PRESS RELEASE

CONSOLIDATED RESULTS FOR FIRST HALF 2007 APPROVED
NET PROFIT OF €3,607 MILLION, AN INCREASE OF 16.6% YoY
OPERATING PROFIT RISES 20.9% YoY TO €6,531 MILLION

Today UniCredito Italiano (UniCredit)'s Board of Directors approved consolidated results for first half 2007[1] which confirm the second quarter 2007 results announced and presented to the market on August 3rd, 2007.

The first half results show a **net profit** of €3,607 million (mn), an increase of 16.6% on the first six months of 2006.

The **ROE**[2] is 19.8% (compared to 19.0% in the first six months of 2006). **EVA®** generated in the first half equals more than approximately €2 billion (€2,073 mn), +53% YoY.

The **operating profit** of €6,531 mn is up by an impressive 20.9% YoY. This performance is primarily attributable to the positive trend in revenues (+9.6% YoY) coupled with a decidedly limited increase in costs (+0.4%, +1.5% on a like-for-like foreign exchange and perimeter basis).

The Group's **operating income** reached €13,124 mn, +9.6% YoY (+10.7% YoY on a like-for-like foreign exchange and perimeter basis), generated by growth in both **net interest income** (€6,860 mn, +9.3% YoY, +10.2% on a like-for-like foreign exchange and perimeter basis) and in **net non-interest income** (€6,264 mn, +10% YoY, +11.2% on a like-for-like foreign exchange and perimeter basis).

Net interest forming part of net interest income grew by 8.8% YoY (+9.9% on a like-for-like foreign exchange and perimeter basis) to €6,425 mn thanks primarily to a rise in the volumes intermediated with customers and to an increase in market interest rates that benefited from the return on investment of proprietary funds. Customer rates, on both loans and deposits, increased less than market rates which had a positive effect on deposit spreads and a negative effect on loan spreads.

Net customer loans totaled €454 billion (bn) at June 2007 (+2.9% on the end of December 2006, +5.6% on the end of June 2006).

Customer deposits, **excluding securities** rose to €303 bn, confirming the growth trend with an increase of 5.3% when compared to the end of December 2006 and by more than 10% when compared to end of June 2006.

[1] Since the close of FY 2006, the most significant changes in the scope of consolidation were principally due to the HVB Group, with the entry of 3 subsidiaries in the Retail Division (Planethome AG and its subsidiaries Planethome GmbH and Enderlein) and one Private Banking Division entity (Wealth Management Capital Holding GmbH), and the exit of Indexchange and HVB Payments & Services GmbH. Compared to H1 2006, further significant changes in the scope of consolidation referred to the sale of Splitska Banka on 30 June 2006, Uniriscossioni, 2S Banca and Banque Monégasque de Gestion. For comparison purposes, the condensed income statement also includes the change in individual items over Q2 and H1 2006, scope of consolidation and exchange rates used to translate subsidiaries' income statements being the same.. The main assets recognised as "Non-current assets and disposal groups classified as held for sale" under IFRS 5 in the balance sheet as at 30 June 2007 were "BPH200", the BPH business to be sold following the agreement with the Polish Authorities, and Istratourist, a subsidiary of Zagrebacka Banka operating in the holiday industry already recognised under this item in March 2007.

[2] Calculated on the basis of the average shareholders' equity for the period (excluding dividends to be distributed, reserves for AfS assets and hedge cash flows)

Net commissions, equal to €4,609 mn rose by 8.7% YoY (+10% YoY on a like-for-like foreign exchange and perimeter basis). The most dynamic components of this category were fees linked to segregated accounts (+41.8% YoY) and the placement of insurance products (+18.7% YoY). Overall commissions from asset management rose 9.5%, benefiting from both an increase in volumes and solid recovery in *up-front* and *performance fees*.

At the end of June 2007, in fact, **volumes of the assets managed** by the Group's *asset management* companies reached €256 bn, an increase of 4.1% when compared to the end of 2006 and of 9.8% on end of June 2006. **Net inflows** since the beginning of the year were positive at €3.7 bn, thanks to the contribution of all the markets where the Group is active.

Net trading, hedging and fair value income rose by 10.5% YoY to €1,389 mn and was influenced by the *fair value* valuation of the *Generali* option that had a positive impact of €78 mn. Net this effect, growth would have amounted to 4.6% YoY.

Operating costs (€6,593 mn, +0.4% YoY, +1.5% YoY on a like-for-like foreign exchange and perimeter basis) benefited from new Italian legislation related to termination of employment and the provisioning for pensions in Austria. Net the effects of these items, the costs grew by 4.4% YoY with an increase in **staff costs** (€3,861 mn) of 5.8% YoY primarily due to the variable component linked to business results (in particular in the MIB Division and in *asset management*).

Other administrative costs (€2,291 mn) grew by 5.1% YoY (+5.5% on a like-for-like foreign exchange and perimeter basis) due to the rapid and marked expansion of the CEE Division network (particularly in Russia) and to the *outsourcing* of certain back office functions.

Amortisation, depreciation and impairment losses on intangible and tangible assets (€576 mn) dropped by 5.4% YoY, (-4.3% on a like-for-like foreign exchange and perimeter basis).

The **cost/income ratio** rose by approximately 5 percentage points on the end of June 2006, reaching 50.2% at end of June 2007.

The **provisions for risks and charges** totaled €114 mn compared to €143 mn in first half 2006 (-20.3%), **integration costs** amounted to €35 mn compared to €52 mn in first half 2006 (-32.7%).

As regards to the trend in asset quality, the improvement, begun at the end of 2005, in the Group's **net impaired loans** (€12,342 mn) continued with a further reduction of 13.5% versus December 2006 thanks, in particular, to a decided drop in restructured loans. The most significant contributions were reported in Germany and Poland. The **total impaired loans/net customer loans** ratio fell from 3.23% at the end of 2006 to 2.72% at June 2007.

The **coverage ratio of total impaired loans** improved by more than four percentage points reaching 53.2% at June 2007 (compared to 48.9% at December 2006) and in terms of net non performing loans the ratio rose from 61.5% at year-end 2006 to 63.6%, testimony to the validity of the policies to improve risk control and coverage implemented by the Group, particularly outside the domestic market.

Profit before tax rose 16.6% YoY to €5,621 mn, despite the smaller contribution from net income from investments (€315 mn, -49.7% YoY).

Net profit attributable to the Group totaled €3,607 mn, an increase of 16.6% YoY.

The Group's portion of **net equity** amounted to €39,748 mn (€38,468 mn at the end of December 2006).

Core Tier 1 rose to 6.09%, an improvement of 27 pb on year-end 2006 (5.82%). **Total Capital Ratio** reached 10.49% at June 2007 (basically in line with December 2006).

At the end of June 2007, the Group's **organisation** consisted of a staff [3] of 135,880 (-1,317 heads when compared to December 2006). This total is the result of a combination of different factors: on the one hand, the reduction in personnel (-3,120 heads) due to

[3] "Full time equivalent", calculated according to a new methodology which does not include unpaid leaves. In the figures reported the KFS Group, proportionately consolidated, is included at 100%.

efficiencies in the Corporate Centers, in the GBS, in the CEE countries (excluding Russia and Turkey), in the retail business, as well as the *outsourcing* of several operations, and the exit of companies from the Group; and on the other hand, an increase in resources (+1,803 heads) due to the inclusion of new companies in the perimeter of consolidation along with growth initiatives primarily in Russia and Turkey, in Retail Italia and in Corporate.

The Group's **network** consists of 7,486 branches[4] (+129 on December 2006).

With reference to occurrences which determined a crisis in the so-called "subprime" mortgages during July and August 2007, please note that UniCredit Group's exposure to the US-subprime market is negligible. In fact, UniCredit's balance sheet exposure to US-subprimes at the end of June was € 277 mn (mainly US Residential Mortgage Backed Securities, €127 mn, and Collateralized Debt Obligations, €139 mn, both with a very high asset quality).

Off-balance sheet – through conduits sponsored by HVB – UniCredit has a €28 mn exposure to US sub-prime mortgages. UniCredit Group has also invested €49 mn in third-party SIVs (Structured Investment Vehicles); the latter involve a partial exposure to US sub-prime mortgages.

Moreover, the overall exposure of Pioneer Investments' mutual funds is negligible both at a single fund level and overall, given the size, the types of instruments with sub-prime exposure and their weight on the NAV. The exposure amounts to € 13 mn.

Finally, we would like to underline that the total exposure of financial instruments held in custody or on segregated accounts invested in sub-prime mortgages may be considered immaterial.

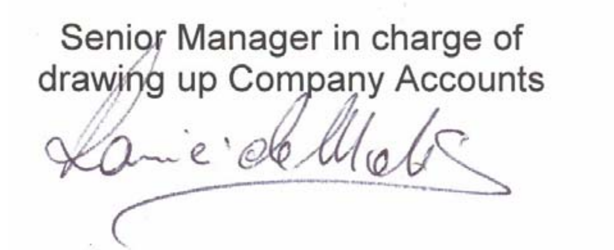
Attached are the Group's key figures, the Group's reclassified balance sheets and income statements and the main Divisional results, which are subject to certification by the Independent Auditors.

<u>Declaration by the Senior Manager in charge of drawing up Company Accounts</u>

The undersigned, Ranieri de Marchis, in his capacity as the senior manager in charge of drawing up UniCredit SpA's company accounts

DECLARES

as prescribed by §154bis, 2 of the Testo unico delle disposizioni in materia di intermediazione finanziaria [the "Single Financial Services Act"] that the Consolidated Half-Year Report at June 30th, 2007 agrees with the documentary records, ledgers and accounting data.



[4] In the figures indicated the KFS Group, proportionately consolidated, is included at 100%.

Milan, October 16th, 2007

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UniCredit: Key figures

INCOME STATEMENT			(€ million)
	H1		CHANGE
	2007	2006	
Operating income	13,124	11,970	+ 9.6%
Operating costs	6,593	6,566	+ 0.4%
Operating profit	6,531	5,404	+ 20.9%
Profit before tax	5,621	4,819	+ 16.6%
Net Profit attributable to the Group	**3,607**	**3,093**	**+ 16.6%**

PROFITABILITY RATIOS			
	H1		CHANGE
	2007	2006	
ROE [1]	19.8%	19.0%	+ 0.8
Cost/income ratio	50.2%	54.9%	- 4.7
EVA (€ ml.) [2]	2,073	1,358	+ 715

BALANCE SHEET MAIN ITEMS			(€ million)
	AMOUNTS AS AT		CHANGE
	30.06.2007	31.12.2006	
Total assets	868,687	823,284	+ 5.5%
Loans and receivables with customers	454,132	441,320	+ 2.9%
Deposits from customers and debt securities in issue	502,720	495,255	+ 1.5%
Shareholders' equity	**39,748**	**38,468**	**+ 3.3%**

CAPITAL RATIOS			
	AS AT		CHANGE
	30.06.2007	31.12.2006	
Core Tier 1/Total risk-weighted assets	6.09%	5.82%	+ 0.27
Total regulatory capital/Total risk-weighted assets	10.49%	10.50%	- 0.01

STAFF AND BRANCHES			
	AS AT		CHANGE
	30.06.2007	31.12.2006	
Employees [3]	135,880	137,197	- 1,317
Employees (KFS Group consolidated proportionally)	126,664	127,731	- 1,067
Branches [4]	7,486	7,357	+ 129

RATINGS			
	SHORT-TERM DEBT	MEDIUM AND LONG-TERM	OUTLOOK
FITCH RATINGS	F1	A+	POSITIVE
Moody's Investors Service	P-1	Aa2	STABLE
Standard & Poor's	A-1	A+	STABLE

1. Annualised data. Calculated on the basis of the average shareholders' equity for the period (excluding dividends to be distributed and reserves in respect of AfS assets and cash-flow hedge).

2. Economic Value Added, equal to the difference between NOPAT (net operating profit after taxes) and the cost of capital.

3. "Full time equivalent" data, calculated according to a new methodology which does not include unpaid leaves. These figures include all Koç Financial Services Group employees, although such Group is consolidated proportionately.

4. These figures include all Koç Financial Services branches, although such Group is consolidated proportionately. The December 2006 figure has been restated pro-forma to ensure comparability with the subsequent quarterly figures (approximately 90 branches more).

UniCredit: Consolidated Balance Sheet

CONSOLIDATED BALANCE SHEET					(€ million)
	AMOUNTS AS AT			CHANGE	
	30.06.2007	31.03.2007	31.12.2006	AMOUNT	PERCENT
Assets					
Cash and cash balances	4,841	5,766	5,681	- 840	- 14.8%
Financial assets held for trading	205,858	196,472	191,593	+ 14,265	+ 7.4%
Loans and receivables with banks	100,171	93,618	83,715	+ 16,456	+ 19.7%
Loans and receivables with customers	454,132	448,896	441,320	+ 12,812	+ 2.9%
Financial investments	59,956	59,228	59,130	+ 826	+ 1.4%
Hedging instruments	3,438	2,702	3,238	+ 200	+ 6.2%
Property, plant and equipment	8,659	8,569	8,615	+ 44	+ 0.5%
Goodwill	9,996	9,936	9,908	+ 88	+ 0.9%
Other intangible assets	3,148	3,142	3,428	- 280	- 8.2%
Tax assets	7,751	7,947	7,746	+ 5	+ 0.1%
Non-current assets and disposal groups classified as held for sale	2,847	2,657	573	+ 2,274	n.s.
Other assets	7,890	7,527	8,337	- 447	- 5.4%
Total assets	**868,687**	**846,460**	**823,284**	**+ 45,403**	**+ 5.5%**

Liabilities and shareholders' equity					
Deposits from banks	159,085	147,504	145,683	+ 13,402	+ 9.2%
Deposits from customers and debt securities in issue	502,720	495,574	495,255	+ 7,465	+ 1.5%
Financial liabilities held for trading	123,697	118,297	103,980	+ 19,717	+ 19.0%
Financial liabilities designated at fair value	2,994	2,590	1,731	+ 1,263	+ 73.0%
Hedging instruments	3,203	2,942	3,708	- 505	- 13.6%
Provisions for risks and charges	6,676	6,848	6,871	- 195	- 2.8%
Tax liabilities	6,464	6,924	6,094	+ 370	+ 6.1%
Liabilities included in disposal groups classified as held for sale	2,447	2,884	97	+ 2,350	n.s.
Other liabilities	17,265	18,048	17,123	+ 142	+ 0.8%
Minorities	4,388	4,510	4,274	+ 114	+ 2.7%
Shareholders' equity	39,748	40,339	38,468	+ 1,280	+ 3.3%
- Capital and reserves	*34,303*	*36,422*	*30,855*	*+ 3,448*	*+ 11.2%*
- Available-for-sale assets fair value reserve and cash-flow hedging reserve	*1,838*	*2,137*	*2,165*	*- 327*	*- 15.1%*
- Net profit	*3,607*	*1,780*	*5,448*	*- 1,841*	*- 33.8%*
Total liabilities and shareholders' equity	**868,687**	**846,460**	**823,284**	**+ 45,403**	**+ 5.5%**

UniCredit: Consolidated Income Statement – First Half

CONSOLIDATED INCOME STATEMENT					(€ million)
	FIRST HALF		CHANGE		
	2007	2006	€m	PERCENT	ADJUSTED (1)
Net interest	6,425	5,903	+ 522	+ 8.8%	+ 9.9%
Dividends and other income from equity investments	435	375	+ 60	+ 16.0%	+ 14.6%
Net interest income	**6,860**	**6,278**	**+ 582**	**+ 9.3%**	**+ 10.2%**
Net fees and commissions	4,609	4,242	+ 367	+ 8.7%	+ 10.0%
Net trading, hedging and fair value income	1,389	1,257	+ 132	+ 10.5%	+ 11.2%
Net other expenses/income	266	193	+ 73	+ 37.8%	+ 38.4%
Net non-interest income	**6,264**	**5,692**	**+ 572**	**+ 10.0%**	**+ 11.2%**
OPERATING INCOME	**13,124**	**11,970**	**+ 1,154**	**+ 9.6%**	**+ 10.7%**
Payroll costs	-3,861	-3,898	+ 37	- 0.9%	+ 0.5%
Other administrative expenses	-2,291	-2,180	- 111	+ 5.1%	+ 5.5%
Recovery of expenses	135	121	+ 14	+ 11.6%	+ 12.2%
Amortisation, depreciation and impairment losses on intangible and tangible assets	-576	-609	+ 33	- 5.4%	- 4.3%
Operating costs	**-6,593**	**-6,566**	**- 27**	**+ 0.4%**	**+ 1.5%**
OPERATING PROFIT	**6,531**	**5,404**	**+ 1,127**	**+ 20.9%**	**+ 21.8%**
Goodwill impairment	-1		- 1		
Provisions for risks and charges	-114	-143	+ 29	- 20.3%	
Integration costs	-35	-52	+ 17	- 32.7%	
Net write-downs of loans and provisions for guarantees and commitments	-1,075	-1,016	- 59	+ 5.8%	
Net income from investments	315	626	- 311	- 49.7%	
PROFIT BEFORE TAX	**5,621**	**4,819**	**+ 802**	**+ 16.6%**	
Income tax for the period	-1,629	-1,351	- 278	+ 20.6%	
NET PROFIT	**3,992**	**3,468**	**+ 524**	**+ 15.1%**	
Profit (Loss) from non-current assets held for sale, after tax		39	- 39	- 100.0%	
PROFIT (LOSS) FOR THE PERIOD	**3,992**	**3,507**	**+ 485**	**+ 13.8%**	
Minorities	-385	-414	+ 29	- 7.0%	
NET PROFIT ATTRIBUTABLE TO THE GROUP	**3,607**	**3,093**	**+ 514**	**+ 16.6%**	

Notes

Dividends on Equity Instruments held for trading are included in Net trading, hedging and fair value income.

The First Half 2006 Income Statement has been restated in order to account for the effects of the finalisation of the Purchase Price Allocation with HVB Group

(1) At constant FX and scope of consolidation.

UniCredit: Consolidated Income Statement – Quarterly Figures

CONSOLIDATED INCOME STATEMENT						(€ million)
	2007		2006			
	Q2	Q1	Q4	Q3	Q2	Q1
Net interest	3,188	3,237	3,250	3,002	2,942	2,961
Dividends and other income from equity investments	325	110	180	150	268	107
Net interest income	**3,513**	**3,347**	**3,430**	**3,152**	**3,210**	**3,068**
Net fees and commissions	2,334	2,275	2,155	1,951	2,109	2,133
Net trading, hedging and fair value income	559	830	234	431	564	693
Net other expenses/income	141	125	45	96	101	92
Net non-interest income	**3,034**	**3,230**	**2,434**	**2,478**	**2,774**	**2,918**
OPERATING INCOME	**6,547**	**6,577**	**5,864**	**5,630**	**5,984**	**5,986**
Payroll costs	-1,817	-2,044	-2,021	-1,926	-1,948	-1,950
Other administrative expenses	-1,171	-1,120	-1,156	-1,095	-1,057	-1,123
Recovery of expenses	70	65	100	64	66	55
Amortisation, depreciation and impairment losses on intangible and tangible assets	-289	-287	-369	-289	-303	-306
Operating costs	**-3,207**	**-3,386**	**-3,446**	**-3,246**	**-3,242**	**-3,324**
OPERATING PROFIT	**3,340**	**3,191**	**2,418**	**2,384**	**2,742**	**2,662**
Goodwill impairment	-1	0	-9	0	0	0
Provisions for risks and charges	-70	-44	-274	-56	-79	-64
Integration costs	- 19	-16	-361	-52	- 52	-
Net write-downs of loans and provisions for guarantees and commitments	-510	-565	-552	-665	-501	-515
Net income from investments	89	226	108	450	449	177
PROFIT BEFORE TAX	**2,829**	**2,792**	**1,330**	**2,061**	**2,559**	**2,260**
Income tax for the period	-808	-821	-345	-442	-634	-717
NET PROFIT	**2,021**	**1,971**	**985**	**1,619**	**1,925**	**1,543**
Profit (Loss) from non-current assets held for sale, after tax	0	0	0	17	16	23
PROFIT (LOSS) FOR THE PERIOD	**2,021**	**1,971**	**985**	**1,636**	**1,941**	**1,566**
Minorities	-194	-191	-92	-174	-230	-184
NET PROFIT ATTRIBUTABLE TO THE GROUP	**1,827**	**1,780**	**893**	**1,462**	**1,711**	**1,382**

Note: Dividends on Equity Instruments held for trading are included in Net trading, hedging and fair value income.

The income statements of the previous quarters have been restated in order to account for the effects of the finalisation of the Purchase Price Allocation with HVB Group

UniCredit: Main Divisional Results

KEY FIGURES								(€ million)
	RETAIL	CORPORATE	PRIVATE BANKING & ASSET MANAGEMENT	MARKETS & INVESTMENT BANKING	POLAND MARKETS	CENTRAL EASTERN EUROPE (CEE)	PARENT CO. AND OTHER SUBSIDIARIES (CONSOLIDATION ADJUSTMENTS INCLUDED)	CONSOLIDATED GROUP TOTAL
OPERATING INCOME								
H1 2007	4,094	2,530	1,273	2,216	1,172	1,577	262	13,124
Change over H1 2006	*4.3%*	*6.1%*	*7.0%*	*26.5%*	*13.1%*	*17.6%*	*-23.4%*	*9.6%*
Operating costs								
H1 2007	-2,570	-798	-648	-848	-535	-790	-404	-6,593
Change over H1 2006	*-3.3%*	*0.5%*	*0.0%*	*9.8%*	*3.3%*	*10.3%*	*-12.0%*	*0.4%*
OPERATING PROFIT								
H1 2007	1,524	1,732	625	1,368	637	787	-142	6,531
Change over H1 2006	*20.5%*	*8.9%*	*15.3%*	*39.6%*	*23.0%*	*25.9%*	*n.s.*	*20.9%*
PROFIT BEFORE TAX								
H1 2007	1,140	1,365	621	1,591	626	685	-407	5,621
Change over H1 2006	*38.0%*	*7.2%*	*16.3%*	*52.7%*	*32.3%*	*34.8%*	*n.s.*	*16.6%*
EVA								
H1 2007	423	425	378	721	215	313	-402	2,073
Change over H1 2006	*204*	*101*	*82*	*266*	*61*	*129*	*-129*	*715*
Cost/income ratio								
H1 2007	62.8%	31.5%	50.9%	38.3%	45.6%	50.1%	*1.5*	50.2%
Change over H1 2006	*-50 bp*	*-17 bp*	*-36 bp*	*-58 bp*	*-44 bp*	*-33 bp*	*n.s.*	*-46 bp*
Employees (1)								
as at 30 June 2007	35,295	9,131	5,715	3,203	25,526	37,158	19,852	135,880
Change over 31 December 2006	*461*	*433*	*87*	*-15*	*-120*	*-407*	*-1,756*	*-1,317*

(1) Full time equivalent. KFS Group, which is consolidated proportionately, is here included at 100%.