# PRESS RELEASE

**UNICREDIT GROUP IN FIRST QUARTER 2011: NET PROFIT OF €810 MILLION, WITH BOTH AN INCREASE IN REVENUES AND A DECREASE IN NET WRITE DOWNS OF LOANS**

**SOLID STRUCTURE OF BALANCE SHEET AND OF REGULATORY CAPITAL CONFIRMED (CORE TIER 1: +49 BP QoQ AT 9.06%)**

- **Group's portion of net profit: €810 million, +152.5% QoQ and +55.7% YoY**
- **Operating income: €6,928 million, up both QoQ (+7%) and YoY (+2.7%); strong recovery of trading income after a challenging 4Q10**
- **Operating costs reach €3,858 million, with the cost/income ratio showing improvement both QoQ and YoY at 55.7%**
- **Net write downs of loans drop further to €1,504 million, with the Cost of risk at 108 bp, 18 bp better than in 4Q10**
- **Net operating profit: €1,566 million, +56.2% QoQ and +40.8% YoY**
- **Solid balance sheet structure: the leverage ratio shows further improvement, coming in at 20.7x**
- **Core Tier 1 ratio[1] up by 49 bp QoQ, to 9.06% benefiting from higher earnings and a drop in risk weighted assets**

The Board of Directors of UniCredit approved the consolidated results for first quarter 2011 which show the **Group's portion of net profit** at €810 million, increasing both QoQ (+152.5%) and YoY (+55.7%) and reaching the highest level since the second quarter of 2008, thanks mainly to the good trend of operating income and to a strong decline in net write-downs of loans.

In first quarter 2011 **operating income** rises 7% QoQ to €6,928 million, with all the main components posting a solid performance. With respect to the same quarter of 2010 there is also an increase of 2.7% YoY.

**Net interest** amounts to €3,884 million in first quarter 2011, a drop QoQ compared to the €3,982 million recorded in fourth quarter 2010, and is basically unchanged with respect to the €3,890 million recorded in first quarter 2010. The decline of 2.5% versus the previous quarter is entirely attributable to a shorter quarter (of two days) and the significant non-recurring items posted in fourth quarter 2010. Net of these items, net interest remains substantially stable QoQ, with wholesale funding costs under control and the positive trend of commercial spreads offsetting lower trading related interest.

[1] Including shares subject to usufruct with Mediobanca and that represent the underlying to the CASHES.

**Net commissions** continue to strengthen gradually in first quarter 2011, rising both QoQ (+0.6%) and YoY (+1.5%) to €2,168 million. Commissions from both financing and investment services record an increase QoQ (+3.7% and +1.8% respectively), while commissions from transaction services show a decline, linked to seasonality, of 2.9% QoQ.

**Net trading, hedging and fair value income** amounts to €700 million in first quarter 2011, a significant increase with respect to the €53 million reported in fourth quarter 2010 and to the €560 million reported in the same period of the prior year. The excellent quarterly performance is attributable to strong growth in the revenues from Fixed Income and Currencies in the Markets business, particularly weak in fourth quarter 2010.

**Other net income** amounts to €59 million, compared to €139 million in fourth quarter 2010 and €99 million in the same period of the prior year.

**Operating costs** in first quarter 2011 amount to €3,858 million versus €3,720 million in fourth quarter 2010 and €3,842 million in first quarter 2010. The increase of +3.7% QoQ reaches +1% net of non-recurring items which were particularly high in fourth quarter 2010

In first quarter 2011 **payroll costs** amount to €2,333 million compared to €2,196 million in the prior quarter and to €2,322 million in the same period of 2010. The quarterly trend, +6.2% QoQ, is largely explained by non-recurring and variable components, net of which the rise QoQ is marginal.

**Other administrative expenses**, net of recovery of expenses, in first quarter 2011 are basically stable (-0.1% QoQ) coming in at €1,241 million (compared to €1,243 million in fourth quarter 2010 and €1,240 million in first quarter 2010). Net of non-recurring items, however, there is a marked decline (-5.2% QoQ).

**Amortization, depreciation and impairment losses on intangible and tangible assets** amount to €284 million in first quarter 2011, compared to €282 million in fourth quarter 2010 and €281 million in first quarter 2010.

The **cost/income ratio** drops both QoQ (-1.8 p.p.) and YoY (-1.3 p.p.) in first quarter 2011, coming in at 55.7%.

**Net write-downs of loans and provisions for guarantees and commitments** amount to €1,504 million in first quarter 2011, -14.1% QoQ and -16.0% y/y, with the improvement coming mainly from Italy and CEE. The **cost of risk** comes in at 108 bp, a drop of 18 bp QoQ and 19 bp YoY.

**Gross impaired loans** at the end of March 2011 total €69 billion, showing a moderate increase, of 1.1% QoQ. **Gross NPLs** rise by 2.1% QoQ, while lower risk categories are substantially stable (-0.1% QoQ).

The **coverage ratio** of total gross impaired loans at March 2011 is 44.7% (an increase with respect to the 43.9% recorded at December 2010) which reflects a 58.8% coverage of the NPLs (57.5% at December 2010) and a 25.9% coverage of the other impaired loans (26.3% at December 2010).

**Net operating profit** in the first quarter of 2011 amounts to €1,566 million, a decided increase with respect to both fourth quarter 2010 (+56.2%) and first quarter 2010 (+40.8%) thanks above all to the positive trend in operating income and net write-downs of loans.

The **provisions for risks and charges** total €161 million, in line with the €156 million recorded in first quarter 2010.

**Integration costs** amount to €3 million in first quarter 2011, compared to €254 million in the previous quarter (related to the One4C plan) and €6 million in the same period in 2010.

**Net investment income** turned positive in first quarter 2011 (at €84 million).

**Income tax for the period** amounts to €555 million in first quarter 2011, compared to a positive tax effect in the prior quarter of €509 million (linked to the recognition of a sizeable amount of deferred tax assets) and to €393 million in the same period of the prior year. The tax rate in first quarter 2011 is 37.3%, compared with 38.5% in the same period of the prior year.

**Minorities** total €107 million in first quarter 2011, up with respect to both the prior quarter and the €63 million reported in first quarter 2010.

The impact of the **Purchase Price Allocation** continues its gradual decline, coming in at -€15 million, compared to -€30 million in fourth quarter 2010 and -€44 million in first quarter 2010.

In first quarter 2011 the **Group's portion of net profit** amounts to €810 million, a significant increase both QoQ (+152.5% with respect to the €321 million recorded in fourth quarter 2010) and YoY (+55.7% with respect to the €520 million recorded in first quarter 2010).

The Group's **customer loans reach** €559 billion in first quarter 2011, +0.6% QoQ, with the Corporate Centre posting growth (stemming from the business with Cassa di Compensazione e Garanzia), along with the commercial business in Italy. The Group's **customer deposits** are stable QoQ (-0.1%) at €402 billion, as growth in Western Europe is offset by a reduction in CEE, driven by the expiration of a few large short-term positions in fourth quarter 2010.

**Securities issued** is also stable with respect to December 2010 (-€0.5 billion QoQ to €180 billion). The net negative interbank position in March 2011 rises from the €42 billion recorded in December 2010 to €46 billion. **Financial assets held for trading** amount to €106 billion in March 2011, less than the €123 billion recorded in December 2010, due primarily to a strong decline in derivatives.

**Total assets** amount to €911.0 billion at March 2011 (€925.5 billion at December 2010), -2% QoQ but substantially stable net of the mark-to-market valuation of derivatives. The Group's **leverage ratio**[2] shows further improvement in first quarter 2011, reaching 20.7 (-0.8 with respect to the 21.5 recorded on 31 December 2010), a level which is more than adequate to support renewed growth in the Group's core markets.

The **Core Tier 1 ratio** reaches 9.06% in March 2011, up by 49 bp versus the 8.58% recorded in December 2010, with a positive contribution from the profit generated in the period, net of accrued dividends, and from the decrease of risk weighted assets. The **risk weighted assets** return to show a decline (-2.4% QoQ to €443.7 billion), due primarily to a reduction of credit risk weighted assets. Market risk weighted assets and operational risk weighted assets also show a decline QoQ.

At the end of March 2011 the Group's **structure** consists of a staff of 160,679[3], a further reduction of 1,330 compared to December 2010 and of 1,700 compared to March 2010. The decrease in the quarter is primarily attributable to a decrease in Western Europe (-1.5% QoQ) and in the Group's centralised functions (-778), while the CEE Region results stable.

[2] Calculated as the ratio of total assets net goodwill and other intangible assets (the numerator) and net equity (including minorities) less goodwill and other intangible assets (the denominator).
[3] "Full time equivalent ": in the figures reported the companies consolidated proportionately, including the KFS Group, are included at 100%.

The Group's **network** at the end of March 2011 consists of 9,607 branches (9,617 at December 2010 and 9,637 at March 2010).

*Attached are the Group's key figures, the consolidated balance sheet and income statement, the quarterly progression of the consolidated balance sheet and income statement and the main results by business segment.*

<u>Declaration by the Senior Manager in charge of drawing up company accounts</u>

The undersigned, Marina Natale, in her capacity as the senior manager in charge of drawing up Unicredit S.p.A.'s company accounts

DECLARES

pursuant to Article 154 *bis* of the "Uniform Financial Services Act" that the accounting information relating to the consolidated interim report at March 31st, 2011 as reported in the present press release corresponds to the underlying documentary reports, books of account and accounting entries.


Milan, May 12th, 2011

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# UniCredit Group: Highlights

| INCOME STATEMENT | | | (€ million) |
|---|---|---|---|
| | Q1 | | CHANGE |
| | 2011 | 2010 | |
| Operating income | 6,928 | 6,746 | + 2.7% |
| *of which: - net interest* | *3,884* | *3,890* | *- 0.2%* |
| *- dividends and other income from equity investments* | *117* | *60* | *+ 93.8%* |
| *- net fees and commissions* | *2,168* | *2,136* | *+ 1.5%* |
| Operating costs | (3,858) | (3,842) | + 0.4% |
| Operating profit | 3,070 | 2,903 | + 5.7% |
| Profit before tax | 1,486 | 1,020 | + 45.8% |
| **Net Profit attributable to the Group** | **810** | **520** | **+ 55.7%** |

Starting from Q1 2011 the PPA related to the acquisition of HVB, formerly classified within different P&L lines, is entirely allocated in the "Purchase Price Allocation effect" line of P&L (as already done for Capitalia's acquisition). Previous periods has been reclassified.

Following the recent merger – which entailed the absorption of certain placement entities by the issuer – the result arising from the placement of securities issued by UniCredit SpA recognised by the former in 2009 has been reclassified from "net fees and commissions" to "net interest".

| BALANCE SHEET | | | (€ million) |
|---|---|---|---|
| | AMOUNTS AS AT | | CHANGE |
| | 03.31.2011 | 12.31.2010 | |
| Total assets | 910,977 | 929,488 | - 2.0% |
| Financial assets held for trading | 106,400 | 122,551 | - 13.2% |
| Loans and receivables with customers | 558,825 | 555,653 | + 0.6% |
| *of which: - impaired loans* | *38,145* | *37,429* | + 1.9% |
| Financial liabilities held for trading | 97,016 | 114,099 | - 15.0% |
| Deposits from customers and debt securities in issue | 582,369 | 583,239 | - 0.1% |
| *of which: - deposits from customers* | *401,923* | *402,248* | *- 0.1%* |
| *- securities in issue* | *180,446* | *180,990* | *- 0.3%* |
| **Shareholders' Equity** | **64,686** | **64,224** | **+ 0.7%** |

The figures in these tables refer to reclassified balance sheet and income statement.

| STAFF AND BRANCHES | | | |
|---|---|---|---|
| | AS AT | | CHANGE |
| | 03.31.2011 | 12.31.2010 | |
| Employees [1] | 160,679 | 162,009 | -1,330 |
| Employees (subsidiaries are consolidated proportionately) | 150,867 | 152,183 | -1,316 |
| Branches [2] | 9,607 | 9,617 | -10 |
| *of which: - Italy* | *4,507* | *4,510* | *-3* |
| *- Other countries* | *5,100* | *5,107* | *-7* |

1. "Full time equivalent" data (FTE): number of employees counted for the rate of presence. These figures include all employees of subsidiaries consolidated proportionately, such as Koç Financial Services Group employees.
2. These figures include all branches of subsidiaries consolidated proportionately, such as Koç Financial Services Group branches.

| PROFITABILITY RATIOS | | | |
|---|---|---|---|
| | Q1 | | CHANGE |
| | 2011 | 2010 | |
| EPS [1] (€) | 0.17 | 0.11 | 0.06 |
| ROE [2] | 6.3% | 4.1% | + 2.2 |
| Cost/income ratio [3] | 55.7% | 57.0% | - 1.3 |
| EVA (€ million) [4] | 190 | (359) | + 549 |

1. Annualised figure. The Q1 2011 EPS calculation used a net profit of €768 million instead of €810 million due to payments charged to equity relating to the own shares usufruct agreement entered into as part of the Cashes transaction.
2. 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), net of goodwill arising from the business combination with HVB and Capitalia, which were carried out with an exchange of shares and recorded in accordance with IFRS 3.
3. The Q1 2010 figure has been restated following revision of the condensed income statement.
4. Economic Value Added, equal to the difference between NOPAT (net operating profit after taxes) and the cost of capital.

| RISK RATIOS | | | |
|---|---|---|---|
| | AS AT | | CHANGE |
| | 03.31.2011 | 12.31.2010 | |
| Net non-performing loans to customers / Loans to customers | 2.90% | 2.94% | - 0.04 |
| Net impaired loans to customers / Loans to customers | 6.83% | 6.74% | + 0.09 |

| CAPITAL RATIOS | | |
|---|---|---|
| | AS AT | |
| | 03.31.2011 | 12.31.2010 |
| Capital for regulatory purposes (€ million) | 59,787 | 57,655 |
| Total risk weighted assets (€ million) | 443,727 | 454,850 |
| **Core Tier 1 Ratio[1]** | **9.06%** | **8.58%** |
| **Total regulatory capital/Total risk-weighted assets** | **13.47%** | **12.68%** |

1. Including shares subject to usufruct with Mediobanca and that rappresent the underlying to the Cashes.

| RATINGS | | | |
|---|---|---|---|
| | SHORT-TERM DEBT | MEDIUM AND LONG-TERM | OUTLOOK |
| Fitch Ratings | F-1 | A | STABLE |
| Moody's Investors Service | P-1 | Aa3 | STABLE |
| Standard & Poor's | A-1 | A | STABLE |

# UniCredit Group: Condensed Balance Sheet

| CONSOLIDATED BALANCE SHEET | | | | (€ million) |
|---|---|---|---|---|
| | AMOUNTS AS AT | | CHANGE | |
| | 03.31.2011 | 12.31.2010 | AMOUNT | PERCENT |
| **Assets** | | | | |
| Cash and cash balances | 5,982 | 6,414 | - 432 | - 6.7% |
| Financial assets held for trading | 106,400 | 122,551 | - 16,151 | - 13.2% |
| Loans and receivables with banks | 67,319 | 70,215 | - 2,896 | - 4.1% |
| Loans and receivables with customers | 558,825 | 555,653 | + 3,171 | + 0.6% |
| Financial investments | 96,373 | 96,148 | + 226 | + 0.2% |
| Hedging instruments | 9,828 | 13,616 | - 3,789 | - 27.8% |
| Property, plant and equipment | 12,629 | 12,611 | + 18 | + 0.1% |
| Goodwill | 20,293 | 20,428 | - 135 | - 0.7% |
| Other intangible assets | 5,061 | 5,164 | - 103 | - 2.0% |
| Tax assets | 12,797 | 12,961 | - 165 | - 1.3% |
| Non-current assets and disposal groups classified as held for sale | 726 | 776 | - 50 | - 6.4% |
| Other assets | 14,744 | 12,949 | + 1,796 | + 13.9% |
| **Total assets** | **910,977** | **929,488** | **- 18,510** | **- 2.0%** |

| | | | | (€ million) |
|---|---|---|---|---|
| | AMOUNTS AS AT | | CHANGE | |
| | 03.31.2011 | 12.31.2010 | AMOUNT | PERCENT |
| **Liabilities and Shareholders' Equity** | | | | |
| Deposits from banks | 112,908 | 111,735 | + 1,173 | + 1.0% |
| Deposits from customers | 401,923 | 402,248 | - 325 | - 0.1% |
| Debt securities in issue | 180,446 | 180,990 | - 544 | - 0.3% |
| Financial liabilities held for trading | 97,016 | 114,099 | - 17,083 | - 15.0% |
| Financial liabilities designated at fair value | 1,156 | 1,268 | - 112 | - 8.8% |
| Hedging instruments | 8,447 | 12,479 | - 4,032 | - 32.3% |
| Provisions for risks and charges | 8,156 | 8,088 | + 68 | + 0.8% |
| Tax liabilities | 5,821 | 5,837 | - 15 | - 0.3% |
| Liabilities included in disposal groups classified as held for sale | 761 | 1,395 | - 634 | - 45.4% |
| Other liabilities | 26,153 | 23,645 | + 2,509 | + 10.6% |
| Minorities | 3,502 | 3,479 | + 23 | + 0.7% |
| Group Shareholders' Equity: | 64,686 | 64,224 | + 462 | + 0.7% |
| *- Capital and reserves* | *64,259* | *63,237* | *+ 1,022* | *+ 1.6%* |
| *- Available-for-sale assets fair value reserve and cash-flow hedging reserve* | *(384)* | *(336)* | *- 47* | *+ 14.1%* |
| *- Net profit* | *810* | *1,323* | *- 513* | *- 38.8%* |
| **Total liabilities and Shareholders' Equity** | **910,977** | **929,488** | **- 18,510** | **- 2.0%** |

As regard previous periods, “Deposit from customers” and “Debt securities in issue” are now in two separate lines.

# UniCredit Group: Condensed Income Statement

| CONSOLIDATED INCOME STATEMENT | | | | | (€ million) |
|---|---|---|---|---|---|
| | Q1 | | CHANGE | | |
| | 2011 | 2010 | €m | PERCENT | ADJUSTED [1] |
| Net interest | 3,884 | 3,890 | - 7 | - 0.2% | + 0.4% |
| Dividends and other income from equity investments | 117 | 60 | + 57 | + 93.8% | + 94.6% |
| Net fees and commissions | 2,168 | 2,136 | + 32 | + 1.5% | + 1.9% |
| Net trading, hedging and fair value income | 700 | 560 | + 140 | + 24.9% | + 25.3% |
| Net other expenses/income | 59 | 99 | - 40 | - 40.0% | - 32.5% |
| **OPERATING INCOME** | **6,928** | **6,746** | **+ 182** | **+ 2.7%** | **+ 3.3%** |
| Payroll costs | (2,333) | (2,322) | - 11 | + 0.5% | + 1.1% |
| Other administrative expenses | (1,345) | (1,341) | - 4 | + 0.3% | + 0.6% |
| Recovery of expenses | 104 | 101 | + 3 | + 2.6% | + 2.6% |
| Amortisation, depreciation and impairment losses on intangible and tangible assets | (284) | (281) | - 3 | + 1.1% | + 1.8% |
| **Operating costs** | **(3,858)** | **(3,842)** | **- 15** | **+ 0.4%** | **+ 0.9%** |
| **OPERATING PROFIT** | **3,070** | **2,903** | **+ 167** | **+ 5.7%** | **+ 6.4%** |
| Net write-downs of loans and provisions for guarantees and commitments | (1,504) | (1,791) | + 287 | - 16.0% | - 15.9% |
| **NET OPERATING PROFIT** | **1,566** | **1,113** | **+ 453** | **+ 40.8%** | **+ 42.6%** |
| Provisions for risks and charges | (161) | (156) | - 5 | + 3.2% | + 3.2% |
| Integration costs | (3) | (6) | + 2 | - 42.4% | - 42.8% |
| Net income from investments | 84 | 68 | + 16 | + 23.3% | + 23.6% |
| **PROFIT BEFORE TAX** | **1,486** | **1,020** | **+ 467** | **+ 45.8%** | **+ 47.9%** |
| Income tax for the period | (555) | (393) | - 162 | + 41.4% | + 41.7% |
| **NET PROFIT** | **932** | **627** | **+ 304** | **+ 48.5%** | **+ 51.8%** |
| Profit (Loss) from non-current assets held for sale, after tax | - | - | - | n.s. | n.s. |
| **PROFIT (LOSS) FOR THE PERIOD** | **932** | **627** | **+ 304** | **+ 48.5%** | **+ 51.8%** |
| Minorities | (107) | (63) | - 44 | + 69.6% | + 71.4% |
| **NET PROFIT ATTRIBUTABLE TO THE GROUP BEFORE PPA** | **825** | **564** | **+ 261** | **+ 46.2%** | **+ 49.5%** |
| Purchase Price Allocation effect | (15) | (44) | + 29 | - 66.0% | - 64.7% |
| Goodwill impairment | - | - | - | n.s. | n.s. |
| **NET PROFIT ATTRIBUTABLE TO THE GROUP** | **810** | **520** | **+ 290** | **+ 55.7%** | **+ 59.4%** |

**Notes:**

1. Changes at constant foreign exchange rates and perimeter.

Starting from Q1 2011 the PPA related to the acquisition of HVB, formerly classified within different P&L lines, is entirely allocated in the "Purchase Price Allocation effect" line of P&L (as already done for Capitalia's acquisition). Previous periods has been reclassified.

Following the recent merger – which entailed the absorption of certain placement entities by the issuer – the result arising from the placement of securities issued by UniCredit S.p.A. recognised by the former in Q1 2010 has been reclassified from "Net fees and commissions" to "Net interest".

# UniCredit Group: Condensed Balance Sheet

## Quarterly Figures

| CONSOLIDATED BALANCE SHEET | | | | | (€ million) |
|---|---|---|---|---|---|
| | AMOUNTS AS AT | AMOUNTS AS AT | | | |
| | 03.31.2011 | 12.31.2010 | 09.30.2010 | 06.30.2010 | 03.31.2010 |
| **Assets** | | | | | |
| Cash and cash balances | 5,982 | 6,414 | 4,935 | 7,225 | 5,796 |
| Financial assets held for trading | 106,400 | 122,551 | 156,983 | 152,100 | 138,495 |
| Loans and receivables with banks | 67,319 | 70,215 | 77,977 | 80,295 | 91,862 |
| Loans and receivables with customers | 558,825 | 555,653 | 558,836 | 558,770 | 563,894 |
| Financial investments | 96,373 | 96,148 | 89,286 | 76,679 | 70,906 |
| Hedging instruments | 9,828 | 13,616 | 18,679 | 17,520 | 15,557 |
| Property, plant and equipment | 12,629 | 12,611 | 12,155 | 12,148 | 12,161 |
| Goodwill | 20,293 | 20,428 | 20,570 | 20,808 | 20,815 |
| Other intangible assets | 5,061 | 5,164 | 5,082 | 5,213 | 5,288 |
| Tax assets | 12,797 | 12,961 | 12,615 | 12,375 | 12,949 |
| Non-current assets and disposal groups classified as held for sale | 726 | 776 | 823 | 853 | 640 |
| Other assets | 14,744 | 12,949 | 10,863 | 10,658 | 10,505 |
| **Total assets** | **910,977** | **929,488** | **968,804** | **954,644** | **948,867** |

| | | | | | (€ million) |
|---|---|---|---|---|---|
| | AMOUNTS AS AT | AMOUNTS AS AT | | | |
| | 03.31.2011 | 12.31.2010 | 09.30.2010 | 06.30.2010 | 03.31.2010 |
| **Liabilities and Shareholders' Equity** | | | | | |
| Deposits from banks | 112,908 | 111,735 | 106,059 | 115,363 | 112,828 |
| Deposits from customers | 401,923 | 402,248 | 393,806 | 390,891 | 384,359 |
| Debt securities in issue | 180,446 | 180,990 | 194,765 | 186,454 | 208,180 |
| Financial liabilities held for trading | 97,016 | 114,099 | 149,382 | 139,487 | 122,753 |
| Financial liabilities designated at fair value | 1,156 | 1,268 | 1,351 | 1,423 | 1,601 |
| Hedging instruments | 8,447 | 12,479 | 17,105 | 16,505 | 14,248 |
| Provisions for risks and charges | 8,156 | 8,088 | 7,858 | 7,957 | 8,010 |
| Tax liabilities | 5,821 | 5,837 | 6,533 | 6,229 | 7,174 |
| Liabilities included in disposal groups classified as held for sale | 761 | 1,395 | 1,017 | 403 | 262 |
| Other liabilities | 26,153 | 23,645 | 23,004 | 22,178 | 20,712 |
| Minorities | 3,502 | 3,479 | 3,438 | 3,326 | 3,452 |
| Group Shareholders' Equity: | 64,686 | 64,224 | 64,487 | 64,428 | 65,288 |
| *- Capital and reserves* | *64,259* | *63,237* | *63,274* | *63,664* | *64,135* |
| *- Available-for-sale assets fair value reserve and cash-flow hedging reserve* | *(384)* | *(336)* | *210* | *95* | *633* |
| *- Net profit* | *810* | *1,323* | *1,003* | *669* | *520* |
| **Total liabilities and Shareholders' Equity** | **910,977** | **929,488** | **968,804** | **954,644** | **948,867** |

As regard previous periods, “Deposit from customers” and “Debt securities in issue” are now in two separate lines.

# UniCredit Group: Condensed Income Statement

## Quarterly Figures

| CONSOLIDATED INCOME STATEMENT | | | | | (€ million) |
|---|---|---|---|---|---|
| | 2011 | 2010 | | | |
| | Q1 | Q4 | Q3 | Q2 | Q1 |
| Net interest | 3,884 | 3,982 | 3,893 | 3,956 | 3,890 |
| Dividends and other income from equity investments | 117 | 144 | 69 | 135 | 60 |
| Net fees and commissions | 2,168 | 2,155 | 1,993 | 2,171 | 2,136 |
| Net trading, hedging and fair value income | 700 | 53 | 381 | 58 | 560 |
| Net other expenses/income | 59 | 139 | 86 | 114 | 99 |
| **OPERATING INCOME** | **6,928** | **6,474** | **6,422** | **6,433** | **6,746** |
| Payroll costs | (2,333) | (2,196) | (2,356) | (2,331) | (2,322) |
| Other administrative expenses | (1,345) | (1,407) | (1,330) | (1,401) | (1,341) |
| Recovery of expenses | 104 | 164 | 111 | 108 | 101 |
| Amortisation, depreciation and impairment losses on intangible and tangible assets | (284) | (282) | (284) | (278) | (281) |
| **Operating costs** | **(3,858)** | **(3,720)** | **(3,859)** | **(3,903)** | **(3,842)** |
| **OPERATING PROFIT** | **3,070** | **2,754** | **2,563** | **2,530** | **2,903** |
| Net write-downs of loans and provisions for guarantees and commitments | (1,504) | (1,751) | (1,634) | (1,716) | (1,791) |
| **NET OPERATING PROFIT** | **1,566** | **1,003** | **929** | **814** | **1,113** |
| Provisions for risks and charges | (161) | (472) | (32) | (106) | (156) |
| Integration costs | (3) | (254) | (16) | (6) | (6) |
| Net income from investments | 84 | (155) | 4 | 47 | 68 |
| **PROFIT BEFORE TAX** | **1,486** | **121** | **886** | **749** | **1,020** |
| Income tax for the period | (555) | 509 | (380) | (331) | (393) |
| **NET PROFIT** | **932** | **630** | **505** | **418** | **627** |
| Profit (Loss) from non-current assets held for sale, after tax | - | - | - | - | - |
| **PROFIT (LOSS) FOR THE PERIOD** | **932** | **630** | **505** | **418** | **627** |
| Minorities | (107) | (80) | (122) | (56) | (63) |
| **NET PROFIT ATTRIBUTABLE TO THE GROUP BEFORE PPA** | **825** | **550** | **383** | **362** | **564** |
| Purchase Price Allocation effect | (15) | (30) | (49) | (52) | (44) |
| Goodwill impairment | - | (199) | (0) | (162) | - |
| **NET PROFIT ATTRIBUTABLE TO THE GROUP** | **810** | **321** | **334** | **148** | **520** |

**Notes:**

Starting from Q1 2011 the PPA related to the acquisition of HVB, formerly classified within different P&L lines, is entirely allocated in the “Purchase Price Allocation effect” line of P&L (as already done for Capitalia’s acquisition). Previous periods has been reclassified.

Following the recent merger – which entailed the absorption of certain placement entities by the issuer – the result arising from the placement of securities issued by UniCredit S.p.A. recognised by the former in Q1, Q2 and Q3 2010 quarterly figures have been reclassified from “Net fees and commissions” to “Net interest".

# UniCredit Group: Main results by business segment

| KEY FIGURES by BUSINESS SEGMENT | F&SME NETWORK ITALY | F&SME NETWORK GERMANY | F&SME NETWORK AUSTRIA | F&SME NETWORK POLAND | F&SME FACTORIES | CORPORATE & INVESTMENT BANKING | PRIVATE BANKING | ASSET MANAGEMENT | CENTRAL EASTERN EUROPE | GROUP CORPORATE CENTER[1] | CONSOLIDATED GROUP TOTAL (€ million) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Income statement** | | | | | | | | | | | |
| **OPERATING INCOME** | | | | | | | | | | | |
| Q1 2011 | 1,773 | 405 | 295 | 276 | 491 | 2,396 | 240 | 216 | 1,161 | (326) | 6,928 |
| *Q1 2010* | *1,739* | *387* | *290* | *261* | *492* | *2,160* | *240* | *202* | *1,083* | *(108)* | *6,746* |
| **Operating costs** | | | | | | | | | | | |
| Q1 2011 | (1,082) | (358) | (213) | (175) | (232) | (681) | (139) | (118) | (536) | (324) | (3,858) |
| *Q1 2010* | *(1,113)* | *(348)* | *(207)* | *(175)* | *(222)* | *(694)* | *(140)* | *(121)* | *(506)* | *(318)* | *(3,842)* |
| **OPERATING PROFIT** | | | | | | | | | | | |
| Q1 2011 | 691 | 47 | 82 | 101 | 259 | 1,715 | 101 | 98 | 625 | (650) | 3,070 |
| *Q1 2010* | *626* | *38* | *84* | *86* | *270* | *1,466* | *100* | *81* | *577* | *(426)* | *2,903* |
| **PROFIT BEFORE TAX** | | | | | | | | | | | |
| Q1 2011 | 173 | 26 | 28 | 79 | 101 | 1,268 | 100 | 98 | 351 | (737) | 1,488 |
| *Q1 2010* | *96* | *(28)* | *22* | *50* | *72* | *850* | *98* | *81* | *264* | *(484)* | *1,020* |
| **Balance Sheet** | | | | | | | | | | | |
| **LOANS TO CUSTOMERS** | | | | | | | | | | | |
| as at March 31, 2011 | 126,077 | 45,832 | 21,089 | 8,893 | 53,881 | 213,236 | 7,031 | 0 | 65,462 | 17,325 | 558,825 |
| *as at December 31, 2010* | *126,455* | *46,885* | *22,122* | *8,764* | *54,140* | *211,118* | *6,974* | *0* | *65,946* | *13,249* | *555,653* |
| **DEPOSITS FROM CUSTOMERS AND DEBT SECURITIES IN ISSUE** | | | | | | | | | | | |
| as at March 31, 2011 | 97,598 | 39,483 | 23,098 | 13,028 | 16,574 | 127,234 | 23,911 | - | 55,103 | 186,340 | 582,369 |
| *as at December 31, 2010* | *101,854* | *39,252* | *23,516* | *13,159* | *15,589* | *132,701* | *25,077* | *-* | *56,902* | *175,188* | *583,239* |
| **TOTAL RISK WEIGHTED ASSETS** | | | | | | | | | | | |
| as at March 31, 2011 | 51,971 | 13,889 | 12,218 | 7,945 | 46,646 | 190,683 | 4,128 | 1,806 | 78,824 | 35,618 | 443,727 |
| *as at December 31, 2010* | *52,945* | *15,447* | *16,325* | *7,943* | *46,380* | *198,583* | *4,368* | *1,898* | *79,176* | *31,784* | *454,850* |
| **EVA** | | | | | | | | | | | |
| Q1 2011 | (28) | (5) | (8) | 28 | (20) | 455 | 56 | 61 | 67 | (795) | (190) |
| *Q1 2010* | *(84)* | *(37)* | *(8)* | *14* | *(28)* | *179* | *58* | *53* | *15* | *(522)* | *(359)* |
| **Cost/income ratio** | | | | | | | | | | | |
| Q1 2011 | 61.0% | 88.4% | 72.1% | 63.4% | 47.2% | 28.4% | 58.0% | 54.7% | 46.1% | -99.4% | 55.7% |
| *Q1 2010* | *64.0%* | *90.1%* | *71.1%* | *66.9%* | *45.1%* | *32.1%* | *58.3%* | *59.9%* | *46.8%* | *-295.0%* | *57.0%* |
| **Employees [2]** | | | | | | | | | | | |
| as at March 31, 2011 | 31,089 | 7,482 | 3,737 | 14,268 | 6,002 | 9,608 | 3,014 | 1,978 | 51,579 | 31,921 | 160,679 |
| *as at December 31, 2010* | *31,963* | *7,495* | *3,748* | *14,260* | *5,805* | *9,541* | *3,013* | *1,888* | *51,598* | *32,699* | *162,009* |

**Notes**

2010 figures were recasted, where necessary, on a like-to-like basis to consider changes in scope of business segments and EVA computation rules

[1] Global Banking Services, Corporate Centre, inter-segment adjustments and consolidation adjustments not attributable to individual segments.

[2] "Full time equivalent". These figures include all the employees of subsidiaries consolidated proportionately, such as Koç Financial Services