MARKET PRESENTATION SCRIPT

1Q20 RESULTS PRESENTATION

CEO/CFO SPEAKING NOTES

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Operator: Good morning ladies and gentlemen. Today's conference call will be hosted by UniCredit's CEO Mr Jean Pierre Mustier and the Co-CFO Mr Mirko Bianchi.

At the end of the presentation there will be a question-and-answer session.

Today's conference call is being recorded. At this time, I would like to hand the call over to Mr. Jean Pierre Mustier.

Sir, you may begin.

Dark Blue Titles – CEO Pages

Light Blue Titles – CFO Pages

Green Titles – Head of IR Pages

Slide 3: Decisive Covid-19 response to protect all stakeholders. Strong capital and liquidity position to support clients and communities

Thank you very much. Good morning to you all and welcome to our analyst call for our 1Q20 results.

Before we start, let me make a few introductory remarks. This quarter was not a normal one, for us or anyone else.

The COVID-19 pandemic that is currently sweeping the globe has turned the daily lives of most of us upside down.

It has resulted in healthcare systems of nation states being brought to their limits – sometimes even beyond them. It has resulted in human tragedy and economic disasters for individuals or small businesses. It will have a profound impact on the global economy and may change forever the way we live, work and interact.

This is also true for UniCredit and our stakeholders. As a result, this presentation will look different from our usual quarterly presentations.

For 1Q20, we have added several pages dedicated to Covid-19 and the profound effect it has had on our Group and all its stakeholders.

As we start a new financial reporting cycle, we have also simplified and streamlined the core part of the presentation. The overall deck contains the same

information as before but some of it has been moved to annex or the divisional database.

So moving to the results, we had an excellent start to the year with commercial revenues up significantly. The performance in the first two month allowed us to close the quarter with commercial revenues up 0.1 per cent year on year, despite the Covid-19 induced slowdown visible from mid-March.

As per our CMD19 guidance, there were some non-operating items in the quarter such as the transactions reducing our Yapi stake as well as the integration costs in Italy. As a result, we have a stated net loss of 2.7 billion, while the underlying net profit is close to breakeven at minus 58 million.

Our capital is VERY strong. Our CET1 MDA buffer strongly increased to 436 basis points, even after absorbing almost a billion of impact from the update of our IFRS9 macro scenario.

The CORE PILLARS of our Team 23 plan will remain our strategic priorities. We will be updating the strategic plan and present our new assumptions when the environment stabilises at a Capital Markets Day towards the end of this year or early next year.

As I said in the beginning this was an unusual quarter and we adapted the presentation to the situation. For information no longer in the core document please go to the annex, where we have also added information on our ESG positioning.

Now let´s turn to slide 4.

Slide 4: Resilient business model underpinned by very strong CET1 MDA buffer

These are our key financial figures. Mirko will give you more details about these later.

Our capital saw a sharp improvement with an end of quarter CET1 MDA buffer of 436 basis points, up 124 basis points quarter on quarter and 218 year on year. Mirko will give you the details later.

As would be expected, on top of the additional LLPs from the IFRS9 macro, the P&L this quarter saw some impact from Covid-19 on revenues. They were down almost 500 million in the quarter, but a large part of that is explained by non-recurring items that are not linked to the operating profitability of the Group.

Examples include quarter on quarter changes in XVA for almost 175 million negative, non-recurring valuation adjustments on participations like Visa for a total of 65 million negative or a swing in the balance of other income, including Ocean Breeze, for a total of 120 million negative. Also dividends went down quarter on quarter following our disposal activity such as Mediobanca.

Our balance sheet asset quality remains strong with our gross NPE ratio below 5 per cent, at 4.9 per cent, for the first time for many years.

Let´s turn to slide 5.

Slide 5: Early decisive action to protect stakeholders in response to Covid-19

UniCredit was a pioneer in terms of responding rapidly to the challenges posed by Covid-19. We put – and will continue to put – the safety of our employees and clients at the heart of everything we do.

We were the first in Europe to close branches in a major way, starting in Italy. In branches remaining open to support clients at this time of need, we immediately provided protective equipment, including masks, hand sanitisers and protective screens. The majority of UniCredit team members rapidly transitioned to working from home with stable and secure access to all our systems. Thanks to these early initiatives in Italy, we were able to share best practices quickly with all the other countries where we operate, significantly improving our integrated response across every geography.

Our IT teams are doing an outstanding job supporting Group-wide working from home set-up. In a few days we multiplied our remote capabilities by 15 times and secured eight thousand lap tops before the worldwide rush to snap up such equipment.

We have done our very best to support all our stakeholders in this unprecedented situation through various actions. We supported the frontline fighters in the war against the virus by sourcing and distributing protective equipment and respirators to hospitals, and also carrying out Group-wide fundraising activities. We

also proudly sponsored the creation of the first prototype of the so-called CURA pod, which is an open-source project to create plug-in intensive care units (ICUs) in converted shipping containers. And I and the top management waived our FY20 variable compensation and donated the proceeds to the fight against Covid-19.

Thanks to the incredible commitment and hard work of all our team members, we have remained fully open for business. We have continued to support our clients in these challenging times.

We have completed numerous transactions for multinational corporates, raised funds in support of government agencies in their fight against Covid-19 and worked with clients' supply chains to help stabilise cash flows for SMEs. We have also helped our own suppliers in a similar way.

Let´s move to slide 6.

Slide 6: Covid-19 crisis is accelerating client adoption of multi channel

Over the last three months we have made more progress in our digital transformation than in the last three years. Our ability to do so is thanks to the significant investments made into our digital and mobile capabilities as part of Transform 2019.

Customers have rapidly and increasingly embraced digital solutions.

Active mobile users are up 27 per cent year on year, while digital sales as a percentage of total sales increased by 47 per cent in the same period.

The crisis has structurally changed client behaviours, for both individuals and corporates. The adoption of multichannel is accelerating and represents an opportunity to accelerate changes, leveraging on investments made in mobile banking, call centres, internet banking and paperless branches. We will reallocate our investment priorities for IT and staff training to support such evolution.

Let´s move to slide 7.

Slide 7: UniCredit has provided 28bn to 279k clients under the moratoria

We were the first bank in Italy to offer moratoria to our clients affected by Covid-19, well before regulations were put in place. Following in our footsteps, many governments have now introduced moratoria by law.

In total, we have provided 28 billion of loans under moratoria.

We work closely with all government agencies involved in Covid-19 related loans backed by state guarantees.

In total, we have provided 1 billion of loans backed by state guarantees.

Guarantee processes have only recently been put in place by the different administrations. UniCredit was the first bank in Italy to close a guarantee under the SACE scheme, and we expect the number to increase meaningfully in the coming weeks. Talking only for UniCredit, we expect the biggest volume to come from Italy. We expect to reach around 15 billion of guarantees in Italy. Such guaranteed loans will provide much needed liquidity to clients and help them face this unprecedented situation, and consequently will positively impact our cost of risk.

Let´s turn to slide 8.

Slide 8: A simple pan-European commercial banking business, diversified and resilient

Our strategy is – and will remain so - to be a simple, successful Pan-European Commercial Bank.

This lends great resilience to our business model:

- We have a strong presence in our 13 core markets in Italy, Germany, Austria and CEE, where the expected impact from Covid-19 is markedly different
- we are fully focused on delivering efficient services to our 16 million clients, even more vital in this current operating environment
- our geographic and business diversification provides stability, not only in the current environment, and
- thanks to our strategic investments, we are accelerating our digital transformation

Let´s turn to slide 9.

Slide 9: Proactive capital allocation and proven discipline in risk management

We have and will always be focused on disciplined risk management. We clearly demonstrated this during Transform 2019 and it remains a core principle of how we do business.

We took decisive actions in order to do the right thing to safeguard our shareholders' capital. To mention just a few examples:

- We reduced our BTP holdings by more than 10 billion year on year
- We pre-funded most of our TLAC subordinated instruments early this year
- We accelerated our Non Core rundown and reduced gross NPEs by more than half while significantly increasing coverage
- We sold non-strategic assets such as a stake in Yapi, all our holdings in Fineco and Mediobanca as well as real estate in Germany for a total of more than 7 billion

And with 20/20 hindsight we chose a good time to do so. We shall keep that discipline going forward.

There is no Covid-19 impact on our underlying cost of risk yet. This is expected to evolve during the year and we will give you more details later in the presentation.

Now, let me hand over to our Co-CFO, Mirko Bianchi.

Slide 11: A strong start to the quarter, with Covid-19 impacting from March

Thank you Jean Pierre and good morning everyone.

We had a strong start to the first quarter, with excellent commercial performance in January and February. Then, during the course of March, sales activity started to decline, with the advent of Covid-induced lockdowns in all our countries.

Our revenues are down 472 million or 9.7 per cent quarter on quarter of which – as Jean Pierre said – 390 million are due to some non-recurring items not linked to the operational profitability of the bank:

- **Trading** is down 300 m, of which minus 174 million from XVA and minus 65 million from non-recurring valuation adjustments on participations like Visa

- **Dividends** are down 31 million due to disposals such as Mediobanca

- **Balance** of other income and expenses is down 120 million including the Ocean Breeze disposal

Our costs continue to trend down, as in Q1, Covid-related OPERATIONAL expenses remain marginal.

Let's turn to slide 12.

Slide 12: Net profit impacted by non-operating items, in line with guidance

Below the line, in non-systemic risks & charges, it was a straightforward quarter.

With regards to integration costs, we closed our Team 23 negotiations with the Italian Trade Unions as planned and consequently booked the integration costs as per CMD19 guidance.

Let me remind you that we closed two transactions in Yapi shares during the quarter. Taken together, they took our indirect ownership of 41 per cent to a direct holding of 20 per cent. This changed our regulatory consolidation from “proportionate” to “at equity”. As a result, we no longer consolidate the pro rate RWA of Yapi, but deduct the equity stake from our CET1 capital.

The net impact of the transactions was +58 basis points of CET1 ratio. The P&L was affected mainly by the reversal of the negative FX reserve through the P&L, which was capital neutral. There were also some transaction related expenses. Finally, we changed the segment reporting of the Yapi stake from CEE to GCC, as it is now a non-strategic investment.

Taxes in the quarter were negative, almost entirely driven by a taxable gain on real estate in Germany. The normalised tax rate in the quarter was close to zero.

Let’s turn to slide 13.

Slide 13: Underlying net profit impacted by decision to anticipate realistic IFRS9 macro impairments

Let me remind you that at our last CMD in December, we introduced the concept of UNDERLYING NET PROFIT. This was done for strategic reasons.

We wanted to ensure that the RELEVANT AND "TRUE" profitability of the bank is clear, and to show how it evolves.

To calculate underlying net profit, we exclude non-operating items from stated net profit. This quarter, as per guidance, we had a total of negative 2.6 billion of non-operating items that were excluded. Details can be found in the annex on page 49.

As you can see from the profit distribution across the Group, we have a diversified business model. The performance of CEE stands out and underlines that this division is an important driver of the diversification and profitability of the Group, as it contains many countries with a strong contribution such as Romania.

The post-tax impact of the IFRS9 macro update additional Group level impairments was 902 million. Without this, the divisional performance would have been different and underlying Group RoTE would have been 6.5 per cent. You can see the details in the footnote on the page.

Let's turn to slide 14.

Slide 14: Net interest lower due to pressure on customer loan rates

Net interest income in the quarter was down 0.5 per cent.

The main driver of this were the customer loan rates, which contributed a negative 48 million in the quarter. Half of that, is due to lower base rates in CEE, while the other half, is driven by competitive pressure in Germany.

There was also a tax-related POSITIVE one-off in Germany, which contributed +50 million to NII.

And finally, let me remind you that the first quarter days effect was lower than usual because 2020 is a leap year.

Let's turn to slide 15.

Slide 15: Fees up strongly in January and February prior to of Covid-19 impact

Fees were up 5.2 per cent year on year.

The foundation for this strong performance was an excellent commercial start to the quarter in January in February across a number of areas.

Commercial Banking Italy had one of the best first two months ever in terms of investment fees. CIB had one of their best quarters in debt capital markets.

Post mid March, Covid-19 has had a strong impact on a number of fee categories. Gross AuM sales in the last two weeks of March, for example, were down by low to mid double digit percentage points, depending on geography. Levels in April have only recovered somewhat.

Let's turn to slide 16.

Slide 16: Client driven trading income down 34% Q/Q because of lower clients activity

Overall trading income in 1Q20 was 165 million, down 300 million quarter on quarter.

We saw a solid performance in equities & commodities with an increase quarter on quarter of almost 50 million, which was more than offset by XVA.

The client driven trading income EXCLUDING XVA was only down 103m quarter on quarter, 65 million of which was due to non-recurring valuation adjustments such as our stake in Visa.

For the OTHER trading income, which was down 23 million quarter on quarter, there was a mid double-digit impact from mark to market losses on government bonds from treasury positions. These are expected to recover fully.

The dividend line went down following the disposal of our non-strategic stakes in Mediobanca and Yapi. While this will result in lower dividend income in the future, the disposals strengthened our balance sheet and put us in a position of strength as to face Covid-19.

Let's turn to slide 17.

Slide 17: Costs lower in 1Q20 thanks to continued discipline

Costs continue to trend lower, both quarter on quarter and year on year.

In 1Q20 we regained some of the 4Q19 seasonality.

As we said at our CMD in December, Team 23 is more about bottom-up process optimisation. As a result, our cost efficiencies will be more “back-end-loaded” to offset cost inflation, leading to overall flat costs over the plan period.

These savings will fund the necessary IT spend over the plan period.

Covid-19 has so far had a limited impact on our cost base. Year on year, we had 5 million less travel expenses largely related to the current situation, while in the quarter we had 12 million in extraordinary Covid-19 related costs for communication and safety initiatives.

Let’s turn to slide 18.

Slide 18: Underlying CoR so far unaffected by Covid-19

As you can see, our underlying cost of risk at 29 basis points is so far unaffected by Covid-19. We are even below our previous guidance of 34 basis points.

Cost of risk is, as previously announced, estimated to be in the range of 100-120 basis points for the full FY20.

This will be a combination of the IFRS9 macro update LLPs we took this quarter, and of the expected recognition of sector and specific LLPs throughout the year as risks materialise. The latter are likely to occur towards the end of the year, once the moratoria expire.

There were essentially no regulatory headwinds in the quarter.

Let’s turn to slide 19.

Slide 19: Disciplined underwriting reflected in expected loss on new origination

Since the introduction of Transform 2019, our loan origination is expected loss driven. You can see the impact of that on the left-hand side, where the expected loss of new business, is below the expected loss of stock for all periods. Also, both numbers steadily decrease over the quarters.

Last year, we made an extra effort in light of the late business cycle and focussed new business, on the best rated clients. The result can be seen on the right-hand side.

More than 70 per cent of new origination, and more than 60 per cent of the stock, have an expected loss below average.

Let’s turn to slide 20.

Slide 20: Realistic assumptions underpin CoR outlook

The shape of the Covid-19 trajectory with regards to GDP remains unknown, with different expectations for each country. In Western Europe, we are only just entering the start of lockdown exit strategies and, it is too early to tell how things will develop.

As an illustration we have shown here for a Western European country two possible exit trajectories, that differ by how long they remain at the low point of the lockdown.

Our economists have estimated that an additional two more months at the low point, will cost 6 percentage points of GDP growth, which for Western European countries is massive.

This is consistent with the latest commentary by the ECB, which expects Eurozone GDP to fall between 5 and 12 per cent this year, depending on the trajectory of the low point of the lockdowns, and the speed of the removal of containment measures.

ECB´s 7 per cent delta between the trajectories is very similar to our 6 per cent delta.

As the sensitivity is high, it is of paramount importance that assumptions taken by the bank are realistic.

Let’s turn to slide 21.

Slide 21: Majority of loan book in more resilient sectors

In order to estimate the impact of Covid-19 on our cost of risk, we have taken the GDP assumptions that you can see on the left.

We have then applied them to our 485 billion credit portfolio, which you can see on the right. We have clustered the portfolio by GDP sensitivity, and arrived at four segments, from High to Low Impact.

Only 10 per cent of our loans fall into the “High Impact” category, and these are the sectors most sensitive to Covid-19 headwinds, such as Airlines, Shipping and Tourism.

For more than half of our portfolio, on the other hand, we only expect a “Low Impact”, including for mortgages of private individuals.

Let´s turn to slide 22.

Slide 22: Additional IFRS9 impairments mostly driven by those sectors expected to be more impacted by Covid-19

As a first step, for 1Q20, we have updated the IFRS9 macro assumptions with our GDP growth rates. In ordinary times we do this only in the second and fourth quarter, but Covid-19 warranted an extraordinary update.

Then we applied the updated macro assumptions to our performing portfolio, which resulted in higher probability of default and thus increased LLPs. These provisions for our performing portfolio amounted to 902 million additional LLPs in the quarter on our loans.

You can see that while the “High Impact” portfolio comprises only 10 per cent of our loans, it is responsible for 33 per cent of the additional LLPs.

The “Low Impact” portfolio, on the other hand, results in a comparable amount of LLPs, but is more than five times bigger.

Let’s turn to slide 23.

Slide 23: FY20 CoR driven by IFRS9 macro scenario LLPs and expected recognition of sector and specific LLPs as risks materialise

For the full FY20 cost of risk forecast, we started from the first quarter that already includes the additional provisions from our IFRS9 macro scenario update and added both sector specific overlays and the individual provisions that we expect later in the year as risks materialise.

These will occur as exposures migrate down the rating scale, and may get classified as non-performing, more often than not after the moratoria expire.

As you can see, total cost of risk is expected to be between 100 and 120 basis points (including the IFRS9 macro), while the regulatory headwinds contributes less than 10 basis points as there is some time shift of models into FY21.

As seen previously, also for this analysis the “High” and “Medium” impact segments generate over 55 per cent contribution to cost of risk reflecting our realistic approach to the provisioning.

The provisioning for FY20 takes into account the mitigating effect of the announced government measures.

Let’s turn to slide 25.

Slide 25: Resilient underlying asset quality

Our gross NPE stock for the Group excluding Non Core was stable in the quarter.

Our gross NPE ratio stood at 3.4 per cent on our own definition, and 2.8 per cent using the EBA definition. This is almost exactly matching the average of the EBA sample of European banks which is 2.7 per cent.

Let’s now turn to slide 26.

Slide 26: Non Core rundown continues with further reductions in 1Q20

The Non Core rundown progressed well, even better than expected in Q1 that is traditionally a seasonally quiet quarter. Gross NPEs in Non Core were down 0.5 billion to stand at 8.1 billion.

We are currently assessing the impact that Covid-19 will have on the NPE secondary market. We will update our Non Core rundown strategy in due course.

Let’s turn to slide 27.

Slide 27: Very strong capital position

Our CET1 capital is at a very strong 436 basis points buffer over our MDA level.

This is the result of two separate effects.

On the one hand, we saw an organic INCREASE of the absolute level of CET1 ratio thanks to the release of the FY19 dividend and share buyback, as well as lower RWA from the change in prudential consolidation of Yapi.

On the other hand, our MDA level DECREASED significantly thanks to the application of CRD5 article 104a for 77 basis points, as well as our lower SREP P2R for 25 basis points.

We expect to remain well above our target range of 200 to 250 basis points CET1 MDA buffer throughout FY20.

The recent changes from the revision of the CRR and the ECB strong recommendations for the banking sector to use additional flexibility such as – among others – moving to IFRS9 phased in instead of fully loaded will bring additional improvements to the CET1 ratio in FY20. On a transitional basis, this amounts to more than 0.8 percentage points while on a fully loaded basis, more than 0.2 percentage points.

Please note that there is a shift of around 0.5 percentage points of regulatory headwinds from FY20 to FY21 mainly from following the "flexibility rules" recently

published by ECB in response of Covid-19 partially offset by the updated macro scenario. This is purely a time translation and does not change the overall amount.

Let’s turn to slide 28.

Slide 28: TLAC MDA buffer of 391bps

In line with the strong increase of our CET1 MDA buffer, our TLAC MDA buffer has increased to 391 basis points, well above our target range.

This was driven by significant pre-funding activity in the first quarter pre-Covid-19, when we successfully raised 4.5 billion of subordinated TLAC instruments at very attractive levels.

Thanks to this, we have already completed close to 80 per cent of the subordinated TLAC funding plan for FY20.

Let’s turn to slide 29.

Slide 29: Tangible equity impacted by IFRS9 provisions and provisions for restructuring of Team 23 taken in 1Q20

Tangible equity stands at 51.2 billion, more than two billion higher than one year ago.

We took decisive action in 1Q20 to put the integration costs in Italy and the impact of the IFRS9 macro update behind us. As a result, quarter on quarter, tangible equity decreased by 1.8 billion.

This was driven by the 1.2 billion stated net loss (net of Yapi) and a decline in the revaluation reserves of 1.3 billion from FX and securities, that was only partially offset by a 0.6 billion gain from the DBO.

Jean Pierre, back to you.

Let's turn to slide 31.

Slide 31: As lockdown restrictions begin to be lifted, UniCredit is ready for the next phase

Thank you, Mirko.

Before I conclude and we go to Q&A, let me briefly talk about the easing of lockdowns and what we are doing. As governments across Europe start to lift the restrictions, we are ready for this so-called Phase 2.

Just as we demonstrated flexibility and speed when it came to the initial lockdowns, we will apply the same principles in the coming weeks. However we will base all our actions on scientific data, and NOT dates.

The safety of our people and clients remains at the heart of what we do.

Remote working for central functions will remain in place for quite some time. Some of our people will be INVITED, not required, to come to the office and we will listen and adapt to our people's needs.

We are confident that in Phase 2 we should be able to open 90 per cent of all branches in Italy and Austria, followed closely by Germany.

Thanks to our strong multi-channel platform we will continue to be fully operational regardless of how many branches are physically open.

Let’s turn to slide 32.

Slide 32: Doing the right thing for all our stakeholders

Before we go to Q&A, let me reiterate the three key messages of this quarter:

- First, our business model is diversified and resilient. We have Pan-European scale, 16 million clients that bank with us, we are accelerating our digital transformation and we have a very strong capital base. These factors will help us ease the impact of Covid-19

- Second, the core pillars of our Team 23 strategy remain. We will be updating the strategic plan and present our new assumptions when the environment stabilises at a Capital Markets Day towards the end of this year or early next year

- Last but not least, we will continue to protect our employees, support our clients and contribute to our communities. This is also the best thing we could be doing for you, our investors. Once more, our interests are completely aligned

Before taking your questions, let me extend my deepest thanks and appreciation to all UniCredit team members whose commitment, resilience and incredible hard work in this unprecedented situation has allowed UniCredit to prosper and enabled us to do the right thing for all our stakeholders.

May all our employees, clients and you, our investors, stay healthy and safe. I wish you the same for all your loved ones.

Now, Mirko, the rest of the team and I are ready to take your questions.

If you could please be so kind and limit your questions to two each.

Many thanks