing the Underlying Shares.

On 13 December 2011, the Company and the Nominated Bank agreed that, subject to the approval of the free capital increase of shares described above, the remuneration stipulated in the Usufruct Contract shall be realigned based on a numerical value fixed at the amount of the nominal value of the Underlying Shares as a result of the approval of the resolution to carry out a free capital increase, while leaving the amount of the payments from UniCredit unchanged.

22.5 Transactions to improve the real estate portfolio

In order to reduce its exposure to real estate risk and bring it into line with its main European competitors, in late 2008 the UniCredit Group began a process to enhance and rationalise its UniCredit Real Estate portfolio and, as a result, strengthen the Group's net asset position.

This process took place through a plan to dispose of the assets of UniCredit Real Estate by contributing a portfolio with a total of 264 properties to real estate mutual funds reserved for particular investors called (i) "Omicron Plus Immobiliare – Fondo Comune di Investimento Immobiliare di Tipo Chiuso", created and managed by Fimit ("**Omicron Plus Fund**"); and (ii) "Core Nord Ovest – Fondo Comune di Investimento Immobiliare di Tipo Chiuso" ("**Core Fund**"), created and managed by REAM.

On 30 December 2008, UniCredit Real Estate carried out an initial contribution to the Omicron Plus Fund of a portfolio of 72 properties located in various Italian cities (the "**First Contribution**") for a contribution value of Euro 799 million, the purchase of which by the Omicron Plus Fund was 60% financed by a pool of banks, which was then paid to UniCredit Real Estate as cash consideration for the contribution effected. To make up the remaining 40% of the value of the First Contribution, UniCredit Real Estate was issued units of the Omicron Plus Fund by way of consideration, which were initially subscribed by UniCredit Real Estate and then placed entirely with qualified investors. Lastly, in this context, on 22 September 2009, UniCredit Real Estate concluded an agreement for the sale of 3,200 units to Euro Omicron Private Limited, a company related to GIC RE, the real estate branch of the Government of Singapore Investment Corporation, for a total consideration of 78 million. The sale to Euro Omicron Private Limited allowed UniCredit Real Estate to complete the sale of all the units held in the Omicron Plus fund, generating a capital gain of approximately Euro 163 million in 2009 (of which approximately Euro 131 million in the third quarter of 2009) net of tax and transaction costs, added to the approx. Euro 282 million of capital gains made in 2008.

On 30 September 2009, UniCredit Real Estate made a second contribution (the "**Second Contribution**") to the Omicron Plus Fund of a portfolio of 179 properties located in various Italian cities for a total contribution value of Euro 527 million. In the same way as the First Contribution, the acquisition was 60% financed by a pool of banks, while the remaining 40% of the contribution value was made up of newly issued units of the Omicron Plus Fund, most of which were placed on the market, generating a capital gain of approximately Euro 198 million in 2009, net of tax and distribution costs, and a capital gain of approximately Euro 14 million in 2010. UniCredit Real Estate retained 10% of the total units of the Fund.

The properties included in the First Contribution and the Second Contribution were leased to UniCredit Real Estate and then subleased to the Group companies through 18-year lease agreements, renewable for a further six years, whose provisions ensured the necessary flexibility in managing the Group's network.

On 29 September 2009, UniCredit Real Estate contributed to the Core Fund (the “**Core Contribution**”) a portfolio comprising 13 historic and highly prestigious properties located in Turin, Genoa and Milan, for a contribution value of Euro 574 million. The purchase was financed – in the same way as for the Omicron Plus fund – 60% by a pool of banks and 40% through newly-issued units which were initially subscribed by UniCredit Real Estate and then entirely distributed to qualified investors including Fondazione Cassa di Risparmio di Torino and other banking foundations holding shares in REAM. This generated a capital gain, net of tax and transaction costs, equal to approximately Euro 135 million in 2009 and around Euro 32 million in 2010.

The majority of the properties transferred to the Core Fund were leased to the Group – depending on its needs – for 6, 12 or 18 years, renewable for a further six years, under similar conditions to the leases agreed for the real estate portfolio contributed to the Omicron Plus Fund.

22.6 Offshore Wind Park

Between 2007 and 2010, UCB AG provided approximately Euro 1.74 billion of financing for BARD Offshore 1, a renewable energy project in the North Sea, located around 100 km from the German coastline (the “**Wind Park**”). The financing was made through a debenture loan (the “**Debenture Loan**”). In 2010, the completion of the Wind Park was delayed due to unforeseeable technical problems, among other things.

In any case, after a number of conditions were met relating to the operations and the construction process, and on the basis of various technical and legal reports by external consultants stating that the project was feasible, UCB AG provided further financing to enable the Wind Park to be completed. In August 2011, UCB AG extended its line of credit to the contractor of the Wind Park and its parent company (together with its subsidiaries hereinafter referred to as the “**Contractor’s Group**”) by Euro 860 million, making a total of Euro 1.17 billion, in order to proceed with the restructuring (Sanierungskredit) of the Contractor’s Group and complete the Wind Park (the “**Line of Credit**”). The Line of Credit is secured by a number of assets belonging to the Contractor’s Group and will expire on 31 July 2014.

UCB AG’s total consolidated exposure to the Wind Park currently stands at approximately Euro 2.1 billion (equivalent to the aggregate amount used through the Line of Credit or deriving from the Debenture Loan).

As of September 2011, 19 of the 80 turbines and 42 foundation blocks have been installed and most of the other components have been built and assembled. The total estimated cost of the Wind Park is approximately Euro 2.9 billion. As of 30 September 2011, UCB AG has made a total provision of Euro 710 million to meet any potential losses deriving from the Wind Park. In addition, if there should be further problems in relation to the Wind Park, UniCredit may assess whether to bear additional costs to support the project or to withdraw the financing, which may result in further costs.

23. THIRD-PARTY INFORMATION, EXPERT OPINIONS AND DECLARATIONS OF INTERESTS**23.1 Expert reports and opinions**

There are no expert reports or opinions except for the market sources indicated in Chapter 6 of the Registration Document.

23.2 Third-party information

The information in the Registration Document comes from third-party sources only where expressly indicated. This information was faithfully reproduced by the Issuer and, as far as UniCredit is aware and on the basis of the information published by the third party in question, no facts have been omitted that could render this information inexact or misleading.

24. DOCUMENTS ACCESSIBLE TO THE PUBLIC

During the period in which the Registration Document is valid, the following documents are available to the public at UniCredit's registered office, Via A. Specchi 16, Rome, and at the Central Management Office, Piazza Cordusio, Milan; on UniCredit's website (www.unicreditgroup.eu); and from Borsa Italiana, during office hours and on working days.

- Corporate By-Laws;
- Registration Document;
- UniCredit Reports and Financial Statements as at 31 December 2010;
- UniCredit Group Reports and Consolidated Financial Statements as at 31 December 2010;
- UniCredit Reports and Financial Statements as at 31 December 2009;
- UniCredit Group Reports and Consolidated Financial Statements as at 31 December 2009;
- UniCredit Reports and Financial Statements as at 31 December 2008;
- UniCredit Group Reports and Consolidated Financial Statements as at 31 December 2008;
- Consolidated Interim Report as at 30 September 2011;
- Report on Corporate Governance and Ownership Structures as at 31 December 2010;
- Presentation on the 2010-2015 Strategic Plan approved by the Board of Directors of the Company on 14 November 2011; and
- information about the assignment of financial instruments to company officers, employees or collaborators, in accordance with the rules set forth in Article 114-*bis* of the TUF.

25. INFORMATION ON EQUITY INVESTMENTS

Here follows the information on the main companies in which, at the Date of the Registration Document, the Company holds a share of capital that has a significant effect on the value of its balance sheet, financial situation, and profit and loss.

For companies directly and indirectly controlled by UniCredit, see Chapter 7, Paragraph 7.2, of the Registration Document.

List of the main affiliates

NAME	REGISTERED OFFICE COUNTRY	ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL
				DIR.	IND.	DIR.	IND.	
ADLER FUNDING LLC	UNITED STATES OF AMERICA	NON-FINANCIAL COMPANY	UNICREDIT BANK AG	32.813		32.813		USD 2,142,857
ALLIANZ ZB D.O.O. DRUSTVO ZA UPRAVLJANJE OBVEZNIM AVIVA S.P.A.	CROATIA	PENSION FUND MANAGEMENT	ZAGREBACKA BANKA DD	49		49		HRK 90,000,000
BANK FÜR TIROL UND VORARLBERG AKTIENGESELLSCHAFT	ITALY	INSURANCE COMPANY	UNICREDIT S.P.A.	49		49		EUR 429,713,613
BKS BANK AG (EHEM.BANK FÜR KARNTEN UND STEIERMARK AG)	AUSTRIA	REGIONAL BANK	CABO BETEILIGUNGSGESELLSCHAFT M.B.H. UNICREDIT BANK AUSTRIA AG	37.534		41.7		EUR 50,000,000
CA IMMOBILIEN ANLAGEN AKTIENGESELLSCHAFT	AUSTRIA	REGIONAL BANK	CABO BETEILIGUNGSGESELLSCHAFT M.B.H. UNICREDIT BANK AUSTRIA AG	28.013		29.642		EUR 61,920,000
CAP III AIV CAYMAN, L.P.	AUSTRIA	FINANCIAL LEASING	UNICREDIT BANK AUSTRIA AG	18.16		18.16		EUR 638,713,556
CNP UNICREDIT VITA S.P.A.	CAYMAN ISLANDS	INDUSTRIAL HOLDING	UNICREDIT BANK AG	0.980		0		USD 306,188,975.78
COMTRADE GROUP B.V.	ITALY	INSURANCE COMPANY	UNICREDIT S.P.A.	38.799		38.799		EUR 341,698,529
CAPITALIA ASSICURAZIONI S.P.A.	NETHERLANDS	PRIVATE EQUITY BUSINESS	HVB CAPITAL PARTNERS AG	21.05		21.05		EUR 101,187,648
CREDITRAS VITA S.P.A.	ITALY	INSURANCE COMPANY	UNICREDIT S.P.A.	50		50		EUR 12,000,000
FONDIARIA – SAI S.P.A.	ITALY	INSURANCE COMPANY	UNICREDIT S.P.A.	50		50		EUR 108,120,000
INCONTRA ASSICURAZIONI S.P.A.	ITALY	INSURANCE COMPANY	UNICREDIT S.P.A.	4.897		6.6		EUR 367,047,470
MARTUR SUNGER VE KOLTUK TESISLERI TICARET VE SANAYI A. S.	ITALY	INSURANCE COMPANY	UNICREDIT S.P.A.	4.897		6.6		EUR 127,683,666
MEDIOBANCA BANCA DI CREDITO FINANZIARIO SPA	TURKEY	HOLDING	HVB CAPITAL PARTNERS AG	49		49		EUR 5,200,000
NOTARTREUHANDBANK AG	ITALY	BANK	UNICREDIT S.P.A.	8.655		8.655		EUR 430,564,606
OAK RIDGE INVESTMENT LLC	AUSTRIA	NOTARY COMPANY	UNICREDIT BANK AUSTRIA AG	25		25		EUR 8,030,000
OBERBANK AG	UNITED STATES OF AMERICA	ASSET MANAGEMENT COMPANY	PIONEER INSTITUTIONAL ASSET MANAGEMENT INC	48.998		48.998		USD 108
OECLEB HOLDING GMBH IN LIQ.	AUSTRIA	REGIONAL BANK	CABO BETEILIGUNGSGESELLSCHAFT M.B.H. UNICREDIT BANK AUSTRIA AG	29.145		32.537		EUR 77,349,375
OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	AUSTRIA	NON-FINANCIAL COMPANY	UNICREDIT BANK AUSTRIA AG	4.188		1.655		EUR 160,000,000
OSTERREICHISCHE HOTEL- UND TOURISMUSBANK GESELLSCHAFT M.B.H.	AUSTRIA	IMPORT-EXPORT SERVICES/INSURANCE COMPANY	CABET-HOLDING-AKTIENGESELLSCHAFT SCHOELLERBANK AKTIENGESELLSCHAFT UNICREDIT BANK AUSTRIA AG	24.75		24.75		EUR 130,000,024
OSTERREICHISCHE HOTEL- UND TOURISMUSBANK GESELLSCHAFT M.B.H.	AUSTRIA	TOURIST SERVICES COMPANY	UNICREDIT BANK AUSTRIA AG	8.26		8.26		EUR 16.14
	AUSTRIA	TOURIST SERVICES COMPANY	UNICREDIT BANK AUSTRIA AG	16.14		16.14		EUR 11,627,653

NAME	REGISTERED OFFICE COUNTRY	ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL
				DIR.	IND.	DIR.	IND.	
PAPCEL AS	CZECH REPUBLIC	MECHANICAL MANUFACTURING COMPANY	EK MITTELSTANDSFINANZIERUNGS AG	33.742		34	EUR	12,613,779
PAYLIFE BANK GMBH	AUSTRIA	CASH MANAGEMENT SERVICES COMPANY	CAFU VERMOGENSVERWALTUNG GMBH & CO. OG	4.502		4.502	EUR	13,234,665
			EUROVENTURES-AUSTRIA-CA-MANAGEMENT GESMBH	5.777		5.777	EUR	
			UNICREDIT BANK AUSTRIA AG	13.585		13.585	EUR	
SIA S.P.A.	ITALY	SOFTWARE HOUSE	UNICREDIT S.P.A.	24.07		24.07	EUR	22,091,287
SP PROJEKTENTWICKLUNG SCHONEFELD GMBH & CO.KG	GERMANY	REAL ESTATE ACQUISITIONS	UNICREDIT BANK AUSTRIA AG	50		50	EUR	100,000
SW HOLDING S.P.A.	ITALY	HOLDING	UNICREDIT MERCHANT S.P.A.	28.571		13.793	EUR	290,000
TORRE SGR S.P.A.	ITALY	INVESTMENT FUND MANAGEMENT	PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ.	37.5		37.5	EUR	3,200,000
WIEN MITTE IMMOBILIEN GMBH	AUSTRIA	REAL ESTATE COMPANY	BA-CA WIEN MITTE HOLDING GMBH	50		50	EUR	35,000

List of main minority companies

NAME	REGISTERED OFFICE		ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL
	COUNTRY				DIR.	IND.	DIR.	IND.	
AB ACQUISITION HOLDINGS LIMITED	SPAIN		HOLDING	HVB CAPITAL PARTNERS AG	2.511		0	0	GBP 3,983,000,000
BANCA D'ITALIA	ITALY		BOND ISSUING COMPANY	UNICREDIT S.P.A.	22.114		22.114		EUR 156,000
BANK OF VALLETTA PLC	MALTA		BANK	UNICREDIT S.P.A.	14.552		14.552		EUR 240,000,000
BWA BETEILIGUNGS- UND VERWALTUNGS- AKTIENGESELLSCHAFT	AUSTRIA		HOLDING	UNICREDIT BANK AUSTRIA AG	12.63		12.63		EUR 214,435,323
CJSC MOSCOW INTERBANK CURRENCY EXCHANGE	RUSSIA		STOCK EXCHANGE	ZAO UNICREDIT BANK	11.587		11.587		RUB 1,659,840,000
GEMINA S.P.A.	ITALY		HOLDING	UNICREDIT S.P.A.	3.402		3.411		EUR 3,762,768
ISTITUTO PER IL CREDITO SPORTIVO EDP	ITALY		SPECIAL CREDIT INSTITUTION	UNICREDIT S.P.A.	3.402		3.411		EUR 1,469,197,552
LONDON STOCK EXCHANGE GROUP PLC	UNITED KINGDOM		STOCK EXCHANGE	UNICREDIT S.P.A.	10.811		10.811		EUR 9,554,452
WUSTENROT & WURTTENBERGISCHE AG	GERMANY		HOLDING	UNICREDIT BANK AG	6.13		6.13		GBP 18,756,936
					7.541		7.541		EUR 481,067,777

List of main companies subject to joint control

NAME	REGISTERED OFFICE	ACTIVITY	STAKEHOLDER	% OF CAPITAL OWNED		% OF VOTING RIGHTS		SHARE CAPITAL
				DIR.	IND.	DIR.	IND.	
COUNTRY								
KOC FINANSAL HIZMETLER AS	TURKEY	HOLDING	UNICREDIT BANK AUSTRIA AG	50		50		TRY 3,011,274,868
RCI FINANCIAL SERVICES S.R.O.	CZECH REPUBLIC	LEASING	UNICREDIT LEASING CZ, A.S.	50		50		CZK 70,000,000
UNICREDIT MENKUL DEGERLER AS	TURKEY	BROKERAGE	KOC FINANSAL HIZMETLER AS	99.998		99.998		TRY 31,845,375
YAPI KREDI B TIPI YATIRIM ORTAKLIGI AS	TURKEY	FINANCIAL COMPANY	YAPI KREDI FINANSAL KIRALAMA AO	0		0		
YAPI KREDI BANK AZERBAIJAN CLOSED JOINT STOCK COMPANY	TURKEY	FINANCIAL COMPANY	YAPI KREDI YATIRIM MENKUL DEGERLER AS	44.974		44.974		TRY 31,425,000
YAPI KREDI BANK AZERBAIJAN CLOSED JOINT STOCK COMPANY	AZERBAIJAN	BANKING	YAPI VE KREDI BANKASI AS	11.092		11.092		
YAPI KREDI BANK NEDERLAND NV	NETHERLANDS	BANKING	YAPI KREDI FINANSAL KIRALAMA AO	0.1		0.1		
YAPI KREDI EMEKLILIK AS	TURKEY	PENSION FUND MANAGEMENT	YAPI KREDI YATIRIM MENKUL DEGERLER AS	0.1		0.1		AZN 38,110,234
YAPI KREDI FAKTORING AS	TURKEY	FACTURING	YAPI VE KREDI BANKASI AS	99.8		99.8		
YAPI KREDI FINANSAL KIRALAMA AO	TURKEY	LEASING	YAPI KREDI FAKTORING AS	0.036		0.036		
YAPI KREDI HOLDING BV	NETHERLANDS	HOLDING	YAPI KREDI HOLDING BV	32.757		32.757		EUR 48,589,110
YAPI KREDI MOSCOW	RUSSIA	BANK	YAPI VE KREDI BANKASI AS	67.243		67.243		
YAPI KREDI PORTFOY YONETIMI AS	TURKEY	INVESTMENT COMPANY	YAPI KREDI FAKTORING AS	0		0		
YAPI KREDI SIGORTA AS	TURKEY	INSURANCE COMPANY	YAPI VE KREDI BANKASI AS	99.927		99.927		TRY 58,000,000
YAPI KREDI YATIRIM MENKUL DEGERLER AS	TURKEY	FINANCIAL COMPANY	YAPI KREDI YATIRIM MENKUL DEGERLER AS	0.036		0.036		
YAPI VE KREDI BANKASI AS	TURKEY	BANK	YAPI VE KREDI BANKASI AS	0.001		0.001		
YAPI KREDI FAKTORING AS	TURKEY	FACTURING	ENTERNASYONAL TURIZM YATIRIM AS	0		0		
YAPI KREDI HOLDING BV	NETHERLANDS	HOLDING	YAPI KREDI FINANSAL KIRALAMA AO	0.012		0.012		TRY 16,802,326
YAPI KREDI MOSCOW	RUSSIA	BANK	YAPI VE KREDI BANKASI AS	99.946		99.946		
YAPI KREDI PORTFOY YONETIMI AS	TURKEY	INVESTMENT COMPANY	YAPI KREDI FAKTORING AS	0		0		TRY 389,927,705
YAPI KREDI SIGORTA AS	TURKEY	INSURANCE COMPANY	YAPI VE KREDI BANKASI AS	98.846		98.846		
YAPI KREDI YATIRIM MENKUL DEGERLER AS	TURKEY	FINANCIAL COMPANY	YAPI VE KREDI BANKASI AS	100		100		EUR 59,000,000
YAPI VE KREDI BANKASI AS	TURKEY	BANK	YAPI KREDI FINANSAL KIRALAMA AO	0.157		0.157		RUB 478,272,000
YAPI KREDI FAKTORING AS	TURKEY	FACTURING	YAPI VE KREDI BANKASI AS	99.843		99.843		
YAPI KREDI HOLDING BV	NETHERLANDS	HOLDING	YAPI KREDI YATIRIM MENKUL DEGERLER AS	87.324		87.324		TRY 2,349,443
YAPI KREDI MOSCOW	RUSSIA	BANK	YAPI VE KREDI BANKASI AS	12.649		12.649		
YAPI KREDI PORTFOY YONETIMI AS	TURKEY	INVESTMENT COMPANY	YAPI KREDI FAKTORING AS	7.948		7.948		
YAPI KREDI SIGORTA AS	TURKEY	INSURANCE COMPANY	YAPI KREDI YATIRIM MENKUL DEGERLER AS	11.988		11.988		TRY 80,000,000
YAPI KREDI YATIRIM MENKUL DEGERLER AS	TURKEY	FINANCIAL COMPANY	YAPI VE KREDI BANKASI AS	74.008		74.008		
YAPI VE KREDI BANKASI AS	TURKEY	BANK	YAPI KREDI FINANSAL KIRALAMA AO	0.002		0.002		TRY 98,918,083
YAPI KREDI FAKTORING AS	TURKEY	FACTURING	YAPI VE KREDI BANKASI AS	99.976		99.976		
YAPI KREDI HOLDING BV	NETHERLANDS	HOLDING	KOC FINANSAL HIZMETLER AS	81.796		81.796		TRY 4,347,051,284

ANNEX

- **External Auditors' Report on the projected data**
- **External Auditors' Report on the Condensed Interim Consolidated Financial Statement as at 30 September 2011**



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Revisione e organizzazione contabile
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(Translation from the Italian original which remains the definitive version)

Examination report

To the board of directors of
 UniCredit S.p.A.

- 1 We have examined the 2013 and 2015 data projections of the UniCredit Group (the “Projections”), as well as the assumptions and elements on which basis the Projections have been prepared, which are set out in chapter 13 (“Projections or estimates of profit”), section 13.1 of the registration document relating to UniCredit S.p.A. (the “Registration document”). The Projections and the relevant underlying assumptions and elements are the responsibility of the parent’s board of directors.

The Projections are derived from the strategic plan approved by the board of directors on 14 November 2011. This report solely relates to the Projections and does not cover the strategic plan or other information included in the Registration document.

- 2 The Projections have been prepared using a set of assumptions, comprising those disclosed in sections 13.1.3 and 13.1.4 of the Registration document, that include hypothetical assumptions about future events and management actions that are not necessarily expected to occur.
- 3 We have examined the Projections in accordance with International Standard on Assurance Engagements 3400 “The examination of prospective financial information” issued by the International Federation of Accountants (IFAC).
- 4 Based on our examination of the evidence supporting the assumptions and elements on which basis the Projections have been prepared, nothing has come to our attention which currently causes us to believe that the above-mentioned assumptions and elements do not provide a reasonable basis for the Projections, assuming that the general and hypothetical assumptions about future events and management actions described in paragraph 2 will actually occur. Further, in our opinion, the Projections are properly prepared on the basis of the assumptions and elements mentioned above and are presented using consistent accounting policies with respect to those applied by UniCredit S.p.A. in preparing its consolidated financial statements as at and for the year ended 31 December 2010. We have audited such consolidated financial statements and issued our report thereon on 4 April 2011.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Cooperative (“KPMG International”), entità di diritto svizzero.

Ancona Aosta Bari Bergamo
 Bologna Bolzano Brescia Cagliari
 Catania Como Firenze Genova
 Lecce Milano Napoli Novara
 Padova Palermo Parma Perugia
 Pescara Roma Torino Treviso
 Trieste Udine Varese Verona

Società per azioni
 Capitale sociale
 Euro 7625.700,00 i.v.
 Registro Imprese Milano e
 Codice Fiscale N. 00709600159
 R.E.A. Milano N. 512867
 Partita IVA 00709600159
 VAT number IT00709600159
 Sede legale: Via Vittor Pisani, 25
 20124 Milano MI ITALIA



*UniCredit Group
Examination report
2 December 2011*

- 5 Even if the events anticipated under the general and hypothetical assumptions described in paragraph 2 occur, actual results are still likely to be different from the Projections since other anticipated events frequently do not occur as expected and the variation may be material.
- 6 This report has been prepared for the sole purposes of Consob Regulation no. 11971/1999, as subsequently amended and integrated, for its inclusion in the Registration document and cannot be used, in whole or in part, for any other purposes.
- 7 We have not undertaken to update this report for events or circumstances occurring after its issue.

Milan, 2 December 2011

KPMG S.p.A.

(signed on the original)

Roberto Fabbri
Director of Audit



KPMG S.p.A.
Revisione e organizzazione contabile
 Via Vittor Pisani, 25
 20124 MILANO MI

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(Translation from the Italian original which remains the definitive version)

Auditors' report on the review of condensed interim consolidated financial statements

To the Board of Directors of
 UniCredit S.p.A.

- 1 We have reviewed the condensed interim consolidated financial statements of the UniCredit Group as at and for the nine months ended 30 September 2011, comprising the balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes thereto. The parent's directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union. Our responsibility is to prepare this report based on our review.
- 2 We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. As a consequence, contrary to our report on the annual consolidated financial statements, we do not express an audit opinion on the condensed interim consolidated financial statements.

The condensed interim consolidated financial statements include the corresponding figures of the previous year annual consolidated and condensed interim consolidated financial statements for comparative purposes. With regard to the corresponding figures of the previous year annual consolidated financial statements included in the condensed interim consolidated financial statements, reference should be made to our report dated 4 April 2011.

We have not examined the corresponding figures of the same period of the previous year presented for comparative purposes. Therefore, our conclusions set out herein do not extend to such data.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Cooperative ("KPMG International"), entità di diritto svizzero.

Ancona Aosta Bari Bergamo
 Bologna Bolzano Brescia Cagliari
 Catania Como Firenze Genova
 Lecce Milano Napoli Novara
 Padova Palermo Parma Perugia
 Pescara Roma Torino Treviso
 Trieste Udine Varese Verona

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UniCredit Group
Auditors' report on review of condensed interim consolidated financial statements
30 September 2011

- 3 Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the UniCredit Group as at and for the nine months ended 30 September 2011 have not been prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Milan, 21 November 2011

KPMG S.p.A.

(signed on the original)

Roberto Fabbri
Director of Audit

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Securities Note

Prepared in accordance with the regulations adopted by CONSOB with Decision no. 11971 of 14 May 1999, as subsequently amended, and with Article 6 of Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC

in relation to the offering to shareholders, which includes a public offering in Italy, Germany, Austria and Poland, and the admission to listing on the MTA (electronic share market) organised and managed by Borsa Italiana S.p.A., the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and the Warsaw Stock Exchange (*Gięlda Papierów Wartościowych w Warszawie SA*) of ordinary shares of UniCredit S.p.A.



UniCredit S.p.A.

Registered office – Via Alessandro Specchi 16, Rome

Central Management Office – Piazza Cordusio, Milan

Entered in the Register of Banks and Parent Company of the UniCredit Banking Group, entered in the Register of Banking Groups under no. 02008.1

Rome Trade and Companies Register, Tax Code and VAT No 00348170101

Share capital subscribed and fully paid-up: Euro 12,148,463,316.00

Member of the Interbank Deposit Protection Fund and the National Deposit Guarantee Fund

Securities Note filed with CONSOB on 4 January 2012, pursuant to the notice of approval in a memorandum dated 4 January 2012, file no. 12000920.

The publication of the Securities Note does not represent any opinion of CONSOB on the investment opportunity proposed or on the merit of the data and information contained therein.

The Securities Note must be read in conjunction with the UniCredit S.p.A. Registration Document filed with CONSOB on 15 December 2011, pursuant to the notice of approval in a memorandum dated 14 December 2011, file no. 11098908, and the Summary Note filed with CONSOB on 4 January 2012, pursuant to the notice of approval in a memorandum dated 4 January 2012, file no. 12000920.

The Registration Document, the Securities Note and the Summary Note jointly comprise the Prospectus for the offering and admission to listing of ordinary shares of UniCredit S.p.A.

The Securities Note, the Summary Note and the Registration Document are available from the premises of UniCredit S.p.A. in Rome, Via A. Specchi, 16, from the Central Management Office of UniCredit S.p.A. in Milan, Piazza Cordusio, the premises of UniCredit CAIB Poland S.A. in Emilii Plater 53, 00-113 Warsaw, Poland, from Centralny Dom Maklerski Pekao Spolka Akcyjna in ul. Woloska 18, 02-675, Warsaw, Poland, from Bank Pekao S.A. in ul. Grzybowska 53/57, 00-950, Warsaw, Poland, from UniCredit Bank A.G. in Arabellastr. 12, 81925 Munich in Bavaria, Germany, from UniCredit Bank Austria in Julius Tandler Platz 3, A-1090 Vienna, Austria, from Borsa Italiana in Milan, Piazza degli Affari n. 6, and on the websites of the Issuer at <http://www.unicreditgroup.eu> and of the Warsaw Stock Exchange (*Gięlda Papierów Wartościowych w Warszawie SA*) at <http://www.gpw.com.pl>.

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DEFINITIONS

The terms defined in the Securities Note have the same meanings as those attributed in the Registration Document. A list of the most common definitions and terms used in the Securities Note is provided below. Unless specified otherwise, these definitions and terms (stated in singular or plural form) have the meaning indicated below.

Borsa Italiana	Borsa Italiana S.p.A., having its registered office at Piazza degli Affari 6, Milan.
Clearstream	Clearstream Banking Aktiengesellschaft, with registered office in Frankfurt (Germany), Mergenthalerallee 61, 65760.
Co-Bookrunners	ING Bank N.V., RBC Europe Limited, The Royal Bank of Scotland plc, Banco Santander S.A. and Nomura International plc.
Consolidated Law on Income Tax	Presidential Decree 917 of 22 December 1986 (known as the Testo Unico delle Imposte sui Redditi, or TUIR), as amended.
Date of the Securities Note	The date of publication of this securities note.
Joint Bookrunners	Merrill Lynch International, Mediobanca – Banca di Credito Finanziario S.p.A., UniCredit Bank AG, Milan Branch, Banca IMI S.p.A., BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd, Société Générale and UBS Limited.
Joint Global Coordinators	Merrill Lynch International, Mediobanca – Banca di Credito Finanziario S.p.A. and UniCredit Bank AG, Milan Branch.
Market Offering	The market offering pursuant to Article 2441, paragraph 3 of the Civil Code, of the unexercised Subscription Rights at the end of the Subscription Period
Market Regulations	The regulations governing markets adopted by CONSOB in its Decision no. 16191 of 29 October 2007, as amended.
Monte Titoli	Monte Titoli S.p.A., with registered office in Piazza degli Affari 6, Milan.
MTA or Electronic Share Market	The Electronic Share Market organised and managed by Borsa Italiana.
NDS	The National Depository for Securities (KDPW S.A.), with registered office at Książęca 4, 00-498, Warsaw.
New Shares	The maximum number 3,859,602,938 of new ordinary shares with no par value issued by the Company in the Offering.

Offering	The offering of 3,859,602,938 New Shares to shareholders of UniCredit in the ratio of 2 New Shares for every ordinary and/or saving UniCredit share already held.
Offer Price	The price of each New Share offered in the context of the Offering, i.e. Euro 1.943.
Post-Issue Amount of UniCredit Ordinary Share Capital	The share capital of the Issuer represented by ordinary shares following the transaction if the Rights Issue is fully subscribed.
Post-Issue Amount of UniCredit Share Capital	The share capital of the Issuer represented by ordinary shares and savings shares following the transaction if the Rights Issue is fully subscribed.
Registration Document	<p>The registration document relating to the Issuer, filed with CONSOB on 15 December 2011, pursuant to the notice of approval in a memorandum dated 14 December 2011, file no. 11098908.</p> <p>The Registration Document is available to the public at the premises and Central Management Office of UniCredit S.p.A. and on the Company's website at www.unicreditgroup.eu, as well as at the other locations indicated in the Securities Note.</p>
Rights Issue	The increase in share capital of up to a maximum of Euro 7,500,000,000 including any premium, to be carried out (even if not fully subscribed) through the issue of ordinary shares with no par value, with standard dividend rights, to be offered to existing holders of ordinary shares and savings shares of the Company, pursuant to Article 2441 of the Civil Code, as approved by the Extraordinary Shareholders' Meeting of 15 December 2011, under the Offering.
Securities Note	This securities note on financial instruments.
Stock Market Regulations	The regulations governing the markets organised and managed by Borsa Italiana, in force on the Date of the Securities Note.
Subscription Period	Take-up period for the Offering, which runs from 9 January 2012 to 27 January 2012 inclusive in Italy, Germany and Austria, and from 12 January 2012 to 27 January 2012 inclusive, in Poland.
Subscription Rights	Subscription rights valid for subscription of 2 New Shares for every ordinary and/or savings share held.
Summary Note	Summary note filed with CONSOB on 4 January 2012, pursuant to the notice of approval in a memorandum dated 4 January 2012, file no. 12000920.

Underwriters

Merrill Lynch International, Mediobanca – Banca di Credito Finanziario S.p.A., Banca IMI S.p.A., BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd., Société Générale, UBS Limited, ING Bank N.V., RBC Europe Limited, The Royal Bank of Scotland plc, Banco Santander S.A., Nomura International plc, Banco Bilbao Vizcaya Argentaria S.A., Crédit Agricole Corporate and Investment Banking, Mizuho International plc, MPS Capital Services S.p.A., Banca Akros S.p.A. – Gruppo Bipiemme Banco Popolare di Milano, Banca Carige S.p.A., Banca Aletti & C. S.p.A., Equita SIM S.p.A., Intermonte SIM S.p.A., Investec Bank plc and Keefe, Bruyette & Woods Ltd.

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GLOSSARY

Please see the glossary contained in the Registration Document.

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1. PERSONS RESPONSIBLE**1.1 Persons responsible for information**

UniCredit S.p.A., having its registered office at Via A. Specchi, 16, Rome, and Central Management Office at Piazza Cordusio, Milan, assumes responsibility for the accuracy and completeness of the data and information contained in the Securities Note.

1.2 Declaration of responsibility

UniCredit, which is responsible for the preparation of the Securities Note, declares that, having exercised all reasonable diligence to this end, the information contained therein is, to the best of its knowledge, in conformity with the facts and does not contain any omissions that might alter its meaning.

The Securities Note is in conformity with the model filed with CONSOB on 4 January 2012, pursuant to the notice of approval in a memorandum dated 4 January 2012, file no. 12000920.

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RISK FACTORS**2. RISK FACTORS RELATING TO THE SHARES IN THE OFFERING**

This Chapter of the Securities Note describes the typical risk factors related to an investment in listed equity securities. In order to make a proper assessment of the investment, investors are advised to evaluate the specific risk factors relating to the financial instruments available in the Offering. In addition, investors are advised to evaluate the specific risk factors relating to the Company, the companies in its Group and the sectors of activity in which the Group operates, which are described in Chapter 4 of the Registration Document.

The description of the risk factors set out below should be read in conjunction with the other information contained in the Securities Note and in the Registration Document itself.

Unless specified otherwise, references to Chapters and Paragraphs relate to chapters and paragraphs of the Securities Note.

2.1 Risks relating to the liquidity and volatility of the New Shares

The Offering includes New Shares equivalent to ordinary shares of the Issuer outstanding on the Date of the Securities Note, which will be listed on the MTA, the Frankfurt Stock Exchange (General Standard segment) and the Warsaw Stock Exchange.

The New Shares carry the typical risks attached to any such investment in listed equity securities of the same type. The holders of New Shares have the option to liquidate their investment by selling the shares on the relevant markets. However, the shares may be affected by problems of liquidity unrelated to the Issuer or the quantity of New Shares, as the requests for sale may not find a sufficient number of counterparties in a timely manner, and could be subject to price fluctuations, which may be significant.

Factors such as a change concerning the operating results, financial position, capital and/or profitability of the Company or its competitors, changes in the overall environment of the sector in which the Company operates, or in the general economy or financial markets, and changes in laws and regulations, could give rise to significant fluctuations in the price of UniCredit shares.

Furthermore, in recent years, price trends and trading volumes on the equity markets have been somewhat volatile. The resulting fluctuations have had, and could have in the future, a negative impact on the market price of UniCredit shares, which may also affect the Subscription Rights, irrespective of the actual values that the UniCredit Group is capable of achieving in terms of its operating results and capital and financial position.

For more information please see Chapter 4 of the Securities Note and Chapter 4 of the Registration Document.

2.2 Risks related to trends in the market for the Subscription Rights

The Subscription Rights for the New Shares in the Offering may be traded on the MTA from 9 January 2012 to 20 January 2012 inclusive, and on the Warsaw Stock Exchange from 12 January 2012 to 20 January 2012 inclusive. However, the Subscription Rights may be affected by problems of liquidity unrelated to the Issuer or the number of these rights, as the requests for sale may not find a sufficient number of counterparties in a timely manner. The price at which the Subscription Rights

RISK FACTORS

may trade could be subject to significant fluctuations, depending, *inter alia*, on UniCredit share price trends, and it could be subject to greater volatility than the UniCredit share price.

In addition, any sale of Subscription Rights by certain shareholders of the Company who decide not to exercise, in full or in part, the rights pertaining to them, could have a negative impact on the trend and volatility relating to the market price for the Subscription Rights and/or the ordinary shares of the Issuer.

For more information see Chapter 5 of the Securities Note.

2.3 Underwriting commitments and risks related to the partial execution of the Rights Issue

At the Date of the Securities Note, the shareholders Allianz SE, Carimonte Holding S.p.A., Fondazione Cassa di Risparmio di Modena, Fondazione Cassa di Risparmio di Torino, Fondazione del Monte di Bologna e Ravenna and Board Member Luigi Maramotti undertook to directly or indirectly subscribe New Shares in a percentage equal to 10.68% of the New Shares covered by the Offering. These obligations are subject to certain conditions including the lack of any extraordinary events that could have an impact on the Offering and/or on its success.

Furthermore, based on the content of a press release, the shareholder Fondazione Cassa di Risparmio di Verona Vicenza Belluno e Ancona voted to subscribe New Shares in the amount of 3.51% of the Offering with total funding coming from capital and reserves, and without the sale of rights or use of borrowings.

In addition to the above, as far as the Company is aware, although certain current shareholders did not make any binding commitments at the Date of the Securities Note, they initiated procedures in order to pursue the Rights Issue by subscribing a total of up to approximately 10% of the New Shares covered by the Offering, which when added to the above commitments, would result in a maximum subscription of up to approximately 24% of the New Shares covered by the Offering.

On 14 November 2011, Merrill Lynch International, Mediobanca – Banca di Credito Finanziario S.p.A., Banca IMI S.p.A., BNP PARIBAS, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities Ltd, Société Générale, UBS Limited, ING Bank N.V., RBC Europe Limited, The Royal Bank of Scotland plc and Banco Santander S.A. signed a standby underwriting agreement with UniCredit relating to the New Shares which are the subject of the Rights Issue. The standby underwriting agreement is no longer valid following the signing of the Underwriting Agreement on 4 January 2012.

The underwriting agreement contains, *inter alia*, clauses which condition the effectiveness of the agreement obligations, including the theory of publishing a supplement for new negative and significant events (by this is meant events whose occurrence has not been mentioned in the Registration Document or in the Securities Note) which have a significant negative impact on the success of the Offering, or clauses that give the Underwriters the right to withdraw from the agreement, among other things, in cases of “material adverse change” or “force majeure” in line with best international practice.

If an event referred to in the agreement takes place and the Underwriters exercise their right to withdraw from the agreement and, at the same time, the Rights Issue is not fully subscribed (i.e. the issue will go ahead even if there is only partial take-up), the Issuer would not receive the full amount

RISK FACTORS

expected to be raised, which could have a negative impact on the Group's financial and capital position.

For more information, see Chapter 5, Paragraph 5.4.3 of the Securities Note.

Furthermore, on the Date of the Securities Note, the Libyan Investment Authority, which owns a 2.594% stake in the share capital of the Issuer comprising shares with voting rights, was subject to restrictions under Council Regulation (EU) No 204/2011 of 2 March 2011, as amended by Regulation (EU) No 1360/2011 of 20 December 2011, and Council Implementing Regulation (EU) No 233/2011 of 10 March 2011. Consequently, the Libyan Investment Authority cannot exercise the Subscription Rights pertaining to it unless it can obtain the necessary financial resources in Libya.

For more information, see Chapter 18, Paragraph 18.1 of the Registration Document, supplemented by Chapter 11, Paragraph 11.11 of the Securities Note.

2.4 Risks related to dilution of RoE

The Rights Issue could involve a risk of dilution of the RoE of the UniCredit Group in the years following its completion. Annualised RoE for the UniCredit Group as at 31 December 2010 was 2.7%. The Rights Issue will involve an increase in shareholders' equity which may not be matched by a proportional rise in net profit, leading to a reduction in RoE after 31 December 2011.

2.5 Dilutive effects

If the Subscription Rights are not exercised in full and the Rights Issue is fully subscribed, the shareholders who do not subscribe for the portion pertaining to the shares they already own will be subject to dilution of their holdings, as a percentage of the share capital, of a maximum of 66.7%.

With regard to holders of savings shares, the allocation of the right to subscribe for ordinary shares generates a dilutive effect on the holdings of holders of ordinary shares, which, moreover, in light of the small quantity of savings shares existing at the Date of the Securities Note, will not be significant.

For more information, see Chapter 9, Paragraph 9.1 of the Securities Note.

2.6 Markets in which the Offering is not authorised

The Offering is reserved solely for Italy, Germany, Austria and Poland.

The Securities Note constitutes an offer of financial instruments in Italy, Germany, Austria and Poland.

The Registration Document, the Securities Note and the Summary Note (which jointly comprise a Prospectus) are valid in Italy, and pursuant to the procedure set out in Article 11, paragraph 1 of the Issuer Regulations, in Germany, Austria and Poland. For the purposes of the procedure set out in Article 11, paragraph 1 of the Issuer Regulations, the Registration Document and the Securities Note have been translated into English, and the Summary Note has been translated into English, German and Polish. With the exception of the above, the Registration Document, the Securities Note and the Summary Note do not constitute an offer of financial instruments in the United States of America, in Canada, Japan or Australia or in any other country in which this offer is not authorised without the approval of the competent authorities, or without exemption from the applicable laws and regulations

RISK FACTORS

(together with the United States of America, Canada, Japan and Australia, these are “**Excluded Countries**”).

The New Shares and related Subscription Rights have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or under the corresponding regulations of Canada, Japan, Australia, or any other Excluded Countries, and cannot therefore be offered or sold in, or in any event delivered to, directly or indirectly, the United States of America, Canada, Japan or Australia or any other Excluded Countries.

No financial instrument can be offered or traded in the United States of America, Canada, Japan, Australia or any other Excluded Countries without specific registration in compliance with the provisions of the laws applicable in those countries, or without exemption from those provisions.

The Offering will therefore not be promoted in the United States of America, Canada, Japan or Australia or to residents thereof, nor in any of the other Excluded Countries in which the Offering has not been authorised, without the specific approval of the competent authorities.

Any take-up of the Offering, either directly or indirectly, which is in breach of the above-mentioned restrictions, will be considered invalid.

Shareholders of UniCredit that are not resident in Italy, Germany, Austria or Poland, should therefore obtain specific legal advice before taking any steps in relation to the Offering.

UniCredit has also prepared an information memorandum in English (the “International Offering Circular”) in relation to the offering to institutional investors intended for: (i) in the United States of America, “qualified institutional buyers”, as defined by Rule 144A adopted pursuant to the Securities Act (“**QIBs**”), through private placements under Section 4 (2) of the Securities Act; and (ii) outside the United States of America, institutional investors in accordance with the provisions of “Regulation S” issued pursuant to the Securities Act. The International Offering Circular, included in the “Canadian Wrapper”, could be intended for “accredited investors” in the provinces of Canada but not the territories.

For more information, see Chapter 5, Paragraph 5.2.1 of the Securities Note.

2.7 Risks related to potential conflicts of interest

In respect of the commitments undertaken in performing their respective roles in relation to the Offering and the standby underwriting agreement, the Joint Global Coordinators, Joint Bookrunners and Co-Bookrunners, with the exception of Nomura International plc, have received fees.

In respect of the commitments set out in the Underwriting Agreement, the Underwriters will receive fees calculated as a percentage of the amount of the Rights Issue.

When carrying out their ordinary activities, the Underwriters, or companies from the relevant group or associates, may finance parties interested in participating in the Rights Issue and, in connection with this financing, may request the provision of guarantees in relation to the Issuer’s shares.

Some Underwriters lay claim to credit relations and provide or may provide consultancy and investment banking services on an ongoing basis to the Issuer and/or companies which form part of the UniCredit Group, for which they have received or may receive fees.

RISK FACTORS

In addition, it should be noted that UniCredit is a shareholder of Mediobanca – Banca di Credito Finanziario S.p.A., with a stake of 8.66%. Moreover, the Issuer is a party to the lock-up agreement on Mediobanca – Banca di Credito Finanziario S.p.A. shares which expires on 31 December 2013, and is intended to ensure that the shareholder base of Mediobanca – Banca di Credito Finanziario S.p.A. remains stable and that its management bodies are representative. Based on the information available to the Issuer, on the Date of the Securities Note, Mediobanca – Banca di Credito Finanziario S.p.A. held a total stake of 5.247% of the share capital represented by ordinary shares of UniCredit, equivalent to 101,129,378 shares, including 96,756,406 shares (equivalent to 5.020%) in bare ownership with UniCredit holding the right of usufruct, which is pledged to The Bank of New York (Luxembourg) S.A.

In addition, Mediobanca – Banca di Credito Finanziario S.p.A. and Société Générale are Related Parties of the Issuer.

For more information, see Chapter 3, Paragraph 3.3 of the Securities Note.

3. IMPORTANT INFORMATION

3.1 Declaration relating to working capital

As at the Date of the Securities Note, the UniCredit Group believes it has sufficient working capital to meet its current needs for a period of at least 12 months from the Date of the Securities Note.

For more information, see Chapter 10 of the Registration Document.

3.2 Shareholders' equity and debt

The following table shows direct deposits and the net interbank balance as at 30 September 2011.

<i>(in millions of Euros)</i>	
Direct deposits	(559,231)
Deposits from customers	(392,517)
Securities in issue	(166,714)
Net interbank balance	(67,002)
Deposits from banks	(139,476)
Loans and advances to banks	72,474
Group shareholders' equity	
Share capital	9,649
Issue premiums	39,322
Reserves	15,720
Valuation reserves	(3,072)
Treasury shares	(7)
Loss for the period	(9,320)
Total	52,292

The Issuer declares that, as at 31 October 2011, no material changes had occurred in relation to the figures for Group shareholders' equity and debt.

For more information on the shareholders' equity and debt of the UniCredit Group see Chapter 10 of the Registration Document.

3.3 Interests of individuals and legal entities participating in the Offering

The Underwriters have undertaken the commitment in respect of UniCredit to subscribe, separately and without joint and several liability, for the New Shares that could remain unexercised at the close of the Market Offering up to the maximum amount of Euro 7.5 billion. For more information, see Chapter 5, Paragraph 5.4.3.

UniCredit is a shareholder of Mediobanca – Banca di Credito Finanziario S.p.A., with a stake of 8.66%. Moreover, the Issuer is a party to the lock-up agreement on Mediobanca – Banca di Credito Finanziario S.p.A. shares which expires on 31 December 2013, and is intended to ensure that the shareholder base of Mediobanca – Banca di Credito Finanziario S.p.A. remains stable and that its management bodies are representative.

Based on the information available to the Issuer, on the Date of the Securities Note, Mediobanca – Banca di Credito Finanziario S.p.A. held a total stake of 5.247% of the share capital represented by ordinary shares of UniCredit, equivalent to 101,129,378 shares, including 96,756,406 shares

(equivalent to 5.020%) in bare ownership with UniCredit holding the right of usufruct, which is pledged to the Bank of New York.

In addition, Mediobanca – Banca di Credito Finanziario S.p.A. and Société Générale are Related Parties of the Issuer.

3.4 Reasons for the Offering and use of the proceeds

The Rights Issue is aimed at strengthening UniCredit's regulatory capital structure in order to achieve a favourable position in the continuing uncertain macroeconomic climate as well as in the new regulatory framework for the banking and financial sector, also taking into consideration the requirements for financial institutions of global systemic importance.

More specifically, the pro-forma positive impact on the Core Tier 1 Ratio was 161 basis points at 30 September 2011, increasing the Core Tier 1 Ratio from 8.74% to 10.35%. This considers the effects of the free capital increase through the use of the share premium reserve with reference to the shares underlying CASHES, equal to 50 basis points.

The positive pro-forma impact on the Common Equity ratio, assuming the full application of the provisions of Basel 3 and the full subscription of the Rights Issue, is estimated to be 142 basis points at 30 September 2011, increasing the Common Equity ratio from 7.39% (this percentage includes the impact of the free capital increase through the use of the share premium reserve with reference to the shares underlying the CASHES equal to 44 basis points) to 8.81%.

4. INFORMATION ON THE FINANCIAL INSTRUMENTS IN THE OFFERING

4.1 Description of the New Shares

The Offering involves a maximum of 3,859,602,938 New Shares with no par value, equivalent to 66.69% of the Post-Issue Amount of UniCredit Ordinary Share Capital and 66.67% of the Post-Issue Amount of UniCredit Share Capital.

The New Shares will have standard dividend rights, and will therefore be equivalent to ordinary shares of UniCredit traded on the MTA, Frankfurt Stock Exchange (General Standard segment) and Warsaw Stock Exchange, on the date of issue.

Consequently, the New Shares will have coupon no. 2 onwards, and the ISIN code of the New Shares will be IT0004781412.

The Subscription Rights for subscription of the New Shares have been allocated ISIN code IT0004781446; the Subscription Rights are represented by coupon no. 1 for both the ordinary shares and savings shares.

4.2 Legislation under which the New Shares will be issued

The New Shares will be issued under Italian law and will be governed by this legislation.

4.3 Characteristics of the New Shares

The New Shares will be indivisible, freely transferable, registered shares issued in dematerialised form.

The New Shares will be entered on the centralised Monte Titoli management system for dematerialised financial instruments pursuant to the TUF (Consolidated Financial Act) and related implementing provisions.

The New Shares which are subscribed in Germany, Poland and Austria will also be issued in dematerialised form and entered on the centralised Monte Titoli management system for dematerialised financial instruments, and they will subsequently be registered in the accounts that the German and Polish central securities depositories, Clearstream and NDS respectively, hold directly or indirectly with Monte Titoli. These New Shares will then be entered on the centralised management systems of Clearstream and NDS.

4.4 Issue currency of the New Shares

The New Shares will be denominated in Euro.

4.5 Description of the rights attached to the New Shares

The New Shares will have the same characteristics and will confer the same rights as ordinary shares of UniCredit traded on the MTA, Frankfurt Stock Exchange (General Standard segment) and Warsaw Stock Exchange, on the date they are issued.

Each New Share will confer the right to one vote.

For the restrictions imposed by the Corporate By-Laws on the exercise of voting rights and the other restrictions and rights attached to the New Shares, see Chapter 21 of the Registration Document, integrated by Chapter 11 of the Securities Note.

4.6 Authorisation and decision under which the New Shares will be issued

On 13 December 2011, with verification notice no. 1022004/11, the Banca d'Italia authorised the change to the Corporate By-Laws relating to the Rights Issue, pursuant to Article 56 of the TUB (Consolidated Banking Act).

On 15 December 2011, the Extraordinary Shareholders' Meeting of UniCredit, on the proposal of the Board of Directors of 14 November 2011, approved the Rights Issue under which the New Shares will be issued.

On 4 January 2012, the Board of Directors of the Company finalised the conditions of the Rights Issue.

For more information, see Chapter 5 of the Securities Note.

4.7 Date scheduled for the issue of New Shares

The New Shares subscribed prior to the close of the Offering will be credited to the accounts of intermediaries registered with the centralised Monte Titoli management system at the end of the accounting day on the last day of the Subscription Period and will therefore be available from the next settlement day.

The New Shares subscribed prior to the close of the Market Offering will be credited to the accounts of intermediaries registered with the centralised Monte Titoli management system at the end of the accounting day on the last day on which the Subscription Rights can be exercised and will therefore be available from the next settlement day.

Due to the fact there are various ways of registering the New Shares with Clearstream, NDS, as well as at the other centralised management systems at which the New Shares may be deposited, in Germany, Poland and Austria the New Shares may not be made available to beneficial owners within the timeframes indicated above (see Chapter 5, Paragraph 5.2.4 of the Securities Note for notice of the shares being allocated).

4.8 Restrictions on the free transferability of the New Shares

There are no restrictions on the transfer of the New Shares. For information on the restrictions imposed by the Corporate By-Laws on the exercise of voting rights, see Chapter 21, Paragraph 21.2.3 of the Registration Document.

4.9 Existence of regulations, if applicable, on the obligation to make a public tender offer and/or sell-out obligations and squeeze-out rights in relation to the New Shares

The New Shares will be subject to the regulations set out in the TUF and the related implementing regulations, including the Issuer Regulations, with particular reference to the rules on mandatory public tender offers (Article 106 of the TUF) and on sell-out obligations (Article 108 of the TUF) and squeeze-out rights (Article 111 of the TUF).

4.10 Public tender offers made by third parties in respect of the shares of the Company during the previous or current financial year

There have been no public tender offers made by third parties in respect of the ordinary and savings shares of UniCredit during the previous or current financial year.

4.11 Tax regime

4.11.1 Italy

The following is a general summary of certain tax consequences of acquiring, holding and disposing of the New Shares for certain investors. It does not purport to be a complete analysis of all tax consequences of acquiring, holding and disposing of the New Shares.

The tax regime described below is based upon the Italian tax laws in force at the Date of the Securities Note, subject to any changes in law occurring after such date, which could be made on a retroactive basis. In particular, such changes may result in amendments to the withholding tax rates on investment income and other financial income, or to the substitute tax rates levied on such income. As a result, the approval of any amendments to the current rules might affect the tax regime of the New Shares as described in these paragraphs. In such cases, UniCredit will not update this section to reflect the changes in the law, even in the case, should any such change occur, that the information in this summary is superseded.

Decree-Law 138 of 13 August 2011 (hereinafter “**Decree-Law 138/2011**”), as amended by Law 148 of 14 September 2011, provides for the withholding taxes and substitute taxes on capital income referred to in Article 44 of Presidential Decree 917 of 22 December 1986 (hereinafter “**Presidential Decree 917/1986**”) and on other income referred to in Article 67, paragraph 1, *c-bis* to *c-quinques*, of Presidential Decree 917/1986 to be applied at a rate of 20%, with some exceptions, for which the previous rates shall be maintained.

More specifically, pursuant to Decree-Law 138/2011, the rate of 20% applies to the withholding taxes and substitute taxes on profits and similar revenues, as well as on other income, generated as of 1 January 2012.

Investors should consult their advisers as to the overall tax consequences of acquiring, holding and disposing of New Shares.

Definitions

For the purposes of this Paragraph, the defined terms will have the following meanings:

- “New Shares”: the ordinary shares of UniCredit subject of the Offering;
- “Qualified Shareholding”: a shareholding in a company listed on a regulated market, constituted by any shares (except for savings shares), rights or securities through which the shares may be acquired, representing a total shareholding exceeding 2% of the total number of shares with voting rights in the Ordinary Shareholders’ Meeting, or 5% of the share capital;
- “Non-Qualified Shareholding”: a shareholding in a company listed on a regulated market other than a Qualified Shareholding;

- “Sale of Qualified Shareholding”: any sale of shares under consideration (except for savings shares), rights or securities through which the shares may be acquired, exceeding the limits of a Qualified Shareholding in any 12-month period. The 12-month period commences when a shareholding exceeding the applicable limit is acquired. With respect to the rights and securities through which the shares may be acquired, the percentages of voting rights and share capital potentially deriving from such shares are taken into account;
- “Sale of Non-Qualified Shareholding”: any sale of shares under consideration (except for savings shares), rights or securities through which the shares may be acquired, except from a Sale of a Qualified Shareholding.

Dividends paid to parties residing in Italy

Dividends paid on the New Shares are subject to the ordinary tax regime applicable to dividends paid by companies residing in Italy for tax purposes. In particular, such dividends are subject to the following different tax regimes, depending on the nature of the beneficiary:

Individuals

Dividends received by individuals who are resident in Italy for tax purposes on shares held outside of a business activity and as part of a Non-Qualified Shareholding are subject to a 12.5% withholding tax (20% for dividends received as of 1 January 2012 pursuant to Decree-Law no. 138/2011) to be charged back to the recipient, and which the shareholders are not obliged to report in the tax return.

However, dividends paid in relation to shares held in the centralised Monte Titoli deposit system, such as the New Shares, are not subject to such withholding tax but to a final substitute tax, levied at the same rate of 12.5% (20% for dividends received as of 1 January 2012 pursuant to Decree-Law 138/2011) by any authorised resident or non-resident intermediary which is a member of the centralised Monte Titoli deposit system, as well as by members of foreign centralised deposit systems that participate in the Monte Titoli system. Non-resident intermediaries appoint a fiscal representative in Italy, such as a bank, an Italian brokerage company, a permanent establishment in Italy of non-resident banks and brokerage companies, or an authorised investment management company pursuant to Article 80 of the TUF.

If a shareholding is included in a portfolio of financial assets managed by a qualified intermediary, and the shareholder has opted for the “regime del risparmio gestito” (discretionary investment portfolio regime), dividends paid on such shareholding are not subject to the tax regime described above, and are included in the computation of the increase in value of the managed assets accrued annually, which is subject to a 12.5% substitute tax (see the Paragraph below on taxation of capital gains made by individuals resident in Italy “Sale of Non-Qualified Shareholdings”). The substitute tax is applied at a rate of 20% for profits generated as of 1 January 2012 pursuant to Decree-Law 138/2011.

Dividends received by individuals who are resident in Italy for tax purposes on shares held in connection with a business activity, i.e. a Qualified Shareholding, are not subject

to any withholding tax or substitute tax, provided that the individual shareholders, at the time of the dividend payments, make a declaration to that effect.

Such dividends are partially included in the individual shareholders' taxable income. Following the enactment of Article 1, paragraph 38, of Law 244 of 24 December 2007 (the "**2008 Budget Law**"), the Ministry of Economy and Finance, with the Ministerial Decree of 2 April 2008, has increased the amount of such dividends to be included in the individual shareholders' tax basis from 40% to 49.72% of the dividends amount, subject to personal income tax ("**IRPEF**"). The new taxable percentage would apply to dividends paid out of profits realised in any tax year following the tax year underway at 31 December 2007, while dividends paid out of profits realised during the tax year underway at 31 December 2007 would still be subject to tax in the amount of 40%. For these purposes, as of the distribution which follows the distribution of profits realised in the tax year underway at 31 December 2007, profits realised by the company until this date are deemed to have been distributed first.

Partnerships, corporations, and commercial entities

Dividends received by general partnerships, limited partnerships and similar entities (excluding non-commercial partnerships) listed under Article 5 of Presidential Decree 917/1986, and by entities subject to corporate tax ("**IRES**") listed under Article 73, paragraph 1, letters a) and b) of Presidential Decree 917/1986, such as joint stock companies, partnerships limited by shares, limited liability companies, public and private entities whose sole or principal purpose is to carry out a business activity, which are resident in Italy for tax purposes, are not subject to any withholding tax or substitute tax.

In particular, dividends received by:

- partnerships (e.g. general partnerships and limited partnerships) are partially included in the recipient's total taxable income for 49.72% of the dividends' amount, with respect to dividends paid out of profits realised in the tax year following the tax year underway at 31 December 2007;
- entities subject to IRES (e.g. joint stock companies and limited liability companies), are included in the entity's total taxable income up to 5% of their amount, which is subject to tax at the ordinary rate, currently 27.5%. Dividends received on shareholdings held for trading purposes by companies who apply the international accounting standards to their financial statements are included in the recipient's taxable income for the entire amount.

For certain types of companies and entities, under specific conditions, dividends are to be included in the net value of production subject to IRAP (Regional Tax on Productive Activities).

Non-commercial entities

Dividends received by entities listed under Article 73, paragraph 1, letter c) of Presidential Decree 917/1986, such as public and private entities other than companies whose sole or principal purpose is not to carry out a business activity, are

not subject to any withholding tax or substitute tax and are included in the entities' total taxable income in the amount of 5%, which is subject to IRES.

Tax-exempt entities

Dividends received by entities resident in Italy and exempt from IRES are subject to a withholding tax in the amount of 27% (20% for dividends received as of 1 January 2012 pursuant to Decree-Law 138/2011). However, dividends paid in connection with shares held in the centralised Monte Titoli deposit system, such as the New Shares, are not subject to such withholding tax but to a substitute tax, levied at the same rate of 27% (20% for dividends received as of 1 January 2012 pursuant to Decree-Law 138/2011). Dividends paid to parties exempt from IRES (corporate tax) pursuant to Article 74 of Presidential Decree 917/1986 (i.e. government bodies and authorities, including those which are organised autonomously, even if they have legal personality, municipalities, consortia made up of local entities, associations and government departments that manage state-owned property, mountain communities, provinces and regions) are not subject to withholding tax or substitute tax.

Real Estate Investment Funds

Pursuant to Decree-Law 351 of 25 September 2001, as amended by the Law 410 of 23 November 2001, and to the changes made by Article 41-*bis* of Decree-Law 269 of 30 September 2003, as amended by Law 326 of 24 November 2003, dividends received by real estate investment funds established pursuant to Article 37 of the TUF, and Article 14-*bis* of Law 86 of 25 January 1994 are not subject to taxation upon payment. Such funds are neither subject to income tax nor to the regional tax on productive activities and are not subject to any substitute tax on the net value of the fund as accrued annually.

Pension funds and Italian UCIs

Dividends received by pension funds established pursuant to Legislative Decree no. 252 of 5 December 2005 are not subject to any withholding tax or substitute tax and are included in the annual net accrued result of such funds, which is subject to a substitute tax of 11%.

Dividends received by Italian Undertakings for Collective Investment (“UCIs”) other than real estate funds and Luxembourg-registered investment funds which are already authorised for placement in Italy pursuant to Article 11-*bis* of Decree-Law 512 of 30 September 1983, converted by Law 649 of 25 November 1983 (“Luxembourg historical funds”), are not subject to withholding tax or substitute tax.

Decree-Law 225 of 29 December 2010, converted by Law 10 of 26 February 2011, introduced significant changes to the tax regime applicable to Italian investment funds and Luxembourg historical funds.

With regard to these funds, as of 1 July 2011, the tax regime applicable to profits accrued from fund management has been repealed and replaced by a regime

whereby participants are taxed upon receipt of the income generated by their participation in said funds.

Dividends paid to non-resident shareholders

Dividends received by shareholders who are not resident in Italy for tax purposes and who do not have a permanent establishment in Italy through which the relevant shareholding is held, are subject to a 27% withholding tax (20% for dividends received as of 1 January 2012 pursuant to Decree-Law 138/2011). However, dividends paid in connection with New Shares held in the centralised Monte Titoli deposit system are not subject to the withholding tax but to a substitute tax levied at the same rate of 27% (20% for dividends received as of 1 January 2012 pursuant to Decree-Law 138/2011). On this substitute tax, see the Paragraph relating to the taxation of dividends received by resident individual shareholders, above. Dividends received by a non-resident shareholder which has a permanent establishment in Italy through which the shareholding is held, are not subject to any withholding tax and are included in the permanent establishment's taxable income in the amount of 5% of the dividend amount, or for the entire amount if the dividends are received by entities applying the international accounting standards.

In some cases, dividends are to be included in the net value of production subject to IRAP.

The withholding tax and the substitute tax are reduced to 1.375% on dividends paid out of profits distributed as of 1 January 2008 to companies and entities (i) fiscally residing in an EU Member State, or a State which is part of the European Economic Area and is included in the list to be approved by the Ministry of Economy and Finance Ministerial Decree pursuant to Article 168-*bis* of Presidential Decree 917/1986; and (ii) subject to tax in their country of residence. Until the aforementioned decree is issued by the Ministry of Economy and Finance, it is necessary to refer to the decree issued by the Finance Minister on 4 September 1996, as subsequently amended, which contains a list of the States with which information can be exchanged pursuant to double income taxation treaties in force with Italy.

For the purposes of applying the rate of 1.375%, non-resident beneficiaries must make a specific application to the issuer or custodian of the shares which is required to levy the substitute tax, accompanied by a suitable certificate of residency and fiscal status issued by the competent authorities in the State of residence.

With regard to dividends received as of 1 January 2012 by pension funds established in an EU Member State or a European Economic Area State and included in the list to be prepared by decree of the Ministry of Economy and Finance pursuant to the aforementioned Article 168-*bis*, Decree-Law 138/2011 does not provide for any exceptions. Therefore, in the absence of clarification from the financial authorities and without prejudice to any incompatibility with EC law, substitute tax is applicable to such dividends at a rate of 20%.

Pursuant to Article 27-*bis* of Presidential Decree 600/1973, in the event that dividends are received by a beneficiary company that (a) has one of the forms provided for in the annex to Directive 435/90/EEC; (b) is resident for tax purposes

in an EU Member State without being considered, for the purposes of a double income taxation treaty with another State, resident outside of the European Union; (c) is subject, in the State of residence, without benefiting from any options or exemptions that are not limited in terms of geography or time, to one of the taxes indicated in the aforementioned Directive; and (d) holds a direct shareholding of at least 10% in share capital of the Issuer, for an uninterrupted period of at least one year; such company is entitled to request that the Italian tax authorities reimburse it for the withholding tax or substitute tax applied to the dividends received by the company. To this end, the non-resident company must produce a certificate issued by the competent tax authorities in the foreign State, confirming that the company meets the requirements set out in points (a), (b) and (c), together with suitable documentation proving the existence of the conditions set out in point (d). Furthermore, based on the provisions of Article 27-*bis* of Presidential Decree 600/1973 and in light of the information provided by the Italian tax authorities, if the aforementioned conditions are met, as an alternative to applying for reimbursement after the dividend has been distributed, and provided that the shareholding has already been held for one year when the dividend is distributed, the non-resident company may directly ask the issuer or custodian of the New Shares not to apply the withholding tax or substitute tax, subject to timely presentation of the aforementioned documentation. In relation to non-resident companies which are directly or indirectly controlled by companies not resident in an EU Member State, the aforementioned regime can be used only if the companies in question prove that they do not hold their shareholding for the sole or principal purpose of benefiting from said regime.

Neither withholding tax nor substitute tax is applicable to dividends pertaining to international entities or organisations that are exempt from taxation in Italy by law or pursuant to international treaties enforceable in Italy.

Shareholders who are non-residents in Italy for tax purposes, other than shareholders in savings shares or the companies and entities indicated in the Paragraph above, can claim a refund of up to four-ninths (one quarter as of 1 January 2012 pursuant to Decree-Law 138/2011) of the withholding tax levied in Italy if the shareholder provides a certification of the foreign tax authority evidencing that that amount of tax has been paid in his or her State of residence.

As an alternative to this refund, a reduced tax rate may apply pursuant to any applicable international convention against double taxation. Such international conventions generally provide non-resident shareholders with the right to apply for a refund of that part of the withholding tax applied in excess of the maximum rate applicable in Italy under the convention. However, with respect to shares held in the centralised Monte Titoli deposit system, such as the New Shares, the substitute tax can be directly applied by the depository, or by its fiscal representative, if the depository is not a resident entity, at the lower conventional rate, provided that the relevant participant in the Monte Titoli system timely receives:

- a declaration from the non-resident beneficiary indicating their personal information, confirming that the treaty conditions are satisfied, and indicating any elements necessary to determine the applicable treaty tax rate; and

- certification from the tax authorities of the beneficiary’s State of residence stating that the beneficiary is a resident of that State for treaty purposes (this certification is effective until 31 March of the year subsequent to that in which it is submitted).

Distribution from Capital Reserves

Special rules apply to the distribution of certain capital reserves, including reserves or funds created with issue premiums, adjusted interest paid by subscribers, capital contributions or capital account payments made by shareholders and with tax-exempt monetary revaluation funds. Under certain circumstances, such distribution may trigger taxable income in the hands of the recipient depending on the existence of current profits or outstanding reserves registered in the financial statements of the company at the time of the distribution and on the actual nature of the reserves so distributed. The application of such provisions may also have an impact on the tax basis in the New Shares or on the characterisation of the taxable income received and the tax regime applicable to it. Non-resident shareholders may be subject to tax in Italy as a result of the distribution of such reserves.

Investors should consult their advisers in case any distribution of reserves occurs.

Capital gains

Shareholders resident in Italy

Individual shareholders

Capital gains made by individuals resident in Italy for tax purposes through the disposal of New Shares for consideration and/or the rights through which the shares may be acquired, contrary to those in connection with a business, are subject to a different tax regime depending on whether such sale is a Sale of Qualified Shareholdings or a Sale of Non-Qualified Shareholdings.

(a) Sale of Non-Qualified Shareholdings

Capital gains made on the Sale of Non-Qualified Shareholdings, net of any related capital losses, are subject to a 12.5% substitute tax (20% on capital gains generated as from 1 January 2012 pursuant to Decree-Law 138/2011), pursuant to one of the following regimes:

- tax return regime (“regime della dichiarazione”): this regime automatically applies if one of the other two regimes described below are not chosen; the shareholder must report on his or her annual income tax return the overall capital gains made in the tax year, and pay the substitute tax according to the terms and conditions with the income tax due for the same tax year. Capital losses exceeding such capital gains may be carried forward against similar capital gains made in the next tax years up to the fourth tax year;
- non-discretionary investment portfolio regime (“regime del risparmio amministrato”): this regime is applicable only if the shareholder’s New Shares are deposited for safekeeping or in administration on behalf of an authorised

intermediary, and the taxpayer makes a decision in writing to opt for this regime. The intermediary with whom the shares are deposited pays the substitute tax on the capital gains made after each sale of New Shares, with a deduction levied on the amount paid out to the shareholder. Where a sale results in a net capital loss, the intermediary is entitled to deduct such capital loss from similar capital gains subsequently made on assets held by the shareholder on the same deposit account in the same tax year or the four subsequent years;

- discretionary investment portfolio regime (“regime del risparmio gestito”): this regime applies if the shares are included in a portfolio managed by a duly authorised financial intermediary. Under this regime, at the end of each tax period, a 12.5% substitute tax is levied by the financial intermediary on the increase accrued in the portfolio value, even if not yet cashed (20% for profits generated as of 1 January 2012 pursuant to Decree-Law 138/2011), net of any income subject to withholding tax and tax-exempt income and income to be included in the beneficiary’s overall taxable income. Under this regime, capital gains made from the Sale of Non-Qualified Shareholdings are included in the net annual results accrued under the portfolio management in the relevant tax year, subject to a 12.5% substitute tax (20% for profits generated as of 1 January 2012 pursuant to Decree-Law 138/2011). Any investment portfolio losses accrued during the tax year may be carried forward and netted against net profits accrued in the four years following the tax year in which the loss is accrued.

Under the second and third regimes described above, the investor is not required to report the capital gains on his or her annual income tax return.

Regardless of the applicable tax regime, Decree-Law 138/2011 states that, as of 1 January 2012, other income derived from the bonds and other securities referred to in Article 31 of Presidential Decree 601 of 29 September 1973 and similar securities, and from the bonds issued by countries included in the list referred to in the decree issued pursuant to Article 168-*bis* of Presidential Decree 917/1986, is calculated at a rate of 62.5% of the amount generated.

Furthermore, Decree-Law 138/2011 states that, with regard to the tax regime of offsetting capital losses, losses and negative differences generated up to 31 December 2011 with the capital gains and other income referred to in Article 67, paragraph 1, *c-bis* to *c-quinques* of Presidential Decree 917/1986 generated prior to the same date, the offsetting will be applicable to an amount equal to 62.5% of the same, maintaining the time limit for deduction provided in the year the amounts are generated and the four subsequent years.

For individual portfolio management pursuant to Article 7 of Legislative Decree 461/1997, Decree-Law 138/2011 provides that any losses recorded as at 31 December 2011 be deducted from future profits generated, for an amount equal to 62.5% of the same, maintaining the time limit for deduction provided in the year the amounts are generated and the four subsequent years.

(b) Sale of Qualified Shareholdings

Capital gains made by individual shareholders resident in Italy for tax purposes through the Sale of Qualified Shareholdings, contrary to those in connection with a business, net of any similar capital loss, are partially included in the shareholder's taxable income subject to IRPEF. In implementation of the 2008 Budget Law, the Ministry of Economy and Finance, with the Ministerial Decree of 2 April 2008, increased the amount of such capital gains subject to tax from 40% to 49.72%, with respect to capital gains made as of 1 January 2009. The previous percentage of 40% still applies to capital gains made before 1 January 2009 but which are fully or partly cashed from that date onwards. Capital gains made on the Sale of Qualified Shareholdings must be included in the recipients' tax returns.

Capital losses are deducted from taxable income, and capital losses in excess can be carried forward and offset against capital gains made in the following four tax years.

Individual shareholders that hold shares in connection with a business and partnerships

Capital gains made by individuals resident in Italy for tax purposes on the disposal of New Shares for consideration held in connection with a business, and by partnerships listed under Article 5 of Presidential Decree 917/1986, excluding non-commercial partnerships, are included in the recipients' overall taxable income for the entire amount, subject to income tax in Italy at ordinary rates. However, if the conditions indicated in the following paragraph are satisfied, such capital gains shall be subject to tax in the amount of 49.72% of the capital gains made from 1 January 2009 onwards (see the previous paragraph on taxation of capital gains made by individuals resident in Italy, "Sale of Qualified Shareholdings").

Corporations and commercial entities

Capital gains made on the sale or disposal of New Shares for consideration by Italian resident companies and public and private entities whose sole or principal purpose is to carry out a business activity are included in their taxable income and are subject to tax in their full amount according to the ordinary rules. If the New Shares are held and accounted for as fixed financial assets in the three-year period preceding the disposal, the shareholder may opt to spread any realised gain on a straight-line basis across the five-year period commencing in the tax year in which the gain is realised. Capital losses arising from the sale of the shares are deductible excluding an amount equal to the non-taxable dividends (or interim dividends) received in the 36 months preceding the sale, with respect to New Shares acquired in the 36 months preceding the sale, except in the event that the seller applies international accounting standards.

Capital gains arising from the disposal of shares for consideration in an Italian resident company listed on a regulated market, such as the New Shares, are exempt from IRES in the amount of 95% of such capital gain, whereas the remaining 5% is included in the shareholders' taxable business income, which is subject to IRES, provided that the following conditions are met:

- (a) the shareholding must be held, without interruption, from the first day of the twelfth month prior to the month in which the sale occurs (the most recently purchased shares being deemed to have been sold first);
- (b) the shareholding must be recorded in the balance sheet of the shareholder as a fixed financial asset in the first year of the holding period. For entities which prepare their financial statements based on international accounting standards, financial instruments other than those held for trading are considered fixed financial assets.

The relative capital losses, however, are disallowed for tax purposes if the shareholding has been held, without interruption, from the first day of the twelfth month prior to the month in which the sale occurs. In any other cases, capital losses in excess of Euro 50,000 must be reported to the Italian Revenue Agency together with other additional information, as set forth in the implementing measures adopted by the Italian Revenue Agency on 29 March 2007. A lack of full compliance with such reporting rules will result in the disallowance of such losses for tax purposes.

Under certain conditions, capital gains on disposals of shares realised by certain companies and commercial entities (e.g. banks and insurance companies) are also to be included in the net value of production subject to **IRAP**, which is generally applicable at a rate of 4.65% for banks and 5.90% for insurance companies.

Non-commercial entities

Capital gains made by Italian resident non-commercial entities are subject to the tax regime described in connection with capital gains made by individuals on holdings, rather than in connection with a business.

Pension funds and UCITS

Capital gains made by pension funds resident in Italy for tax purposes and UCITS are subject to the same tax regime described under the paragraph relating to the taxation regime of dividends received by such funds.

Real estate investment funds

Capital gains made by real estate investment funds established pursuant to Article 37 of the TUF and Article 14-bis of Law 86 of 25 January 1994 are subject to the same tax regime described under the paragraph relating to the taxation of dividends received by such funds.

Shareholders resident outside of Italy

Capital gains made by persons not resident in Italy for tax purposes, without a permanent establishment in Italy through which the relevant shareholding is held, from:

- sales of Non-Qualified Shareholdings in Italian companies listed on a regulated market, such as UniCredit, are not subject to taxation in Italy, even if they are held there. In order to benefit from this exemption, such non-Italian resident shareholders may need to file a certificate evidencing their residence outside of Italy for tax purposes;
- sales of Qualified Shareholdings are included in the shareholder's taxable income for an amount equal to 49.72% of the capital gains, in connection with capital gains made as from 1 January 2009 (see the previous paragraph on taxation of capital gains made by individuals resident in Italy, "Sale of Qualified Shareholdings").

However, the tax regime described above will not prevent the application of any exemption regime applicable in Italy pursuant to any international double income taxation treaties in force.

Capital gains made by non-resident shareholders holding the shareholding through a permanent establishment in Italy are included in the permanent establishment's overall tax basis pursuant to the tax regime indicated for capital gains made by corporations resident in Italy for tax purposes.

Transfer tax

Decree Law 248 of 31 December 2007, converted by Law 31 of 28 February 2008, repealed the Italian transfer tax enacted with Royal Decree 3278 of 30 December 1923, as amended by Article 1 of Legislative Decree 435 of 21 November 1997.

Following the repeal of the transfer tax, share transfers made by public deed or certified private agreement are subject to registration tax for a fixed amount of Euro 168; transfers made by non-certified private agreement are subject to the same tax, for the same fixed amount, only in case of use.

Inheritance and donation tax

Decree Law 262 of 3 October 2006, converted into law, with amendments, by Law 286 of 24 November 2006, reinstated the inheritance and gift tax on transfers of assets and rights by reason of death, donation or other transfer without consideration and on the creation of encumbrances or other restrictions on the use of assets. Where provisions governing the inheritance and gift tax are not given in paragraphs 47 to 49 and 51 to 54 of the appendix to Law 286 of 24 November 2006, the provisions of Decree-Law 346 of 31 October 1990, as in force on 24 October 2001, are applicable where compatible.

The inheritance and gift tax is levied at the following rates on the total net value of the assets in question:

- transfers to a spouse or direct descendants or ancestors up to Euro 1,000,000 to each beneficiary are exempt from inheritance and gift tax. Transfers in excess of such threshold will be taxed at a rate of 4% on the value of the shares exceeding this threshold;
- transfers between relatives up to the fourth degree, and direct or indirect relatives by affinity up to the third degree, are taxed at a rate of 6% on the value of the shares (transfers between siblings up to a maximum value of Euro 100,000 for each beneficiary are exempt from inheritance and gift tax);
- transfers of shares by reason of gift or death to persons other than those described above will be taxed at a rate of 8% on the value of the shares (with no exemption).

If the beneficiary of any such transfer is a disabled individual pursuant to Law 104 of 5 February 1992, the tax is applied only on the value of the assets received in excess of Euro 1,500,000, regardless of the type of relationship between the deceased or donor and the beneficiary.

4.11.2 Germany

*The following section contains a short summary of certain material German tax principles which are or may become relevant with respect to the acquisition, holding, or transfer of New Shares or Subscription Rights by shareholders or holders of Subscription Rights tax resident in Germany. This summary does not purport to be a comprehensive or complete description of all German tax considerations which may be relevant to shareholders or holders of Subscription Rights being tax resident in Germany. The summary is based upon domestic German tax law in force as of the Date of the Securities Note and upon the double taxation treaty currently in force between Italy and Germany (the “**Double taxation treaty between Italy and Germany**”). It should be emphasised that the laws or treaties may be subject to modifications, and that such modifications may also have retroactive effect. The same applies with respect to the rules governing the refund of any withholding tax (Kapitalertragsteuer) withheld.*

The tax information presented in the Securities Note is not a substitute for individual tax advice. Prospective purchasers of the New Shares or sellers of Subscription Rights offered hereby are advised to consult their tax advisers as to the tax consequences of the acquisition, holding and transfer of New Shares or Subscription Rights. The specific tax situation of each shareholder or holder of Subscription Rights can only be adequately addressed by individual tax advice.

Taxation of shareholders or holders of Subscription Rights tax resident in Germany

Shareholders tax resident in Germany are principally taxed in connection with the holding of New Shares (taxation of dividends), the sale of New Shares or Subscription Rights (taxation of capital gains) and the gratuitous transfer of New Shares or Subscription Rights (inheritance and gift tax). As of tax assessment period 2009, the taxation of shareholders has

undergone substantial modifications following the introduction of a flat tax (Abgeltungsteuer) as well as other modifications to the German income tax law. The Securities Note describes the taxation of dividends and of capital gains solely pursuant to the tax law applicable as of tax assessment period 2009.

German withholding tax on dividends and capital gains

Dividend payments on New Shares and capital gains derived from the sale of New Shares are generally subject to withholding tax at a rate of 25% plus a solidarity surcharge thereon at a rate of 5.5% (i.e., a total of 26.375%), and upon application of an individual shareholder, applicable church tax, if the shareholder is subject to tax in Germany and a German financial institution, German financial services provider, German branch of a foreign financial institution or foreign financial services provider, German securities trading enterprise or a German securities trading bank (a “**German Disbursing Agent**”) has custody of or administers New Shares or conducts the sale of New Shares and disburses or credits the dividends or, as the case may be, the proceeds of the sale. Withholding tax is not withheld by a German Disbursing Agent with respect to the dividend payments and capital gains from New Shares if the New Shares are either beneficially owned by a German financial institution, a German financial services provider, a German branch of a foreign financial institution or foreign financial services provider or by a German investment company. Dividends or capital gains from a transfer of New Shares held by corporate shareholders are not subject to German withholding tax. Subject to further requirements the same applies for capital gains from a transfer of New Shares which are held as business assets by a non-corporate shareholder. Shareholders who have submitted a valid non-assessment certificate (Nichtveranlagungs-Bescheinigung) from the competent tax office to their custodian bank will receive dividends or proceeds from a sale of New Shares without deduction of withholding tax. The same applies to individual shareholders who have submitted a saver’s-allowance instruction (Freistellungsauftrag) to their custodian bank, insofar as the amount shown on the instruction has not already been utilised by other private investment income of the shareholder.

Taxation of dividends

New Shares held as private assets

If an individual holding New Shares as private assets is a tax resident of Germany (i.e., persons whose residence or habitual abode is located in Germany), any dividends distributed after 31 December 2008 are subject to a special flat tax of 25% plus 5.5% solidarity surcharge thereon (in total 26.375%) (Abgeltungsteuer), plus church tax, where applicable.

As a rule, the flat tax will be levied by way of tax withholding from dividends which are paid out by a German Disbursing Agent. The withholding tax of 25% plus 5.5% solidarity surcharge thereon (in total 26.375%) is withheld for the account of the shareholder and remitted to the German tax authority. The basis for the withholding tax is the dividend approved for distribution by the Company’s Shareholders’ Meeting. The shareholder’s income tax liability on the dividends is deemed settled by the tax withholding and the shareholder is not required to include the dividend income in the annual tax return – safe for certain exceptions, for example, church tax. As a general rule, the German Disbursing Agent is supposed to credit foreign taxes levied on the dividends against the German withholding

tax up to the amount of the German withholding tax rate of 25% and to apply, upon application, a saver's allowance (Sparer-Pauschbetrag) for all investment income in the amount of Euro 801.00 (Euro 1,602.00 for married couples filing jointly) per calendar year. Further details apply.

Dividends not paid out by a German Disbursing Agent or not having been subject to German withholding tax must be included in the annual tax return. Furthermore, even if the dividends have been subject to German withholding tax the shareholder may nonetheless apply in his or her annual tax return to include them in the formal tax assessment procedure in order to claim, for example, the saver's allowance (Sparer-Pauschbetrag), to make use of a loss-carry forward, or to claim foreign tax credits not accounted for by the disbursing agent. Under these circumstances the dividends are taxed in the formal assessment procedure, however, still at the rate of the flat tax (plus 5.5% solidarity surcharge thereon) but not at the individual progressive income tax rate of the shareholder. A deduction of the actual income-related expenses is excluded.

The shareholder may also apply to submit the dividend income to his or her individual progressive income tax rate rather than the flat tax if the resulting income tax burden is lower (Günstigerprüfung). Furthermore, upon application by the shareholder, the flat tax does not apply to dividends distributed by the Company if the shareholder is either (i) holding an interest greater than 25% in the Company or (ii) holding an interest of at least 1% in the Company and is employed with the Company. Further details apply for the applications. Of such dividends, 60% is subject to tax (partial-income method, Teileinkünfteverfahren) at the shareholders' individual progressive income tax rate (tax rate up to 45%) plus 5.5% solidarity surcharge thereon (resulting in a combined tax rate of up to 47.5% in case of a maximum individual tax rate of 45%) plus church tax, where applicable. Expenses relating to such dividend income may only be deducted by 60%. The saver's allowance (Sparer-Pauschbetrag) for investment income is not granted in addition.

New Shares held as business assets

If New Shares are held as business assets, taxation depends upon whether the shareholder is a corporation, a sole proprietor or a commercial partnership (Mitunternehmerschaft).

Tax withheld by the German Disbursing Agent and remitted to the German tax authorities will be credited against the (corporate) income tax liabilities of the shareholder (and the church tax liabilities, where applicable) under the formal tax assessment procedure or refunded to the extent an overpayment occurred; the same applies to the solidarity surcharge. The special tax rate of the flat tax does not apply. All or part of the Italian withholding tax, which was withheld from the dividends, if any, and which is not refundable under the Tax Treaty between Italy and Germany or under the EU **Parent-Subsidiary Directive** (Council Directive 90/435/EEC of 23 July 1990, as amended), may be credited against the respective shareholder's personal corporate income tax or income tax liability in relation to such dividends.

Corporate shareholders

Subject to certain exceptions for companies in the finance and insurance sector, usually 95% of dividends received by corporations tax resident in Germany (i.e., entities whose registered seat or place of effective management and control is located in Germany) are exempt from

corporate income tax and solidarity surcharge. 5% of the dividends received are deemed non-deductible business expenses and, therefore, are subject to corporate income taxation at a rate of 15% plus 5.5% solidarity surcharge thereon (in total 15.825%). However, all actual business expenses directly associated with the dividends are principally deductible. No minimum shareholding threshold or minimum holding period applies. However, the full amount of any dividends remaining after the deduction of business expenses relating to the dividends is subject to trade tax, unless the corporation held 10% or more of the Company's registered share capital as of the beginning of the relevant tax assessment period. In this case, only 5% of dividends are subject to trade tax. Due to the decision of the European Court of Justice, dated 20 October 2011 (C-284/09), in the infringement proceedings of the European Commission against Germany, the taxation for dividend income as just described may change for shareholdings up to 10%. There is currently no reliable information available when and how the German legislator will react to the decision of the European Court of Justice. Hence, it cannot yet be said when any modifications will be made and how they will look. However, it is not unlikely that the effective 95% tax exemption as described above will not or not entirely be available for dividend income resulting from shareholdings up to 10%.

Sole proprietors

If New Shares are held as business assets of a sole proprietor, 60% of dividends are subject to income tax. Only 60% of business expenses economically relating to such dividends are tax-deductible. If New Shares are held as assets of a trade or business, dividends furthermore are fully subject to trade tax, unless the taxpayer held 10% or more of the Company's registered share capital as of the beginning of the relevant tax assessment period. In this case, the net amount of the dividends, i.e. after deduction of business expenses directly relating to the dividends, is exempt from trade tax. Trade tax is usually credited against the shareholder's personal income tax liability in accordance with a lump sum tax credit method.

Commercial partnerships

If the shareholder is a partnership, personal income tax or corporate income tax will be assessed only at the level of the respective partners. If the partner is a corporation which is tax resident in Germany, 95% of dividends will generally be tax-exempt (see above "Corporate shareholders"). If the partner is an individual, 60% of dividends will be subject to personal income tax, including solidarity surcharge and church tax, where applicable (see above "Sole proprietors").

In principle, the total amount of the dividends is subject to trade tax at the level of the partnership if New Shares are held as assets of a trade or business, irrespective of whether the partners are individuals or corporations. If the partnership has held at least 10% of the registered share capital of the Company at the beginning of the relevant tax assessment period, only 5% of the dividends are subject to trade tax to the extent the partners are corporations and the net amount of the remainder, i.e., after deduction of business expenses directly relating to the dividends, is fully exempt from trade tax. For individuals as partners, trade tax paid by the partnership is credited against such partner's personal income tax liability in accordance with a lump sum tax credit method.

Taxation of capital gains from a disposal of New Shares

New Shares held as private assets

Capital gains from a disposal of New Shares are subject to income tax plus solidarity surcharge thereon and church tax, where applicable, irrespective of any holding period or participation threshold. Also repayment, redemption, assignment or contribution of New Shares are deemed to be a disposal.

As a rule, taxation will occur by tax withholding at the rate of the flat tax (25% plus 5.5% solidarity surcharge thereon, i.e. in total 26.375%, plus church tax, if applicable). The flat tax must be withheld by any German Disbursing Agent, for example if New Shares are deposited with a German bank, from the proceeds of the disposal. The amount of tax withheld is generally based on the difference between the proceeds from the sale, after deduction of business expenses directly relating to the disposal and the acquisition cost. Under certain circumstances, the withholding tax may be applied instead to 30% of the proceeds from the sale if New Shares were not acquired from the disbursing agent and held in custody or administered by it on a continuous basis since acquisition. This is the case, for example, when the respective securities account has been moved from a disbursing agent which is situated in a country which is not an EU or EEA Member State.

Capital losses from private investment income can in principle be set off only against other private investment income (including the dividends). Capital losses from the disposal of New Shares may be set off only against capital gains from a disposal of shares but may not be set off against other capital investment income, such as dividends, and may also not be set off against any other sources of income. Unutilised capital losses may only be carried forward to subsequent assessment periods but not carried back to previous assessment periods.

Capital gains are not subject to the flat tax in case the individual or, in the event of a gratuitous transfer, the individual's legal predecessor or, in the event of several gratuitous transfers, any legal predecessor of the individual has, at any point in time during the five years immediately preceding the transfer, held a direct or indirect holding in the Company of 1% or more (a "**Substantial Holding**"). 60% of such capital gains are subject to tax (partial income method, *Teileinkünfteverfahren*) at the shareholder's individual progressive income tax rate (tax rate up to 45%) plus 5.5% solidarity surcharge thereon (resulting in a combined tax rate of up to 47.5% in case of a maximum individual tax rate of 45%) plus church tax, if applicable. Only 60% of any expenses economically relating to such capital gains may be deducted.

New Shares held as business assets

If New Shares are held as business assets, taxation depends upon whether the shareholder is a corporation, a sole proprietor or a commercial partnership (Mitunternehmerschaft).

Tax withheld by the German Disbursing Agent and remitted to the tax authorities will be credited against the (corporate) income tax liability of the shareholder (and the church tax liability, where applicable) under the formal tax assessment procedure or refunded to the extent an overpayment occurred; the same applies to the solidarity surcharge. The special tax rate of the flat tax does not apply.

Corporate shareholders

Subject to certain exceptions for companies in the finance and insurance sector, generally 95% of capital gains made by corporations tax resident in Germany (i.e., entities whose registered office or place of effective management and control is located in Germany) are exempt from corporate income tax and solidarity surcharge thereon as well as trade tax. 5% of capital gains are deemed non-deductible business expenses and, therefore, are subject to corporate income taxation at a rate of 15% plus 5.5% solidarity surcharge thereon (in total 15.825%) and trade tax. No minimum shareholding threshold or minimum holding period applies. The full amount of business expenses economically relating to the capital gains may be deducted, whereas losses from the disposal of or otherwise relating to New Shares may not be deducted at all for tax purposes. It cannot be excluded that any modifications to the taxation of dividend income resulting from shareholdings up to 10% due to the decision of the European Court of Justice (C-284/09) as described above under “Taxation of dividends – New Shares held as business assets –Corporate shareholders” would also apply for capital gains from such shareholdings.

Sole proprietors

Capital gains made from a disposal of the New Shares held as business assets by a sole proprietor being tax resident in Germany are subject to German income tax as well as solidarity surcharge thereon, church tax, where applicable, and in case the New Shares are held as assets of a trade or business, also subject to trade tax.

In case of a disposal of New Shares, 60% of the capital gains are subject to tax and 60% of losses and/or business expenses economically relating to the disposal of New Shares are principally deductible. Taxation occurs at the shareholder’s individual progressive income tax rate.

Trade tax is usually credited against the shareholder’s personal income tax liability in accordance with a lump sum tax credit method.

Commercial Partnerships

If the shareholder is a partnership, personal income tax or corporate income tax will be assessed only at the level of the respective partners. If the partner is a corporation tax resident in Germany, the rules for corporate shareholders holding New Shares directly apply (see “Corporate shareholders”). If the partner is an individual who is tax resident in Germany, the rules for individual shareholders holding New Shares directly apply (see “Sole proprietors”).

The capital gain is also subject to trade tax if New Shares are held as assets of a trade or business of the commercial partnership. 60% of the capital gains are subject to trade tax to the extent the capital gain is allocable to an individual as partner. Only 5% of the capital gains are subject to trade tax to the extent the capital gain is allocable to a corporation as partner. Capital losses and business expenses relating to the disposal of New Shares may not be deducted for trade tax purposes to the extent they are allocable to a corporation as partner. 60% of such losses and expenses are deductible to the extent they are allocable to an individual as partner. Trade tax paid by the partnership is – to the extent allocable to an

individual as partner – in general credited against such partner’s personal income tax liability in accordance with a lump sum tax credit method.

Taxation of capital gains from a disposal of Subscription Rights

The German tax authorities take the view that rights are considered to have been acquired at the same time as the underlying shares. The taxation of capital gains from the disposal of Subscription Rights relating to shares held as private assets principally follows the taxation of capital gains from such shares. The Subscription Rights do not count in addition to the shares for assessing whether the shareholder holds a Substantial Holding. For the taxation of capital gains from a disposal of Subscription Rights relating to shares, which are held as private assets and (i) were acquired after 31 December 2008 or (ii) form a Substantial Holding, see “Taxation of capital gains from a disposal of New Shares” and “New Shares held as private assets”. To determine any capital gain made on a disposal, the acquisition cost of the Subscription Rights is considered to be nil for the purposes of German income tax.

Capital gains from a disposal of Subscription Rights relating to shares which are held as private assets, acquired before 1 January 2009 and do not form a Substantial Holding, are tax exempt.

Capital gains made from a disposal of Subscription Rights relating to shares held as business assets in general follow the taxation of capital gains from such shares (see “Taxation of capital gains from a disposal of New Shares – New Shares held as business assets”). However, if a corporation holds Subscription Rights, the capital gain is fully subject to corporate income tax, solidarity surcharge thereon and trade tax at the applicable rates. Losses from the disposal of the Subscription Rights as well as business expenses directly relating thereto may be fully deductible. As a result, if Subscription Rights are disposed of by a commercial partnership, the capital gain allocable to a corporate partner is also fully subject to tax, including any applicable trade tax.

Special rules for companies active in the financial and insurance sectors (financial institutions, financial services providers, financial enterprises, life insurance companies, health insurance companies and pension funds)

If financial institutions or financial services providers hold or sell New Shares which are allocable to their trading portfolio (Handelsbuch) pursuant to section 1a of the German Banking Act, neither dividends nor capital gains are subject to the partial income method or the 95% exemption from corporate income tax and any applicable trade tax. Thus, dividend income and capital gains are fully taxable and business expenses relating thereto fully deductible. The same applies to New Shares acquired by a financial enterprise pursuant to the German Banking Act which has held Shares for the purpose of realising a capital gain from short-term trading. This also applies to financial institutions, financial services providers and financial enterprises which have their seat in a Member State of the European Community or another country which is a signatory to the Treaty on the European Economic Area and hold the New Shares through a permanent establishment in Germany.

The 95% exemption from corporate income tax and any applicable trade tax does not apply to dividends from New Shares held as investments by life insurance and health insurance companies, and to capital gains from the sale of such shares or which are from New Shares held by pension funds.

The 95% exemption from corporate income tax and any applicable trade tax does however apply to dividends distributed to aforementioned companies if such dividends qualify for the exemption under the EU Parent-Subsidiary Directive.

Inheritance and Gift Tax

The transfer of New Shares or Subscription Rights to another person by gift or inheritance is generally subject to German inheritance or gift tax only if:

- (i) the decedent, donor, heir, beneficiary or any other transferee maintains a residence or has his or her habitual abode in Germany or maintains its place of management or registered office in Germany at the time of the transfer, or is a German citizen who has spent no more than five consecutive years outside Germany without maintaining a residence in Germany, or
- (ii) New Shares or Subscription Rights are held by the decedent or donor as part of business assets for which a permanent business establishment is maintained in Germany or for which a permanent representative in Germany has been appointed.

The few German inheritance and gift tax treaties against double taxation currently in force usually provide that German inheritance or gift tax may be assessed only in cases (i) above and, with certain restrictions, (ii) above.

Special rules apply to certain German citizens who maintain neither a residence nor their habitual abode in Germany and to former German citizens.

Other taxes

No German transfer tax, value-added tax, stamp duty or similar taxes are levied on the purchase, sale or other transfer of shares. Under certain circumstances, the Company may, however, opt for the payment of value-added tax on transactions which are otherwise tax-exempt. No net wealth tax (Vermögensteuer) is currently levied in Germany.

Effective as of assessment period 2009, a shareholder who is subject to church tax may elect by written application vis-à-vis the German Disbursing Agent to have church tax due on his or her capital investment income be withheld at source. Further details apply to such application. The shareholder's church tax liability on this capital investment income is deemed settled by the tax withheld. Church tax so withheld may not be deducted as special personal expenses under the formal assessment procedure. As compensation the church tax withheld on the capital investment income is reduced by 25% of the church tax due on such capital investment income.

As of 1 January 2014 certain changes will apply with respect to a withholding of church tax at source.

4.11.3 Poland

The following summary describes the material Polish tax consequences related to the acquisition, holding and trading in UniCredit shares and Subscription Rights as of the Date of the Securities Note. This summary is of general nature and is not intended to constitute a

comprehensive or complete analysis of all Polish tax considerations which may be relevant to shareholders being tax residents in Poland.

The tax information presented in the Securities Note does not constitute individual tax advice. In particular, it should not constitute the sole grounds for assessing the domestic tax consequences of making any investment decisions. In order to obtain more detailed information, investors are strongly recommended to consult their own tax and legal advisers in order to confirm all applicable tax consequences related to the acquisition, holding and trading in UniCredit shares and/or Subscription Rights. The information presented below has been prepared based on provisions of the Polish law in force, effective as of the Date of the Securities Note. Please note that the provisions of law described herein are subject to modifications, which may directly or indirectly influence the description below.

Taxation of income related to the holding of shares

Income from UniCredit shares held by individuals subject to unlimited tax liability in Poland

Pursuant to the Personal Income Tax (“PIT”) Law, dated 26 July 1991 (unified text published in Journal of Laws of 2010, No 51, item 307 as amended), an individual is subject to unlimited tax liability in Poland (i.e. is taxable on his or her worldwide income) provided that such individual is domiciled in Poland, i.e. he or she has the centre of his or her personal and/or business interests in Poland (centre of vital interests) and/or the stay of such individual in Poland in the tax year exceeds 183 days. Dividends and other income (revenue) actually earned on UniCredit shares held by these individuals are taxed at a rate of 19%. The tax is applied without any decrease for tax-deductible expenses.

The above income is not subject to accumulation with other income earned during a tax year, taxable pursuant to general PIT rules, i.e. at the progressive tax rates set forth in the PIT Law (i.e. 18% and 32% depending on thresholds).

As a rule, the tax on dividend income applied pursuant to foregoing rules is collected by a remitter, i.e. an entity which disburses or makes dividends and other income (revenues) actually earned from shares, which is taxed at the flat rate of 19% available to the taxpayer. The remitter is required to file an annual tax return to the relevant tax office by the end of January in the year following the tax year. The remitter is not required to send individual notices to Polish taxpayers informing them of the amount of income (revenues). Taxpayers are not required to disclose the flat tax withheld by the remitter in their annual tax return.

With respect to the UniCredit shares, however, any distributions would be made by a foreign entity which does not have its registered office in Poland. Therefore, Polish regulations cannot impose any obligation on UniCredit to withhold Polish tax as a tax remitter. Thus, unless the Polish tax authorities are of the view that the income tax should be withheld by any Polish resident acting as an intermediary for the purpose of dividend distributions (if any), UniCredit will not be obliged to apply Polish tax. Hence, once the tax is not withheld and transferred by the tax remitter, the flat rate income tax should be calculated and paid by the taxpayers themselves (by the prescribed deadlines).

The Agreement between Polish People’s Republic and the Government of the Republic of Italy for the avoidance of double taxation with respect to taxes on income and the prevention of fiscal evasion, dated 21 June 1985 (published in Journal of Laws of 1989, No 62, item

374, the “**Double Taxation Treaty between Poland and Italy**”) provides that dividends payable by a company with its registered office in Italy to an individual domiciled in Poland, being the beneficial owner of the dividend, may be taxed in Italy, although such tax cannot exceed 10% of the gross amount of the dividends (provided that the given income is not connected with the beneficiary’s “permanent establishment” in Italy).

In order to avoid the double taxation of such income the Double Taxation Treaty between Poland and Italy provides for a tax credit method. Namely, where a Polish tax resident individual derives income such as dividend, which may be taxed in Italy, he or she is allowed to deduct from the domestic tax on his or her income the amount equal to the tax paid (withheld) in Italy. Such deduction shall not, however, exceed that part of the tax as computed before the deduction is given, which is appropriate to such income derived in Italy.

Income from shares held by Polish corporate entities

Pursuant to the Corporate Income Tax (“CIT”) Law, dated 15 February 1992 (unified text published in Journal of Laws of 2011, No 74, item 397, as amended), corporations are subject to unlimited tax liability in Poland (i.e., they are taxable on their worldwide income) provided that their registered office and/or place of management is in Poland.

The entities subject to corporate income tax include joint-stock companies (S.A.), limited liability companies (sp. z o.o.), state enterprises and cooperative enterprises. Investment funds and pension funds, including funds located in the EEA, are exempt from corporate income tax. Polish partnerships are transparent for tax purposes; their partners are taxed individually on their share of the profits. Foreign partnerships are treated as taxable legal entities subject to corporate income tax in Poland if they are treated as legal entities subject to an unlimited tax liability in their country of residence.

Dividends and other income (revenue) actually earned on shares held by corporate entities and companies in the course of their formation, as well as other unincorporated entities (except partnerships) with their registered office and/or place of management in Poland, are subject to taxation on the terms set forth in the CIT Law. The tax rate is 19%. In case of dividends, the taxable (gross amount) base is the entire amount of the dividends without any decrease for tax-deductible expenses.

As a rule, pursuant to the CIT Law, the tax on dividends and other income (revenue) actually earned on the UniCredit shares is collected by a remitter, i.e. an entity which makes disbursements on account thereof. The remitter is required to send an annual tax return to the relevant tax office by the end of January following the tax year. The remitter is also required to send information on the amount of withheld tax to taxpayers by the seventh day of the month following the month in which the tax was withheld. However, with respect to the UniCredit shares, similarly as in the case of individuals, no such obligation may be imposed on a foreign entity, thus tax should be calculated and paid by the corporate taxpayers themselves (by the prescribed deadlines).

The Double Taxation Treaty between Poland and Italy provides that dividends payable by a company with its registered office in Italy to a corporation with its registered office in Poland as beneficiary of the dividends may be taxed in Italy, although such tax cannot exceed 10% of the gross amount of the dividends (provided that the given income is not connected with the beneficiary’s “permanent establishment” in Italy).

In order to avoid the double taxation of such income, the Double Taxation Treaty between Poland and Italy provides for tax credit method. Where the Polish corporation derives income such as dividends, which may be taxed in Italy, the latter is allowed to deduct from the domestic tax on its income the amount equal to the tax paid (withheld) in Italy. Such deduction shall not however exceed that part of the tax as computed before the deduction is given, which is appropriate to such income derived in Italy.

Furthermore, income (revenue) on dividends and other income from participation in profits earned by corporate entities may also be exempt from income tax in the case of shareholders which are corporate entities and hold larger blocks of shares on the terms set forth in the paragraph below.

Exemption of dividends and other income from shares held by Polish and foreign corporate entities from income tax

Pursuant to the CIT Law, an income tax exemption applies to dividends and other income (revenue) actually earned on the shares by a company whose entire income is taxed in Poland or in another European Union member state or European Economic Area member state (regardless of where the income is earned) if all of the following conditions are met:

- (i) the company which earns the income holds directly not less than 10% of all the shares;
- (ii) the company which earns the income has continuously held the number of shares specified in item (i) above for two years. It should be noted that the exemption also applies if the required two-year period expires after the income earning date. Should the above condition not be met, the company benefiting from the exemption will be required to pay the tax otherwise due by the twentieth day of the month following the month in which such company lost the right to the exemption, including any accrued default interest;
- (iii) the dividend beneficiary is not entitled to the exemption from the income tax charged on its entire income, regardless of the income's source; and
- (iv) the place of the registered office of the company earning the income is documented for tax purposes by a certificate of tax residency issued by the relevant foreign tax authority.

The exemption applies only if the requisite percentage of shares held by a dividend recipient are either (i) held under an ownership title or (ii) under another title if such income would have qualified for the exemption but for the transfer of possession of such shares. Assuming that the foregoing conditions are met, the exemption will also apply if the dividend beneficiary is a foreign permanent establishment (within the meaning of the CIT Law) of a company whose entire income (regardless of the place in which it is earned) is taxed in Poland or in another European Union Member State or European Economic Area Member State. The existence of a foreign permanent establishment should be evidenced by the company which benefits from the exemption by a certificate issued by the applicable foreign tax authority of the country, in which the company's registered office and/or place of management is located, or by the applicable foreign tax authority of the country in which the permanent establishment is located.

Taxation of income from trading in shares

Income of Polish individuals trading in shares

As a rule, the PIT Law provides for the flat tax rate of 19% to income from the disposal of securities against consideration. However, this flat tax rate shall not apply if UniCredit shares are disposed of by an individual within the framework of the individual taxpayer's business activity (in the latter case they are taxed with other business income on terms applicable for taxation of such business income chosen by such individual, i.e. either at 19% or with progressive rates).

With regard to individuals, income (revenues) on disposal of the UniCredit shares for consideration is defined as the selling price of the UniCredit shares. However, it should be noted that if the price specified in the share sales agreement for consideration is not determined at arm's length, i.e. it differs materially, without a legitimate reason, from the market value of the UniCredit shares, it may be challenged by the tax authorities. With respect to disposal against consideration, the expenditures incurred to acquire the UniCredit shares constitute tax-deductible expenses of such disposal, reducing the taxable base.

Pursuant to the PIT Law, if it is not possible to identify the UniCredit shares being sold, it is assumed that they are the earliest acquired UniCredit shares (the FIFO rule). This principle is applied separately to each securities account in which the UniCredit shares are held.

At the end of a tax year, the taxpayer is obliged to disclose, in a separate tax return, income earned during the given year from the disposal of shares for consideration (the income on the sale of UniCredit shares is the income due, even if not actually obtained, which affects the cut-off date for income classification), and calculate the income tax due. This tax return must be filed by 30 April of the year following the given tax year (this also being the deadline for paying the tax so calculated).

The remitter is required – by the end of February in the year following the tax year – to send notices to the relevant tax office and individual taxpayers informing them of the amount of income (revenues). However, with respect to the UniCredit, no such obligation may be imposed on a foreign entity, therefore with respect to income on disposal of UniCredit shares for consideration, there is no obligation for the tax remitter to collect and remit tax advances during the tax year.

Pursuant to the PIT Law, losses sustained during a tax year on account of the disposal of shares for consideration can be deducted from the income derived from that source (such source of income includes, in particular, income from the transfer of shares and other securities for consideration) over the five subsequent tax years, provided that the amount of the deduction does not exceed 50% of the amount of the loss in any single year within the five-year period.

Income of Polish corporate entities trading in shares

Income on the disposal of shares for consideration earned by corporate entities (including those in course of formation, i.e. not vested with legal personality yet), as well as other unincorporated entities (except civil law partnerships, general partnerships, limited partnerships, limited liability partnerships and partnerships limited by shares) with their

registered office or place of management in Poland is subject to taxation in accordance with the general rules under the CIT Law. They are taxed at the rate of 19%, together with other income earned during the given tax year.

With respect to corporate entities, income (revenues) on disposal of the UniCredit shares for consideration is defined as the selling price of the UniCredit shares. However, it should be noted that if the price specified in the share sales agreement for consideration is not determined at arm's length, i.e. it differs materially, without a legitimate reason, from the market value of the UniCredit shares, it may be challenged by the tax authorities. With respect to disposal against consideration, the expenditures incurred to acquire the UniCredit shares constitute tax-deductible expenses of such disposal, reducing the taxable base.

Investment funds and pension funds, including funds located in the EEA, are, as a rule, exempt from corporate income tax.

Income of foreign persons trading in shares in Poland

Foreign persons (i.e. entities whose registered office and/or place of management is not in Poland and individuals who are not domiciled in Poland) holding shares in a Polish company are subject to taxation on the disposal of such shares for consideration only with respect to income (revenues) earned in Poland. Income from the sale of the UniCredit shares on the Warsaw Stock Exchange ("WSE") is considered to be income earned in Poland.

Income earned by foreign persons is taxed according to the same terms as that of Polish persons. However, foreign partnerships will be taxed pursuant to the regulations applicable to corporate entities if they are treated as corporate entities in the jurisdiction where they have their registered office and/or place of management and their entire income is taxed in such jurisdiction, irrespective of the place in which it is earned. Investment funds and pension funds located in the EEA are, as a rule, exempt from corporate income tax.

However, in addition to the above Polish regulations, the taxation principles regarding foreign shareholders will be based on the relevant double tax treaties signed by Poland as well as applicable foreign laws and regulations. In general, double taxation treaties provide that income on the sale of securities may only be taxed in the country in which the seller has its registered office and/or place of management or is domiciled. This does not apply to foreign persons who have a facility (permanent establishment) in Poland, within the meaning of the relevant double taxation treaty, and the income on the disposal of the shares for consideration is attributable to that facility. In such event, the income will be taxed in Poland, according to the same terms as the income of Polish persons.

Taxation of income related to the holding and trading in Subscription Rights

Granting of the Subscription Rights

Vesting the investor (either an individual or a corporation) with the Subscription Rights, in proportion to the UniCredit shares already owned by such investor, shall not as such result in any tax obligation in Poland. Vesting with the Subscription Rights should be viewed as neutral for Polish taxation purposes.

Holding Subscription Rights by individual and/or corporate investors

To the extent the Subscription Rights are not connected with any payments from the company nor is any income generated in reference to holding these Subscription Rights, no tax liability should arise in Poland.

Exercising the Subscription Rights

Once the given investor exercises fully or partially the Subscription Rights vested to it by UniCredit, by acquiring the UniCredit shares, the tax consequences of holding and disposing those shares described above shall apply. Any expenses incurred in reference with exercising the Subscription Rights shall not be regarded as tax-deductible expenses at the moment they are incurred.

Trading in Subscription Rights

(a) Individual investors

The rules of taxation of income (revenues) earned on trading in Subscription Rights will be analogous to those described in the paragraph above “Taxation of income from trading in shares – Income of Polish individuals trading in shares”, with respect to trading in UniCredit shares. The income (revenue) on disposal of the Subscription Rights for consideration will be defined as the selling price thereof. However, it should be noted that if the price specified in the sales agreement for consideration is not determined at arm’s length, i.e. it differs materially, without a legitimate reason, from the market value of the Subscription Rights, it may be challenged by the tax authorities. With respect to disposal against consideration, the expenditures (if any) incurred to acquire the Subscription Rights constitute tax-deductible expenses of such disposal, reducing the taxable base.

(b) Corporate investors

With respect to corporate entities, rules of establishing and taxing the income (revenue) on disposal of the Subscription Rights for consideration should be analogous as in the case of trading in UniCredit shares. Therefore, the tax regime described above in “Taxation of income from trading in shares – Income of Polish corporate entities trading in shares”, shall apply.

(c) Foreign investors

Similarly to trading in UniCredit shares, income (revenues) from the sale of the Subscription Rights on the Warsaw Stock Exchange will be considered an income earned in Poland. The rules of taxation with respect to trading in Subscription Rights shall be analogous as in the case of UniCredit shares, as described in “Taxation of income from trading in shares – Income of foreign persons trading in shares in Poland”.

Tax on civil law transactions (transfer tax)

The tax on civil law transactions (i.e. the tax levied by virtue of the Law of 9 September 2000 on tax on civil law transactions; unified text published in Journal of Laws of 2010, No 101, item 649, as amended; the “**transfer tax**”) is levied on agreements providing for the

sale or exchange of rights, provided that these rights are exercised in Poland or, if exercised abroad, the transferee is a Polish tax resident and the transaction is carried out in Poland.

Thus, the tax rate on the sale of UniCredit shares and/or Subscription Rights is equal to 1% and the applicable tax should be paid within 14 days of the date on which the tax obligation arose, i.e. the date on which the transaction was completed. In case of a purchase agreement, the purchaser is liable for paying the tax due on civil law transactions. In case of an exchange of UniCredit shares and/or Subscription Rights, the parties to the transactions are jointly and severally liable to settle the transfer tax.

Exemptions from the transfer tax apply, without limitation, to transactions related to the sale of brokers' financial instruments (including the UniCredit shares and/or Subscription Rights) to or through investment companies (e.g. brokerage houses, banks carrying out brokerage activities), and selling such instruments within the framework of organised trading as defined in the Law of 25 July 2005 on trading in financial instruments (unified text published in Journal of Laws of 2010, No 211, item 1384, as amended).

Inheritance and donation tax

The inheritance and donation tax (i.e. the tax levied by virtue of the Law of 28 July 1983 on inheritance and donation tax (unified text published in Journal of Laws of 2009, No 93, item 768, as amended) in Poland applies only to individuals. The recipient of the donation or inheritance is obliged to pay the tax. The taxpayer is obliged to provide the relevant tax office with tax return and appropriate documents within one month from the receipt of donation or the acceptance of inheritance. The tax, if due, is payable within 14 days of the date the relevant decision on the amount of tax liability was received from the head of the relevant tax office. If a notary is involved in the transaction, he or she is obliged to withhold the tax due and submit relevant tax returns. In principle, the rate of inheritance and donation tax depends on the degree and kind of kinship or relationship or other personal ties between the decedent and the heir or the donor and the beneficiary. The tax rates increase progressively from 3% to 20% of the taxable base, depending on the tax group in which the transferee belongs. The tax is levied on the net market value of all property received by the beneficiary/donee. The property rights acquired by the closest relatives (a spouse, descendants, ascendants, stepchildren, siblings, stepfather and stepmother) are tax-exempt subject to filing an appropriate notice with a head of the relevant tax office in due time. The aforementioned exemption applies if, at the time of acquisition, the acquirer was a citizen of Poland, another European Union Member State, a European Free Trade Association Member State being party to the European Economic Area Agreement or was a resident of Poland or such state. The foregoing may apply both to the shares and/or the Subscription Rights.

4.11.4 Austria

The following summary does not purport to be an exhaustive description of all Austrian tax considerations that may be relevant for the decision to acquire, to hold, and to dispose of the New Shares and does not constitute legal or tax advice. The summary is based on Austrian tax law and practice and official interpretation currently in effect, all of which are subject to change. Future legislative, judicial or administrative changes could modify the tax treatment described below and could affect the tax consequences for investors. Prospective investors should consult their own independent advisors as to the implications of their purchasing,

holding, exchanging or disposing of the New Shares under the laws of the jurisdictions in which they may be subject to tax.

Austrian tax resident individual investors

Dividends received by an individual investor resident in Austria for tax purposes (i.e., the individual has a tax residence/domicile and/or habitual place of abode in Austria) are subject to Austrian income tax.

If the dividend is paid by an Austrian coupon paying agent prior to 1 April 2012, withholding tax at a rate of 25% is triggered. Such withholding tax is final (i.e., the investor does not have to include such income in their income tax return). If the investor's applicable average income tax rate is below 25%, the investor may file an income tax return including the dividend income and apply for assessment of his income tax liability based on his income tax return. In the absence of an Austrian coupon paying agent, the investor has to include the dividend income in the income tax return and Austrian income tax at the special rate of 25% is due (§ 37(8) EStG). Expenses directly connected to income that is subject to the final Austrian withholding tax or the special tax rate of 25% are not deductible for Austrian tax purposes.

Capital gains from the sale of Subscription Rights realised by a private investor are subject to income tax as a speculative transaction if the shares in the Company were purchased after 31 December 2010 and the aggregate amount of profits from speculative transactions realised by the private investor in the calendar year exceeds Euro 440 or if the private investor held a stake equivalent to at least 1% in the Company in the five years prior to the sale.

Capital gains from the sale of the New Shares realised prior to 1 April 2012 by a private investor are subject to income tax as a speculative transaction. The regular tax rates of up to 50% apply if the New Shares are sold prior to 1 April 2012 and the aggregate amount of profits from speculative transactions realised by the private investor in the calendar year exceeds Euro 440. Losses from a speculative transaction realised within the calendar year may not be compensated with other income of the private investor other than speculation profits realised in that specific calendar year.

If the New Shares are held as business assets, capital gains from the sale of Subscription Rights or New Shares are taxable at the regular tax rates of up to 50% if realised prior to 1 April 2012.

As of 1 April 2012 dividends and capital gains from the sale of New Shares are subject to Austrian income tax generally at a final tax rate of 25%. If the dividend is paid by an Austrian paying agent (e.g. an Austrian credit institution) withholding tax at a rate of 25% is triggered. In relation to capital gains, withholding tax at a rate of 25% is triggered if the New Shares are deposited with an Austrian depository (e.g. an Austrian credit institution or Austrian branch of a non-Austrian credit institution) or if the payments are made by an Austrian paying agent provided the non-Austrian depository is a non-Austrian branch or group company of such paying agent and such paying agent processes the payment in cooperation with such depository. In the absence of an Austrian paying agent or depository, the investor must include dividend income or capital gains from the sale of New Shares in the income tax return and such income is taxed at a rate of 25%. Capital gains need to be

included in the income tax return if realised as business income or employment income. An investor may apply for taxation at the progressive income tax rate. A deduction of expenses that are directly economically connected to income from the New Shares is generally not allowed. Limitations apply pursuant to which losses from the sale of New Shares may not be offset against interest income from current accounts and similar claims against credit institutions, from participations as a silent partner or other income categories (*Einkunftsarten*).

Austrian tax resident corporate investor

Dividends paid on the New Shares and received by a corporation subject to unlimited corporate income tax liability in Austria (i.e. the corporation has its registered office and/or the place of management in Austria) are exempt from Austrian corporate income tax unless the Company is not subject to corporate income tax at all, generally exempt from corporate income tax or generally subject to corporate income tax at a rate of less than 15%. Capital gains from the sale of Subscription Rights or from the sale of New Shares are generally subject to 25% Austrian corporate income tax. Dividends and capital gains are exempt under the international participation exemption scheme if the corporate investor held an at least 10% stake in the equity of the Company for Austrian tax purposes for an uninterrupted period of at least one year and – in relation to capital gains – does not opt for capital gains or losses to be taxable. Limitations apply as to the deduction of depreciation on or loss from the sale of the New Shares under Sec. 12 of the Austrian Corporate Income Tax Act.

No Austrian inheritance and gift tax

Inheritance tax and gift tax do not apply in Austria. A special notification obligation exists for gifts of money, receivables, shares in corporations, and participations in partnerships, businesses, and tangible and intangible assets. The notification obligation applies if the donor and/or the donee have a domicile, their habitual abode, their registered office or their place of effective management in Austria. Not all gifts are covered by the notification obligation: in the case of gifts to certain related parties, a threshold of Euro 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of Euro 15,000 during a period of five years. Furthermore, gratuitous transfers to foundations falling under the Austrian Foundation Tax Act described above are also exempt from the notification obligation. Intentional violation of the notification obligation may lead to the levying of penalties of up to 10% of the fair market value of the assets transferred.

5. CONDITIONS OF THE OFFERING

5.1 Conditions, Offering-related statistics, projected schedule and method for subscribing the Offering

5.1.1 Conditions to which Offering is subject

The Offering is not subject to any conditions.

5.1.2 Total amount of Offering

The New Shares under the Offering are the result of the Rights Issue approved by the Issuer's Extraordinary Shareholders' Meeting on 15 December 2011, which, in particular, voted as follows: "*1) to approve a rights issue to be paid for in cash in an amount up to a total of Euro 7,500,000,000 including any issue premium, to be carried out in whole or in part by 30 June 2012 through the issuance of ordinary shares with normal dividend entitlement, to be offered as an option to shareholders which own ordinary shares and to holders of the Company's savings shares pursuant to the first, second and third paragraphs of Article 2441 of the Civil Code; 2) to grant the Board of Directors all powers necessary to: (i) determine, near the launch of the offering, the final amount of the capital increase; (ii) determine – based on the provisions of item (i) – the number of shares to be issued, the option ratio and issuance price (including any share premium), taking into account, inter alia, for the purposes of determining the issuance price, market conditions in general and price movements of the stock, as well as the Company's operating, capital and financial performance, and market practice for similar transactions; (iii) determine the timing for the execution of the capital increase resolution, in particular for the launch of the offering of subscription rights and the subsequent market offering of any unexercised rights at the end of the subscription period in accordance with the final deadline of 30 June 2012. If by 30 June 2012 the capital increase has not been fully subscribed, share capital will be deemed to be increased by an amount equal to subscriptions gathered.*".

On 4 January 2012, the Company's Board of Directors voted to issue up to 3,859,602,938 new issue ordinary shares with the same features as outstanding shares to be offered as an option to shareholders at the price of Euro 1.943 per share in the ratio of 2 newly issued shares for every ordinary and/or savings share held in a total amount of Euro 7,499,208,508.53.

5.1.3 Offering validity period, possible revisions and subscription procedures

In Italy, Germany and Austria, to ensure their validity, Subscription Rights must be exercised during the Subscription Period, or from 9 January 2012 to 27 January 2012 inclusive, by submitting the appropriate application to authorised intermediaries that are members of the centralised Monte Titoli management system and Clearstream.

In Poland, to ensure their validity, Subscription Rights must be exercised during the Subscription Period from 12 January 2012 to 27 January 2012 inclusive, by submitting the appropriate application to the authorised intermediaries which are members of the NDS centralised management system where the Subscription Rights are deposited. If owners of the Subscription Rights hold their Subscription Rights in a deposit opened with a custodian bank, the subscription form must be sent to the intermediary, which will execute the

instructions of the custodian bank's customers. The intermediaries shall be required to give the relevant instructions to Monte Titoli by 15:30 on the last day of the Subscription Period. Each subscriber must therefore submit their subscription application subject to the conditions and timeframe communicated to them by their intermediary, to ensure compliance with the above deadline. To this end, subscribers may need to submit their subscription applications sufficiently in advance of the above deadline.

The Subscription Rights may be traded on the MTA from 9 January 2012 to 20 January 2012 inclusive and on the Warsaw Stock Exchange from 12 January 2012 to 20 January 2012 inclusive.

The table below shows the timetable for the Offering.

Timetable	Inclusive dates
Subscription Period in Italy, Germany and Austria	From 9 January 2012 to 27 January 2012
Subscription Period in Poland	From 12 January 2012 to 27 January 2012
Subscription Rights trading period in Italy	From 9 January 2012 to 20 January 2012
Subscription Rights trading period in Poland	From 12 January 2012 to 20 January 2012
Communication of results of the Offering	Within 5 working days of the closing of the Offering

By the end of the month following the expiration of the Subscription Period, the Issuer will offer for at least five market trading days on the MTA any unexercised Subscription Rights pursuant to paragraph 3, Article 2441 of the Civil Code.

It should be noted that the schedule for the transaction is approximate and could be modified upon the occurrence of events and situations beyond the Issuer's control, including specific conditions of volatility in financial markets, which could impair the success of the Offering. Any changes in the Subscription Period must be advised to the public in a notice to be published in the same manner as the Securities Note is distributed. However, it is understood that the Offering will begin by and no later than one month from the issuance date of CONSOB's measure to approve the Securities Note. It should also be noted that the schedule for the Offering in Poland could be subject to potential revisions due to different offering procedures currently in effect in Italy and Poland. In particular, holders of shares deposited with authorised intermediaries which are members of the NDS centralised management system are informed that the Issuer could provide additional information in Poland concerning the method and deadlines of the Offering and subscription including a facsimile of the subscription form through the publication of appropriate disclosure documents (current report). To this end, subscribers may need to submit their subscription applications sufficiently in advance of the above deadline.

Acceptance of the Offering will occur by signing forms which have been properly prepared by authorised intermediaries which are members, directly or indirectly, of the centralised management system of Monte Titoli, Clearstream and NDS, which at a minimum will contain information identifying the Offering and the following information in such a way that it will be easy to read:

- the notice that the participant may receive a copy of the Registration Document, Securities Note and Summary Note free of charge; and

- the reference to “Risk Factors” contained in Chapter 4 of the Registration Document (integrated by Chapter 11 of the Securities Note) and in Chapter 2 of the Securities Note.

A facsimile of the subscription form in Italian, English and Polish will also be available at the Issuer’s registered office and Central Management Office for any intermediaries requesting such form.

For further details on the procedures and timing for exercising Subscription Rights, UniCredit shareholders and holders of German, Austrian or Polish Subscription Rights are requested to contact their bank, intermediary or other financial consultant. In particular, in Poland the purposes and form of the documents required to exercise the Subscription Rights, and the principles to act through a representative must be consistent with the procedures of authorised intermediaries that accept the subscription form.

The Issuer shall not be responsible for any delays caused by authorised intermediaries in the execution of the provisions set forth by applicants in relation to participation in the Offering. The correctness and accuracy of participation procedures which take place via authorised intermediaries shall be checked by the latter.

5.1.4 Revocation and suspension of Offering

The Offering will become irrevocable on the date the corresponding notice is filed with the Rome Company Register pursuant to paragraph 2, Article 2441 of the Civil Code.

If this filing is not carried out, and thus, if the Offering is not executed by the deadlines established in the Securities Note, notice of such facts must be provided to the market and CONSOB by means of a notification pursuant to Article 114 of the TUF and the related implementation provisions indicated in the Issuers’ Regulations by the market trading day prior to the date specified for the beginning of the Subscription Period, as well as by means of an appropriate notice published in at least one newspaper with national distribution, and at the same time transmitted to CONSOB.

5.1.5 Reduction of subscription and redemption methods

There is no provision allowing subscribers to reduce their subscription in whole or in part, nor provision for any reimbursement of the amount paid for that purpose.

5.1.6 Minimum and/or maximum amount of subscriptions

The Offering is intended for all ordinary and/or savings shareholders of UniCredit in the ratio of 2 New Shares for every ordinary and/or savings share of UniCredit held.

No maximum or minimum subscription amounts are expected

5.1.7 Ability to withdraw from the subscription

Acceptance of the Offering is irrevocable except upon the occurrence of the scenario that is indicated in the combined provisions of Article 94, paragraph 7 and Article 95-bis, paragraph 2 of the TUF that call for the publication of a supplement to the pending prospectus for the Offering (pursuant to Article 9 of the Issuer Regulations).

In this case, subscribers who have already agreed to subscribe the New Shares before the publication of the supplement may exercise the right to withdraw their acceptance by the deadline to be established in the supplement, which, in any case, must not be less than two business days after such publication.

5.1.8 Methods and deadlines for payment and delivery of New Shares

Full payment for the New Shares must be made at the time they are subscribed at the authorised intermediary at which the subscription application was presented. The Issuer has not stipulated any charge or incidental expense to be paid by applicants.

It should be noted that in Poland authorised intermediaries can request payment for expenses and fees, also as a result of the subscription currency of the New Shares (the Euro), which is different from the currency presently in circulation in Poland (the Zloty).

New Shares subscribed by the end of the Offering will be credited to the accounts of intermediaries belonging to the centralised Monte Titoli management system at the end of the accounting day of the last day of the Subscription Period, and will therefore be available from the next settlement date.

New Shares subscribed by the end of the Market Offering will be credited to the accounts of intermediaries belonging to the centralised Monte Titoli management system at the end of the accounting day of the last day to exercise Subscription Rights, and will therefore be available from the next settlement date.

Due to the different methods of registering New Shares at Clearstream, NDS, as well as at the other centralised management systems at which the New Shares may be deposited in Germany, Poland and Austria it is possible that New Shares may not be made available to the parties entitled under the terms indicated above (with regard to the notification concerning the completed allocation see Chapter 5, Paragraph 5.2.4 of the Securities Note).

5.1.9 Timing and methods for publishing results of the Offering

Since this is an Offering in the form of an Option, the entity which is required to communicate the results of the solicitation to the public and CONSOB is the Issuer.

The Issuer must publish results of the Offering within five business days of the conclusion of the Subscription Period in an appropriate announcement.

By the end of the month following the expiration of the Subscription Period, the Issuer will offer on the MTA any unexercised Subscription Rights pursuant to paragraph 3, Article 2441 of the Civil Code. By the end of the day preceding the beginning of the Market Offering, a notice is to be published in at least one newspaper with national distribution indicating the number of unexercised Subscription Rights to be offered on the MTA pursuant to paragraph 3, Article 2441 of the Civil Code and the dates of the meetings at which the Market Offering will take place.

When proceeding to the Market Offering, proper notice of the final results of the Offering is to be given within 5 business days of the conclusion of the offering of unexercised Subscription Rights pursuant to paragraph 3, Article 2441 of the Civil Code.

5.1.10 Procedure for exercising any right of first refusal, for trading Subscription Rights and for the treatment of unexercised Subscription Rights

In Italy, Germany and Austria, to ensure their validity, Subscription Rights must be exercised during the Subscription Period, or from 9 January 2012 to 27 January 2012 inclusive. In Poland, to ensure their validity, Subscription Rights must be exercised during the Subscription Period from 12 January 2012 to 27 January 2012 inclusive.

The Subscription Rights may be traded on the MTA from 9 January 2012 to 20 January 2012 inclusive, and on the Warsaw Stock Exchange from 12 January 2012 to 20 January 2012 inclusive.

The intermediaries shall be required to give the relevant instructions to Monte Titoli by 15:30 on the last day of the Subscription Period. Each subscriber must therefore submit their subscription application subject to the conditions and timeframe communicated to them by their intermediary, to ensure compliance with the above deadline. To this end, subscribers may need to submit their subscription applications sufficiently in advance of the above deadline.

By 27 January 2012, the Issuer is to offer unexercised Subscription Rights on the MTA pursuant to paragraph 3, Article 2441 of the Civil Code.

5.2 Distribution and allocation plan

5.2.1 Offering recipients and markets

The New Shares will be offered as an option to all holders of ordinary and savings shares of the Company.

The Registration Document, the Securities Note and the Summary Note (which jointly comprise a Prospectus) are valid in Italy, and following the procedure in paragraph 1, Article 11 of the Issuers' Regulations, in Germany, Austria and Poland. For the purposes of the procedure in paragraph 1, Article 11 of the Issuers' Regulations, the Registration Document and the Securities Note have been translated into English and the Summary Note into English, German and Polish. The Offering is therefore promoted exclusively in the Italian, German, Austrian and Polish markets based on the Registration Document, the Securities Note and the Summary Note and subject to the provisions below for the offering to certain investors abroad. The Offering is directed, indiscriminately and all things being equal, to all UniCredit shareholders without limitation or exclusion of the subscription rights, but is not and will not be promoted, directly or indirectly, to investors resident in the United States of America, Canada, Japan and Australia or in any of the other Excluded Countries. Similarly, any applications coming directly or indirectly from the United States of America, Canada, Japan and Australia or from Excluded Countries, where these applications are in violation of local regulations, will not be accepted.

The Offering is not and will not be promoted or announced, directly or indirectly, and cannot be accepted, directly or indirectly, in or from the Excluded Countries by any means, either through the postal services or any other means of communication of a national or international means (including, by way of example, the postal system, fax, telex, e-mail, telephone and the internet) of the Excluded Countries, or through any of the national

regulated markets of the Excluded Countries, or any other method. Applications for the Offering made, directly or indirectly, in violation of the above limitations will be considered invalid and will not be accepted. Shareholders resident in the United States of America, Canada, Japan and Australia or in the Excluded Countries therefore cannot exercise and/or sell Subscription Rights pursuant to the applicable regulations. These persons should therefore take specific legal advice on the subject before undertaking any action. The Issuer reserves the right to not allow these persons to exercise and/or sell the aforementioned Subscription Rights if it finds that they are in violation of the laws and/or regulations applicable in other Countries.

The New Shares and related Subscription Rights have not been and will not be registered pursuant to the Securities Act or pursuant to corresponding regulations in force in other Excluded Countries.

UniCredit has also prepared an information memorandum in English (the “International Offering Circular”) in relation to the offering to institutional investors intended for: (i) in the United States of America, QIBs, through private placements under Section 4(2) of the Securities Act; and (ii) outside the United States of America, institutional investors in accordance with the provisions of “Regulation S” issued pursuant to the Securities Act. The International Offering Circular, as supplemented by the “Canadian Wrapper”, may be addressed to “accredited investors” in the provinces of Canada, but not in the territories.

5.2.2 Commitments to subscribe New Shares

At the Date of the Securities Note and except for that indicated in Chapter 5, Paragraph 5.4.3 of the Securities Note, as far as the Issuer is aware, neither the members of the Board of Directors or Board of Statutory Auditors or Key Managers have expressed any decision concerning the subscription of New Shares due to them as an option in relation to the ordinary and/or savings shares of UniCredit held by them.

For further details, see Chapter 5, Paragraph 5.4.3 of the Securities Note.

5.2.3 Information to be communicated prior to allocation

In view of the nature of the Offering, no communications to subscribers are required before the allocation of New Shares.

5.2.4 Procedure for notifying subscribers of the amount allocated

The notification of the completed allocation of New Shares will be made to respective customers by the authorised intermediaries that are members of the centralised management system managed by Monte Titoli, Clearstream or NDS.

5.2.5 Over allotment and Greenshoe

Not applicable to the Offering.

5.3 Price setting

5.3.1 Offer Price

The Offer Price, which is equal to Euro 1.943 per New Share, was determined by the Board of Directors of UniCredit on 4 January 2012. The Offer Price represents a discount on the theoretical ex right price (calculated on the basis of the official price of 3 January 2012) equal to 43.34%.

The Issuer has not stipulated any charge or incidental expense to be paid by the applicant.

5.3.2 Limitations of subscription right

The New Shares are offered as an option to ordinary and savings shareholders pursuant to paragraphs 1, 2 and 3 of Article 2441 of the Civil Code, and no limitations have been stipulated for the Subscription Rights due to entitled shareholders.

5.3.3 Any difference between the issuance price of the New Shares and the price for shares paid during the previous year, or to be paid by members of the Board of Directors, members of the Board of Statutory Auditors and Key Managers

As far as the Issuer is aware, with the exception of purchases made and communicated to the market in accordance with current regulations, during the previous year, members of administrative, management and control bodies and Key Managers or persons closely related to them did not purchase shares of the Issuer at a price which differed substantially from the Offer Price.

For information on instruments which provide the right to purchase shares of the Issuer, see Chapter 17, Paragraph 17.2 of the Registration Document.

5.4 Placement and subscription

5.4.1 Indication of lead managers of the Offering and dealers

Since this is an offering as an option pursuant to paragraph 1 of Article 2441 of the Civil Code, there is no lead manager.

5.4.2 Name and address of entities charged with financial services and custodian agents in each country

Applications to subscribe New Shares must be forwarded through authorised intermediaries which are members of the centralised management system of Monte Titoli, Clearstream or NDS.

5.4.3 Subscription and Underwriting commitments

At the Date of the Securities Note, the shareholders Allianz SE, Carimonte Holding S.p.A., Fondazione Cassa di Risparmio di Modena, Fondazione Cassa di Risparmio di Torino, Fondazione del Monte di Bologna e Ravenna and Board Member Luigi Maramotti undertook to directly or indirectly subscribe New Shares in a percentage equal to 10.68% of the New Shares covered by the Offering. These obligations are subject to certain conditions including

the lack of any extraordinary events that could have an impact on the Offering and/or on its success.

Furthermore, based on the content of a press release, the shareholder Fondazione Cassa di Risparmio di Verona Vicenza Belluno e Ancona voted to subscribe New Shares in the amount of 3.51% of the Offering with total funding coming from capital and reserves, and without the sale of Subscription Rights or use of borrowings.

In addition to the above, as far as the Company is aware, although certain current shareholders did not make any binding commitments at the Date of the Securities Note, they initiated procedures in order to pursue the Rights Issue by subscribing a total of up to approximately 10% of the New Shares covered by the Offering, which when added to the above commitments, would result in a maximum subscription of approximately 24% of the New Shares covered by the Offering.

The Underwriters have made a commitment to UniCredit to subscribe separately and without joint and several liability any New Shares which have not been exercised at the end of the Market Offering, up to a total of Euro 7.5 billion.

The underwriting agreement contains, inter alia, clauses which condition the effectiveness of the agreement obligations, including the theory of publishing a supplement for new negative and significant events (by this is meant events whose occurrence has not been mentioned in the Registration Document or in the Securities Note) which have a significant negative impact on the success of the Offering, or clauses that give the Underwriters the right to withdraw from the agreement, among other things, in cases of “material adverse change” or “force majeure” in line with best international practice.

As a part of the Underwriting Agreement, UniCredit has assumed the commitment, starting on the date the Underwriting Agreement is signed until the 90th day from the closing date for such agreement, not to carry out any of the following without the prior consent of Merrill Lynch International and Mediobanca – Banca di Credito Finanziario S.p.A. in the name of and on behalf of the Underwriters, in which consent may not be unreasonably denied: (i) directly or indirectly any issuance, offering or sale transactions, acts of disposition or any transactions, the purpose or effect of which is to transfer to third parties, for any purpose and in any form, the Company’s shares; and (ii) swap or other derivative contracts which have the same effects, including solely economic effects, as the transactions referenced above. In any case, disposition transactions aimed at supporting stock option or stock granting plans, dispositive acts related to treasury shares, as well as transactions on Company shares by the Company or by Group companies in order to comply with market making obligations continue to apply. In any case this lock-up commitment does not constitute a limitation to the ordinary activity of the Company or Group companies to Company shares on behalf of customers.

5.4.4 Date of entry for subscription and Underwriting Agreements

The commitments of the Underwriters indicated in Chapter 5, Paragraph 5.4.3 of the Securities Note were assumed on a date preceding the Date of the Securities Note.

6. AUTHORISATION FOR TRADING AND TRADING METHODS

6.1 Application for authorisation for trading

The New Shares will be authorised for trading on the MTA, in the same way as New Shares of UniCredit that are currently outstanding.

The Rights Issue calls for the issuance of up to 3,859,602,938 New Shares which represent a maximum percentage of over 10% of the number of the Company's shares in the same class which have already been authorised for trading.

Therefore, pursuant to Article 57, paragraph 1, letter a) of the Issuers' Regulations, the Registration Document, Securities Note and Summary Note also constitute a Prospectus for the purposes of listing the New Shares resulting from the Rights Issue.

The New Shares shall be admitted for official listing on the MTA, pursuant to Article 2.4.1 of the Stock Market Regulations, in the same way as the ordinary shares and savings shares of the Issuer in circulation at the time of issuance of the New Shares.

For the purposes of obtaining authorisation for the trading of New Shares on the Frankfurt Stock Exchange (General Standard segment) and on the Warsaw Stock Exchange, UniCredit will present an appropriate application to the respective market management companies, pursuant to regulations currently in effect.

Trading of the New Shares on the Frankfurt Stock Exchange (General Standard segment) and on the Warsaw Stock Exchange will begin only following the Market Offering on the MTA of any unexercised Subscription Options pursuant to Article 2441, paragraph 3 of the Civil Code.

6.2 Other regulated markets

At the Date of the Securities Note, the Issuer's shares are traded on the MTA, Frankfurt Stock Exchange (General Standard segment) and Warsaw Stock Exchange.

6.3 Other transactions

No other transactions involving the subscription or private placement of UniCredit's ordinary or savings shares are planned near the time of the Offering, besides what is indicated in the Securities Note.

6.4 Intermediaries in secondary market transactions

Not applicable to the Offering.

6.5 Stabilisation

There is no requirement for the Issuer or any parties hired by it to perform any stabilisation activities.

7. HOLDERS OF FINANCIAL INSTRUMENTS THAT PROCEED TO A SALE

The New Shares are offered directly by the Issuer, and therefore for all information regarding the Company and Group see the data and information already provided in the Summary Note and the Registration Document.

8. EXPENSES RELATED TO OFFERING**8.1 Net total proceeds and estimate of total expenses related to Offering**

The net proceeds from the Rights Issue are estimated to be about Euro 7.25 billion.

The total amount of expenses may be up to about Euro 250 million including consulting expenses, out-of-pocket expenses and underwriting fees calculated at the highest level.

9. DILUTION

9.1 Immediate dilution resulting from the Offering

In the event all Subscription Rights are not exercised and the Rights Issue is not fully subscribed, any shareholders which do not subscribe their eligible quota will incur a dilution of their equity investment as a percentage of share capital of up to 66.7%.

With regard to savings shareholders, the allocation of subscription rights to the latter to subscribe ordinary shares will result in the dilution of equity investments held by shareholders that own ordinary shares, which, however, in light of the limited quantity of savings shares in existence at the Date of the Securities Note, is negligible.

10. SUPPLEMENTAL INFORMATION

10.1 Consultants

The Securities Note makes no mention of consultants related to the Offering.

10.2 Indication of other information contained in this Section which was subject to a full or limited audit by official auditors

The Securities Note contains no information in addition to that contained in the Registration Document.

10.3 Expert opinions or reports

The Securities Note contains no expert opinions or reports.

10.4 Information from third parties

The Securities Note contains no information from third parties.

11. INTEGRATIONS TO REGISTRATION DOCUMENT

11.1 Risk Factor 4.1.15 of the Registration Document “*Risks connected with deferred tax assets*”

The third and fourth paragraph of Risk Factor 4.1.15 of the Registration Document are to be replaced as follows:

“At 30 September 2011 deferred tax assets totalled Euro 12 billion, of which tax loss carry forwards totalled about Euro 864 million.

With regard to tax loss carry forwards, of the approximate Euro 864 million recorded at 30 September 2011, Euro 507 million were related to UCB AG and Euro 187 million were related to BA. These amounts are net of the writedown of about Euro 100 million, of which Euro 44 million was related to UCB AG and Euro 56 million to BA, made on 30 September 2011. With regard to Italy, the highest amount is Euro 32 million which is related to tax losses of PGAM which can be carried forward indefinitely. The remaining amount is related to other Group companies.”.

11.2 Chapter 4, Paragraph 4.1.26 of the Registration Document – “*Risk factors – Risks connected with the ratings assigned to the Issuer and its subsidiaries*”

On 20 December 2011, Fitch Ratings downgraded its rating on the Issuer’s short-term debt from “F1” to “F2” and its rating on the Issuer’s medium- and long-term debt from “A” to “A-”, keeping the ratings on “credit watch negative”.

11.3 Chapter 5, Paragraph 5.1.5 of the Registration Document

On 14 December 2011 an agreement was signed for the spin-off to UniCredit of the asset management business unit of the private banking customers of Pioneer I.M. S.G.R.

The spin-off will take effect on 1 January 2012 once the agreement has been recorded in the appropriate Company Registers.

11.4 Chapter 5, Paragraph 5.1.6 of the Registration Document

On 15 December 2011, UniCredit’s Extraordinary Shareholders’ Meeting approved capital enhancement measures and other related actions proposed and previously approved by the Board of Directors on 14 November 2011.

In particular, the Extraordinary Shareholders’ Meeting approved:

- a free increase in share capital to be carried out through the increase of the par value of existing ordinary and savings shares pursuant to Article 2442 of the Civil Code, in the amount of Euro 2,499,217,969.50 with the amount coming from the “Issue Premium Reserve”;
- the Rights Issue;
- the cancellation of the per-share par value of ordinary and savings shares of UniCredit, thereby introducing a fixed reference numerical parameter to determine the dividend payable on ordinary and savings shares, and not to impair the amount and characteristics of priorities given for savings shares in place of the per-share par value of ordinary and savings shares, in the amount of Euro 0.63;

- the granting of the right to distribute profits for the period including through Company shares in order to allow the Board of Directors to make a proposal to ordinary and savings shareholders to receive a dividend in cash or ordinary shares of the Company, or a mix of the two, at the election of the recipient (scrip dividend); and
- the reverse split of ordinary and savings shares outstanding based on the ratio of 1 new ordinary or savings share, with regular dividend entitlement, for every 10 existing ordinary or savings shares, subject to the cancellation of the minimum number of ordinary and savings shares to square the transaction. Effective 27 December 2011 the reverse share split transaction was executed with the resulting change of the fixed reference numerical parameter to Euro 6.3 for the calculation of the dividend payable on ordinary and savings shares, and the priority on the dividend payable on savings shares.

11.5 Chapter 6, Paragraph 6.1.7 of the Registration Document – “Italy – Bank equity holdings”

Following the publication of the ninth update to the New Supervisory Provisions of Banks, the new regulations on shareholdings held by banks and banking groups were introduced, with effect from 30 June 2012.

The new features introduced by the new regulations include the following limits on shareholdings in non-financial companies:

- “concentration” limit: qualified shareholdings in a non-financial company may not exceed 15% of regulatory capital;
- “overall” limit: total qualified shareholdings in non-financial companies may not exceed 60% of regulatory capital.

The “separation limit” (downstream) will therefore fall to 15% of the share capital of the non-financial company in which the shareholding is held.

11.6 Chapter 6, Paragraph 6.1.7 in the Registration Document – “Germany – New regulations for the stabilisation of financial markets”

On 14 December 2011, the German Government adopted a bill to implement a set of measures for the stabilisation of financial markets (Entwurf eines Zweiten Gesetzes zur Umsetzung eines Maßnahmenpakets zur Stabilisierung des Finanzmarktes – Zweites Finanzmarktstabilisierungsgesetz). The new legislation is aimed at implementing the European Council decisions dated 26 October 2011, pursuant to which, by 30 June 2012, certain banks shall be required to maintain greater levels of higher quality capital and that the Member States should, if necessary, provide them support until the established levels of capital have been achieved.

Pursuant to the new legislation, German financial businesses will again have, until 31 December 2012 and under specific conditions, the right to access to a complete set of liquidity and capital support measures. In addition, for a transitional period until 31 December 2012, BaFin will have the authority to order businesses and groups in the financial sector to increase their liquidity coefficients, over and above the levels normally required by the German Banking Law and Liquidity Regulations, if this capital increase is necessary to avoid a dangerous threat to the operation of the financial markets or a threat to their stability. BaFin will have the authority to prohibit the distribution of profits and the

payment variable salary components until the institute has achieved the required higher statutory capital levels.

The bill requires parliamentary approval by the Bundestag and the Bundesrat and it is expected to go into effect (possibly with some amendments) in the first quarter of 2012. As this is qualified as State aid, the new regulations also require European Commission approval.

11.7 Chapter 7, Paragraph 7.1 of the Registration Document

On 30 December 2011 the sale of SRQ FinanzPartner AG, a company indirectly controlled by UniCredit, was completed. Subsequent to this sale the DAB Group Financial Promoter network was reduced by approximately 90 units.

On 1 January 2012 the merger by incorporation of UniCredit Real Estate into UniCredit and the merger by incorporation of UCBP into UGIS took effect. Also on the same date, UGIS changed its corporate name to UniCredit Business Integrated Solution S.C.p.A.

11.8 Chapter 12, of the Registration Document

On 20 December 2011 a bond issue, backed by the Italian State pursuant to Article 8 of Decree-Law 201 of 6 December 2011, converted into Law 214 of 22 December 2011, for a total of Euro 7.5 billion, was carried out. An issue of the same amount was carried out on 2 January 2012. Access to the State backing of the bond issue constitutes an important resource for UniCredit for the purpose of: (i) enhancing its funding capacity, both in the short and in the medium-long terms; (ii) strengthening its counterbalancing capacity and subsequently the amount of the immediately available liquidity reserve; and (iii) stabilising funding with possible participation in the structural refinancing auctions at the ECB. Therefore the Issuer could again resort to bond issues guaranteed by the Italian State.

Moreover, on 21 December 2011, UniCredit participated in the ECB three-year liquidity auction asking for and obtaining an amount in line with the size of the Group, compared to the volume of monetary policy operations in the Eurozone, as well as the prospective funding requirements of the Group in the first half of 2012. Thus, based on its needs, the Group may participate in further ECB auctions in 2012.

As regards the performance of the last quarter of 2011, on the Date of the Securities Note it is expected that the results relative to the last quarter of the year will still reflect the volatility of the financial markets, following the sovereign debt crisis, and the persistence of adverse conditions within the macroeconomic context in the greater part of the markets in which the Group operates.

Indeed, it is expected that the results of the final quarter in 2011, if compared with those of the previous quarter, will highlight a gross operating income slightly up due to the effect, among other things, of:

- a recovery of revenues arising from the greater contribution of trading results compared to the negative figures recorded in the third quarter of 2011, even though performance of the expected trading results was below average in the first half of 2011;
- a reduction in the cost of personnel, especially the variable salary component; and
- an increase in administrative expenses, linked to the seasonality of the payments which naturally tend to increase at year's end.

Regarding the cost of risk, based on the data available at the Date of the Securities Note, the first months of the fourth quarter 2011 showed an improvement compared to the figures from the third quarter 2011, even if the persistence of uncertain and difficult conditions in the economic context may have a negative effect on the expected trend.

Finally in regard to commercial business, at the Date of the Securities Note loan trends are essentially stable compared to the figures of 30 September 2011, whilst deposits are rising.

11.9 Chapter 14, Paragraph 14.1.1 of the Registration Document

Effective 16 December 2011, Enrico Tommaso Cucchiani, a member of the Board of Directors, resigned.

Members of the Board of Directors in office at the Date of the Securities Note are indicated in the following table.

Name and surname	Position	Place and date of birth
Dieter Rampl ¹	Chairman	Munich, Germany, 5 September 1947
Luigi Castelletti ²	First Deputy Chairman	Ferrara di Monte Baldo (VR), 19 April 1955
Farhat Omar Bengdara ²	Deputy Chairman	Benghazi, Libya, 27 September 1965
Vincenzo Calandra Buonauro ²	Deputy Chairman	Reggio Emilia, 21 August 1946
Fabrizio Palenzona ¹	Deputy Chairman	Novi Ligure (AL), 1 September 1953
Federico Ghizzoni ^{3 4}	CEO	Piacenza, 14 October 1955
Giovanni Belluzzi ²	Director	Mirandola (MO), 10 December 1943
Manfred Bischoff ²	Director	Calw, Germany, 22 April 1942
Donato Fontanesi ²	Director	Castelnovo di Sotto (RE), 30 January 1943
Francesco Giacomini ¹	Director	San Polo di Piave (TV) 2 August 1951
Friedrich Kadrnoska ²	Director	Vienna, Austria, 28 June 1951
Marianna Li Calzi ²	Director	Campobello di Licata (AG), 21 March 1949
Luigi Maramotti ²	Director	Reggio Emilia, 12 March 1957
Antonio Maria Marocco ²	Director	Rivoli (TO), 15 September 1934
Carlo Pesenti ²	Director	Milan, 30 March 1963
Lucrezia Reichlin ²	Director	Rome, 14 August 1954
Hans-Jürgen Schinzler ²	Director	Madrid, Spain, 12 October 1940
Theodor Waigel ²	Director	Ursberg – Oberrohr, Germany, 22 April 1939
Anthony Wyand ²	Director	Crowborough, United Kingdom, 24 November 1943
Franz Zwickl ²	Director	Vienna, Austria, 11 November 1953

¹ Director meeting the requirements of independence established by Article 148 of the TUF.

² Director meeting the requirements of independence established by Article 148 of the TUF and Article 3 of the Corporate Governance Code.

³ Director not meeting the requirements of independence established by Article 148 of the TUF or Article 3 of the Corporate Governance Code.

⁴ Director co-opted on 30 September 2010 following the resignation of Alessandro Profumo (on 21 September 2010) and confirmed by the Shareholders' Meeting on 29 April 2011.

11.10 Chapter 16, Paragraph 16.3.2 of the Registration Document

Effective 16 December 2011, Enrico Tommaso Cucchiani, a member of the Remuneration Committee, resigned.

At the Date of the Securities Note, the Remuneration Committee was made up of the following directors: Dieter Rampl (Chairman), Luigi Castelletti, Friedrich Kadrnoska, Carlo Pesenti and Hans Jürgen Schinzler.

11.11 Chapter 18, Paragraph 18.1 of the Registration Document

Based on entries in the shareholders' register together with communications received pursuant to current regulations as well as other available information, shareholders who directly or indirectly held ordinary shares representing more than 2% of UniCredit's ordinary share capital at 29 December 2011 were as follows:

Shareholder	Ordinary Shares ¹	Shareholding of ordinary capital
Mediobanca – Banca di Credito Finanziario S.p.A. ²	101,129,378 ³	5.247%
International Petroleum Investment Company (<i>indirectly through Aabar Luxembourg Sarl</i>)	96,200,000	4.991%
Central Bank of Libya of which:	96,142,187	4.988%
- <i>directly</i>	85,957,914	4.460%
- <i>indirectly through Libyan Foreign Bank</i>	10,184,273	0.528%
Fondazione Cassa di Risparmio di Verona, Vicenza, Belluno e Ancona ²	81,155,000	4.211%
Fondazione Cassa di Risparmio di Torino ²	63,973,492	3.319%
Carimonte Holding S.p.A. ²	56,081,000	2.910%
Libyan Investment Authority ^{2,4}	50,000,000	2.594%
Allianz SE (<i>indirectly through subsidiaries</i>)	39,384,733	2.043%

¹ Number of shares after reverse split.

² Directly held equity investment.

³ 96,756,406 shares assigned to support the subordinated loan being converted to shares (CASHES loan) are held in usufruct for UniCredit and as collateral for The Bank of New York (Luxembourg) S.A., the issuer of the referenced loan; voting rights for these shares are suspended for the entire term of the usufruct. For further details on the rights and obligations resulting from the usufruct agreement, see Chapter 22, Paragraph 22.4 of the Registration Document.

⁴ Holding subject to the measures stipulated by Regulation (EU) No 204/2011 of 2 March 2011 as subsequently amended by Regulation (EU) No 1360/2011 of 20 December 2011, and by Implementing Regulation (EU) No 233/2011 of 10 March 2011. The exercise of administrative and property rights related to the shares held is frozen as dictated by the aforementioned measures.

Under Regulation (EU) No 1360/2011 of 20 December 2011, the restrictions on the Central Bank of Libya have not been made.

11.12 Chapter 20, Paragraph 20.7 of the Registration Document

As a result of the resolution of the Extraordinary Shareholders' Meeting of 15 December 2011, Article 32 of the Corporate By-Laws has been amended as follows:

“Based on the Board’s proposal, the Shareholders’ Meeting may grant to ordinary and savings shareholders the option to request that payment of the dividends indicated in items b), c) and d) above, is to be settled, in whole or in part, in cash or through the delivery of ordinary shares with the same characteristics as ordinary shares outstanding on the assignment date.

If the above option is granted, the Shareholders’ Meeting shall, based on the Board’s proposal, determine the methods for calculating and assigning ordinary shares and establish the methods for settling payment of the dividend if the above option is not exercised by shareholders.

It is understood that the priority on dividends provided on savings shares pursuant to item b) above is to be paid in cash unless otherwise instructed by the shareholder.”.

11.13 Chapter 20, Paragraph 20.8 of the Registration Document

Madoff

Legal action brought by the trustee in the SIPA proceedings

On 13 December 2011, SIPA appealed the Court ruling of 28 July 2011, in which it denied the requests of UniCredit, PAI, BA and other defendants linked to the alleged violations pursuant to common law, that is to say, claims pertaining to complicity in the context of violations of fiduciary duties by BMIS and complicity in the fraud perpetrated by BMIS, and the requests for indemnification for profiteering and contribution.

Legal action outside of the United States

In Austria various investors have initiated legal proceedings connected to the Madoff fraud in which BA is among the defendants. In one suit the defendant is Pioneer Investments Austria GmbH (PIA). The plaintiffs invested in funds, which in turn were invested directly or indirectly in BMIS. No final judgments have been handed down against BA at the Date of the Securities Note. A provisional decision was handed down in favour of one of the plaintiffs but the suit was withdrawn.

Acquisition of Cerruti Holding Company S.p.A. by Fin.Part S.p.A.

In both court cases the hearing for the presentation of conclusions was set for 20 December 2011. A new hearing was set for 6 February 2012 for both, in a new attempt at conciliation.

Treuhandanstalt

AKB Privatbank Zürich AG (previously Bank Austria (Schweiz) AG, a former BA subsidiary) is also taking measures against BvS in Germany in relation to the issues in discussion, including the summons of BvS before the German Courts.

Cirio and Parmalat Criminal Proceedings

With the (Parmatour) judgment dated 20 December 2011 the Court of Parma sentenced UniCredit, joint and severally with the persons involved, to provisionally pay the Parmatour bondholder and shareholder plaintiffs 4% of the par value of the securities held. Taking into account the transactions with the bondholders in 2010, this judgment is to be considered in favour of a limited number of investors.

Medienfonds

On 30 December 2011, the District Higher Court of Munich decided on the issue relating to prospectus liability through a specific procedure pursuant to the Capital Markets Test Case Act (*Kapitalanleger-Musterverfahrensgesetz*). The court stated that the prospectus was incorrect concerning the description of tax risks, loss risk and the fund's forecast. The court further holds HVB liable along with the promoter of Medienfonds for such errors. HVB is currently analysing the ruling and the merits of an appeal to the Federal Court. However, any final decision in this proceeding will affect only few pending cases since in the vast majority of the investors a general settlement has already been reached.

As already disclosed in the Registration Document, aside from the civil proceedings, the fiscal courts have not yet issued a final decision as to whether the tax benefits were rightfully revoked in the first place.

HVB has made provisions which are, at the Date of the Securities Note, deemed appropriate.

Threatened lawsuits

The entire paragraph is to be replaced as follows.

A customer initiated a lawsuit against UCB AG, in front of the District Court of Munich, in the amount of approximately Euro 124 million as compensation for damages resulting from consulting services that were deemed to be erroneous, and for the violation of obligations related to transactions involving German shares.

These transactions were carried out by the customer on the basis of the expectation to receive tax credits on dividends related to German shares which had been traded near the dividend date.

Following an investigation of this customer, the tax authorities asked this entity (which is the main party liable to these authorities) to return the tax credit that had previously been granted to it in addition to interest up to the amount covered by this dispute. As far as UCB AG is aware, the customer and its tax advisor have contested the position taken by the tax authority.

Through this lawsuit, the customer is asking UCB AG to indemnify it, with respect to these transactions, from the referenced payment obligations and possible future payment obligations to the tax authorities. The tax authorities served a notice of secondary liability on UCB AG in which they asked for the payment of the tax credits previously granted to the customer including interest in an amount totalling Euro 124 million for the alleged liability of the entity issuing the tax certificates. With the assistance of external experts, UCB AG is considering the notice of liability of the tax authorities and is assessing whether to challenge this notice.

There is a risk that UCB AG may be held liable for civil or tax-related violations on the basis of the liability notice. In addition, in relation to this matter, UCB AG could be subject to requirements to pay taxes and interest, penalties, obligations to return profits and to criminal liability.

UCB AG has, in the meantime, undertaken several civil actions that UCB AG and its legal advisors consider appropriate in order to safeguard the position of the Bank in the context of the situations described above.

11.14 Chapter 20, Paragraph 20.10 of the Registration Document

Investigations related to structured finance transactions

On 29 December 2011, the Public Prosecutor challenged, at the Cassation Court level, the measure whereby on 28 November 2011 the Milan Court of Review had overturned the precautionary seizure of Euro 245,956,118.49 with respect to accounts held by UniCredit at the Milan Branch of Banca d'Italia.

Tax-related proceedings in Germany

With respect to the possible liability of UCB AG to tax authorities for the repayment of certain tax credits granted to a customer, see Chapter 11, Paragraph 11.13, sub-paragraph on "Threatened lawsuits" in the Securities Note.

11.15 Chapter 20, Paragraph 20.11 of the Registration Document

On 20 December 2011 the inspection of the Issuer assessing the credit risk governance, management and control, with specific reference to the small-medium enterprises segment, was concluded. The Company anticipates the receipt of the relative inspection report from Banca d'Italia during the first quarter of 2012.

Moreover, with regard to the proceedings initiated in August 2011 against UniCredit and Family Credit Network S.p.A., in its order No 23043 the AGCM evaluated whether there was an improper business practice attributable to UniCredit and Family Credit Network S.p.A., and imposed penalties of Euro 70,000 and Euro 50,000, respectively. At the Date of the Securities Note, UniCredit and Family Credit Network S.p.A. were evaluating the possibility of filing an appeal with the TAR against this order imposing penalties.

11.16 Chapter 21 of the Registration Document

At the Date of the Securities Note, as a result of the resolutions described in Chapter 11, Paragraph 11.3 of the Securities Note, the Company's subscribed and paid-in share capital is equal to Euro 12,148,463,316.00, broken down into: (a) 1,927,425,171 ordinary shares; and (b) 2,423,898 savings shares, all with no par value.

Furthermore, all references to share capital, the number of shares and par value contained in the Corporate By-Laws are to be considered revised as a function of the resolutions passed by the Extraordinary Shareholders' Meeting of 15 December 2011 (see Chapter 11, Paragraph 11.3 of the Securities Note). With regard to savings shares, the reference to par value in relation to privileges due in this category of shares is replaced by a reference to a fixed amount of Euro 0.63. For capital-related transactions that change the ratio of share capital to shares issued, the aforementioned fixed amount per share may, as a result, be modified.

Effective 27 December 2011 the reverse share split transaction was executed with the resulting change of the fixed reference numerical parameter to Euro 6.3 for the calculation of the dividend payable on ordinary and savings shares, and the priority on the dividend payable on savings shares.

Furthermore, as a result of the reverse split transaction, the number of treasury shares held by the Issuer totalled 47,600.

11.17 Chapter 22, Paragraph 22.1 of the Registration Document

On 23 December 2011 the Board of Directors of Fondiaria SAI voted to assign the Chairman of the Board of Directors the task of calling an Extraordinary Shareholders' Meeting to be held in February 2012 in order to submit a proposal to shareholders for a rights issue in an amount of up to Euro 750 million (but in any case not less than Euro 600 million) to be executed by 30 June 2012. As both a shareholder and creditor, UniCredit will assess its position related to this transaction on the basis of proposals to be made by Fondiaria SAI. The overall exposure of the Group, adding together the lines used¹ and the stake in the share capital, comes to approximately Euro 500 million in total which

¹ For this debt component refer to the Fondiaria SAI Securities Note published on 24 June 2011. Specifically, the note contains the figures relating to the lines used at 31 March 2011, equal to a total of Euro 337.5 million, as well as credit lines allocated in June 2011 to Immobiliare Costruzioni IM.CO. S.p.A. for approximately Euro 30 million.

include also credit lines used by Premafin Finanziaria – S.p.A. Holding di Partecipazioni as well as by Sinergia Holding di Partecipazioni S.p.A. and companies headed by this latter

11.18 Chapter 24 of the Registration Document

In addition to the documents mentioned here, the following are also available to the public:

- Securities Note;
- Summary Note.

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