UNICREDIT GROUP 2007 Results

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Chief Executive Officer

London, 13th March 2008

UNICREDIT GROUP 2007 EXECUTIVE SUMMARY

- **2007 confirms Group's capability to deliver results** also in a challenging market environment:
  - ✓ **Net income 6.6 bn, normalized 7.3 bn. Strong EVA generation (+8% y/y to 2.6 bn)**
  - ✓ **EPS normalized[1] at 0.55 Eur; EPS ex-Capitalia at 0.62 Eur (+17% y/y)**, ahead of original plan
- **Operating profit 13.3 bn (+11.4% y/y): growth in commercial banking[2] (+15.3%)** more than offsets **mark-downs in MIB Markets**
- **Core Tier 1 5.83%: slightly above 2006 despite acquisitions and the exercise of Capitalia withdrawal rights thanks to organic capital generation**
- **Asset Quality**: **net impaired loans down 15% y/y**, **coverage ratios up** (+3 p.p. y/y to 54.5%)
- **Capitalia**: **rightsizing quick and above expectations**, paving the way for **higher than anticipated synergies**; **1.3 bn integration costs booked in 2007**

NOTE: All figures in this presentation, save when differently specified, refer to 2007 UniCredit Group pro-forma (including 12 months of Capitalia)

(1) Excluding integration costs, capital gain on Mediobanca, one off impact of the tax reform in Italy and Germany and PPA

(2) Retail, Corporate, CEE Region and Private Banking

AGENDA

- **UniCredit Group 2007 Results**
- Key Topics: an Update
- Capitalia Integration & Synergies
- 2008 Outlook
- ANNEX

UNICREDIT GROUP FY07 RESULTS

(mln)

	2007 PRO FORMA[1]	Of which: UNICREDIT STANDALONE	Of which: FORMER CAPITALIA	Of which: PPA AND ELISIONS
Total Revenues	29,655	24,752	4,922	-19
Operating Costs	-16,309	-13,330	-2,974	-5
Operating Profit	13,346	11,422	1,948	-24
Integration Costs	-1,308	-506	-802	0
Pre Tax Profit	10,510	9,778	756	-24
Net Income for the Group pre PPA	6,628	6,380	264	-16
PPA	-62			-62
Net Income for the Group	6,566	6,380	264	-78
Normalized Net income[2]	7,282			

29.7 BN REVENUES, 7.3 BN NORMALIZED NET INCOME

(1) Including Capitalia for 12 months, PPA and integration costs

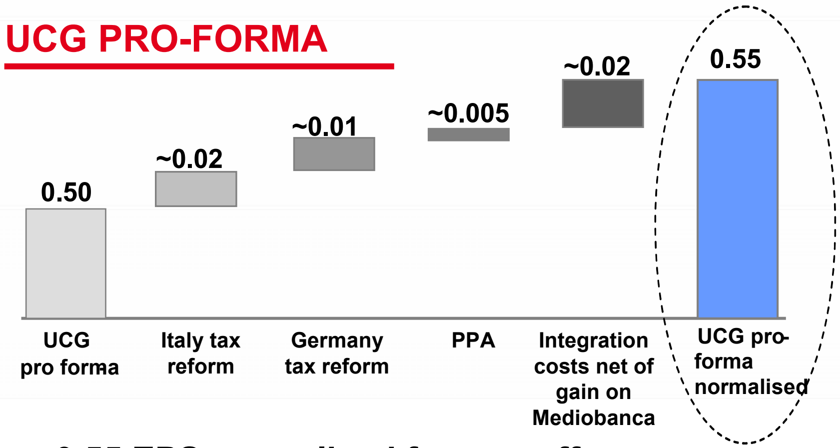
(2) Excluding integration costs (~840 mln after tax), capital gain on Mediobanca (~550 mln after tax), one off impact of the tax reform in Italy and Germany (~360 mln) and PPA

UniCredit Group

2007 RESULTS: SOLID EPS GROWTH, RISING DPS AND COMFORTABLE CAPITAL POSITION

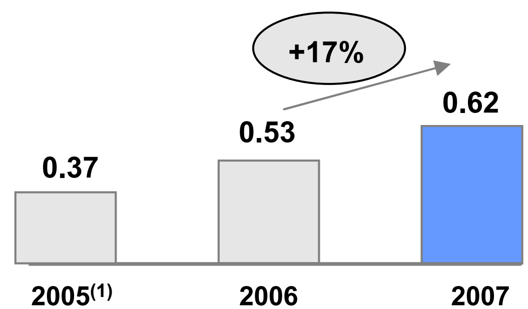
EPS 2007

UCG PRO-FORMA



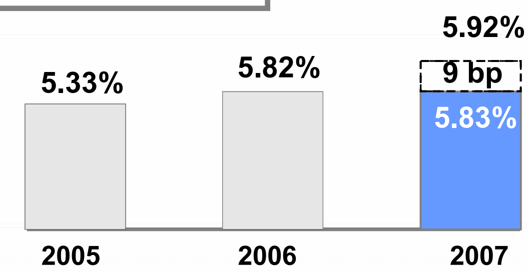
- **0.55 EPS normalised for one-offs**

UCG EX-CAPITALIA



- **UniCredit Group ex-Capitalia at 0.62 EPS, ahead of original plan**

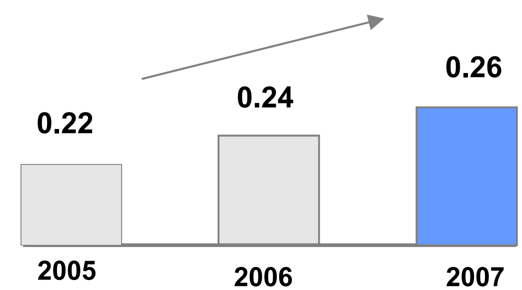
CORE TIER I RATIO



- **Solid Core Tier I ratio confirmed, despite ATF acquisition (-28 bp) and withdrawal right exercise of Capitalia (-9 bp)**

Capitalia withdrawal right exercise

DPS



- **0.26 Eur dividend proposed, +8% y/y**

(1) Normalized EPS excluding HVB/BA-CA integration effects

UNICREDIT GROUP PRO-FORMA 2007

mln	FY07 pro-forma	% ch. on FY06 pro-forma	% ch. on FY06 at constant FX & perim.	4Q07 pro-forma	% ch. on 4Q06 pro-forma	% ch. on 4Q06 at constant FX & perim.
Total Revenues	29,655	5.1%	5.1%	7,161	-0.1%	-0.6%
Operating Costs	-16,309	0.4%	0.4%	-4,184	-0.7%	-0.9%
Operating Profit	13,346	11.4%	11.4%	2,977	0.7%	0.0%
Net Write Downs of Loans	-2,468	0.3%	0.3%	-573	-7.9%	-6.7%
Other Non Operating Items(1)	940	0.2%	0.2%	650	n.m.	n.m.
Integration Costs	-1,308	181.3%	188.5%	-1,104	205.8%	215.2%
Net Income for the Group pre PPA	6,628	0.5%	1.9%	1,294	4.2%	4.8%
Net Income for the Group	6,566	-0.4%	0.9%	1,232	-0.8%	-0.2%
Normalized Net income(2)	7,282	10.4%	11.9%	1,712	37.9%	38.0%
Cost/Income ratio, %	55.0%	-2.6 pp		58.4%	-.3 pp	

- **Revenues up** 5.1%, with other divisions more than offsetting market driven weakness in MIB
- **Costs flat** y/y, good cost control confirmed
- **Net write down** of loans stable y/y, still benefiting of good cash recoveries
- 1.3 bn **integration costs** partly offset by 0.9 bn other non operating items at pre-tax level

NORMALIZED NET INCOME UP 12% Y/Y

(1) Provisions for risk and charges and net profit from investments

(2) Excluding in 2007 integration costs (~840 mln after tax), capital gain on Mediobanca (~550 mln after tax), one off impact of the tax reform in Italy and Germany (~360 mln) and PPA

TOTAL REVENUES +5.1% AT 29.7 BN, SIGNIFICANT GROWTH IN BOTH NET INTEREST AND NET COMMISSION INCOME MORE THAN COMPENSATING TRADING INCOME DECREASE

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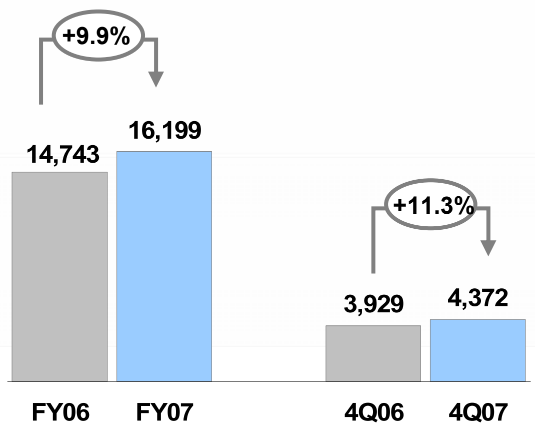
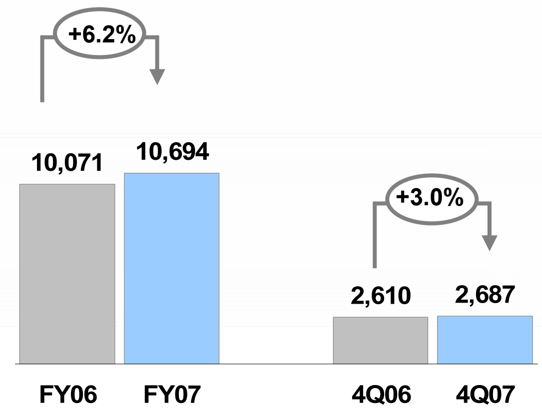
NET INTEREST INCOME[1]

(mln)



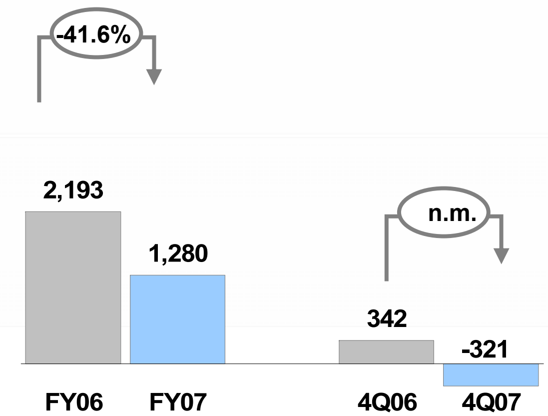
NET COMMISSIONS

(mln)



TRADING INCOME

(mln)



- **Net interest income up 9.9% y/y,** mainly driven by
  - ✓ **CEE Region** (+15.1% y/y at constant FX & perimeter) benefiting from strong lending growth
  - ✓ **Retail Italy** (+13.8% y/y) & **Corporate** (+4.9% y/y excl. leasing) supported by volume growth and higher deposit spread

  Positive trend confirmed in 4Q07 (+9.5% q/q, +11.3% y/y)

- **Net commissions up 6.2% y/y,** mainly thanks to
  - ✓ **CEE Region** (+17.4% y/y at constant FX & perimeter), driven by fees on loans and on mutual funds
  - ✓ **Management & Performance Fees** in Private Banking & AM

  Good performance in 4Q07 (+6.1% q/q, +3.0% y/y)

- **Trading income down 41.6% y/y,** mainly due to the valuation of Structured Credit portfolio. **4Q07 negatively affected by further difficult market conditions**

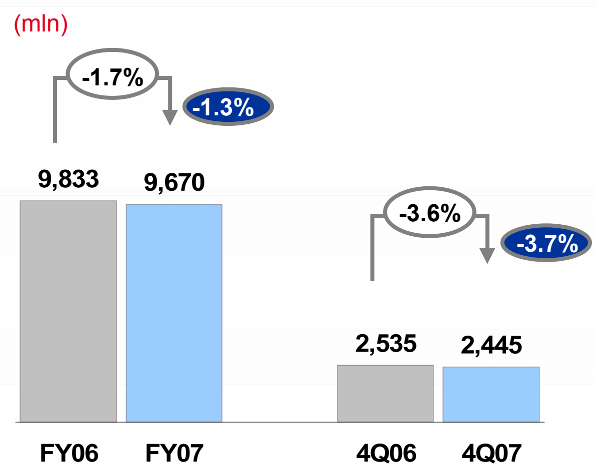
[1] Excluding dividends

BUSINESS AND GEOGRAPHIC DIVERSIFICATION HELPING TO OFFSET IMPACT OF MARKET TURMOIL; PERFORMANCE EXCL. MIB +7.0% Y/Y

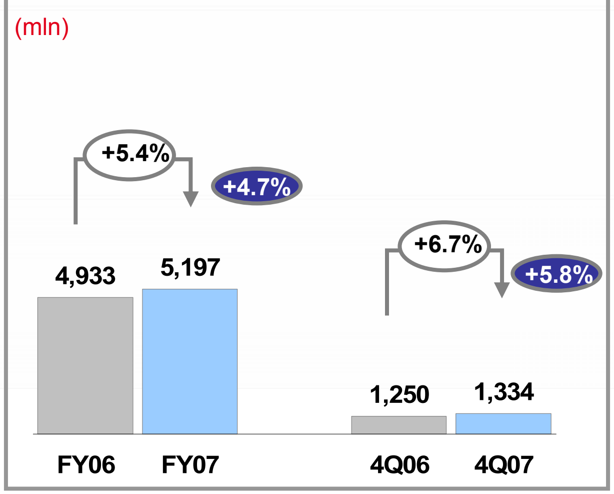
	2007 REVENUES, mln	% change y/y	
CEE region	**5,754**	**16.7%**	**Significant volume growth** (net customer loans 18.2% at current FX, +14.5% at constant FX & perimeter) and **fees on Mutual Funds** in Poland
Private	**1,517**	**9.3%**	**Net interest** +14%, due to **higher deposits**, and non-interest income +6%, despite financial markets conditions and customer's preference for liquidity assets
Retail	**10,964**	**5.9%**	~+8% revenue increase for both former UniCredit Italy and Capitalia networks, driven by **spread effect on deposits and volume effect**. Good fees increase in Germany (+6%), Austria affected by negative spread effect on loans
Corporate	**6,099**	**5.7%**	Net interest +4.0%, thanks to **volume growth in loans and deposits** and net non interest income +8.6%, supported by operating leasing
Asset Management	**1,506**	**2.3%**	Increase driven by **growth in management fees**, **despite market turmoil** and assets under management outflow in 2H07
MIB	**3,274**	**-8.4%**	Decrease due to structured credit impact (-431 mln in FY07), partially offset by strong results in other Business Lines (+39% growth in Investment Banking)

OPERATING COSTS UNDER CONTROL (+0.4% Y/Y, AT 16.3 BN) WITH IMPROVED EFFICIENCY (C/I RATIO TO 55.0%, -2.5 PP Y/Y)

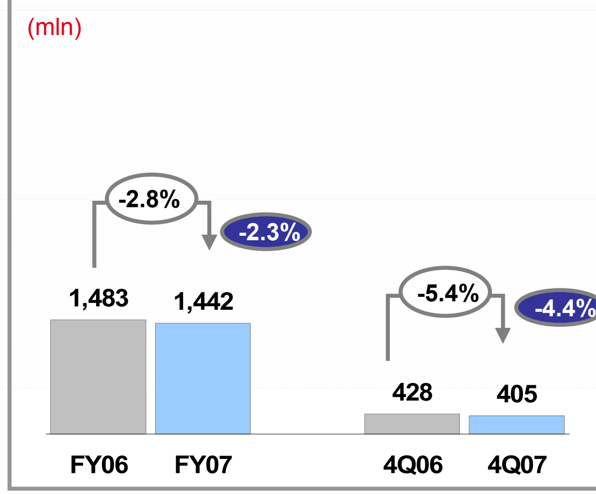
STAFF EXPENSES



OTHER ADMIN. EXPENSES AND EXPENSE RECOVERIES



DEPRECIATION

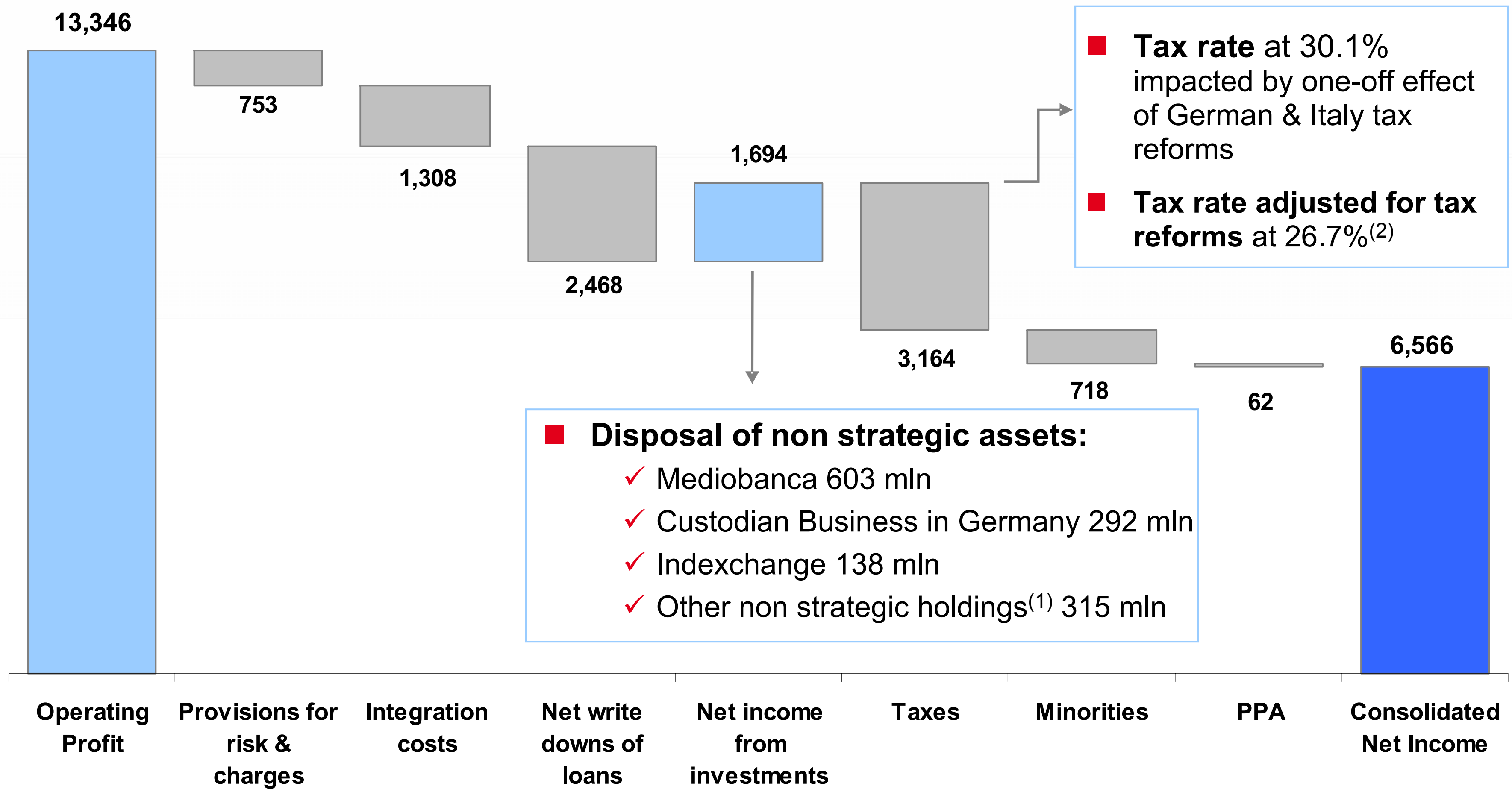


- **Lower staff costs** benefiting from **headcount rationalization initiatives** across the Group and **lower variable compensation in MIB** following market turmoil
  - ✓ positive impact from release of provisions for Bank Austria pension liabilities and TFR reform in Italy
  - ✓ higher staff costs in CEE Region (+12.3% at constant FX & Perimeter) mainly due to **network expansion**
  - ✓ **FTEs down 4,288** net of growth initiatives; -760 net of new consolidations (mainly Kazakhstan and Aton)
- **Other administrative expenses up 5.4% y/y, +4.7% at constant FX and perimeter** mainly due to:
  - ✓ **CEE Region** (+9.5% at constant FX & Perimeter) driven by branch openings (Turkey, Russia, Hungary)
  - ✓ **Rest of the Group** (+3.6%) mainly driven by projects developments in Holding (e.g. BIS II) and higher costs for outsourced IT & BO services in GBS (offset by lower staff costs)
- **Depreciations down 2.8% y/y,** benefiting also from the completion in 2006 of ICT system depreciation in Bank Austria

At constant FX & Perimeter

NON OPERATING ITEMS IN FY07: POSITIVE NET INCOME FROM INVESTMENTS, TAXES IMPACTED BY TAX REFORM IN GERMANY AND ITALY

(mln)

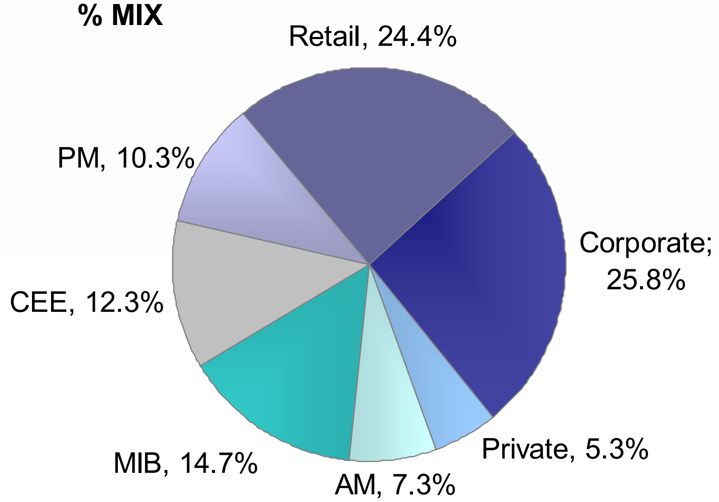


(1) Fiat and Borsa Italiana

(2) FY07 negatively impacted by tax reforms in Germany (~-160 mln) and Italy (~-200 mln). Corporate tax rate is going to be reduced from current ~40% to ~31% starting from 2008 in Germany and from 33% to 27.5% in Italy (IRES)

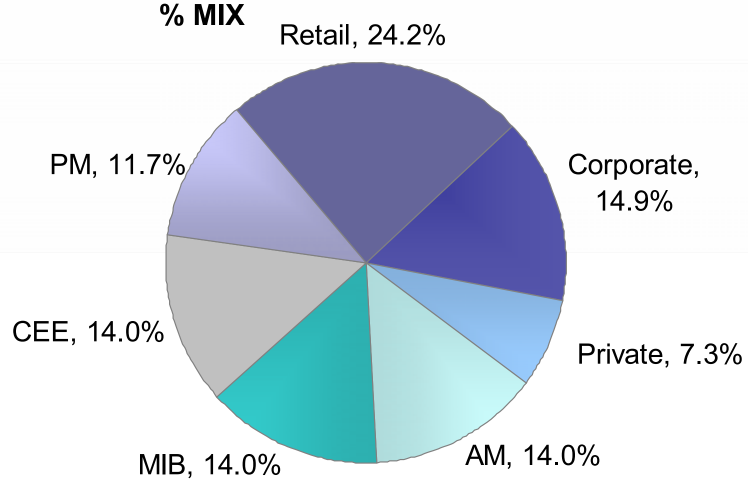
A WELL BALANCED BUSINESS PORTFOLIO

GOP after provisions



	Dec07	y/y % ch.
Retail	2,839	38.9%
Corporate	3,005	11.8%
Private	615	29.5%
AM	845	5.3%
MIB	1,705	-6.3%
CEE	1,427	28.7%
Poland's Markets	1,194	21.0%

EVA



	Dec07	y/y % ch.	Marginal RARORAC Dec07
Retail	987	103.9%	15.0%
Corporate	609	15.7%	4.7%
Private	300	45.9%	70.4%
AM	570	13.3%	40.9%
MIB	573	-18.2%	10.5%
CEE	575	28.6%	14.1%
Poland's Markets	473	34.5%	37.7%

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AGENDA

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- **Key Topics: an Update**
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KEY TOPICS: AN UPDATE

- **Capital and funding**
- MIB Division performance
- Purchase Price Allocation (PPA)
- Asset Quality

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UCG CAPITAL POSITION

	Dec06[1]	Dec 07	Δ
EVA (mln)	2,445	2,638	7.9%
Marginal RARORAC (%)	7.2%	7.4%	16 bp
Core Capital (mln)	24,583	32,548	7,966
Total Capital (mln)	44,324	56,152	11,828
Total RWA (bn)	422.3	558.6	136
Core TIER1 Ratio (%)	5.82%	5.83%	1 bp
TIER1 Ratio (%)	6.96%	6.54%	-41 bp
Total Capital Ratio (%)	10.50%	10.11%	-39 bp

- **Total Group EVA +2.6 bn (+8% y/y) with Marginal RARORAC up by 16 bp**
- **Strong performance of the core traditional businesses:**
  - ✓ **Retail delta EVA +503 mln (+104% y/y)**
  - ✓ **CEE Region delta EVA +249 mln (+31% y/y)**
- **Strong organic capital generation: Core Tier I at 5.83% despite acquisitions and the exercise of Capitalia withdrawal rights**

2008 OUTLOOK

Continued organic capital generation and **disposal gains** (e.g.Capitalia Securities Services disposal, BPH branches, former Capitalia branches to be sold) **and Generali convertible expiry more than compensating planned negative impact from Ukrsotsbank and HVB/ BA-CA squeeze-outs**

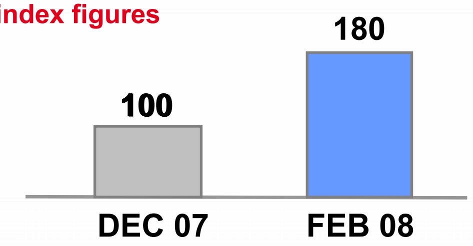
[1] Capital, RWA and Ratios as of Dec06 are not pro-forma (therefore they exclude Capitalia)

LIQUIDITY MANAGEMENT AND S/T FUNDING STRUCTURE: CONSERVATIVE, DIVERSIFIED AND RELIABLE, ALSO IN TOUGH MARKET CONDITIONS

S/T LIQUIDITY POSITION

- Sound and **comfortable S/T liquidity position**[(1)] further improving in first months of 08

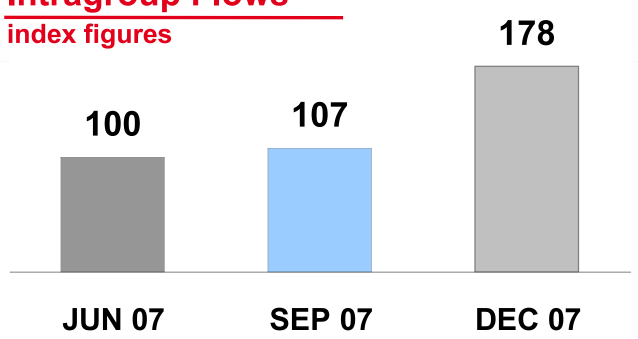
S/T liquidity position
index figures



GROUP LIQUIDITY POLICY

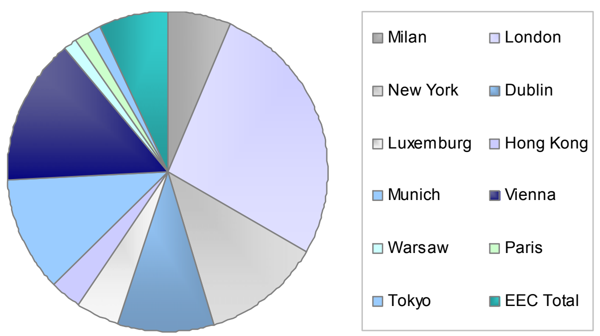
- **Effective Group cash pooling**
  - ✓ **transactions** more than doubled in 2007, **external funding minimized**

Intragroup Flows
index figures



S/T FUNDING BASE

- **Stable and diversified**
  - ✓ Diversified geographic base



DEC 07

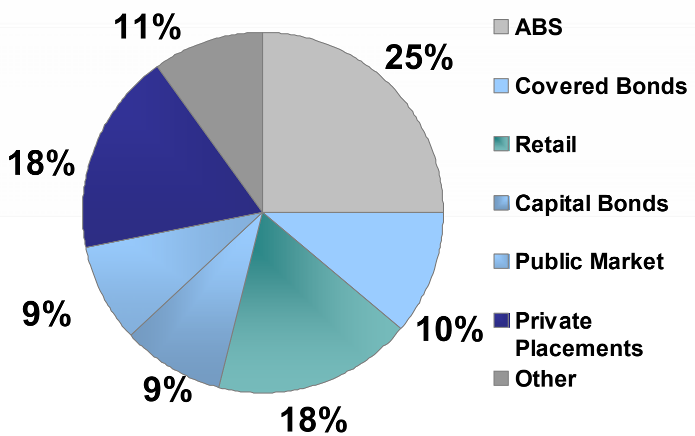
(1) 1 month liquidity position: (net liquid inflows in the timeframe+securities eligible for discount to ECB +marketable repoable securities

DIVERSIFIED M/L TERM FUNDING, LEVERAGING ON INTERNATIONAL PRESENCE

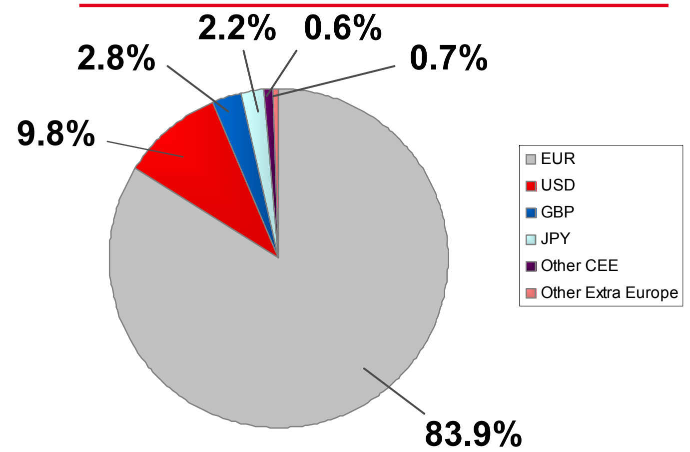
M/L TERM FUNDING

- **Broad diversification in instruments and markets**

2007 Funding Plan by Instrument



2007 Funding Plan by Currency



- **Continued presence into the market, perfectly navigating in a tough environment:**
  - ✓ 2 bn subordinated debt issues in 2H07
  - ✓ 2.5 bn senior debt in Feb 08

UniCredit Group sticking to a well balanced Asset / Liability structure: Liquidity ratio[1] limit above 0.90

[1] The ratio is calculated as the sum of total liabilities / the sum of total assets above the 1Y maturity

KEY TOPICS: AN UPDATE

- Capital and funding
- **MIB Division performance**
- Purchase Price Allocation (PPA)
- Asset Quality

MIB RESULTS: HIT BY THE MARKET TURMOIL

- Record 1H07 performance; impacted by weakness in Structured Credit in 2H07 but strong results in other businesses

- Structured Credit: spread widening impacting a diversified and high-quality 15.8 bn ABS portfolio:
  - ✓ ~98% investment grade
  - ✓ Low US exposure (~10% of the portfolio); negligible US Sub-prime (~1% of total)
  - ✓ Portfolio marked to market, with strict price verification process
  - ✓ P&L impact primarily on a mark to market basis vs incurred losses

- Modest exposure to other critical areas:
  - ✓ 5.1 bn sponsored conduits, down >70% since June 2007 with no losses and fully consolidated
  - ✓ <75 mln net exposure to third party SIVs
  - ✓ ~24 mln direct exposure to monoliners
  - ✓ LBO underwriting portfolio features high quality credit stories

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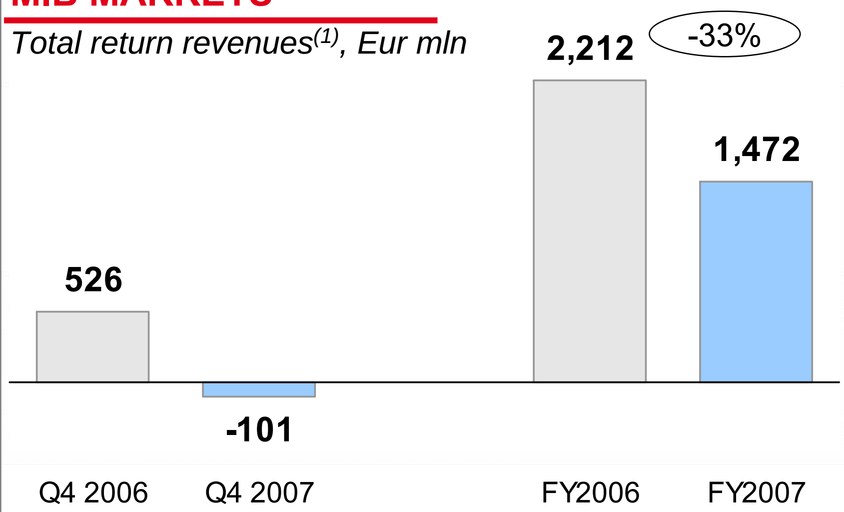
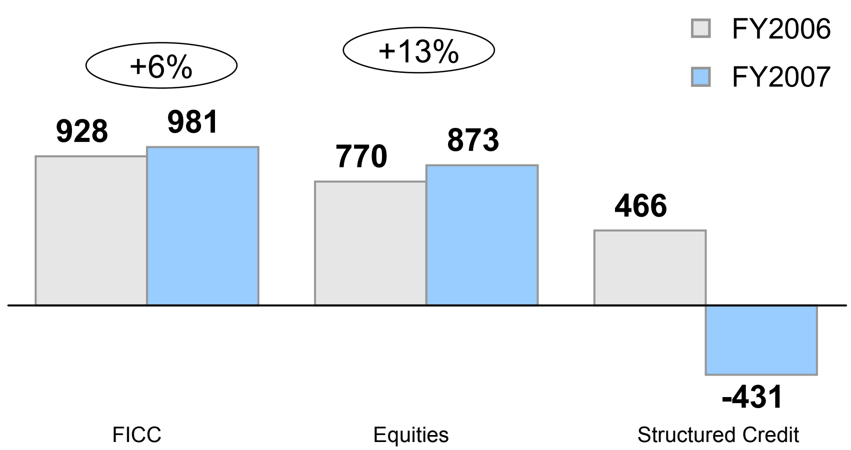
MARKETS: STRUCTURED CREDIT HIT BY MARK-DOWNS, BUT GOOD PERFORMANCE IN OTHER BUSINESSES

MIB MARKETS

Total return revenues[1], Eur mln





(1) MIS (Management Information System) data

STRUCTURED CREDIT:

	3Q07	4Q07
TOTAL, o/w :	**-272 mln**	**-476 mln**
✓ *Realized losses*	*-174 mln*	*-149 mln*
✓ *Mark-to-market*	*-282 mln*	*-277 mln*
✓ *Other*	*184 mln*	*-50 mln*

- **Spreads widened** again towards year-end **putting pressure on investment and trading positions**
- **Other revenues positively affected by one-offs in 3Q07**
- **More than 90% Held for Trading**

FICC:

- **Another solid performance,** with **strong contribution from Cash Interest Rates**
- **Good resilience of Structured FI Derivatives and FX over the year**

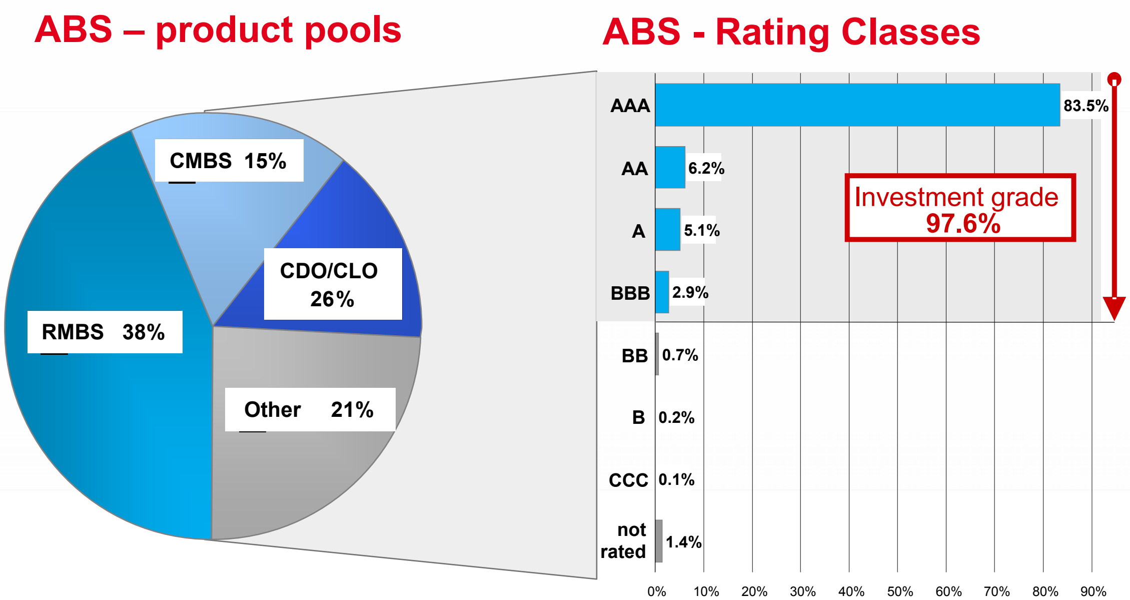
EQUITIES:

- **Successful year despite shaky markets in 2H**
- **Strong performance of equity finance and institutional sales**
- **Structured Equity Derivatives broadened its competitive position (+16% y/y)**

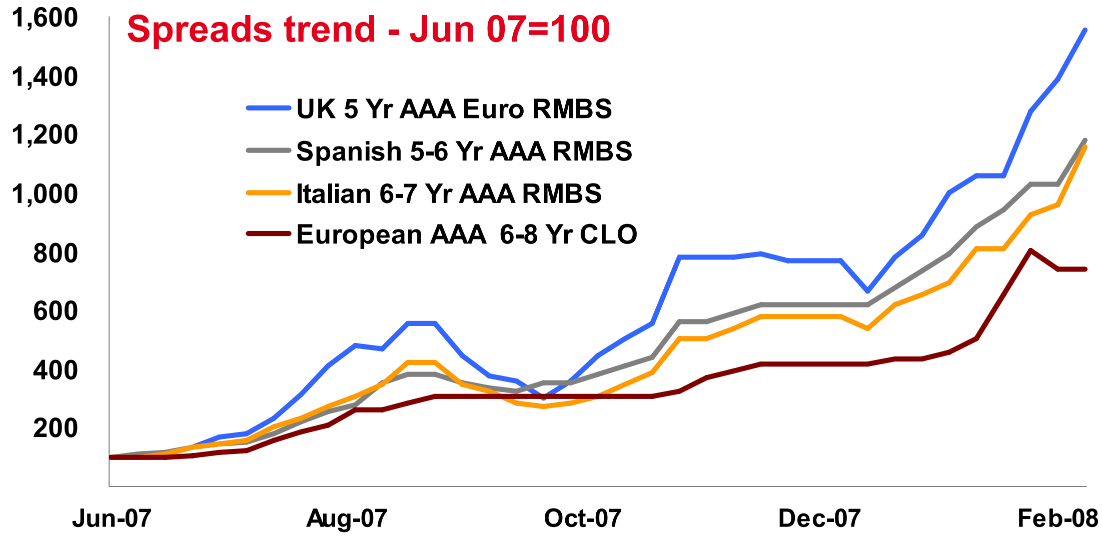
HIGH QUALITY ABS PORTFOLIO WITH LIMITED US EXPOSURE

High quality ABS portfolio:

- ✓ 15.8 Eur bn total market value
- ✓ only 1.7 Eur bn in the US, of which just 164 Eur mln US Sub-prime
- ✓ no hedging risk



Significant spread widening since November



Sensitivity to spread widening stable at ~6mln per bp

UniCredit Group

INDEPENDENT PRICE VERIFICATION PROCESS (IPV) USED TO VALUE THE STRUCTURED CREDIT PORTFOLIO

Lack of liquidity following the turmoil in the credit markets has further highlighted the importance of an independent pricing methodology for structured credit products

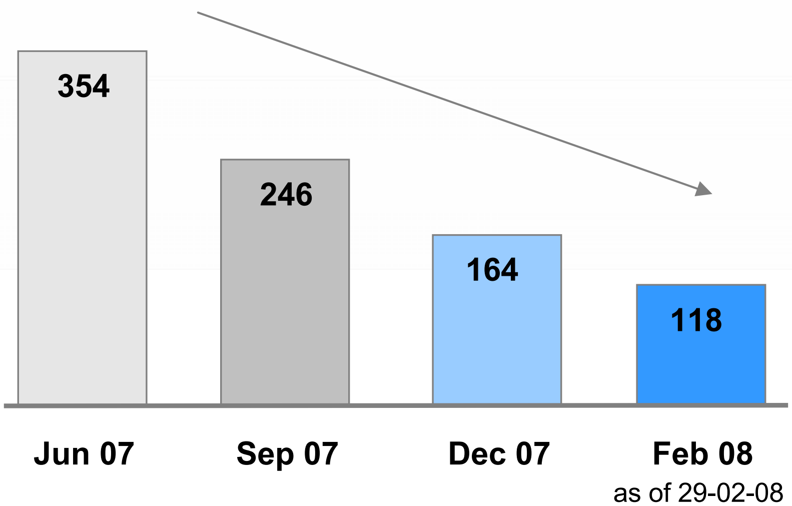
UCG VALUATION APPROACH

- HVB MIB uses an **Independent Price Verification** (IPV) process **to provide an independent check of front-office prices**
- On a monthly basis, **Market Risk Control compares prices from the front office** with those from **leading data providers and external counterparts**
- Positions are ranked based on data sources
- To **take account of potential liquidity constraints** a **Fair Value Adjustment** (FVA) **may also be added**
- Results are **analyzed and reviewed with the front office**
- **The combination of IPV and FVA is used to generate prudent valuations**

EXPOSURE TO US SUB-PRIME MODEST AND REDUCED BY MORE THAN 50% OVER SIX MONTHS

US Sub-Prime exposure trend

Net amount after impairments, EUR mln



US Sub-Prime exposure breakdown

December 2007, *EUR mln*

On balance	
US sub-prime RMBS [1]	89
CDOs with partial sub-prime	72
of which equity tranches/income notes	1
Retained interest	1
Total on balance	**162**
Off balance	**2**
Total	**164**

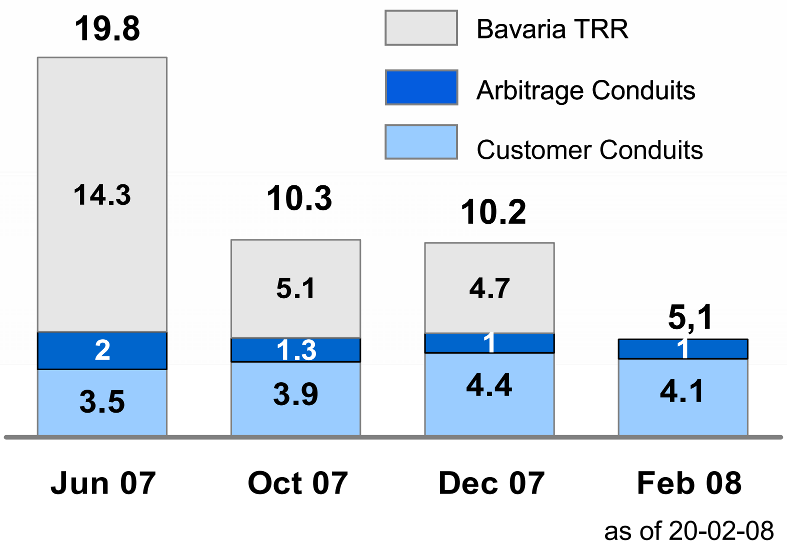
- Risk decreased via **amortization, value adjustments and sales**
- **24 mln Eur reduction through sales in January 2008, no negative P&L impact**

(1) Including Bufco, previously off balance sheet

FURTHER REDUCTION IN CONDUITS AND SIVs EXPOSURE, CONDUITS FULLY CONSOLIDATED

HVB sponsored conduits

Size based on current market prices, EUR bn

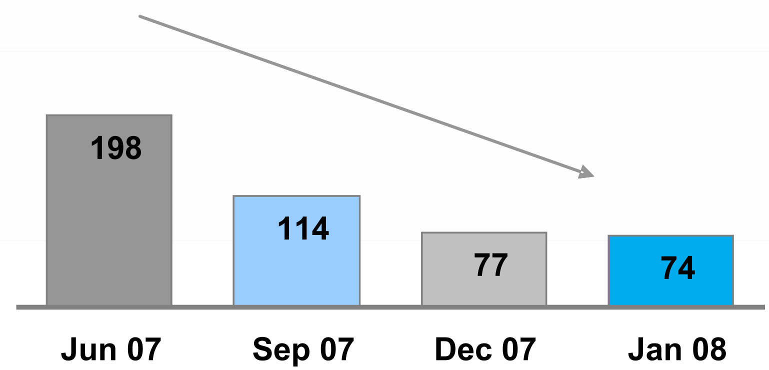


- **Overall reduction resulted in no losses and was driven by wind down of:**
  - ✓ **Maximillian MCC** (completed by Dec 07)
  - ✓ **Bavaria TRR** (completed by Feb 20, 2008)
- **Liquidity lines of 5.4 bn, all undrawn**
- Full consolidation with **no meaningful impact on Core Tier I**

P&L IMPACT IN 2007: ~-20 mln

Investments in 3rd Parties SIVs

Net amount after impairments, EUR mln



- **Negligible investments in 3rd parties SIVs:**
  - ✓ **Only investments, no sponsorship**

P&L IMPACT IN 2007: ~-100 mln

VERY LIMITED EXPOSURE TO MONOLINERS

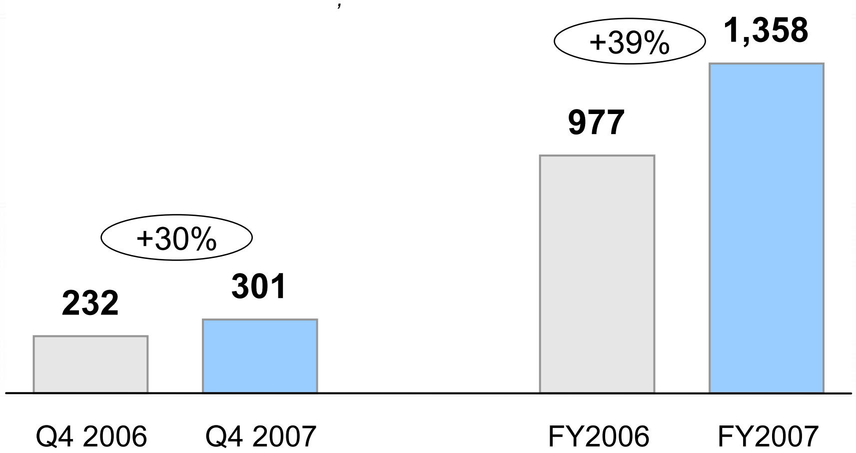
- No use of monoliners in hedging strategies
  - ✓ no CDS with monoliners as direct counterpart
- Limited direct exposure (via direct issue bonds) to 5 monoliners (~ Eur 24 mln total)
- No exposure to ACA (direct or indirect)
- Indirect exposure to high-rated US municipalities via Tender Option Bond programs
  - ✓ ~ Eur 535 mln underlying backed by 4 monoliners; Insurance acts as second lien to creditworthiness of each municipality

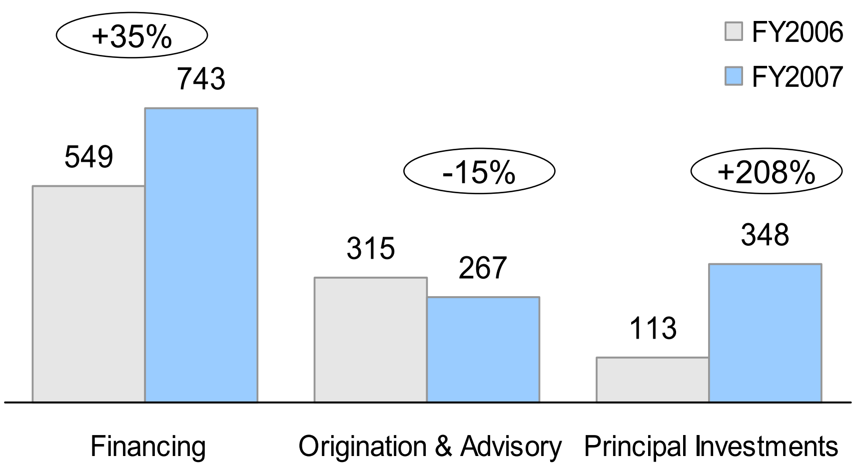
MONOLINER EXPOSURE PRIMARILY INDIRECT AND WELL DIVERSIFIED

INVESTMENT BANKING: ROBUST RESULTS DESPITE THE DIFFICULT MARKET ENVIRONMENT

MIB INVESTMENT BANKING

Total return revenues[1], Eur mln





(1) MIS (Management Information System) data

(2) Securitization desk is a "virtual " JV between Markets (Structured Credit) and Investment Banking (Origination and Advisory), where revenues are split 50/50

FINANCING

- **Revenues and profit contribution substantially increased** versus 2006 despite the turmoil in financial markets
- **Strong contribution from Financial Sponsors and Leverage Finance Group**
- **Corporate Solutions team generated lead transactions on the lending and capital market**

ORIGINATION & ADVISORY

- **Y/y decrease due to impact of joint-venture in securitisation[2]**
- **Sustained client-driven activities in core region,** with **solid ECM business**
- **M&A expertise built up in core markets**

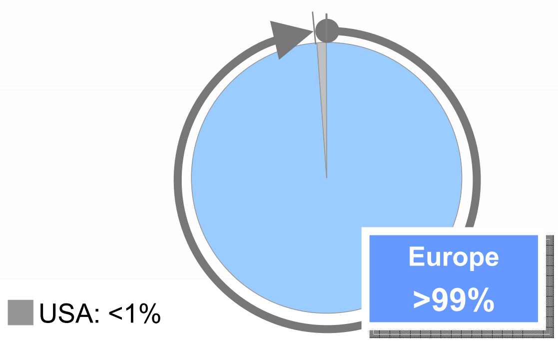
PRINCIPAL INVESTMENTS

- **A well diversified portfolio** with investments in private equity funds, direct equity investments and hedge funds

HIGH QUALITY LEVERAGED BUY-OUT BUSINESS

UNDERWRITING PORTFOLIO

~20 deals, € 4.9 bn



Valued on a cost basis, no recognition of fees.

- All strong credit stories, including two jumbo deals
- Continued emphasis on European core markets, building upon UniCredit Group's market-leading position and corporate relationships
- US exposure reduced throughout 2007

HOLD PORTFOLIO

- 5.3 Euro bn; 140 deals; 80% Europe
- Well diversified loan portfolio by both geography and industry

High quality LBO portfolio, mainly European deals; no credit impairment

KEY TOPICS: AN UPDATE

- Capital and funding
- MIB Division performance
- **Purchase Price Allocation (PPA)**
- Asset Quality

"FAIR VALUE DRIVEN" BALANCE SHEET ADJUSTMENTS (PPA) IN THE MERGER OF CAPITALIA

(bn, if not differently specified)	Main Fair Value adjustments	Impact on 31.12.'07 Goodwill	Impact on Core TIER 1 Ratio
Loan Provisions[1]	Net write-downs on impaired loans to customers and generic provisions	+0.6	-
Trevi securities	Fair value adjustments on underlying NPLs	+0.5	-
Other assets	Fair value adjustments on securities, other assets, and performing loans	-1.4	+
Liabilities	Fair value adjustments on liabilities and accounting alignment	+0.2	-
Fiscal effects	Deferred tax assets and liabilities related to the adjusted items	+0.1	-
	TOTAL IMPACT ON CORE TIER I		0 bp
Intangible assets	Goodwill allocation to intangible assets net of related deferred tax liabilities	-1.5	~0[2]
	TOTAL IMPACT ON GOODWILL	-1.5	

NO IMPACT ON CAPITAL RATIOS, 1.1 BN REDUCTION IN IMPAIRED LOANS AND TREVI

(1) Alignment of accounting and valuation criteria (coverage of all impaired loan categories aligned, same assumptions for accrued interest and time value, convergence of levels of generic reservation)

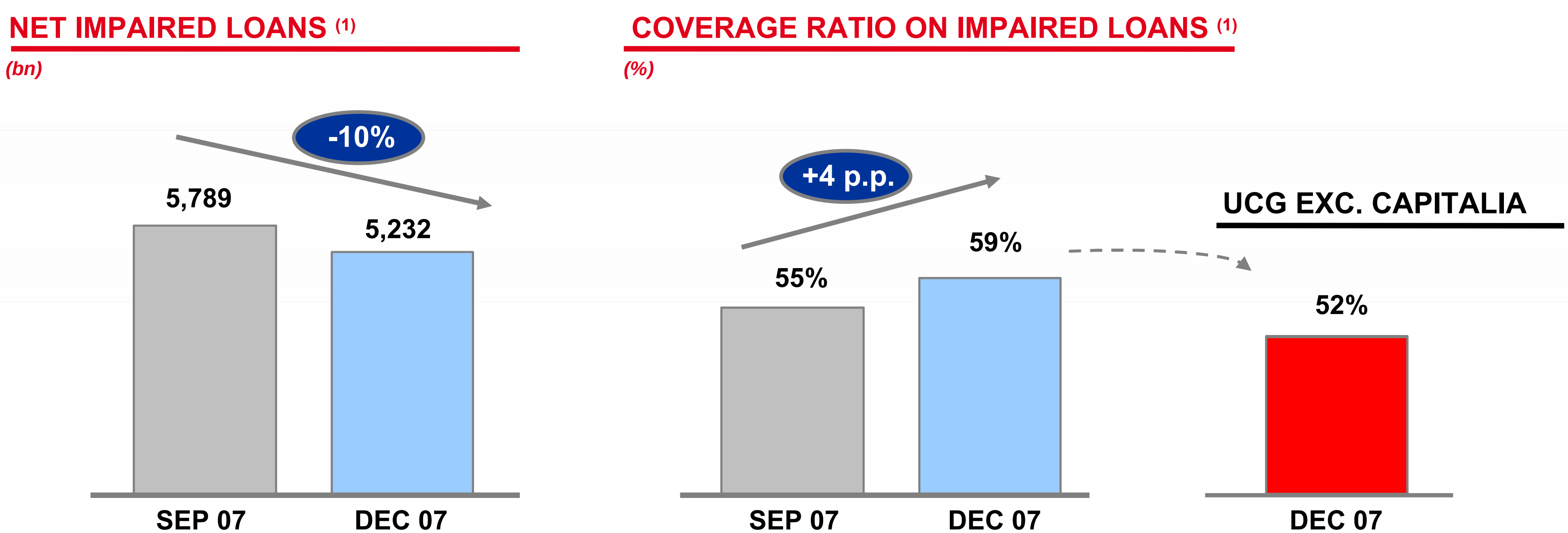
(2) Changes in book value of intangible assets has no impact on regulatory capital as both goodwill and intangible assets are deducted anyway

KEY TOPICS: AN UPDATE

- Capital and funding
- MIB Division performance
- Purchase Price Allocation (PPA)
- **Asset Quality**

CAPITALIA: CRITERIA ALIGNED TO UCG

CAPITALIA ASSET QUALITY



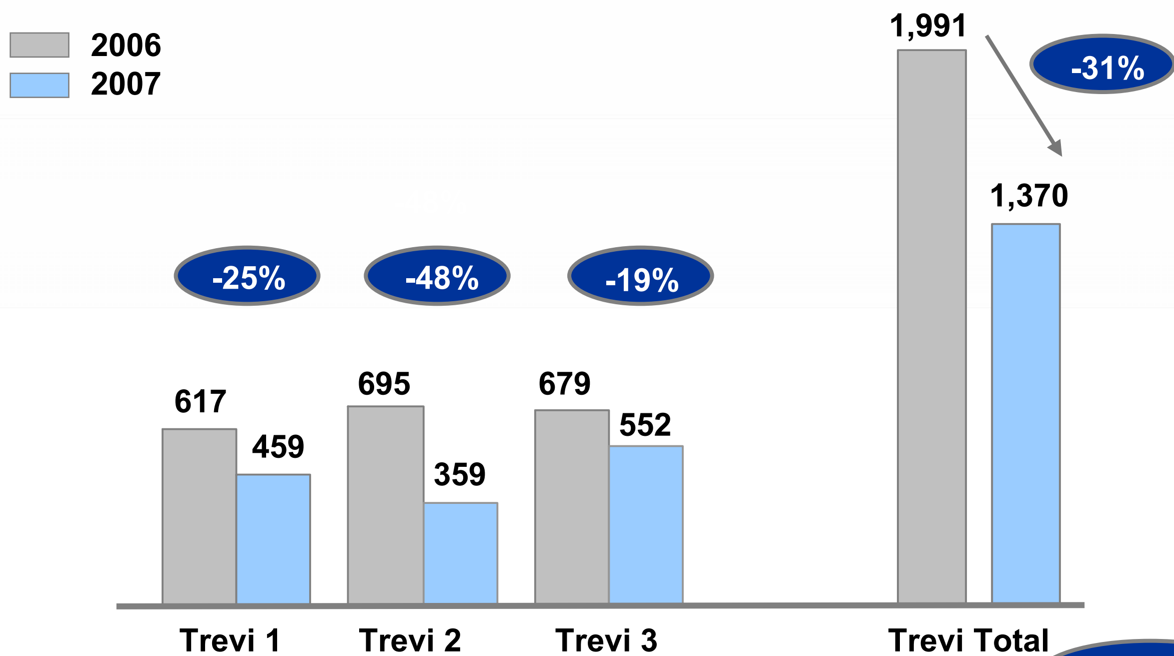
- Capitalia asset quality full alignment of UniCredit Group valuation standard
- PPA impact due to loan evaluation of ~0.6 bn
- Net impaired loans coverage at 59%, +4 p.p. q/q

(1) Loans to customers

TREVI: STRONG DECREASE IN NET EXPOSURE, ALIGNMENT TO UNICREDIT VALUATION STANDARDS

Trevi Net Exposure

(mln)



+10 p.p. y/y

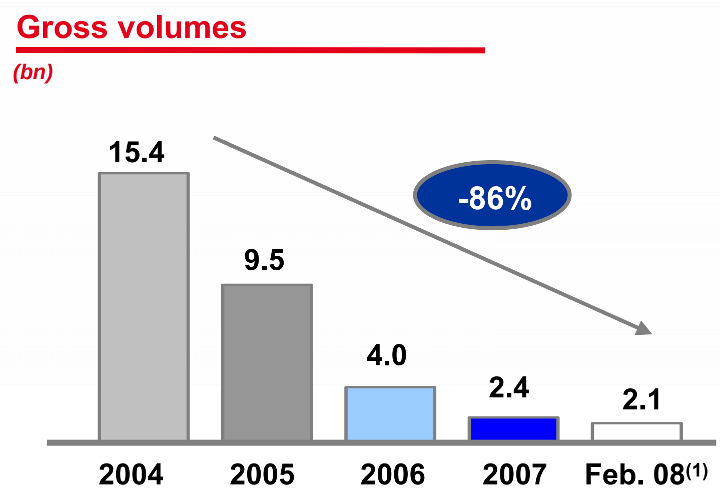
	Trevi 1	Trevi 2	Trevi 3	Trevi Total
Coverage %	74%	75%	71%	73%
Collateralized Exposure %	20%	71%	18%	33%

- **Trevi portfolio management under UniCredit Group direct responsibility**
  - ✓ JV agreement with Archon (Goldman Sachs) for loan collection operations unwound since Dec 2007 (6 months in advance)
  - ✓ UGC Banca, S&P best rating for European servicer, fully in charge for Trevi portfolio
- **Trevi 1 & 2**
  - ✓ pay back to external bondholders completed
  - ✓ unwinding expected by 2008 with full consolidation

Rigorous UniCredit Group standards applied
+10 p.p. y/y increase in coverage ratio

HVB: CONTINUED SUCCESSFUL REDUCTION OF NON STRATEGIC ASSETS

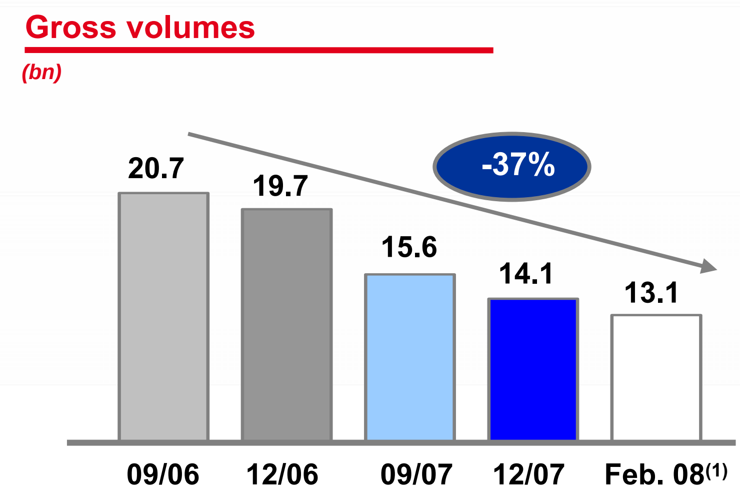
RER



- **RER portfolio reduced by over 13 bn in 3 years**

RER portfolio merged in SCP since January 1st '08 to reap operational savings and efficiencies

SCP

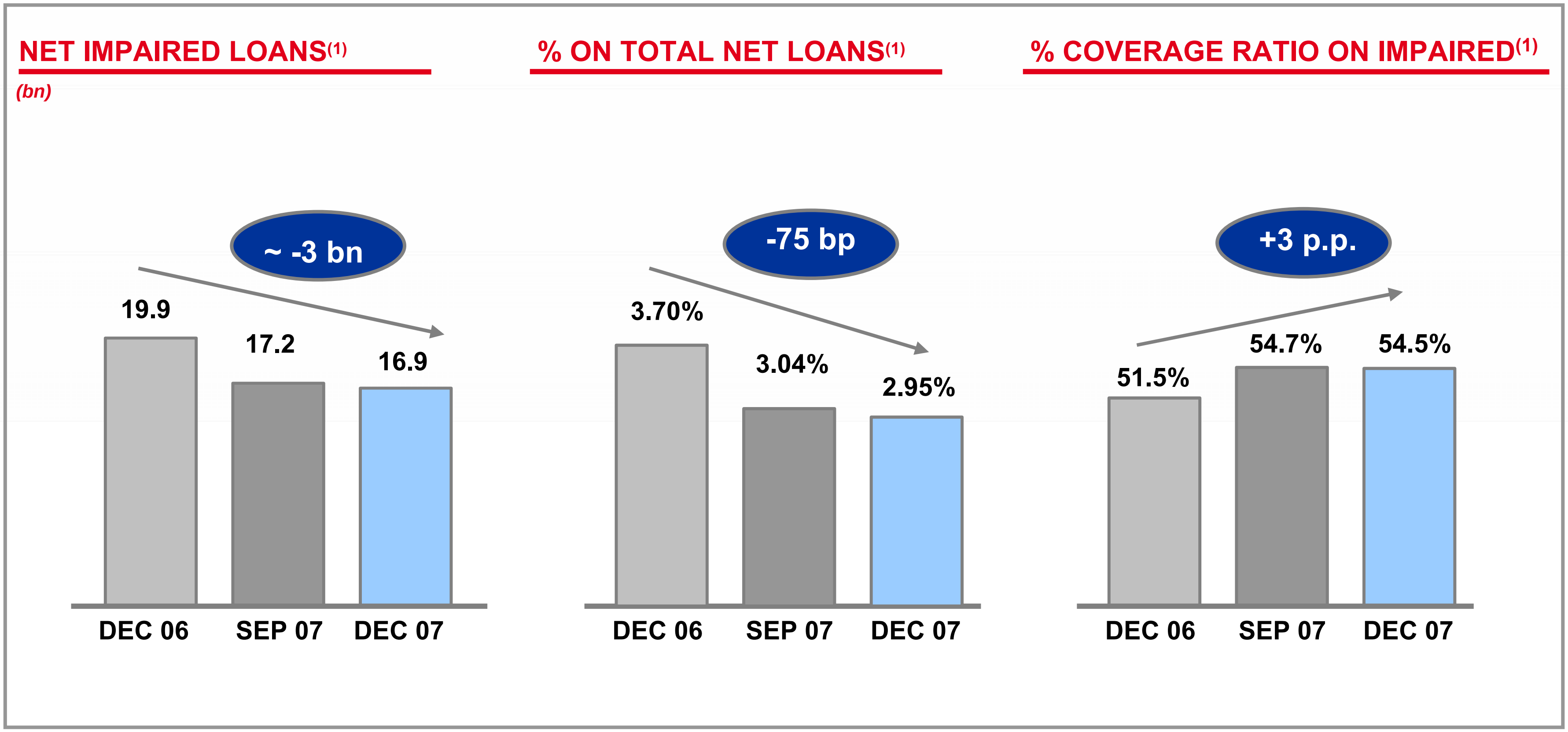


- **Successful SCP reduction (~-8 bn since creation) with overall improvement of the risk/return ratios**

CONSTANT DECREASE IN HVB NON STRATEGIC ASSETS

(1) Estimate

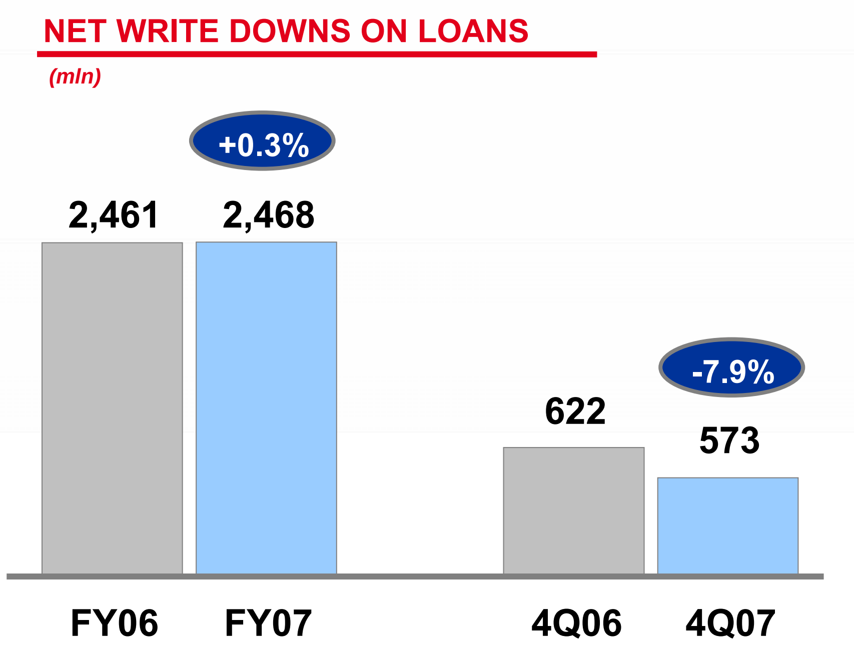
GROUP ASSET QUALITY: FURTHER DECLINE IN NET IMPAIRED LOANS

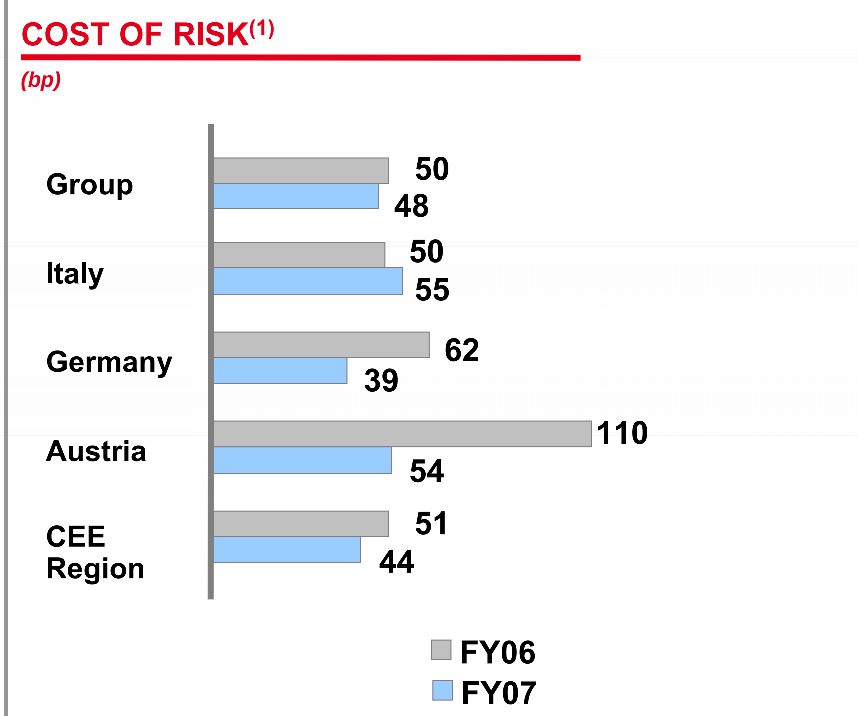


- Solid asset quality trend confirmed, net impaired loans down both y/y and q/q
- Significant reduction in net doubtful and restructured loans down 34% in one year, thanks to successful day by day work-out
- Coverage ratio on impaired loans increased by 3 p.p. y/y

[1] Loans to customers

LOAN LOSS PROVISIONS BENEFITING FROM CASH RECOVERIES IN GERMANY





- Net provisions on loans stable y/y and down 4Q07/4Q06, positively impacted by strong cash recovery in Germany (mainly in MIB and Corporate)
- Cost of risk down to 48 bp, with y/y reduction mainly driven by decline in Germany and in Austria (the latter due to comparison with a 2006 impacted by one-offs)

(1) Profit (loss) and net write downs on loans / Total Period Average RWA for Credit Risks

AGENDA

MERGER WITH CAPITALIA: COMPETENCE TRANSFER AND RESTRUCTURING AS A SOLID BASE FOR VALUE CREATION

BUSINESS MODEL

- Integration of former Capitalia's network in UniCredit's well honed Divisional Model

RESTRUCTURING

- Significant room for cost reduction:
  - ✓ Human Resources rightsizing
  - ✓ Unification of back-office, Central Functions, Product Factories and IT

GROWTH

- Alignment of productivity and penetration gap in Retail and Corporate

MILESTONES OF CAPITALIA INTEGRATION, TO ACHIEVE SYNERGIES AND SUSTAIN FUTURE GROWTH

BUSINESS CARVE-OUT (DIVISIONALISATION OF FORMER CAPITALIA)

- Corporate "Managerial Big Bang" from February 1°: full benefits of carve-out anticipated

	I Q 08	II Q 08	III Q 08	IV Q 08
Private Virtual Carve out	✔			
Corporate Big Bang	✔			
Business real Carve out				1st Nov.

HUMAN RESOURCES RIGHTSIZING

- ~2,000 people already exited, ~7,800 within 2010, +2,800 vs 5,000 original target
- Single biggest restructuring ever done in the Italian banking system

2007	2008	2009	2010
~2,000	~2,800	~1,600	~1,400

SINGLE IT PLATFORM: BY NOVEMBER 1, 2008

- Common business and operating model
- Common governance structure, eg. Credit processes
- Deep view of customer information, on commercial and risk side

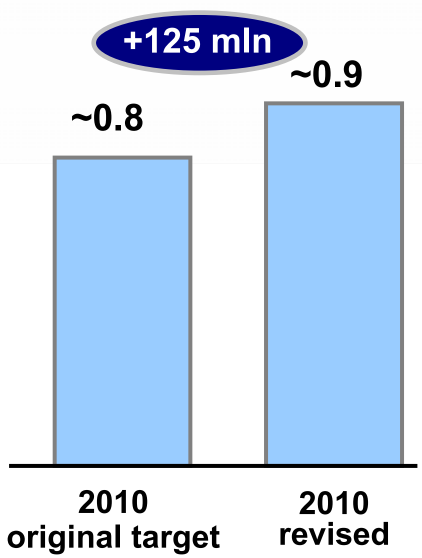
I Q 08	II Q 08	III Q 08	IV Q 08
	Bipop Carire UniCredit Group	Banca di Roma UniCredit Group	Banco di Sicilia UniCredit Group; Redesign of network for the 3 Retail Banks

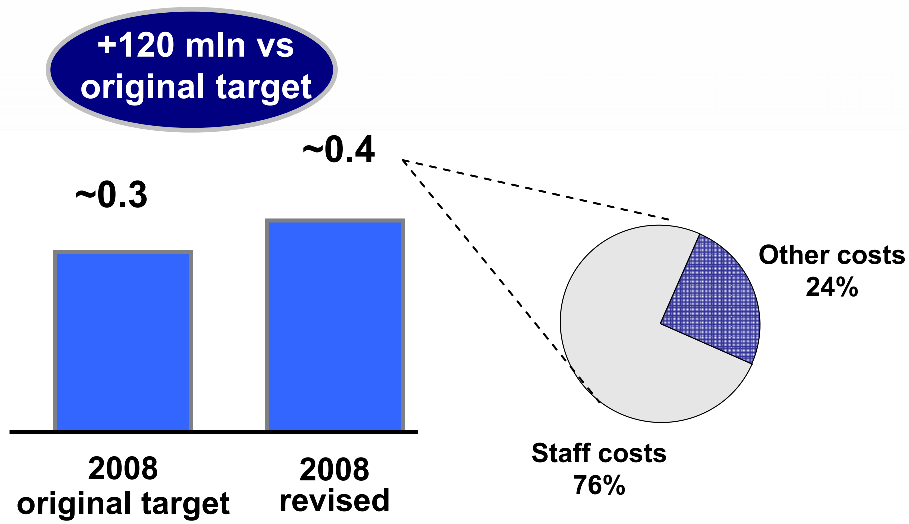
CAPITALIA COST SYNERGIES HIGHER AND ANTICIPATED

GROSS COST SYNERGIES, bn

2010 gross cost synergies +125 mln vs original target…

… with accelerated delivery in 2008



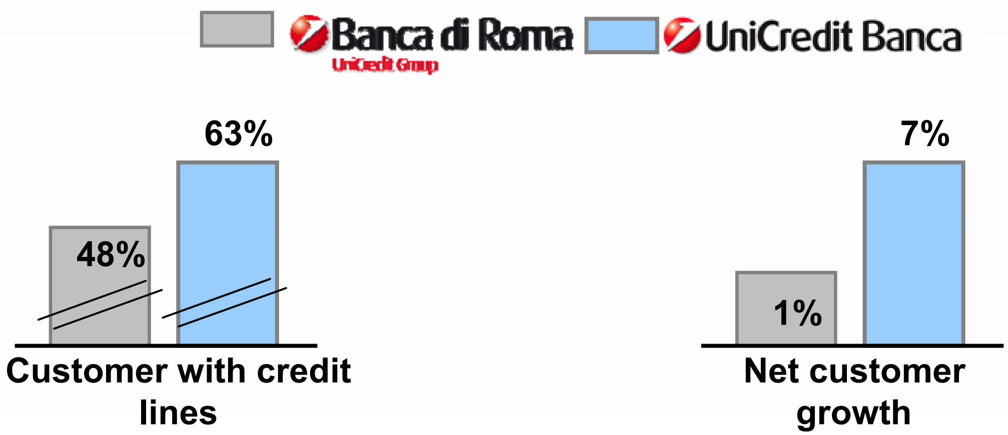


SET TO DELIVER A QUICK INTEGRATION

RETAIL: COMMERCIAL AND PRODUCTIVITY GAPS TO BE EXPLOITED

Small business

- Lower penetration of former Capitalia in the segment



Retail products
Other key penetration gaps

- Revenue growth potential from bridging penetration gaps

	UniCredit Banca	Capitalia
Current Account	89%	75%
Revolving Credit Cards	11%	5%
Bancassurance	19%	15%

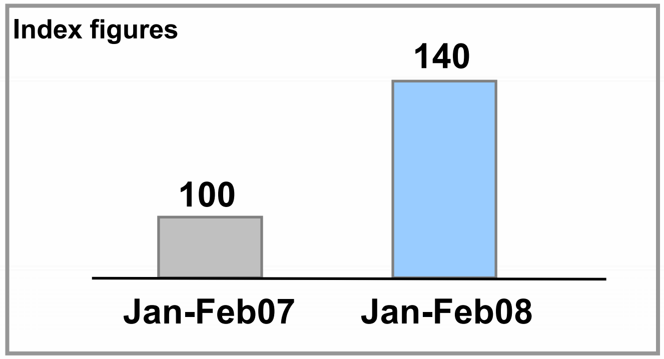
December 2007 figures

FORMER CAPITALIA FIRST ACHIEVEMENTS IN 2008

Customer retention: current account outflows reduced by 4,000 in 2008 YtD

IMPROVING SALES PROFITABILITY AND QUALITY

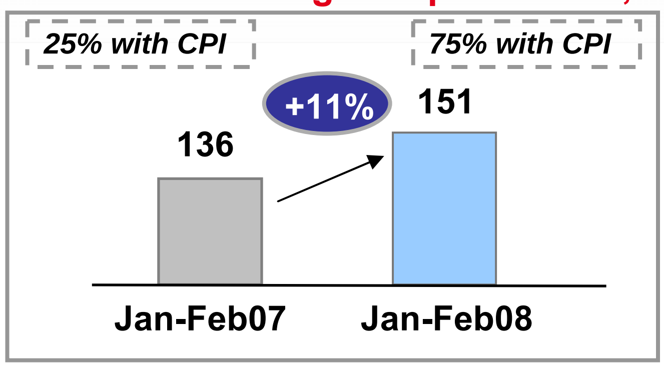
Gross margin from sales of Investment Products



- Significant **increase in volumes and improved quality and mix** of sales
  - ✓ **2 out of 3 products** sold with a management fee
  - ✓ **Bancassurance** new production: **~50% Unit Linked**, vs 9% in first two months 2007

ENHANCING FEES WITH CROSS SELLING

Consumer lending new production, mln[1]

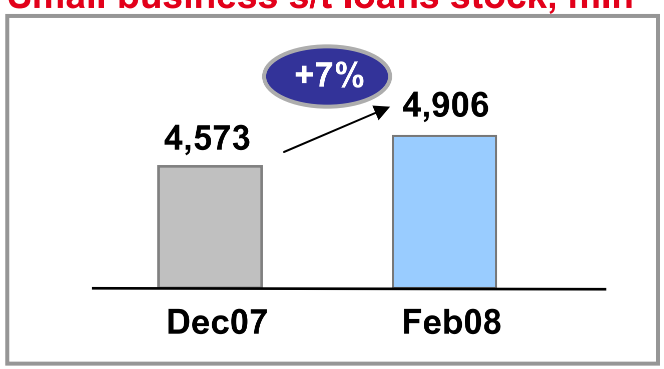


- Excellent results from **product sharing**
- **Enhanced cross selling**

Credit Protection Insurance (CPI) Penetration

FOCUS ON SMALL BUSINESS

Small business s/t loans stock, mln



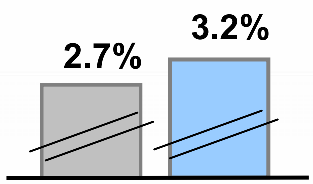
- **Continuous improvement** on Small Business segment, leveraging on Unicredit's recognized model
- Still **high room for growth**: avg. S/T loans volumes 40% lower than Unicredit Banca

[1]Excluding salary guaranteed loan

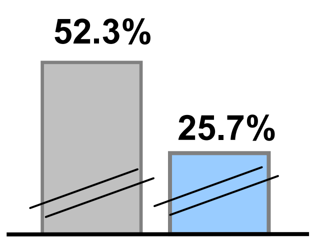
CORPORATE: FORMER CAPITALIA NETWORK READY TO LEVERAGE ON UNICREDIT BUSINESS MODEL

OPPORTUNITIES

Revenues/loans



Cost/Income



Capitalia Mid Corporate

UniCredit Banca d'Impresa

BUSINESS MODEL SPECIALIZATION

- Simplified and leaner organisation, with improved service and distribution model
- Clear commercial strategy
- Best practice sharing, leveraging on Group's service model, tools and international exposure

4Q 2007 RESULTS

- Traditional banking activities growing in 4Q07
  - ✓ Customer loans and net interest income respectively +3% and 4% q/q
  - ✓ Net commissions +13% q/q

FOCUS ON PROFITABILITY AND EFFICIENCY GAP

December 2007 figures

UniCredit Group

AGENDA

- UniCredit Group 2007 Results
- Key Topics: an Update
- Capitalia Integration & Synergies
- **2008 Outlook**
- ANNEX

2008 UNICREDIT GROUP OUTLOOK

- Good performance of commercial banking overall, with CEE and former Capitalia banks growing at the strongest pace
- Unprecedented dislocation of financial markets severely impacting Q1 MIB results
- Low visibility on ’08 development for MIB and AM performance
- Distinctive restructuring potential (Capitalia in Italy; Pekao-BPH in Poland)
- Capital position strengthened by year end

UniCredit Group

DISCLAIMER

- Pursuant to article 154-BIS, paragraph 2, of the “Consolidated Law on Financial Intermediation“ of February 24th, 1998, Ranieri de Marchis, in his capacity as Senior Manager in charge of drawing up UniCredit S.p.A.’s company accounts, declares that the accounting information related to the Consolidated Results as at December 31st, 2007, contained in this document are provided in conformity against document results, books and accounts records.

* * * * *

- Pro-forma data show a hypothetical situation and therefore, they are not meant to represent in any way a present or future economic situation of the UniCredit Group.
- The new Group was formed on October 1st, 2007 subsequent to the effective merger of Capitalia in UniCredit. The combined pro-forma income statements at December 31st, 2006 & 2007 (Group and Divisional) include results related to the whole year for Capitalia Group and were prepared for purely illustrative purposes, showing results as they might have been obtained in case the merger with Capitalia S.p.A. had actually taken place at the beginning of each year.
- The forward-looking information contained in this presentation has been prepared on the basis of a number of assumptions which may not come true in the terms taken into consideration. As a consequence, actual results may vary significantly.
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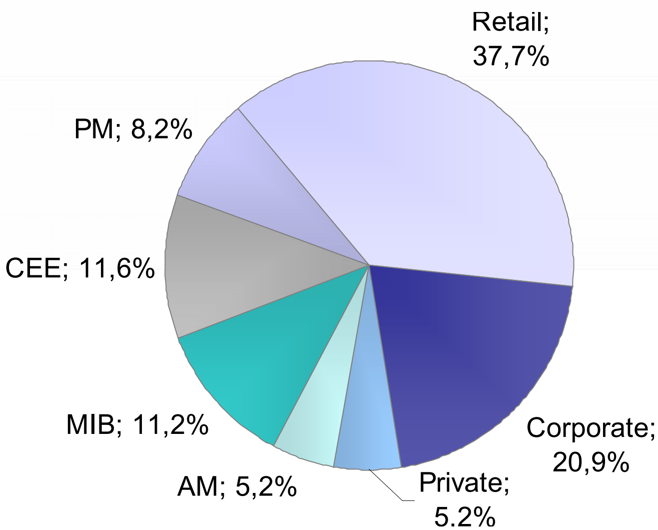
AGENDA

- UniCredit Group 2007 Results
- Key Topics: an Update
- Capitalia Integration & Synergies
- 2008 Outlook
- **ANNEX**

UNICREDIT GROUP PRO-FORMA: DIVISIONAL BREAKDOWN

TOTAL REVENUES

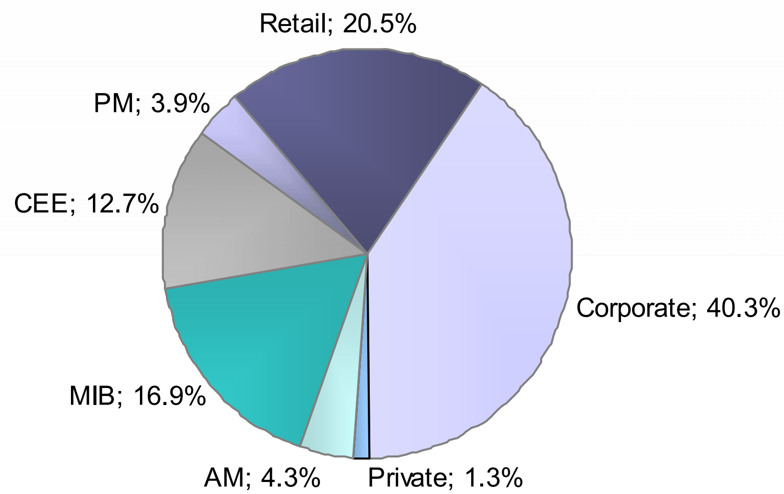
2007 % MIX



	Dec07	y/y % ch.
Retail	10,964	5.9%
Corporate	6,099	5.7%
Private	1,517	9.3%
AM	1,506	2.3%
MIB	3,274	-8.4%
CEE	3,367	20.3%
Poland's Markets	2,386	12.0%

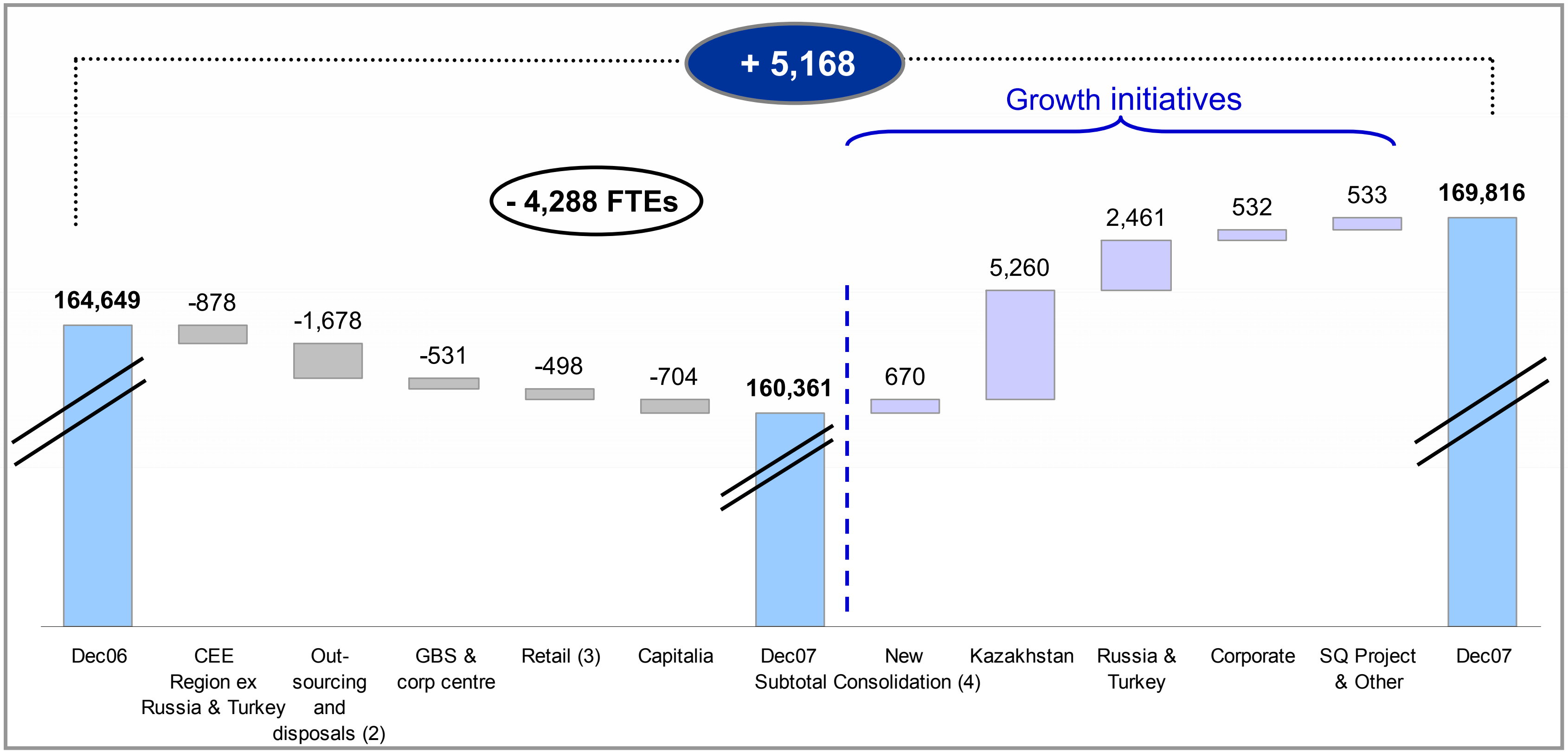
ALLOCATED CAPITAL

2007 % MIX



	Dec07	y/y % ch.
Retail	6,583	3.3%
Corporate	12,962	5.0%
Private	426	7.3%
AM	1,393	4.1%
MIB	5,442	12.9%
CEE	4,084	27.8%
Poland's Markets	1,253	26.0%

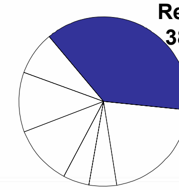
GROUP FTEs [1]



- **Decrease of FTEs** (-4,288 or -2.6%) excluding growth initiatives **with relevant contribution of GBS & CC and outsourcing deals**
- **Decrease in CEE Region** with **Slovakia** (-96) and **Bulgaria** (-916) going down, mainly due to Optima's sale (-514) and post merger rationalization
- **Increase in Corporate** mainly due to change of perimeter with other Divisions (HVB CRO, Leasing, GTB, global transaction banking for around 250 FTEs) and for "revenue boost project " in UBI and HVB

[1] Yapi Group at 100%
[2] Outsourcing: Security activities in Turkey (820), PAS (420), HVB IS (316), Indexchange Investment (30), Locat Rent (93)
[3] Including transfer of approx. 200 FTE from Corporate Centre for CRO related activities
[4] New consolidation: Planet Home (299), Insurance Broker (16), Unicredit Leasing Ukraine (20), TLX (30), Aton (260)

RETAIL DIVISION P&L



mln	FY07	% ch. on FY06	4Q07	% ch. on 4Q06
Total Revenues	10,964	5.9%	2,741	5.4%
Operating Costs	7,173	0.4%	1,826	6.5%
Operating Profit	3,791	18.4%	915	3.3%
Net write-downs on loans	952	-17.9%	274	-31.4%
Profit before taxes	2,577	32.1%	397	-6.6%
Cost/Income Ratio, %	65.4	-3.6 pp	66.6	0.7 pp

KPIs	FY07	FY06	∆ on FY06
Revenues / Avg. RWA, %	9.8%	9.6%	27 bp
Cost of risk, bp	86	109	-22 bp
EVA	987	484	103.9%
FTEs, # [1]	43,878	44,910	-1,032

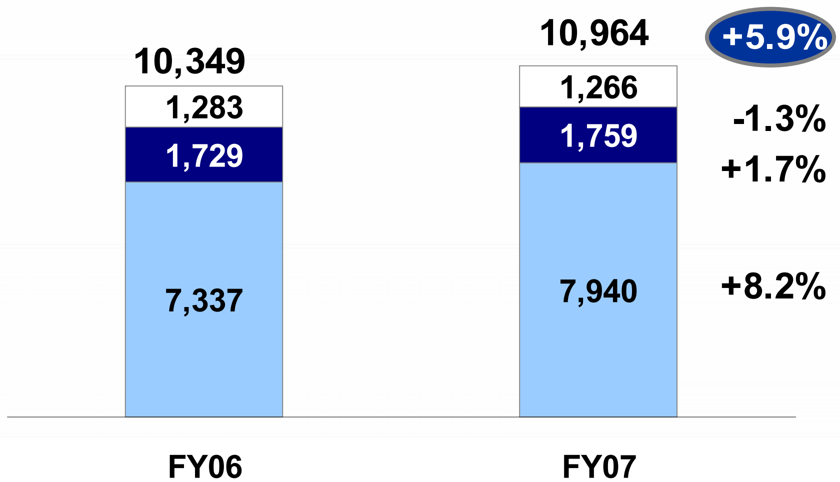
- **Good increase in revenues (+5.9% y/y),** driven by **Italy (~+8%),** thanks to both **former UniCredit and Capitalia**
  - ✓ **Net interest margin (+9.1%)**, driven by 13.8% increase in Italy, thanks to spread effect on deposits and loans growth
  - ✓ **Fees and commissions almost in line** with 2006: slight decline in Italy offset by **healthy growth in Germany (+6.3%) and Austria (+2.5%)**
- **Strict control on costs (+0.4% y/y)**: in Italy, costs savings financing growth initiatives (i.e. Household Financing internationalization). Excellent results of cost reduction projects both in Germany and Austria
- **Net write-downs on loans -17.9%**, thanks to **continuous improvement of lending processes**; comparison affected by extraordinary provisions in Austria in 2006 and alignment of Capitalia to Group's best practice in 2007
- **Revenues/RWA lifted by 27bp**, reflecting focus on assets' profitability
- Sizeable contribution to Group's value creation, with **EVA (987 mln) more than doubled**

[1] Capitalia FTEs are estimated; FY06 recast including perimeter changes (first consolidation of PlanetHome and migration from C.R.O. function)

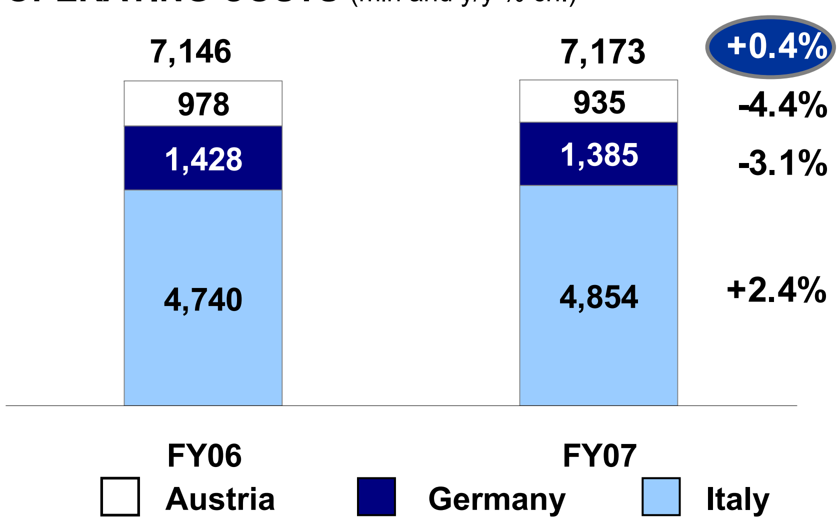
UniCredit Group

RETAIL DIVISION: OPERATING PERFORMANCE BY COUNTRY

TOTAL REVENUES (mln and y/y % ch.)



OPERATING COSTS (mln and y/y % ch.)

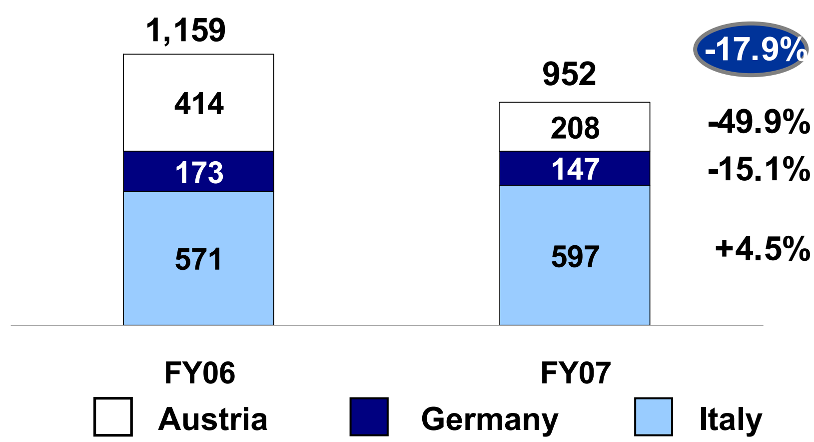


- **AUSTRIA**: slight decline in revenues (-1.3%) due to negative spread effect on loans. Positive trend in fees and commissions (+2.5%) thanks to investment products sales
- **GERMANY** +1.7%: sound increase in fees and commission (+6.3%) partially offset by lower margin on loans (volumes and spread effect)
- **ITALY**: outstanding performance (~+8%) for both former UniCredit and Capitalia networks, driven by net interest income

- **AUSTRIA** -4.4%, thanks to effective cost reduction projects, both on HR and non HR items
- **GERMANY** -3.1%, driven by strong control of administrative expenses
- **ITALY** +2.4%: internationalization projects (i.e. Household Financing) financed by cost savings. Flat staff expenses, after ~120 mln one off reduction from TFR release and increase due to National Labor Contract

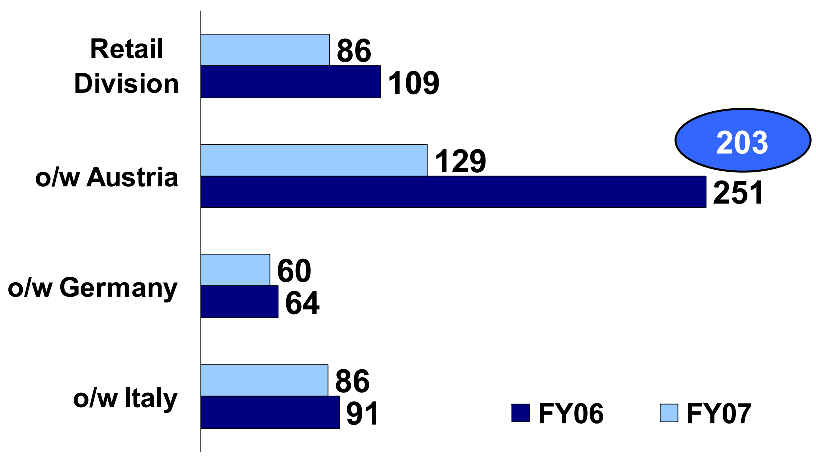
RETAIL DIVISION: NET WRITE-DOWNS OF LOANS AND COST OF RISK BY COUNTRY

NET WRITE-DOWNS OF LOANS (mln and y/y % ch.)



- **AUSTRIA**: write-downs halved y/y. Excluding FY06 one-off provisions (79 mln), still impressive 38% drop thanks to tight credit guidelines and better lending processes
- **GERMANY**: -15.1% y/y, due to positive asset quality evolution and reduction in less profitable mortgages
- **ITALY** +4.5%, due to alignment of former Capitalia network to UCG's best practice. Remarkable reduction in former UniCredit's network (-4.7%)

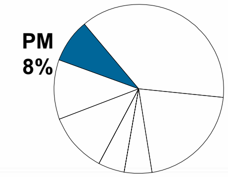
COST OF RISK (bp)



- **AUSTRIA**: strong reduction, also excluding 2006 extraordinary provisions (79 mln)
- **GERMANY**: slight improvement of cost of risk, reflecting favorable trend of asset quality
- **ITALY**: reduction of cost of risk, notwithstanding healthy growth in lending and alignment of Capitalia to UniCredit's best practice

Cost of risk net of extraordinary provisions (79 mln in 2006)

POLAND'S MARKETS: INCOME STATEMENT



mln	FY07	% ch. on FY06 at constant FX	4Q07	% ch. on 4Q06 at constant FX
Total Revenues	2,386	9.0%	596	-1.6%
Operating Costs	-1,113	5.3%	-296	6.8%
Operating Profit	1,273	12.5%	300	-8.6%
Net Write Downs on Loans	-79	-29.8%	-6	-68.4%
Profit Before Taxes	1,229	19.3%	282	-4.3%
Net Income for the Group	644	27.2%	172	-0.6%
Cost/Income Ratio (%)	46.6%	-165 bp	49.7%	389 bp

- **Total Revenues up 9.0% y/y:** net interest income +7.8% y/y (driven by **volume growth**), net commissions +9.6% y/y (mainly thanks to good performance of **Mutual Funds**)

  4Q07 down 1.6% y/y impacted by market turmoil on Mutual Funds

- **Operating costs up 5.3% y/y,** due to staff costs (+8.5%, impacted by new hiring in Ukraine and MBO); other costs only +1.0% y/y net of branch expansion impact in Ukraine

  4Q07 up 6.8% driven by salary adjustments

- **Improved C/I ratio**, -165 bp y/y to 46.6%
- **Lower net write downs on loans**

UniCredit Group

POLAND'S MARKETS DIVISION: KPIs

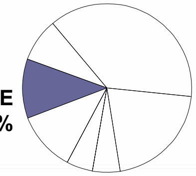
KPIs	FY07	FY06	Δ y/y
EVA (mln)	473	351	34.5%
Total RWA (bn, eop)	27.9	21.0	32.5%
Tax Rate (%)[1]	18.8%	19.5%	-77 bp
Branches (#, eop)	1,321	1,316	5

KPIs	FY07	FY06	Δ on FY06
Revenues/avg. RWA (%)	10.4%	11.3%	-94 bp
Cost of Risk (%)	36 bp	62 bp	-26 bp
FTEs (#, eop)	25,469	25,646	-176

- **473 mln EVA generation, up 34.5% y/y**
- **Cost of risk at 36 bp,** -26 bp y/y
- **Volume growth**
  - ✓ **Customer loans** +9.8% y/y, +0.8% q/q to 19.4 bn
  - ✓ **Pioneer Pekao (PPIM) Mutual Funds** +23.4% y/y to 8.0 bn, stabilization of market share
- **FTEs, -176 y/y** (o/w +485 in Ukraine) thanks to managed turnover in Poland
- **New branches in Ukraine: +23 y/y** (o/w +8 in 4Q07)

[1] Δ y/y calculated on figures at constant FX

CEE DIVISION: INCOME STATEMENT



mln	FY07	% ch. on FY06 at constant FX	4Q07	% ch. on 4Q06 at constant FX
Total Revenues	**3,367**	**18.8%**	**953**	**23.6%**
Operating Costs	**-1,729**	**12.3%**	**-526**	**14.8%**
Operating Profit	**1,638**	**26.6%**	**427**	**36.6%**
Net Write Downs on Loans	**-211**	**22.6%**	**-62**	**58.5%**
Profit Before Taxes	**1,342**	**25.9%**	**318**	**20.5%**
Net Income for the Group	**972**	**29.2%**	**233**	**8.4%**
Cost/Income Ratio (%)	**51.4%**	**-299 bp**	**55.2%**	**-425 bp**

- **Total Revenues up 17.8% y/y at constant FX & perimeter(1) mainly thanks to:** net interest income +20.0% y/y (sustained by **volume growth**), net commissions +26.3% y/y (driven by fees on **Loans**)

  Acceleration in 4Q07, +19.8%(1) y/y driven by net commissions (+36.1% y/y)

- **Operating costs up 11.6% y/y at constant FX & perimeter(1),** impacted by network expansion

  Trend in 4Q07 impacted by acceleration in branch opening plan in Turkey

  Improved C/I ratio, -3.0 pp y/y to 51.4%

- **Higher net write downs on loans,** also in 4Q07, due to loan growth

Minorities figures not normalized for changes in controlling stakes

(1) Excluding ATF

UniCredit Group

CEE DIVISION: KPIs

KPIs	FY07	FY06	Δ y/y
EVA (mln)	575	447	28.6%
Total RWA (bn, eop)	58.9	47.2	24.6%
Tax Rate (%)(1)	18.7%	16.8%	204 bp
Branches (#, eop)(2)	2,062	1,838	224

KPIs	FY07	FY06	Δ on FY06
Revenues/avg. RWA (%)	7.1%	6.9%	16 bp
Cost of Risk (%)	47 bp(3)	45 bp(4)	2 bp
FTEs (#, eop)(2)	43,647	37,448	6,199

- **575 mln EVA generation, up 28.6% y/y**
- **Cost of risk at 47 bp** benefiting from benign credit environment
- **Volume growth**
  - **Customer loans** +16.4% y/y (at constant FX & perimeter), +8.8% q/q to 50.6 bn
  - Stock of **Mortgages(2)** +37.3% y/y, +13.5% q/q to 6.6 bn
  - **AUM(2)** +20.5% y/y, +9.1% q/q to 6.8 bn
- **FTEs, +6,199 employees o/w:**
  - **5,260 ATF**
  - **Hiring** for anticipated start of the new organic growth strategy mainly in **Russia & Turkey**
  - Post merger **rightsizing** mainly in **Bulgaria & Slovakia**
- **Branches: +224 y/y**
  - **ATF: 177**
  - **new branches** in **Turkey** (+91) **Russia** (+20) and **Hungary** (+6)
  - some **closing in merger countries** (-62 Bulgaria, -24 Czech Rep., -8 Bosnia)

(1) Δ y/y calculated on figures at constant FX

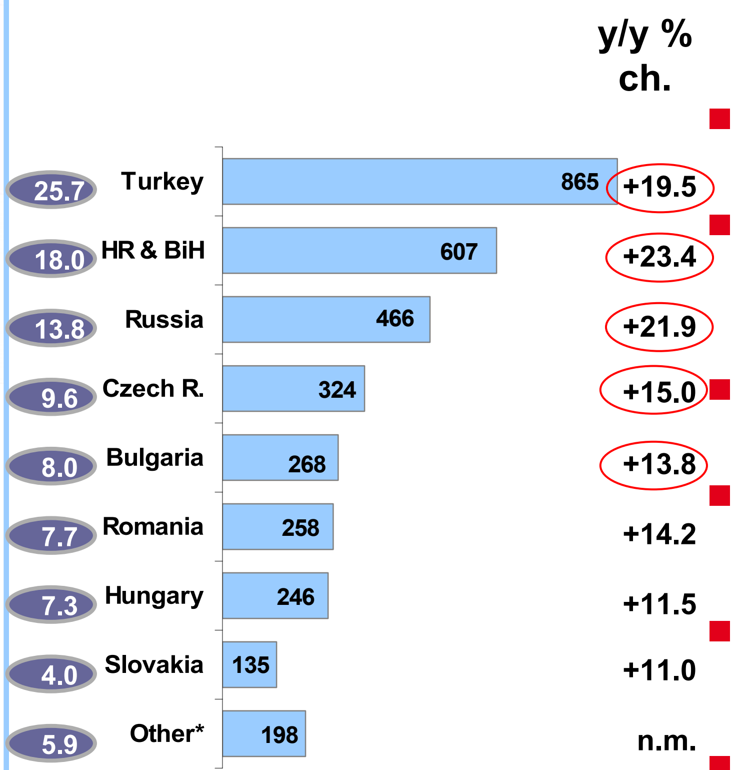
(2) KFS included at 100%

(3) CoR at ~50 bp in FY07 excluding release in Zaba in 2Q07

(4) CoR at 55 bp in FY06 excluding exceptional write-backs in Zaba

CEE DIVISION: SNAPSHOT ON RESULTS AND MAIN REVENUE TRENDS

Total Revenues in FY07 (mln)

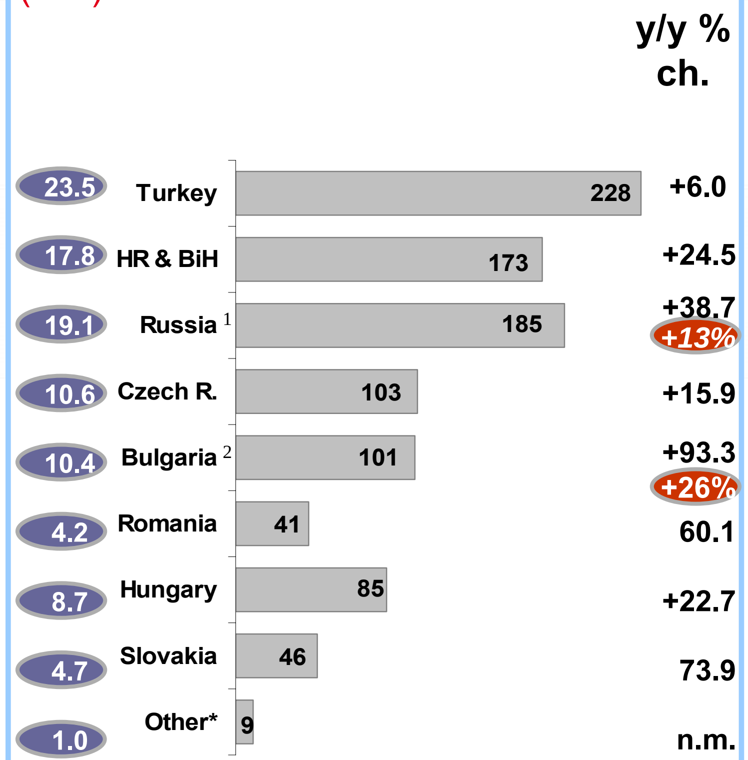


+17.8%
CEE Division(3)

Revenues trend in main countries

- **Turkey** +19.5% with higher NII mainly from subsidiaries and F&C
- **Croatia & Bosnia** +23.4% mainly thanks to volume growth, fees on guarantees, custody & brokerage
- **Russia** +21.9% driven by volume growth and spread on deposits
- **Czech Rep.** +15.0% mainly thanks to deposits growth and fees on loans
- **Bulgaria** +13.8% driven by volume growth and by fees on loans
- **Romania** +14.2% as a result of improved spreads & trading profits
- **Hungary** +11.5% mainly driven by volume growth

Net Income for the Group in FY07 (mln)



+27.7%
CEE Division(3)

% ch. at constant FX rates; (*) Kazakhstan, Serbia, Slovenia, Baltic Countries; Balance due to Profit Center Vienna;
(1) y/y change impacted by changes in controlling stake (2) +26% net of integration costs mainly accounted in FY06
(3) At constant FX & Perimeter (excluding ATF)

Weight in % on total
Normalized % change
Minorities figures not normalized for changes in controlling stake

TURKEY AND RUSSIA: INCOME STATEMENT

TURKEY

mln	FY07	% ch. on FY06 at constant FX	4Q07	% ch. on 4Q06 at constant FX
Total Revenues	865	19.5%	257	22.1%
Operating Costs	-448	13.0%	-145	17.4%
Operating Profit	417	27.5%	112	28.8%
Net Write Downs on Loans	-73	32.2%	-40	140.5%
Profit Before Taxes	282	12.8%	44	-35.3%
Net Income for the Group	228	6.0%	39	3.5%

- **Total Revenues up 19.5% y/y** mainly thanks to **net interest income** +17.7% y/y (sustained by loan growth and subsidiaries contribution) and **net commissions** +26.5% y/y (driven by fees on Loans and on cards)

  Acceleration in 4Q07, +22.1% y/y driven by net commissions (+46.6% y/y)
- **Operating costs up 13.0% y/y,** driven by staff costs (+26.4%) for new hiring, FTEs +827 y/y o/w 578 in 4Q07

  Improved efficiency, -3.0 pp y/y to 51.8%
- **Higher net write downs on loans** mainly in 4Q07 driven by loan growth and more conservative provisioning policy
- **Net income ~ +15% y/y net of one offs**(1)
- **Net customer loans** +25.1% y/y, +8.9% q/q to +7.6 bn

RUSSIA

mln	FY07	% ch. on FY06 at constant FX	4Q07	% ch. on 4Q06 at constant FX
Total Revenues	466	21.9%	134	30.9%
Operating Costs	-180	41.2%	-55	73.5%
Operating Profit	286	12.2%	79	11.7%
Net Write Downs on Loans	-41	-2.4%	-9	-52.7%
Profit Before Taxes	248	17.0%	74	44.3%
Net Income for the Group	185	38.7%	55	-29.9%

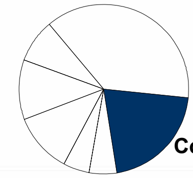
- **Total Revenues up 21.9% y/y driven by** net interest income (sustained by **volume growth and spread on deposits**) and net commissions (mainly fees on **Loans**)

  Acceleration in 4Q07, +30.9% y/y driven by net commissions
- **Operating costs up 41.2% y/y,** mainly due to branch openings (17 new branches y/y o/w 5 in 4Q07)
- **Net write downs on loans** -2.4% y/y due to high generic provisions in 4Q06, CoR at 61 bp
- **Net income for the Group** positively impacted by changes in controlling stake; **net income pre minorities +13% y/y**
- **Net customer loans** +51.1% y/y, +17.7% q/q to +7.5 bn

(1) +~30 mln of tax one-off in 3Q06 (for the winning of tax litigations) and impact on minorities due to change in controlling stake

Minorities figures not normalized for changes in controlling stake

CORPORATE DIVISION



mln	FY07	% ch. on FY06	4Q07	% ch. on 4Q06
Total Revenues	6,099	5.7%	1,562	4.7%
Operating Costs	-2,164	4.2%	-577	9.1%
Operating Profit	3,935	6.6%	985	2.3%
Net write-downs on loans	-931	-7.4%	-221	-38.9%
Profit before taxes	2,854	8.2%	635	13.2%
Cost/Income Ratio, %	35.5%	*-52bp*	36.9%	*149bp*

KPIs	FY07	FY06	∆ on FY06
Revenues / Avg. RWA, %	2.97%	2.94%	*2bp*
Cost of risk, bp	46bp	52bp	*-6bp*
EVA	609	526	15.7%
FTEs, # (1)	11,123	10,496	627

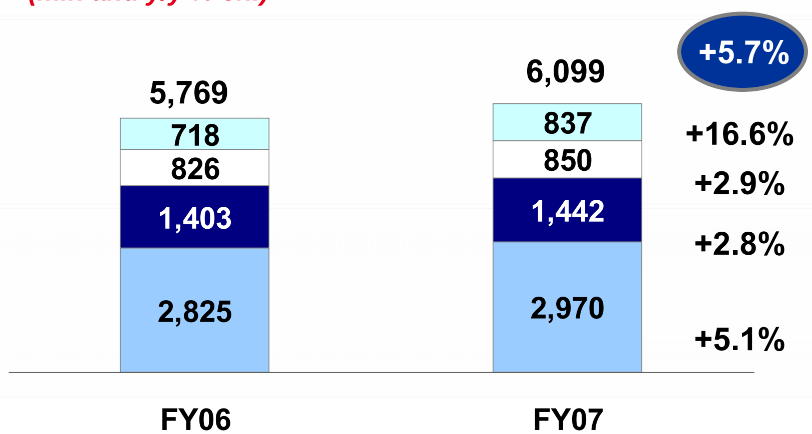
- **Solid y/y progression in revenues (+5.7%) driven by:**
  - ✓ **net interest income growth in all Countries** mainly due to volume effect (both on loans and deposits)
  - ✓ **leasing,** with outstanding performance from **operating leasing** in CEE and Austria
  - ✓ **net commission in Italy and Austria** both with a growth of ~6%
- **Operating costs increase affected by depreciation** due to strong development of operating leasing **(+2% y/y net of operating leasing). Effective cost control on other administrative expenses** in Germany and Austria
- **Cost income ratio at 35.5%** ,-52 bp y/y
- **Profit before taxes growth**, driven by **reinforced commercial offer**, **good cost control** and improvement in loan loss provisions (due to positive credit environment, prudent provision in '06 and higher write backs). Negative impact of integration costs (due to Capitalia merger) and higher provisions for risk and charges partially offset by profit on investments (FIAT, Locat rent)
- **Cost of risk:** at 46 bp, -6 bp y/y. Effective control on asset quality, more than offset business growth
- **FTE increase due to:**
  - ✓ changes in perimeter (~250 FTE) mainly in Germany
  - ✓ external hiring of Relationship Managers and expansion plans (CEE Leasing, UBI and HVB)

(1) Capitalia FTE are estimated due to the on going divisionalization

CORPORATE DIVISION: REVENUES AND COSTS BREAKDOWN BY COUNTRY

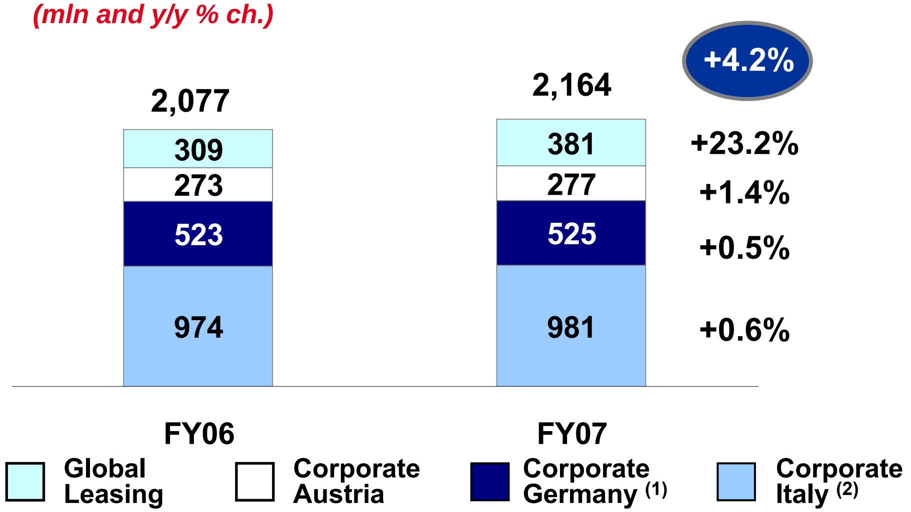
TOTAL REVENUES

(mln and y/y % ch.)



OPERATING COSTS

(mln and y/y % ch.)



- **Global leasing: +16.6% y/y.** Outstanding growth due to the solid performance of operating leasing, mainly related to equipment
- **Austria: +2.9% y/y** driven by net commissions (securities, derivatives and guarantees)
- **Germany: +2.8% y/y** thanks to good performance of interest margin, pushed by volumes increase (largely due to deposits +25% y/y)
- **Italy: +5.1% y/y** driven by both net interest (+6.2% largely volumes effect) and net commissions (+5.8%), thanks to transaction banking, corporate finance and factoring

- **Global leasing:** increase mainly due to depreciation related to outstanding business growth in operating leasing (+6.8% y/y net of operating leasing and IT investment)
- **Austria: +1.4% y/y,** strict cost control both in staff expenses and other administrative expenses. Increase lower than inflation rate
- **Germany: +0.5% y/y** thanks to the effectiveness of costs control actions mainly in administrative expenses
- **Italy:** slight increase y/y related to business growth

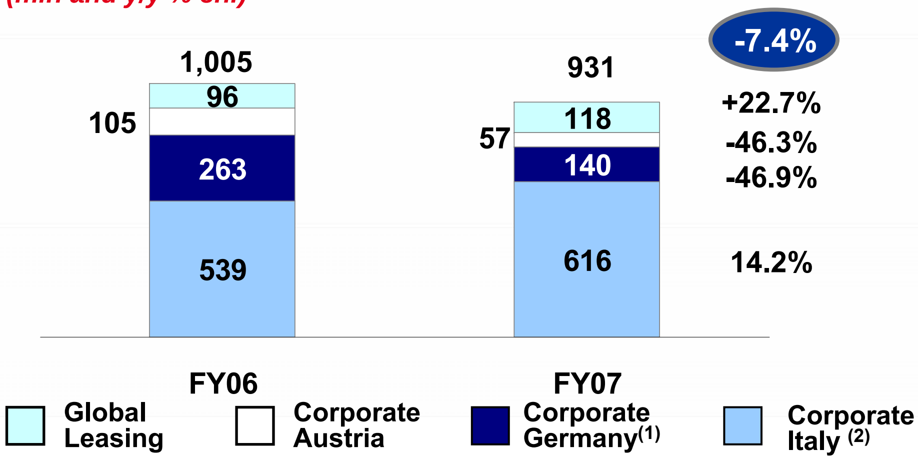
(1) Including CREF

(2) Including Capitalia MID Corporate, MCC Finanziamenti and MCC Factoring, Global Leasing includes Fineco Leasing and MCC Leasing

CORPORATE DIVISION: NET WRITE-DOWNS OF LOANS AND COST OF RISK BY COUNTRY

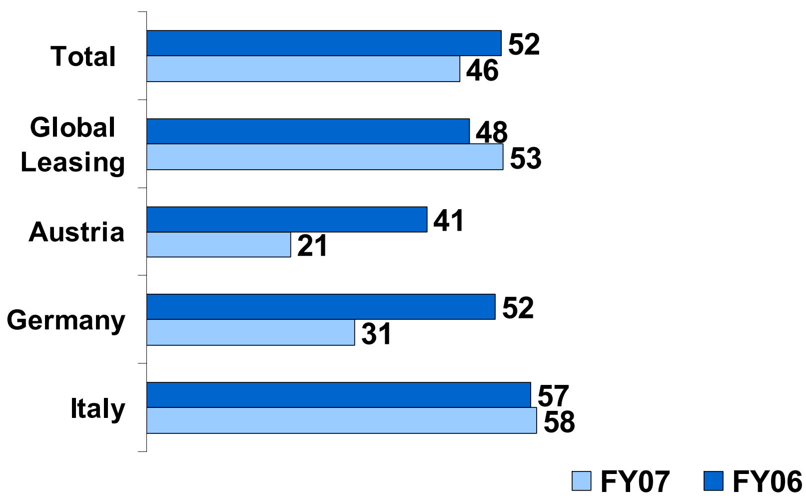
NET WRITE-DOWNS OF LOANS

(mln and y/y % ch.)



- **General decrease both y/y and q/q due to positive credit environment, prudent provisions posted in Austria and Germany in '06, and write-backs in Germany**
- **Global leasing:** increase related to higher business volumes
- **Austria:** prudent provisions in '06 affecting y/y comparison
- **Germany:** strong decline related to good credit environment and write-backs in commercial Real Estate
- **Italy:** +14% y/y mainly due to higher lending volumes

COST OF RISK (bp)

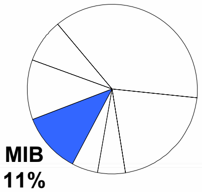


- **Cost of Risk -6 bps vs previous year due to**
  - ✓ RWA's growth for **business development** (mainly in Italy and Global Leasing)
  - ✓ **Overall positive credit environment**, namely in Germany and Austria
  - ✓ Effective control on asset quality
- **Austria** and **Germany** affected by cautious provisions in '06

(1) Including CREF

(2) Including Capitalia MID Corporate, MCC Finanziamenti and MCC Factoring, Global Leasing includes Fineco Leasing and MCC Leasing

MIB DIVISION: KEY HIGHLIGHTS [1]



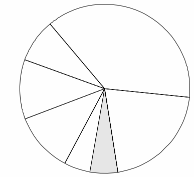
mln	FY07	% ch. on FY06	4Q07	% ch. on 4Q06
Total Revenues	3,274	-8.4%	388	-56.6%
Operating Costs	-1,596	-8.8%	-345	-31.1%
Operating Profit	1,678	-8.0%	43	-89.1%
Net write-downs on loans	28	n.s.	-9	n.s.
Profit before taxes	2,108	16.4%	171	-46.3%
Cost/Income Ratio	48.7%	-23 bp	88.9%	33.0 pp

KPIs	FY07	FY06	∆ on FY06
Revenues / Avg. RWA, %	3.8%	4.6%	-80 bp
EVA	573	705	-18.7%
FTEs, #	4,158	3,989	231

- **3.2 bn revenues in 2007, -8.4% y/y:**
  - ✓ **Over +20% y/y excl. Structured Credit, with solid performance of both Investment Banking (+39% y/y) and the other business lines within markets (+9% y/y)**
  - ✓ **Decline entirely driven by charges in Structured Credit related to the market turmoil**
- **Costs down slightly more than revenues (-8.8%); further improvement of cost/income to an excellent 48.7%**
- **Provisioning line benefiting of strong cash recoveries**
- **Profit pre tax up 16.4% y/y, also thanks to 219 mln gain on the sale of Indexchange in 1Q07**

[1] Including former Capitalia

PRIVATE BANKING DIVISION

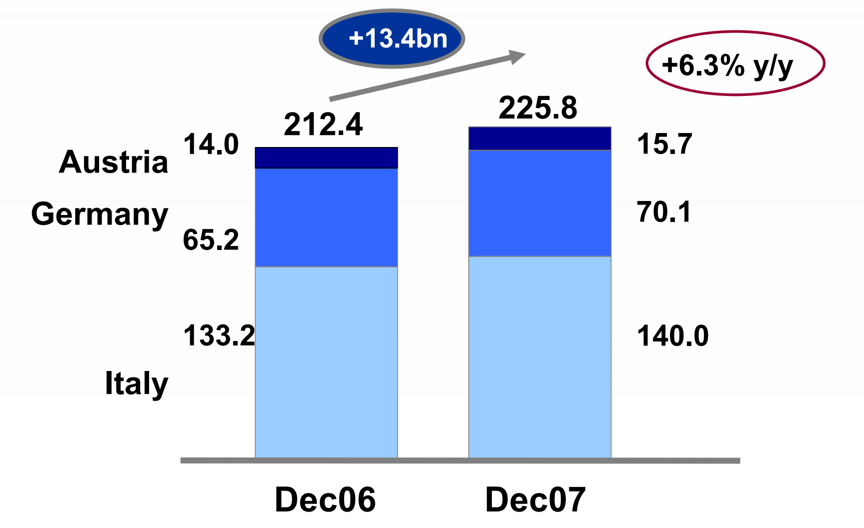


mln	FY07	% ch. on FY06	4Q07	% ch. on 4Q06
Total Revenues	1,517	9.3%	411	9.4%
Operating Costs	-891	-0.5%	-242	-2.3%
Operating Profit	626	27.0%	169	31.9%
Profit before taxes	600	28.4%	157	24.5%
Cost/Income Ratio, %	58.7%	-5.8 pp	58.9%	-7.0 pp

	FY07	FY06	Δ on FY06
Revenues/Avg. TFA(1), bp	79 bp	80 bp	-1 bp
Operating costs/Avg. TFA(1), bp	46 bp	52 bp	-5 bp
EVA	300	206	45,9%
FTEs	4.176	3.967	209

TOTAL FINANCIAL ASSETS

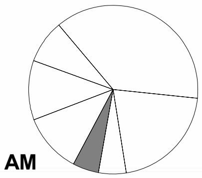
(bn)



- Revenues +9% y/y, driven by net interest income (+19%), **thanks to deposit growth, spread widening** in Italy and higher dividends in Germany from closed-end funds business
- **Operating costs stable**, thanks **to strict control on other administrative expenses,** specifically in Xelion and Austria; **cost income down by 6 p.p.**
- **Profit before taxes +34% y/y on comparable basis**[2)]
- Strong contribution form Asset Gathering[3] business **(GOP +58% y/y)**
- **TFA +6% y/y with strong deposit growth (+24% y/y) driven by clients' cash preference and risk aversion**
- **AUM almost stable** (-1% y/y) despite unfavorable market conditions
- **Double digit growth in Asset Gathering TFA,** Xelion+Fineco top performer in Italy in net sales (+3bn)[4]

(1) TFA net of extraordinary assets (Private Banking Italy)
(2) Excluding Integration costs and extraordinary gains (disposal of Security Services in Germany in 2007 and BMG in 2006)
(3) Xelion, Fineco and DAB Group
(4) Source: Assoreti

ASSET MANAGEMENT DIVISION

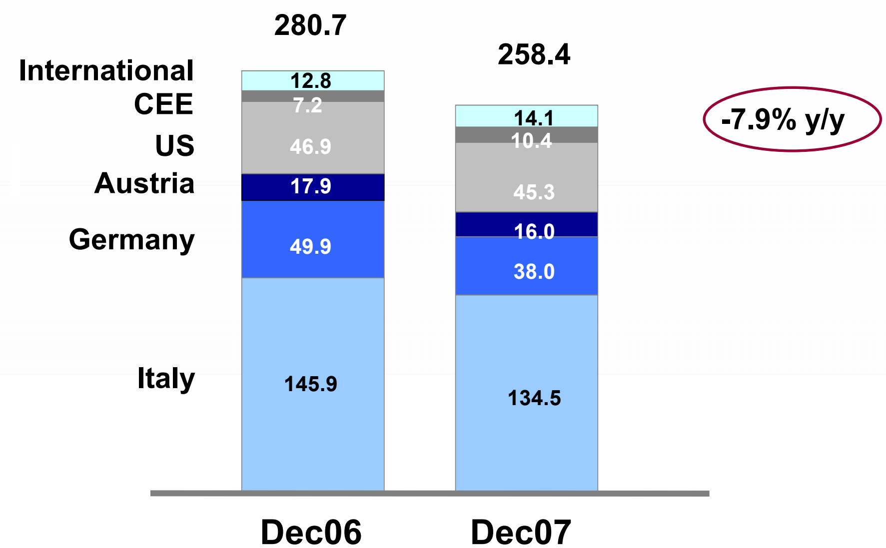


mln	YE07	% ch. onYE06	4Q07	% ch. on 4Q06
Total Revenues	1,506	2.3%	382	-5.2%
Operating Costs	-661	-1.2%	-176	-9.5%
Operating Profit	845	5.3%	207	-1.2%
Profit before taxes	852	13.3%	217	14.3%
Cost/Income Ratio, %	43.9%	-1.6 pp	45.9%	-2.2 pp

	YE07	FY06	Δ on FY06
Revenues/Avg. AUM, bp	50 bp	49 bp	*1 bp*
Operating costs/Avg. AUM, bp	24 bp	25 bp	*-1 bp*
EVA	570	503	13.3%
FTEs	2,465	2,566	-101

ASSET UNDER MANAGEMENT

(bn)



- **Revenues +2.3% y/y** reflecting: increase in net interests income (due to higher liquidity and interest rate) and **net commissions driven by avg AuM growth**, **performance fees** and **improved asset mix**
- **Operating Costs -1.2%** y/y thanks to strong **administrative cost control**
- **Profit before taxes +13.3%** y/y including proceeds from Master KAG disposal in Germany and lower integration costs
- **EVA** confirming **good value creation** level +13% y/y

- **Total AuM**: -8% y/y due to adverse market conditions
- **International**: increasing AuM thanks to the contribution of the Asian region (mainly in Japan)
- **CEE**: AuM growth mainly due to higher net sales
- **US**: decreasing AuM due to unfavorable markets and dollar effect which more than offset the positive impact of net flows
- **Italy**: outflows in AuM driven by general industry trend, positive results from hedge funds/structured products
- **Germany & Austria**: decreasing AuM from net outflows in mutual funds, related to redemptions mainly in low-margin institutional channel

HVB GROUP: INCOME STATEMENT AND MAIN KPIs

mln	FY07	FY06	% ch. on FY06	% ch. on FY06 at constant FX & perimeter
Total Revenues	6,611	5,952	11.1%	9.0%
Operating Costs	-3,576	-3,695	-3.2%	-5.0%
Operating Profit	3,035	2,257	34.5%	31.4%
Net Write-downs of Loans	-536	-933	-42.6%	-42.7%
Other Non Operating Items[1]	463	294	n.m.	n.m.
Net Income[2]	2,050	1,640	25.0%	n.a.
Cost/Income ratio, %	54.1%	62.1%	-8.0 pp	-7.9 pp

(1) Provisions for risk and charges, Integration costs and Net profit from investments

(2) Net income after HVB Group's minorities but before UniCredit's minorities

(3) ~160 mln at UCG consolidated level due to PPA effects

- **Net profit FY07 at 2,050 mln, up by a solid +25.0% yoy** driven by **over 30% growth of operating profit**
- **Revenues increase by 11.1%:**
  - ✓ **Strong growth of net interest income (**benefiting from the return on the cash inflow from BA-CA/CEE disposals) **and resilient fees…**
  - ✓ **… more than offsetting over 20% decline in trading profit** due to the impact on Structured Credit of the market turmoil
- **Costs declining by 3.2%** driven by lower staff expenses; **cost/income improves by 8 p.p. to a sound 54.1%**
- **Provisions down significantly** thanks to cash recoveries in MIB and Corporates
- **Other non operating items at 463 mln in 2007 driven by investment gains** (including in 4Q07 292 mln from the sale of the custodian business)
- **~200 mln[3] one-off negative impact from the tax reform** (resulting in lower tax rate from 2008 onwards)

RETAIL GERMANY: INCOME STATEMENTS AND MAIN KPIs

mln	FY07	FY06	% ch. on FY06
Total Revenues	1,759	1,729	1.7%
Operating Costs	1,385	1,428	-3.1%
Operating Profit	374	301	24.6%
Net Write Downs of Loans	147	173	-15.1%
Profit before taxes	262	111	136.5%
Cost/Income ratio, %	78.7	82.6	-3.9 pp
KPIs	**FY07**	**FY06**	**Δ on FY06**
Revenues/Avg. RWA, %	7.1%	6.1%	95 bp
Cost of Risk, bp	60	64	-4 bp

- **Revenues**: solid rise in fees (+6.3% y/y) overcompensating the negative trend in net interest income (-1.8% y/y) derived from planned volume reduction; overall pleasant increase y/y in Revenues/RWA
- **Operating costs**: -3.1% y/y, with contribution of all the cost lines
- **Operating profit**: +24.6% y/y
- **Cost/Income** ratio down 3.9 p.p.
- **Net write-downs of loans**: -15.1% down y/y due to strong risk policy, partly SCP-driven but also improved management of the portfolio
- **Profit before taxes** more than doubled and first **positive FY07 EVA**
- **Business drivers record another good quarter:**
  - ✓ Customer Satisfaction: TRIM Index 3 points above 2006 to 64
  - ✓ Consumer Finance: positive launch of UniCredit Consumer Finance Germany (more than 70,000 credit cards sold)
  - ✓ Product innovation: HVB KomfortSparen (420,000 accounts); structured products (volume 2.8 bn); HVB AktivRente (volume 220 mln in Q4/07)
  - ✓ HVB WillkommensKonto: around +500,000 new customers since product launch

CORPORATE GERMANY (inc. CREF, excl. LEASING): INCOME STATEMENT AND MAIN KPIs

mln	FY07	FY06	% ch. on FY06
Total Revenues	**1,442**	**1,403**	**2.8%**
Operating Costs	**-525**	**-523**	**0.5%**
Operating Profit	**917**	**881**	**4.1%**
Net Write-downs on Loans	**-140**	**-263**	**-46.9%**
Profit before taxes	**747**	**605**	**23.5%**
Cost/Income ratio, %	**36.4%**	**37.2%**	***-83bp***

	FY07	FY06	Δ on FY06
Revenues/Avg. RWA, %	**3.08%**	**2.66%**	***42bp***
Cost of Risk, bp	**31bp**	**52bp**	***-21bp***

- **Revenues: healthy increase in net interest income driven by volume growth** (both on loans and deposits). Lower contribution from CREF affected by strategic volume reduction
- **Operating costs: stable**, mainly from **strict cost control in administrative expenses** (-3.3%), offset by **increase in staff expenses due to expansion strategy**
- **Net write down on loans:** strong decline related to **prudent provisions in '06 and write backs in CREF**
- **Cost income ratio: at 36%**, -83 bp y/y
- **Revenue/Avg. RWA: +42bp vs '06**, sound improvement of asset profitability
- **Business drivers:**
  - ✓ Strong fee based services: e.g. payment fees, corporate finance, derivatives
  - ✓ Strategic initiative: 6 new locations in Germany and approx. 8.000 new customers in 2007

UniCredit Group

PRIVATE BANKING GERMANY: INCOME STATEMENT AND MAIN KPIs

mln	FY07	FY06	% ch. on FY06
Total Revenues	484	436	11.0%
Operating Costs	-289	-284	1.8%
Operating Profit	195	152	28.3%
Profit before taxes	207	143	44.7%
Cost/Income ratio, %	59.7%	65.1%	-5.4 pp
	FY07	**FY06**	**Δ on FY06**
Total Financial Assets (eop)	70,100	65,159	7.6%
Revenues/Avg. TFA[1], bp	71 bp	72 bp	-1 bp
Operating Costs/Avg. TFA[1], bp	42 bp	47 bp	-5 bp
EVA	91	59	54.3%

- **Revenues**: solid increase driven by both **net interest income** (benefiting from rising dividends from closed-end funds business and higher deposits) and **non-interest income**, with healthy **commission increase despite market turmoil**. Recurring management fees improving further
- **Operating costs**: slight growth, with **other administrative expenses almost flat**
- **Operating profit**: up +28% y/y, **Cost-income** ratio sharply decline, -5.4 p.p.
- **Sustained volume growth:** Total Financial Assets +7.6%
- **Business drivers:**
  - ✓ increasing **revenues from assets under management** and **mandate business**, **closed-end funds** and **interest-hedging derivatives**
  - ✓ **DAB**: up-front and management fees from investment funds and certificates
  - ✓ **WealthCap**: **placement of closed-end funds**

(1) Figures excluding WealthCap closed-end funds

BA-CA GROUP: INCOME STATEMENT AND MAIN KPIs

mln	FY07	FY06	% ch. on FY06	% ch. on FY06 at constant perimeter[3]
Total Revenues	6,414	4,762	34.7%	10.1%
Operating Costs	-3,346	-2,757	21.4%	-1.5%
Operating Profit	3,069	2,005	53.0%	26.4%
Net Write Downs of Loans	-483	-679	-28.9%	-31.4%
Other Non Operating Items[1]	160	1,946	n.m.	-150.7%
Net Income[2]	2,258	3,022	-25.3%	114.5%
Cost/Income ratio, %	52.2%	57.9%	-5.7 pp	-6.2 pp

- **Revenue growth driven by** good trend in **net commissions and net interest income**, mainly thanks to security business and volume growth
- **Operating costs well under control** benefiting also from the ongoing rightsizing program in Retail
- **Improved efficiency**, cost income ratio to 52.2%, -6.2 pp y/y at constant perimeter
- **Net write downs of loans** y/y trend impacted by one offs; ~+14% net of one-offs[4]

(1) Provisions for risk and charges, Goodwill impairment, Integration costs and Net income from investments

(2) Net income after BA-CA Group's minorities but before UniCredit's minorities

(3) Net of changes in CEE perimeter (excluding ATON and ATF in 2007)

(4) 2006: Retail -186 mln, Corporate -67 mln, CEE -25 mln; 2007: Corporate +15 mln. Data at UCG consolidated level may differ due to PPA effects

AUSTRIA: INCOME STATEMENT AND MAIN KPIs

mln	FY07	FY06	% ch. on FY06	% ch. on FY06 net non recurring items[1]
Total Revenues	3,047	3,037	0.3%	0.3%
Operating Costs	-1,617	-1,840	-12.1%	-12.1%
Operating Profit	1,430	1,197	19.5%	19.5%
Net Write Downs of Loans	-272	-538	-49.4%	0.8%
Profit before taxes	1,404	2,617	-46.4%	-51.6%
Cost/Income ratio, %	53.1%	60.6%	-7.5 pp	-7.5 pp

- **Total revenues up 0.3% y/y** driven by **corporate excl. leasing** (+4.3%, mainly NII) and **PB&AM** (+18.5%, mainly performance fees); MIB impacted by market turmoil
- Significant cost reduction as a result of **effective cost management** and **staff optimization**
- **Improved efficiency** (C/I ratio -7.5 pp to 53.1%)
- **Net write downs on loans** net of one offs[1], slightly lower y/y, **-1.6%**

[1] FY06: -186 mln in net write-downs on loans in Retail segment, -67 mln in Corporate; FY07: +15 mln in Corporate

RETAIL AUSTRIA: INCOME STATEMENTS AND MAIN KPIs

mln	FY07	FY06	% ch. on FY06
Total Revenues	**1,266**	**1,283**	**-1.3%**
Operating Costs	**935**	**978**	**-4.4%**
Operating Profit	**330**	**305**	**8.4%**
Net Write Downs of Loans	**208**	**414**	**-49.9%**
Profit before taxes	**135**	**-119**	***n.m.***
Cost/Income ratio, %	**73.9**	**76.2**	**-2.4 pp**

KPIs	FY07	FY06	Δ on FY06
Revenues/Avg. RWA, %	**7.9%**	**7.8%**	**8 bp**
Cost of Risk, bp	**129**	**251**	**-122 bp**

- **Revenues**: Good increase in fees and commissions (mainly from AUM/AUC) offset by decrease in spreads in all the lending products (partially compensated by Direct Deposits). Overall decrease by -17 mln. includes impact of client transfer in an amount of -15 mln
- **Costs**: strong reduction in staff expenses, thanks to the ongoing rightsizing program, and other administrative expenses as a result of effective cost management
- **Profit before tax**: highlighted the turnaround of the business from 2005 and 2006 losses into 2007 profit, despite effective cost management due to decreasing revenues
- **Cost of risk**: perfectly aligned with the expected improvement vs. previous year (where extraordinary provisioning took place) thanks to the more restrictive guidelines

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CORPORATE AUSTRIA (excl. LEASING): INCOME STATEMENT AND MAIN KPIs

mln	FY07	FY06	% ch. on FY06
Total Revenues	850	826	2.9%
Operating Costs	-277	-273	1.4%
Operating Profit	573	553	3.7%
Net Write-downs on Loans	-57	-105	-46.3%
Profit before taxes	500	453	10.3%
Cost/Income ratio, %	32.6%	33.1%	*-48bp*

	FY07	FY06	Δ on FY06
Revenues/Avg. RWA, %	3.20%	3.25%	*-5bp*
Cost of Risk, bp	21bp	41bp	*-20bp*

- **Revenues: increase** thanks to **both net interest income** (mainly volume effect) **and net commissions** (securities, derivatives and guarantees)
- **Operating costs**: slight increase, below inflation rate, related to effective **cost control initiatives in other administrative expenses** offset by mild increase in staff expenses
- **Net write downs on loans**: strong decline y/y benefiting from **good results in Real Estate and Financial Institution**, positive credit environment and **prudent provisions posted in 2006**
- **Cost income ratio at 32.6%, -48bp y/y**

PRIVATE BANKING AUSTRIA: INCOME STATEMENT AND MAIN KPIs

mln	FY07	FY06	% ch. on FY06
Total Revenues	133	122	9.0%
Operating Costs[1]	-78	-80	-2.5%
Operating Profit	55	42	31.0%
Profit before taxes	55	41	34.1%
Cost/Income ratio, %	58.6%	65.6%	-6.9 pp
	FY07	**FY06**	**∆ on FY06**
Total Financial Assets (eop)	15,609	14,091	10.8%
Revenues/Avg. TFA, bp	86 bp	91 bp	-5 bp
Operating Costs/Avg. TFA, bp	50 bp	60 bp	-9 bp
EVA	37	20	86.4%

- **Revenues**: sustained growth despite market turmoil in the 2nd half of 2007; increase both in net interest (+23% y/y mainly due to **higher deposits**) and non interest income (+7.4% y/y) thanks to **Bank Privat performance** (+5.4% y/y)
- **Operating Costs**: slight increase in staff expenses with decline in other administrative cost
- **Total Financial Assets**: increase in volume ~11% y/y also due to successful transfer initiatives of retail customers to Bank Privat
- **EVA**: up to 37mln with outstanding growth, +86% y/y