UniCredit Italian Financials Debt Conference

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Welcome to UniCredit

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Agenda

1. UniCredit at a glance
2. Transform 2019 update
3. 2Q17 P&L results
4. Asset quality
5. NPE evolution in the Italian banking sector
6. Capital position
7. Funding & Liquidity
8. Concluding remarks

UniCredit: a Pan European Commercial Bank with inherent competitive advantages

1 2 3 4 5 6 7 8

UniCredit at a glance

Commercial Banking model delivering **unique Western, Central and Eastern European** network to extensive Retail and Corporate client franchise	**25.5 million** clients(1) **79%** revenues from Commercial Banking(2)
"One Bank" business model replicated across full network, driving synergies and streamlined operations	Commercial Banks with leadership position(3) in **12** out of **14** countries(4)
Low risk profile business model benefiting from diversification and a more stable national/regulatory environment	**94%** revenues in EU **56%** outside Italy(5)
CIB plugged into Commercial Banking, enabling cross-selling and synergies across business lines and countries	**€1.4 bn** joint CIB-Commercial Banking revenues(6)

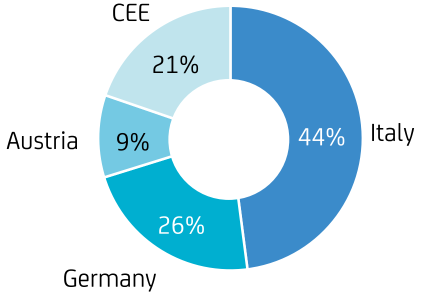
1. Data as of 2Q17, includes 100% clients in Turkey 2. Data as of 1HQ17, CBK Italy, CBK Germany, CBK Austria, CEE 3. Data as of 1H17, ranking between #1 and #5 of market share in terms of total assets according to local accounting standard 4. Italy, Germany, Austria, Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Bosnia and Herz., Serbia, Russia, Romania, Bulgaria, Turkey 5. Data as of 1HQ17 based on regional view 6. Data as of 1H17 includes revenues on GTB, ECM, DCM, M&A, Markets products from Commercial Banking clients and structured financing products from Corporate clients
Sources: for total assets, central bank statistics, if available, or local company reports

Strong competitive advantage across countries and products

Strong local Commercial Bank

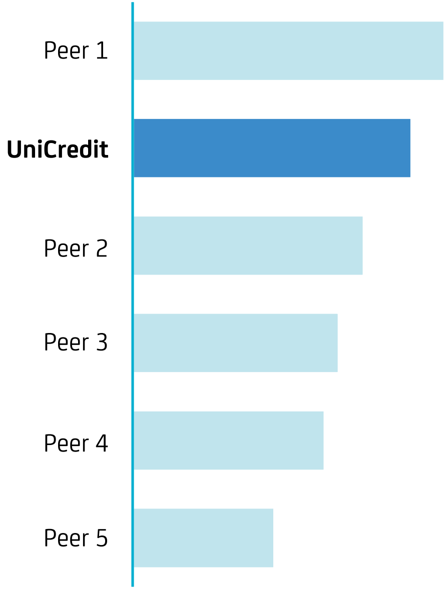
	# clients, m(1)	*Rank by assets in Europe*(2)
Italy	8.8	2
Germany	1.6	3
Austria	1.7	1
CEE	13.4	1

Revenues by geography(4)



"Go to" bank for European "Mittelstand" Corporates

Loans to corporates in EU zone, €bn(3)



Best-in-class CIB product provider

EMEA rankings(5)

EMEA Bonds in Euro by # of transactions(5)	1
Syndicated Loans in Italy (5)	1
Syndicated Loans in Germany (5)	1
Syndicated Loans in Austria (5)	1

Awards

Best Trade Finance Provider in Western Europe and CEE in 2017(6)

Five-Star Cash Manager in Western Europe and CEE in 2017(7)

1. Data as of 2Q17, includes 100% clients on Turkey 2. Data as of FY16, for Austria domestic assets as of end of 2015 on local GAAP (source OeNB), for Germany only private banks; for CEE compared to Erste, KBC, Intesa Sanpaolo, OTP, RBI, Société Générale (data as of FY16) 3. Data as of 1H17; peers includes: BNP Paribas, Deutsche Bank, Intesa Sanpaolo, Santander, Société Générale 4. Data as of 1H17 based on Regional view 5. Dealogic, as of 30 June 6. Source: EuroMoney Trade Finance Survey 2017 7. Source: EuroMoney Cash Management Survey

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UniCredit key targets

	2015	2Q17	1H17	2017	2019
Revenues[1]	**€19.9bn**	**€4.9bn**	**€9.7bn**		**€20.4bn**
Cost/income	**61.6%**	**58.9%**	**59.3%**		**<52%**
Cost	**€12.2bn**	**€2.9bn**	**€5.7bn**	**€11.7bn**	**€10.6bn**
Cost of Risk	**89bps**	**50bps**	**55bps**	**65bps**	**49bps**
Net income	**€1.5bn**	**€945m**	**€1.9bn**		**€4.7bn**
RoTE[2]	**4%**	**8.2%**	**8.7%**		**>9%**
CET1 FL ratio	**10.4%**	**12.80%**	**12.80%**	**>12.0%**	**>12.5%**

	2015		2017	2019
RWA[2]	€361bn	€351bn	€389bn	€404bn
Group Gross NPE Stock	€77.8bn	€53.0bn		€44.3bn
Group Net NPE Stock	€38.3bn	€23.2bn		€20.2bn
Group NPE Coverage	50.8%	56.3%	>54%	>54%
Group UTP Coverage	34.2%	43.6%	>38%	>38%
Group Bad Loan Coverage	60.6%	66.5%	>65%	>63%
Non Core Net NPE	*€24.8bn*	*€12.8bn*	*€11.4bn*	*€8.1bn*
Non Core NPE Coverage	*52.4%*	*57.0%*	*>56%*	*>57%*

1. Revenues 2015-2019 CAGR at 0.6% 2. CMD perimeter

Note: All 2015 figures restated assuming new Group perimeter; Plan assumes a cash dividend with 20% payout

Transform 2019 execution on track, delivering tangible results (1/2)

5 Strategic Pillars		Achieved	2019 Target
STRENGTHEN AND OPTIMIZE CAPITAL	• Bold actions taken: disposals of Pioneer, Pekao and 30% of Fineco • €13bn rights issue successfully executed	✓ Significantly strengthened capital position with a solid fully loaded CET1 ratio at 12.80% in 2Q17 after successful Pekao disposal (72bp) ✓ Additional benefit in 3Q17 from Pioneer disposal (84bp)[1]	CET1 ratio >12.5%
IMPROVE ASSET QUALITY	• Decisive actions to address Italian legacy issues • Strengthened coverage ratio • Further tightened risk discipline	✓ Gross NPE reduced to €53.0 bn, with coverage ratio increased to 56.3% in 2Q17 ✓ Improved expected loss on performing stock[2], from 0.43% in 4Q16 to 0.39% in 2Q17, 0.35% on new production ✓ Disposals of 1.5bn gross NPE portfolios in 2Q17 at Group level[3] ✓ Disposal of majority stake of FINO to be closed in 3Q17	Net NPE ratio 4% NPE Coverage >54% Cost of Risk 49bps

1. Expected to be largely offset by higher RWA in 2H17 (due to business growth, model changes and procyclicality) and IFRS9 from Jan-18 2. Impact of procyclicality and model changes in 2H17 envisaged at c.4bp for the Group and c.12bp for CBK Italy (preliminary estimates based on 30 June figures) 3. €0.9bn in the Non Core and 0.6bn in the Group excluding Non Core (o/w €0.4bn already classified under held for sale in 1Q17)

Transform 2019 execution on track, delivering tangible results (2/2)

5 Strategic Pillars		Achieved	2019 Target
TRANSFORM OPERATING MODEL	• Transformation of operating model to a sustainable lower cost structure • Improve customer focus, services & products • €1.6 bn IT investments(1) to support business transformation	✓ c.6,000 FTEs reduction since Dec-15, 42% of c.14,000 target. FTEs down by 1,135 Q/Q ✓ 464 branch closures since Dec-15 in Western Europe, 49% of 944 closures target ✓ New organization in place from January 2017 with key IT external hires	€1.7 bn net cost savings by 2019 C/I ratio <52% 944 branch reduction in Western Europe
MAXIMIZE COMMERCIAL BANK VALUE	• Leverage on CIB leadership • Increase CEE client penetration • Enhance cross-selling across business lines and countries	✓ Ranking #1 in "Syndicated Loans" in Italy, Germany and Austria", #2 in "Syndicate Loans in CEE" and #1 in "EMEA All Bonds in Euro" by number of deals(2) ✓ New partnership with Apple Pay ✓ Strong focus on multichannel approach	Additional €363 m joint CIB-Commercial Banking revenues(3) €856 bn TFA
ADOPT LEAN BUT STEERING CENTER	• Effective steering Group Corporate Center • KPIs to drive performance and accountability • Leaner support functions and transparent cost allocation	✓ Tangible results in 2Q17, with FTEs down by 7.6% and costs down by 8.8% in 1H17 vs. 1H16	Weight of Group Corporate Center on total costs from 5.1% to 2.9% by 2019

1. Excluding €0.7 bn investments to fulfill regulatory demand in 2017-19 2. Dealogic, as of 30 June 3. Includes revenues on GTB, ECM, DCM, M&A, Markets products from Commercial Banking clients and structured financing products from Corporate clients

Agenda

Group – Net profit in 2Q17 supported by strong fee generation, cost containment and risk discipline

Key drivers

- Net interest in 2Q17 positively impacted by the release of a tax provision on net interest in CBK Germany (+90m[1]); commercial trend impacted by lower customer rates, in line with expectations
- Strong fee generation with all categories improving
- Trading income above normalized level[2]
- Costs continued to decrease supported by lower FTEs and branch reductions
- LLPs decreased resulting in CoR of 50bp, with positive asset quality trends. Revised guidance CoR at low 60s bp for 2017
- Full impairment of remaining stake in Veneto banks through Atlante 1 for 135m
- Net profit from discontinued operations including contribution from Pioneer (+74m) and embedding negative currency effect related to Pekao disposal (-310m)

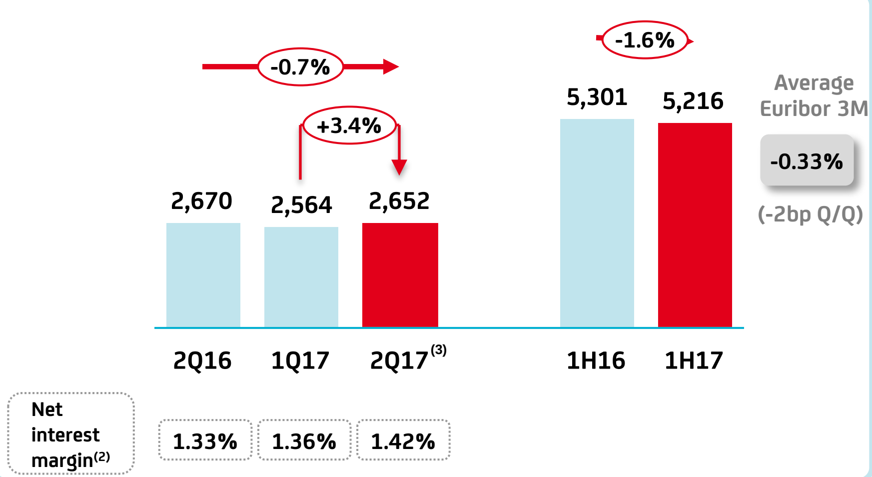
Data in m	*2Q16*	*1Q17*	*2Q17*	*Δ % vs. 1Q17*	*Δ % vs. 2Q16*	*1H16*	*1H17*	*Δ % vs. 1H16*
Total revenues	5,262	4,833	4,855	+0.4%	-7.8%	9,937	9,688	-2.5%
o/w Net interest	*2,670*	*2,564*	*2,652*	*+3.4%*	*-0.7%*	*5,301*	*5,216*	*-1.6%*
o/w Fees	*1,401*	*1,481*	*1,507*	*+1.8%*	*+7.6%*	*2,818*	*2,988*	*+6.0%*
o/w Trading	*860*	*590*	*462*	*-21.7%*	*-46.2%*	*1,197*	*1,053*	*-12.0%*
Operating costs	-2,982	-2,886	-2,858	-1.0%	-4.2%	-5,958	-5,744	-3.6%
Gross operating profit	2,280	1,947	1,997	+2.6%	-12.4%	3,979	3,944	-0.9%
Loan loss provisions	-884	-670	-564	-15.8%	-36.1%	-1,644	-1,235	-24.9%
Net operating profit	1,397	1,277	1,433	+12.2%	+2.6%	2,335	2,709	+16.0%
Other charges & provisions	-477	-463	-135	-70.9%	-71.7%	-858	-598	-30.3%
o/w Systemic charges	*-259*	*-434*	*-19*	*-95.6%*	*-92.6%*	*-615*	*-453*	*-26.3%*
Profits on investments	*0*	*24*	*-174*	*n.m.*	*n.m.*	*-18*	*-149*	*n.m.*
Profit before taxes	837	833	1,117	+34.1%	+33.4%	1,125	1,950	*+73.3%*
Income taxes	-153	-212	-134	*-36.8%*	*-12.5%*	-339	-346	*+2.0%*
Net profit from discontinued operations	379	376	79	*-79.0%*	*-79.1%*	778	456	*-41.4%*
Net profit	916	907	945	*+4.2%*	*+3.3%*	1,321	1,853	*+40.2%*

1. One-offs in CBK Germany: release of a tax provision on net interest (+90m) and net effect of release of provisions on income tax (+80m) benefitting from some large client driven transactions; 2Q16 one-offs: security disposal gain (+132m), Visa Europe disposal gain (+246m)
2. Normalized trading at 1.4bn to 1.5bn on a yearly basis. 1Q17

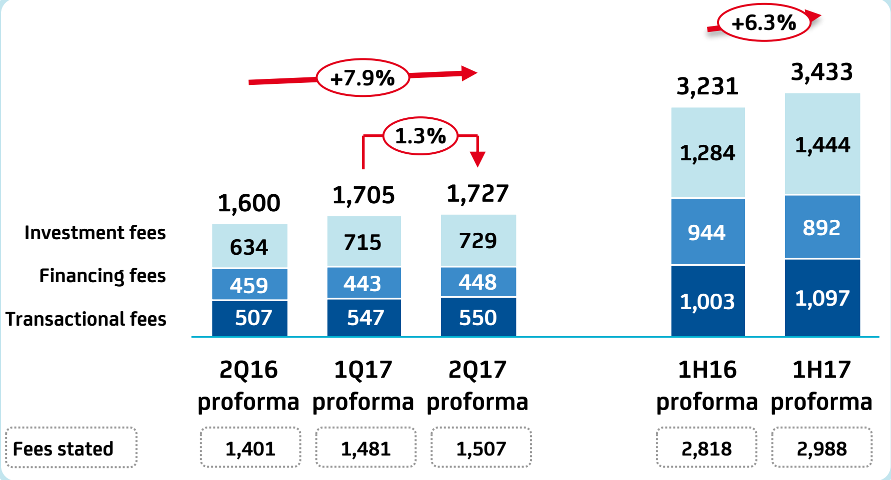
NB: net profit at 1.3bn in 2Q17 exc. Pekao disposal (+38.4% Q/Q and +94.1% Y/Y)

Group – Resilient recurring revenues underpinned by solid NII and strong fee generation

Net Interest[1], m



Fees & commissions proforma[4], m



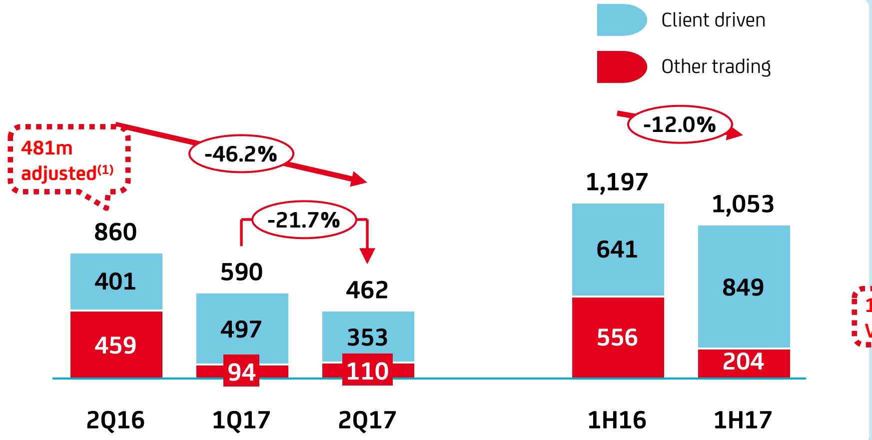
- Commercial trend of net interest impacted by loan dynamics in a competitive environment
- Guidance of underlying net interest for 2017 confirmed at around 10.2bn

- Strong fee generation in 2Q17, with all categories improving

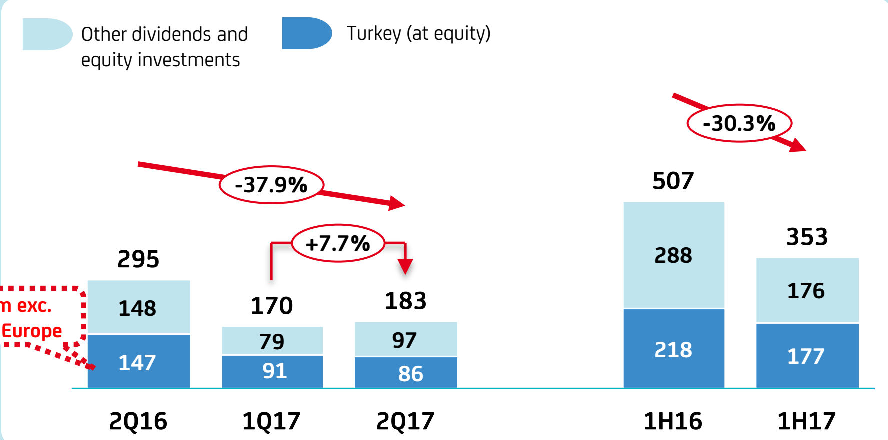
1. Contribution from macro hedging strategy on non naturally hedged sight deposits in 2Q17 at 378m, -2m Q/Q and -15m Y/Y 2. Net interest margin calculated as interest income divided by earning assets minus interest expenses divided by earning liabilities 3. Considering one-off of net interest on tax refund in CBK Germany 4. Managerial figures. Proforma data excluding the temporary effect of Pioneer & Pekao classified under IFRS5. Baseline proforma data excluding the temporary effect of Pioneer & Pekao classified under IFRS5 and non commercial items fees

Group – Trading income in 2Q17 above normalized level benefitting from customer driven activities. Turkey resilient and other dividends up Q/Q

Trading income, m



Dividends[2], m



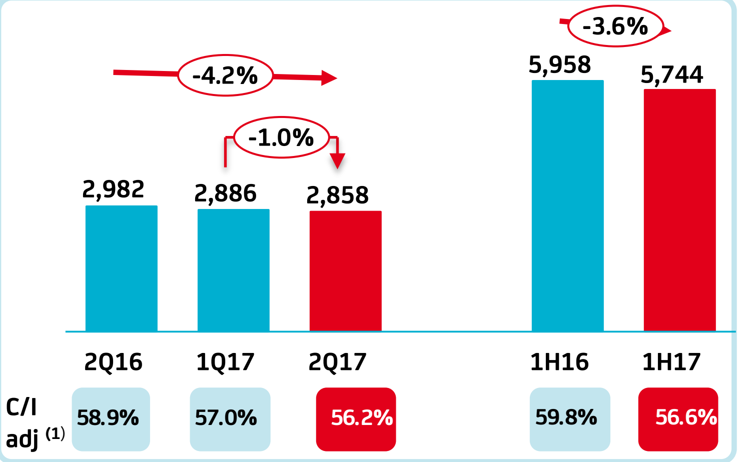
- Trading income in 2Q17 above normalized level, benefitting from customer driven activities
- Client driven trading includes value adjustments[3] equal to +23m in 2Q17 (-58m in 1Q17 and +47m in 2Q16)

- Turkey's contribution resilient Q/Q, down Y/Y mostly on currency effect
- Other dividends up Q/Q thanks to shareholdings in Austria and insurance JVs in Italy, Y/Y trend impacted by lower dividends by minority participations

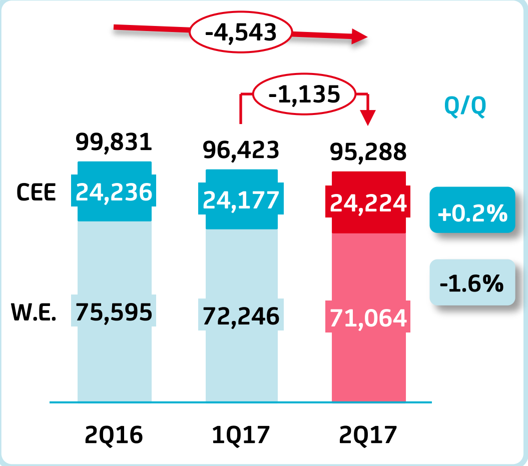
1. One-offs related to security disposal gain (+132m) and Visa Europe disposal gain (+246m) 2. Figures include dividends and equity investments. Turkey contribution at equity based on divisional view. Balance of other operating income/expenses at +50m in 2Q17 (+28m in 1Q17, +37m in 2Q16) 3. Collateral valuation adjustment (OIS), Credit Value Adjustment (CVA) and Funding Valuation Adjustment (FVA)

Group – 4,543 FTE reduction and 398 branch closures Y/Y supporting lower costs

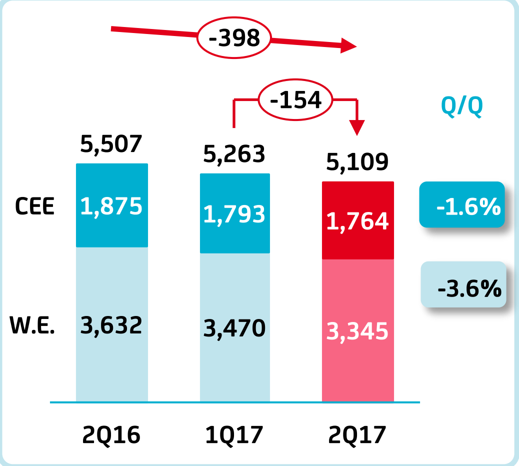
Costs, m



FTEs



Branches(2)



- Costs down Y/Y and Q/Q, confirming 2017 guidance of 11.7bn

- FTEs reduced by 1,135 Q/Q, c.6,000 since Dec-15 (42% of 14,000 target)

- Branches down by 154 Q/Q, 464 since Dec-15 (49% of 944 target closures in Western Europe)

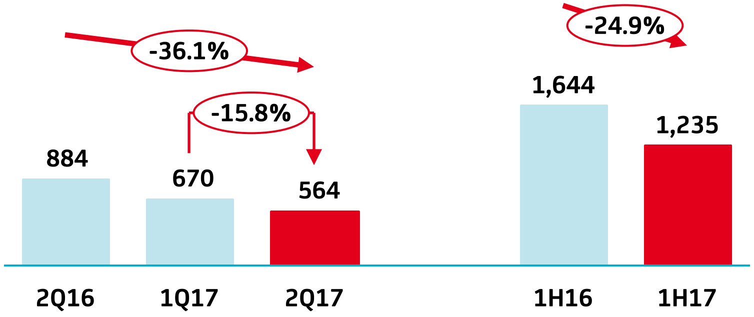
1. C/I adjusted for the temporary effects of reclassification of Pekao and Pioneer under IFRS5 and for 405m non recurring revenues in 2Q16. C/I stated at 58.9% in 2Q17, 59.7% in 1Q17, 56.7% in 2Q16, 59.3% in 1H17 and 60% in 1H16 2. Branch figures consistent with CMD perimeter

Group – LLPs at 564m in 2Q17, with low cost of risk at 50bp. Revised guidance of cost of risk to low 60s bp for 2017

Main drivers

- LLPs at 564m in 2Q17 resulting in a low cost of risk of 50bp. Guidance of cost of risk for 2017 revised to low 60s bp, while confirmed at 49bp for 2019
- Strong coverage ratio at 56.3% and gross NPE ratio down to 11%
- Cost of risk across divisions in 2Q17:
  - i. 66bp in CBK Italy with gross NPE ratio at 6.6% (-0.4p.p. Q/Q)
  - ii. 16bp in CBK Germany, confirming positive asset quality trends and stable gross NPE ratio at 2.5%
  - iii. -25bp in CBK Austria thanks to write-backs, confirming positive asset quality trends. Gross NPE ratio stable at 4.6%
  - iv. 53bp in CEE with gross NPE ratio at 9.2% (-0.2p.p. Q/Q)
  - v. -1bp in CIB with gross NPE ratio at 3.5% (-0.1p.p. Q/Q)

Loan loss provisions, m



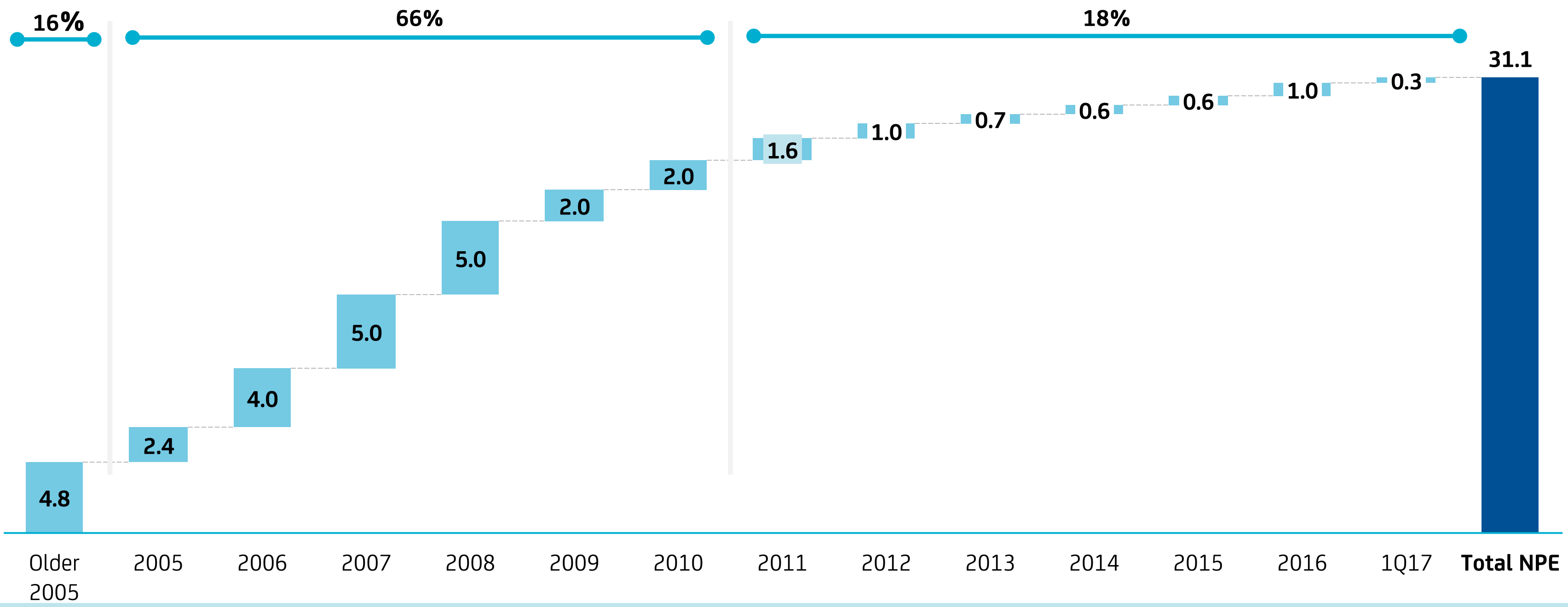
	2Q16	1Q17	2Q17	1H16	1H17
Cost of risk	77 bp	60 bp	50 bp	72 bp	55 bp
Cov. ratio gross NPE(1)	52.1%	56.3%	56.3%		
Gross NPE ratio(1)	14.9%	11.4%	11.0%		

1. Fino portfolio has been classified as Held for Sale (16.2bn gross loans, 1.8bn net loans in 2Q17). Group asset quality ratios as at 30th June 17, including the Fino portfolio: gross NPE ratio of 13.9% (14.3% in 1Q17); net NPE ratio of 5.5% (5.8% in 1Q17); NPE coverage ratio of 64.0% (63.5% in 1Q17); gross bad loans ratio of 9.3% (9.5% in 1Q17); net bad loans ratio of 2.6% (2.8% in 1Q17); bad loans coverage ratio of 74.4% (73.8 in 1Q17)

Agenda

Non Core - Gross NPE breakdown by origination date

Non Core – Gross NPEs stock by origination date as of 1Q2017, bn

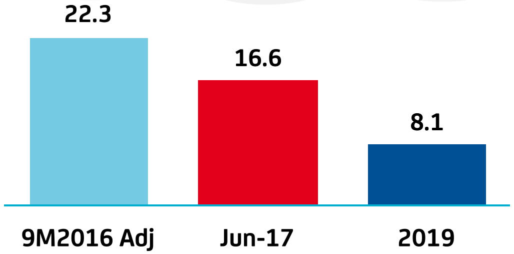


Clear plan of actions for the Non Core run-down: Our proactive disposal process is on track. In particular FINO majority stake sold in July and starting of phase 2 in 2H17

Non Core evolution, bn

-€37.2[1]

	9M2016 Adj (incl. one-off LLP)	Jun-17	2019
Gross loans	56.4	33.8	19.2[2]
o/w gross NPE	49.7	29.7	19.2
Net loans	22.3	16.6	8.1
NPE coverage ratio	68.2%	57.0%	>57%
UTP coverage ratio	42.8%	45.2%	>38%
Bad loans cov ratio	77.1%	64.4%	>63%



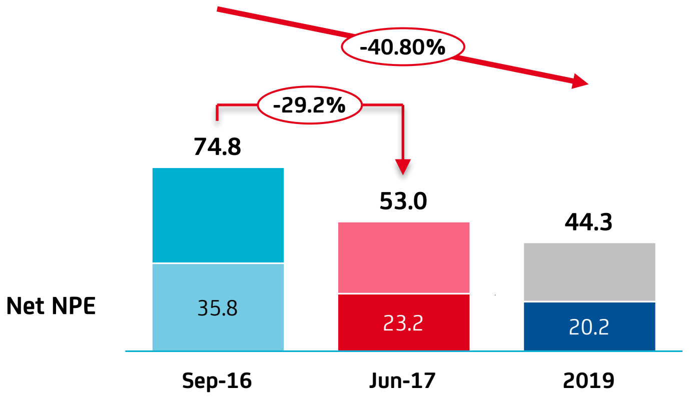
Actions of Non Core run down, bn

		by 2019	1H17
	Gross loans, €bn	-€37.2	
FINO	Disposal of majority stake completed in July. Further reduction below 20% in 2H17	-€17.7	executed
"Back" to Core	1bn performing loans transferred to CBK Italy	-€2.5	-€1.0[3]
Repayments	Mainly driven by Corporate, Small business, Real estate and Mortgages	-€1.6	-€0.1[4]
Disposals	0.9bn in 2Q17, 1bn in 1H17	-€5.5	-€1.0[5]
Recoveries	Cash recoveries on workout and on UTP (to 5% recovery in 2019)	-€5.0	-€0.6[6]
Write-offs	Active portfolio management and cost optimization	-€4.8	-€0.5[7]

1. The FINO portfolio, as communicated during the Capital Markets Day, originally amounted to 17.7bn gross loans, which decreased to 17bn as at 31.12.16 thanks to work out activity 2. 15.0bn Bad Loans (32% Corporate, 10% Small business, 1% Old Vintage, 1% Individuals, 29% Mortgages, 27% Leasing), €4.0bn UTP (72% Corporate, <1% Small business, 0% Old Vintage, <1% Individuals, 7% Mortgages, 20% Leasing), and €0.2bn Past Due 3. In 2Q17 4. In 1Q17 5. o/w €0.1bn in 1Q17 and €0.9bn in 2Q17. In 4Q16 additional €1.0bn 6. o/w €0.3bn in 1Q17 and €0.3bn in 2Q17 7. o/w €0.2bn in 1Q17 and €0.3bn in 2Q17

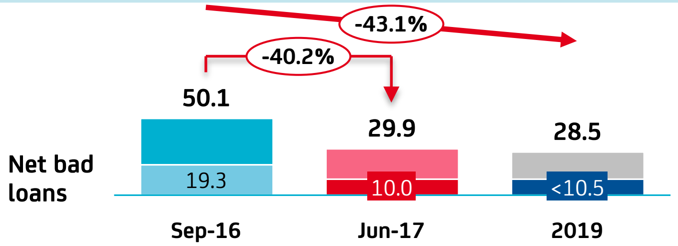
Group – Asset quality further improved in the quarter with lower NPE, improved NPE ratios and strengthened coverage ratios

Non performing exposures, bn



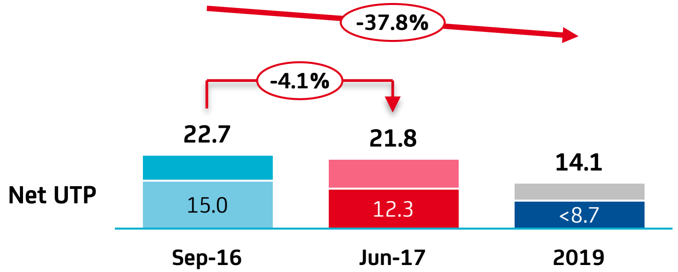
	Sep-16	Jun-17	2019
Gross NPE ratio	15.1%	11.0%	8.4%
Net NPE ratio	7.9%	5.1%	4.0%
Coverage ratio	52.2%	56.3%	>54%

o.w. Gross bad loans, bn



	Sep-16	Jun-17	2019
Coverage ratio	61.4%	66.5%	>63%

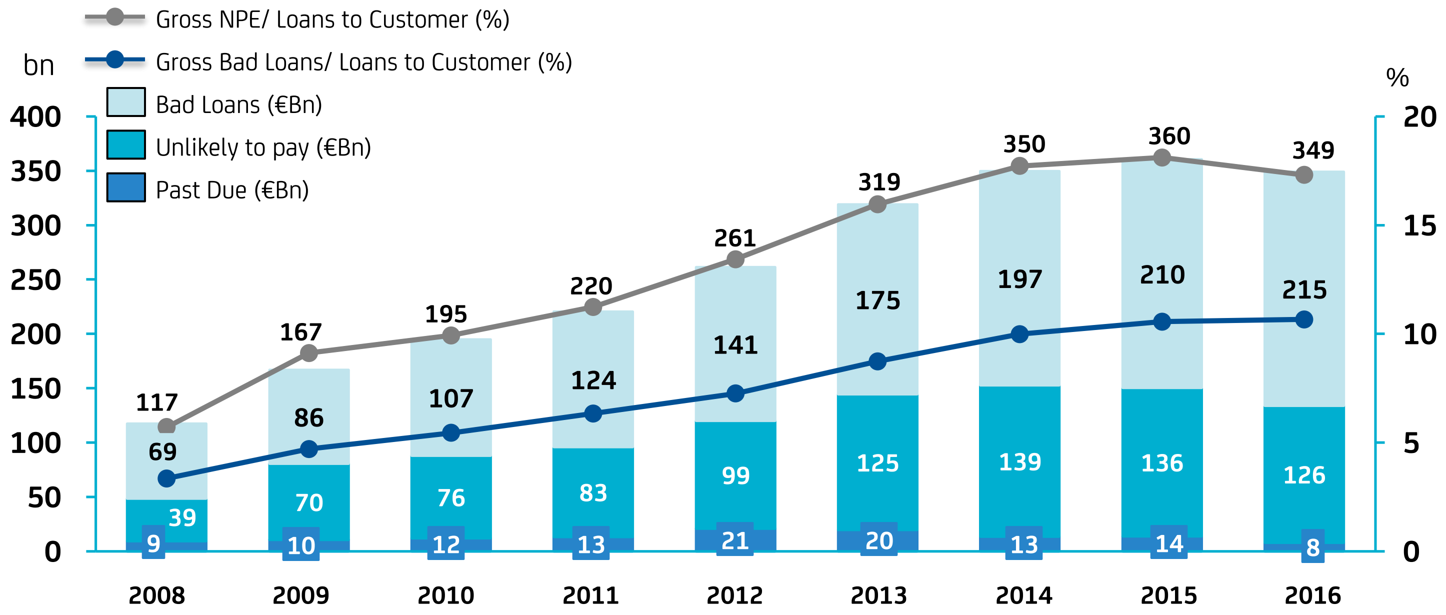
o.w. Gross unlikely to pay, bn



	Sep-16	Jun-17	2019
Coverage ratio	34.0%	43.6%	>38%

Agenda

NPE stock showing first signals of decrease after 2015 peak



	2008	2009	2010	2011	2012	2013	2014	2015	2016
Gross NPE/ Loans to Customer	5.7%	9.1%	9.9%	11.2%	13.4%	16.0%	17.7%	18.1%	17.3%
Gross Bad Loans/ Loans to Customer	3.4%	4.7%	5.4%	6.3%	7.3%	8.7%	10.0%	10.6%	10.7%

Note: Source: Banca d'Italia "Financial Stability report" April 2017

NPE dynamics show net improvement over the last three years in terms of average default rate and recovery rate

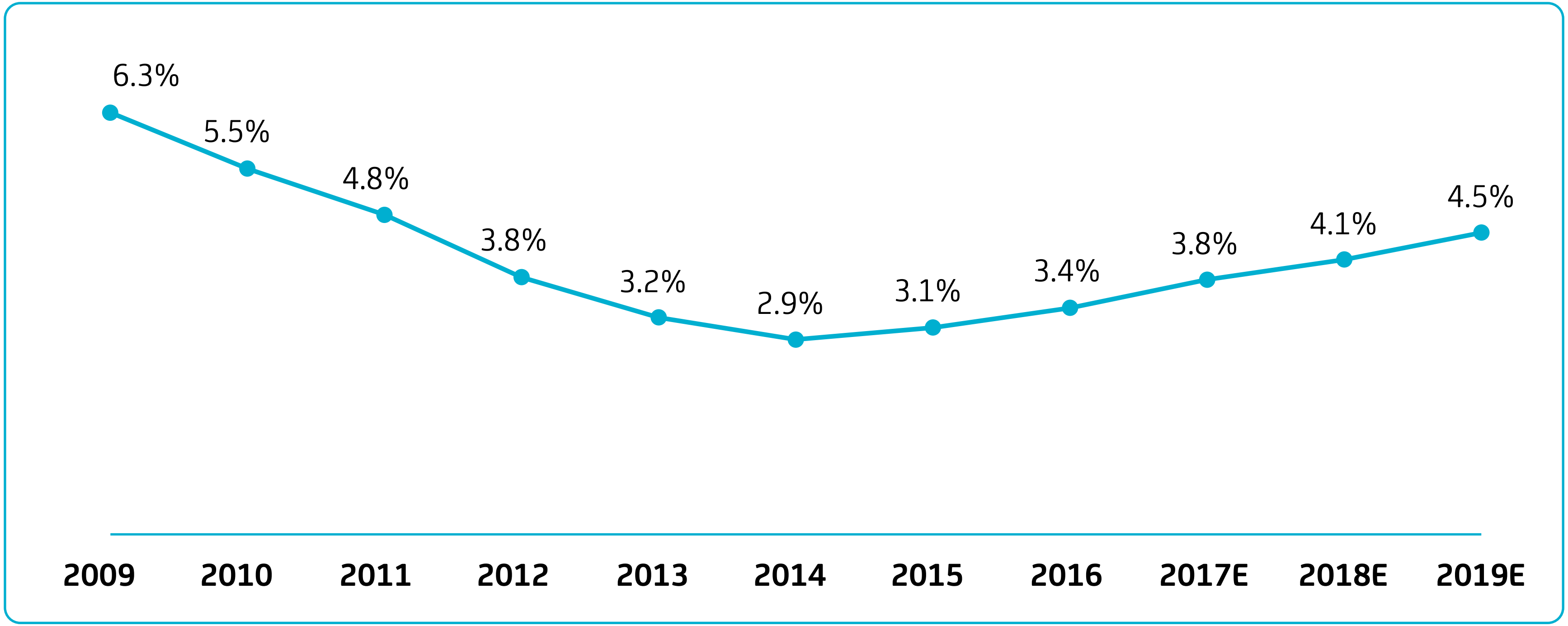
NPE evolution in the Italian banking Sector

	2014	2015	2016
Inflows to NPE (m)	55,392	37,482	26,478
Outflows to performing (m)	-13,024	-10,084	-7,867
Default Rate[1] (%)	5.2	3.7	2.6
Cure Rate (%)[2]	5.8	4.0	2.9
Outflows/inflows (%)[3]	23.5	26.6	29.7
Recovery rate (%)	2.9	3.1	3.4

Note: 1. Default rate calculated on outstanding stock and inflows to NPE: ratio of inflows to NPE in year t vs outstanding performing stock at the end of year t-1; 2. Cure rate calculated as ratio of outflows to performing vs NPE stock at t-1; 3. calculated as ratio of outflows to performing vs inflows to NPE;

Source: Bain, banks included in the sample: UCI, ISP, UBI, MPS, Banco Popolare, BPM, BPER, Gruppo Cariparma, BNL, Credem, Pop Vicenza, Veneto Banca, Carige, Creval, Sondrio

Recovery rate hit bottom in 2014 and is expected to further improve in coming three years

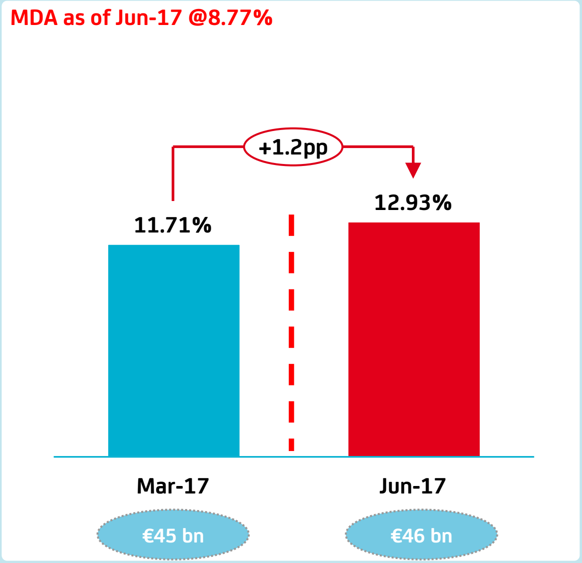


Source: Bain, average of top 15 Italian banks, i.e., ISP, UCG, UBI, MPS, Banco Popolare, BNL, BPER, Popolare Vicenza, Veneto Banca, Carige, BPM, Cariparma CA, Creval, Popolare Sondrio, Credem

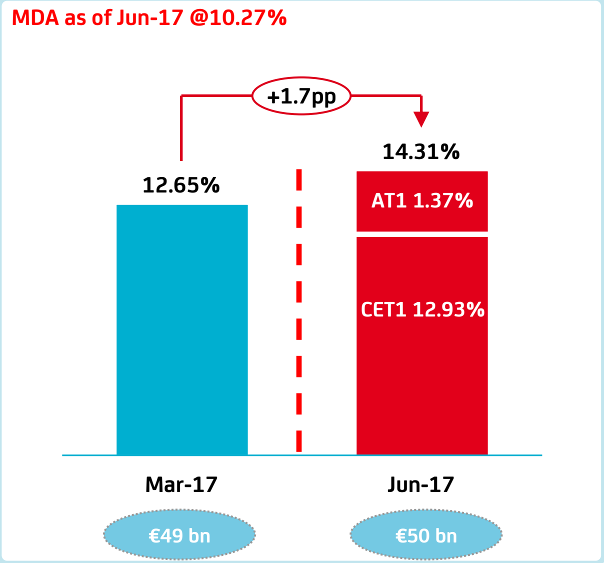
Agenda

Group – Transitional ratios well above MDA levels

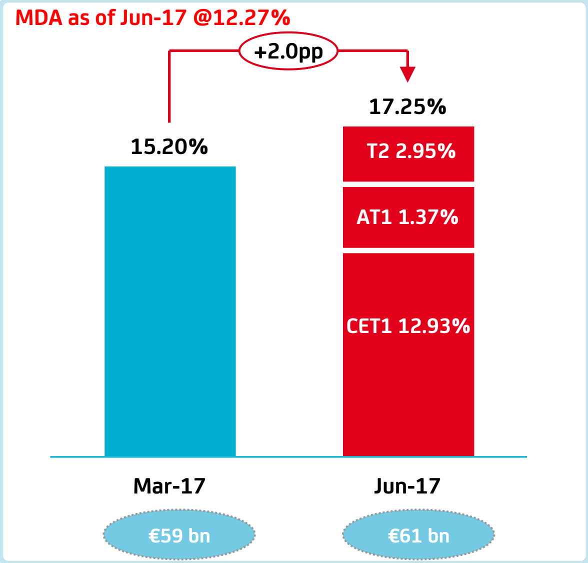
CET1 transitional



Tier 1 transitional



Total capital transitional

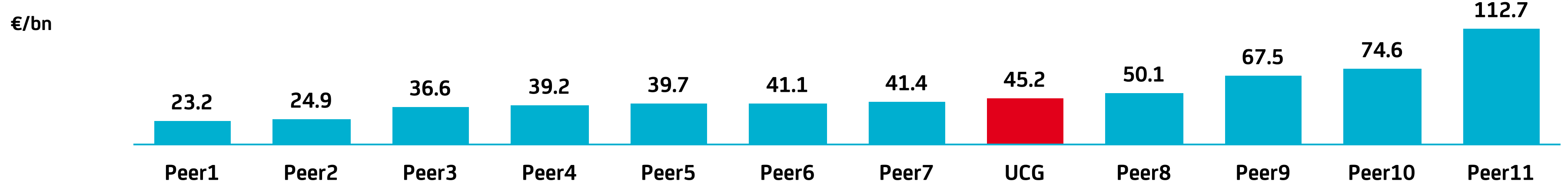


Capital buffer vs MDA requirements is above 400bp

Note: Phase-in of net liability related to Defined Benefit Obligation at 60% in 2017

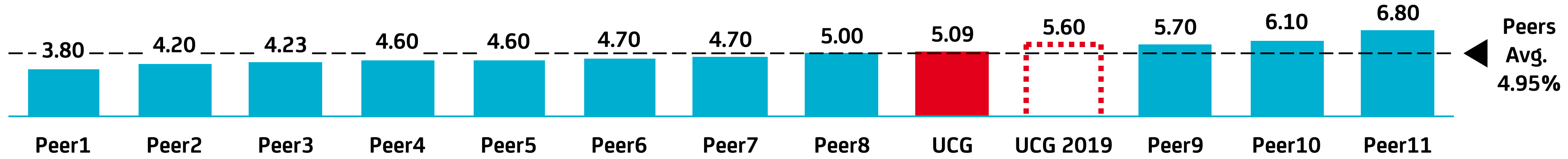
Solid CET1 ratio FL at 12.8% up by 135bp q/q mainly thanks to Pekao disposal, earning generation and RWA dynamics. Target leverage ratio at 5.6% in 2019

CET1 capital fully loaded[1] as of Jun-17, €bn



	Peer1	Peer2	Peer3	Peer4	Peer5	Peer6	Peer7	UCG	Peer8	Peer9	Peer10	Peer11
Total capital[2]	29.1	31.9	54.4	51.6	56.1	62.1	56.7	60.8	66.6	89.3	93.8	160.4
Total assets	487	643	1,541	788	862	1,350	702	827	1,569	1,314	2,143	2,181

Basel 3 Leverage ratio fully loaded[3] as of Jun-17, %



1. CET1 FL calculated as FL CET1 Ratio * RWA 2. Total capital FL where available 3. Leverage ratio FL where available

Note: Peers: BBVA, BNP, Commerzbank, CASA, DB, HSBC, ISP, ING Bank, Nordea, SAN, SG

Agenda

Well diversified and centrally coordinated funding and liquidity profile

Western Europe

CEE Banks (11 CEE countries[1])

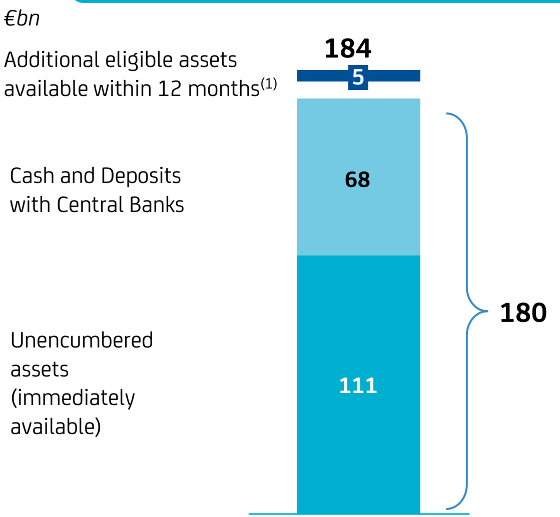
- **UniCredit SpA** is operating as the Group **Holding** as well as the Italian operating bank:
  - ✓ **TLAC issuer** assuming Single-Point-of-Entry (SPE)
  - ✓ **Coordinated Group-wide funding** and **liquidity management** to optimize market access and funding costs
  - ✓ **Diversified by geography** and **funding sources**

Local funding and self-sufficiency principle is part of overall Group funding plan while leveraging on local knowledge (well established issuance platform in Germany e.g. Covered Bond/Pfandbriefe)

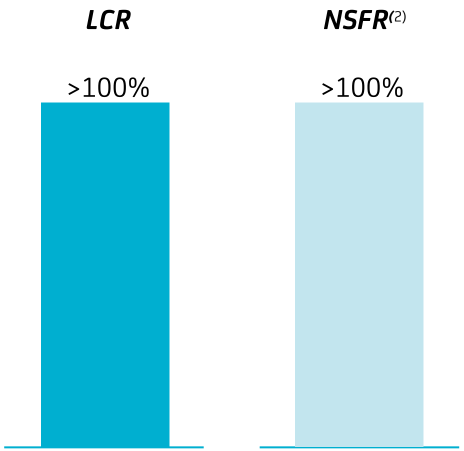
1. Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Slovakia, Slovenia, Serbia and Turkey

Ample Group liquidity buffer

2Q17 strong liquidity buffer



Already compliant with key liquidity ratios



- **€180bn liquid assets** immediately available, **well above 100% of wholesale funding maturing in 1 year**

- UniCredit S.p.A. **LCR and NSFR >100%**

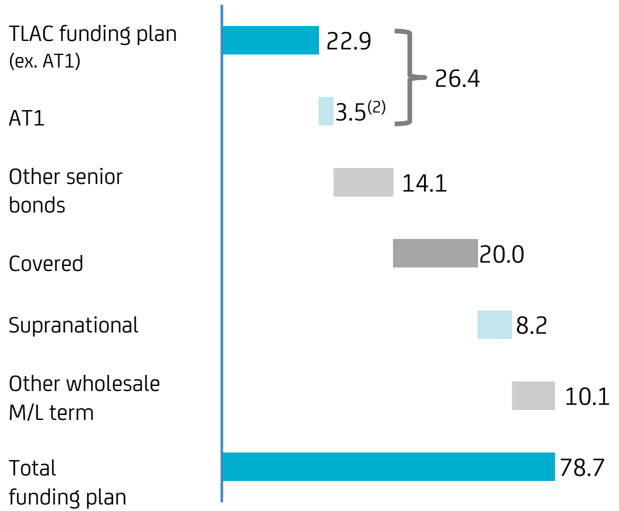
1. Unencumbered assets are represented by all the assets immediately available to be used with Central Banks. Additional eligible assets (available within 12 months) consist of all the other assets eligible within 1 year time 2. As of 31 Dec'16

2017-2019 Group Funding Plan

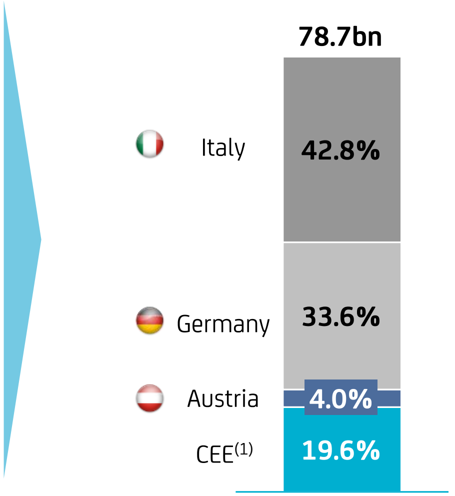
2017-19 Group Funding Plan

by Product

€bn, to be issued over plan period



by Country



2017-19 Strategy

- Very **conservative funding plan** given the current regulatory uncertainty to **mitigate any execution risk**
- Group ML Term funding plan envisages **cumulated bond issuances of c. €79 bn** with a **carefully selected array of debt and capital** instruments
- The funding plan has been put in place to ensure that **TLAC and MREL requirements** are respected over the next three years
- The **recent set-up** of a **$30 bn 144a / RegS Global MTN** combined Program will allow the bank to **further diversify its funding sources and tap investors globally**
- **50% of planned AT1 issuances already executed**

1. Including Turkey at 100% 2. €3.5 bn AT1 planned of which €500 m AT1 already executed in December 2016

TLAC (Pillar 1 MREL) issuance plan

Over 17% TCR with almost €70 bn of bank capital instruments for 2019

Funding plan based on conservative case - TLAC compliant

2019 assumed TLAC requirements[1] (Pillar 1 MREL)

19.50%[2]

- 1.0% G-SIBs
- 2.5% Capital conservation buffer
- 8% TLAC eligible instruments
- 2.0% Tier 2
- 1.5% AT1
- 4.5% CET1

2.5% Senior Bond exemption

16.0%

17.0%

Subordination requirements

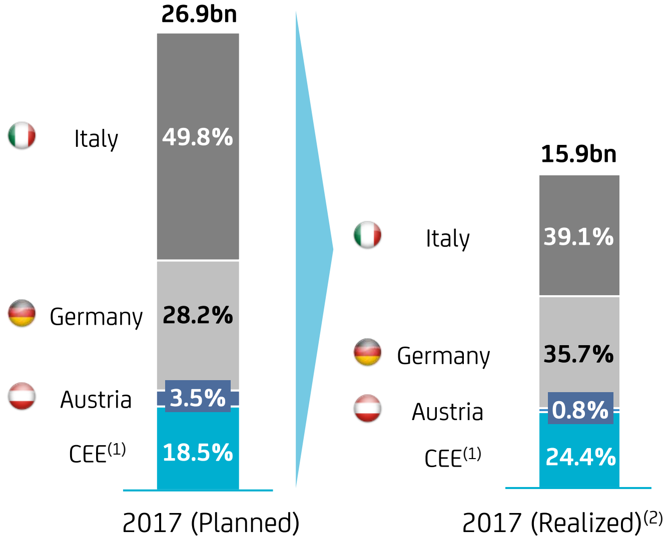
TLAC building blocks	Total 26.4bn issuance over the Plan	
TLAC ratio + buffers		**>23.0%**
Old Senior outst. TLAC eligible (€5.6 bn)	Not part of the issuance plan	1.4%
Senior bond Funding Plan	€4.5 bn	1.1%
Senior non preferred Funding Plan	€13.35 bn	3.3%
Capital ratio		**>17.1%**
Tier 2	€5.0 bn	3.1%
Tier 1 ratio		**>14.0%**
AT1	€3.5 bn[3]	1.5%
CET1		>12.5%

2.5% of RWA met with senior bonds

1. UniCredit view on current regulations which may be subject to change. Assuming UniCredit as Single Point of Entry (SPE) and all the TLAC instruments have to be issued by UniCredit S.p.A. 2. 21.50% by Jan-2022. Assuming Counter-Cyclical Buffer set at 0%. Plan RWAs 2019 €404 bn vs. €362 bn as of 9M16 presented during CMD 3. €3.5 bn AT1 planned of which €500m AT1 already executed in Dec 2016

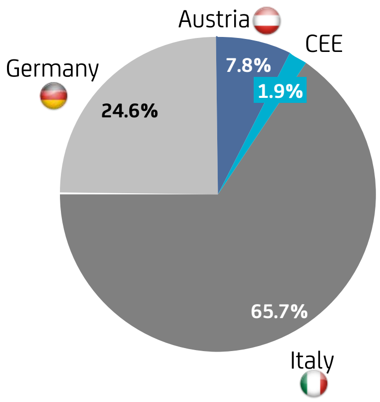
2017 Medium-Long Term Funding Plan

2017 M/L term funding plan by region



As of 15th of September, c. 59% or c. €15.9bn of the 2017 Group Funding Plan is executed

TLTROII split by region



- Taking also advantage of the last additional TLTROII take-up of c. €24.4 bn during the recent auction in Mar-17, the Group is **leveraging on €51.2 bn of TLTROII**

1. Including Turkey at 100% 2. As of 15th of September 2017

Ratings Overview

	STANDARD & POOR'S	MOODY'S	FitchRatings
UniCredit SpA	**BBB-/Stable/A3[1]** **(bbb-)[2]**	**Baa1/Stable/P2[1]** **(ba1)[2]**	**BBB/Stable/F2[1]** **(bbb)[2]**

✓ "….on the **right track** to improve its **capital position** and **asset quality**. **Evidence of execution on cost savings** and the **disposal of Non Performing Assets** could result in an **improvement in its Stand-Alone Credit Profile** over the **next 12 months**"

✓ "…very large **capital raising** coupled with a **reduction in problem loans** and **increased provisioning** coverage places the bank in a **better position to meet the challenges of an adverse operating environment in Italy**…"

✓ "…the planned **recapitalisation**, **sale of non-performing** loans and **cost-cutting** measures, **if achieved**, **are all positive** for creditors"

Issuance Ratings (S&P)

UC SpA T2	BB
AT1	*nr*
OBGI (Ital CB)[5]	A
OBGII (Ital CB)[6]	nr

Issuance Ratings (Moody's)

UC SpA T2	Ba1
AT1	*nr*
OBGI (Ital CB)[5]	Aa2
OBGII (Ital CB)[6]	Aa2

Issuance Ratings (Fitch)

UC SpA T2	BBB-
AT1	*B+*
OBGI (Ital CB)[5]	AA
OBGII (Ital CB)[6]	nr

	STANDARD & POOR'S	MOODY'S	FitchRatings
Italy	*BBB-/Stable/A3[1]*	*Baa2/Negative/P2[1]*	*BBB/Stable/F2[1]*
UniCredit Bank	**BBB/Develop[3]/A2[1]** **(bbb+)[2]**	**A2[4]/Stable/P1[1]** **(baa2)[2]**	**BBB+/Negative/F2[1]** **(bbb+)[2]**
Bank Austria UniCredit Group	**BBB/Negative/A2[1]** **(bbb)[2]**	**Baa1/Stable/P2[1]** **(baa3)[2]**	**BBB+/Negative/F2[1]** **(bbb+)[2]**

1. Order: Long-Term Senior Unsecured Debt Rating / Outlook or Watch-Review / Short-Term Rating / Stable = Stable Outlook; 2. Stand-Alone Rating; 3. Outlook "developing" due to (i) uncertainties around resolution process and (ii) related questions about sustainability of ALAC (Additional Loss-Absorbing Capacity) buffer; 4. Deposit rating shown, while Senior Debt at 'Baa2/Stable/P1'; 5. Soft Bullet; 6. Conditional Pass Through

Agenda

Concluding remarks

Transform 2019 execution on track, delivering tangible results

Revenues benefitted from **strong business focus**, with resilient net interest, strong fee generation and trading above normalized level

Operating costs reduction confirmed thanks to Transform 2019 actions

LLPs at 564m and guidance of **CoR for 2017 revised** to low 60s bp, while confirmed at 49bp in 2019

Fully loaded CET1 ratio at 12.80%. Additional 84bp in 3Q17 from Pioneer disposal, expected to be largely offset by higher RWA from business growth, model changes & procyclicality in 2H17 and IFRS9