UNICREDIT TAKES STRONG STANCE AND BRINGS CASH COVERAGE RATIO ON IMPAIRED LOANS TO 52%, BACK TO PRE-CRISIS LEVELS, BY FAR THE HIGHEST IN ITALY AND IN LINE WITH BEST EUROPEAN PEERS

BALANCE SHEET REVIEW LEADING TO NET LOSS OF €14.0 BN IN FY13 FROM GOODWILL IMPAIRMENT AND ADDITIONAL LOAN LOSS PROVISIONS

STRONG CAPITAL WITH CET1 RATIO AT 10.4% PHASED-IN (9.4% FULLY LOADED) NO NEED FOR CAPITAL INCREASE

PROPOSAL TO DISTRIBUTE 10 EUROCENT PER SHARE SCRIP DIVIDEND

GROUP NET PROFIT 2014 EXPECTED AT CA. €2 BILLION

FURTHER EMPHASIS ON ASSET QUALITY IMPROVEMENT WITH NON-CORE PORTFOLIO SEGREGATION ALREADY IN APRIL 2013

STRATEGIC PLAN 2018 TARGETS: NET PROFIT €6.6 BN, 13% ROTE AND 10% CET1 RATIO FULLY LOADED

€4.5 BN INVESTMENTS TO SUPPORT REVENUES; ADDITIONAL COST SAVINGS OF €1.3 BN

UNICREDIT IS POISED TO INCREASE LENDING TO CORPORATES AND HOUSEHOLDS TO SUPPORT THE GROWTH OF THE ECONOMY

ACTIONS TO FREE UP CA. 30 BP OF CAPITAL THROUGH ACTIVE PORTFOLIO MANAGEMENT ALREADY IDENTIFIED, E.G. FINECO LISTING

The Board of Directors of UniCredit approved today the Strategic Plan 2013-18 and Group FY13 results. Federico Ghizzoni, CEO of UniCredit commented:

"For UniCredit, 2013 was a turning point and we are now poised to further increase our lending and support of the real economy in Italy and in Europe. With the actions announced today, we have further reinforced our balance sheet and finalized the process started in 2010. Thanks to our solid capital position, we have taken clear and transparent decisions following which our CET1 ratio stands well above Basel 3 requirements. Thanks to the additional provisions booked, UniCredit now has by far the highest impaired loan coverage ratio of the Italian banking system and amongst the best in Europe, in line with pre-crisis levels.Today we also announced the launch of our new 2013-18 strategic plan. The plan is based on solid fundamentals, a strong risk culture and an improving macro-economic climate. Whilst in 2014 we estimate a net profit around €2 billion, we intend to more than triple this to €6.6 billion in 2018, with an ROTE target of 13 per cent. We are also planning to invest €4.5 billion to grow revenues and to cut an additional €1.3 billion out of our cost base. Our objective is to consolidate our leadership in corporate services across Europe, drive innovation in our retail networks and develop a leading edge digital footprint.Based on the successful repositioning of the bank, the strengthening of our already solid balance sheet in an improving macro-economic environment, UniCredit is stronger and ready to play an increasingly important role in lending to households and corporates in Italy and across Europe.

I look forward to delivering sustainable value to all our stakeholders in the years to come."

STRATEGIC PLAN 2013-18: ACCELERATING THE JOURNEY TOWARDS SUSTAINABLE PROFITABILITY

- Since 2010, UniCredit's main focus has been on strengthening the capital, de-risking the balance sheet, restoring a sound liquidity profile and reducing complexity and costs
- At year-end 2013, UniCredit has a strong capital base with a CET1 ratio Basel 3 phased-in of 10.4% (9.4% fully loaded[1] including the gain from the valuation of the stake in Banca d'Italia), a sound balance sheet (19x leverage ratio[2] vs. 32x in 2008), a reduced funding gap (€29 billion vs. €163 billion in 2008) and an impaired loan coverage ratio of 52% in line with the best European peers and well ahead of other Italian banks
- Revised risk management framework now in place with more prudent underwriting processes, disciplined monitoring and streamlined workout processes. Riskier Italian exposures (Non-Core portfolio) segregated in a new dedicated organisational structure up and running since April 2013 engaging 1,100 dedicated professionals
- UniCredit launches new Strategic Plan 2013-18 and targets a Group RoTE of 13% and a solid capital base with CET1 ratio Basel 3 fully loaded at 10%. A dividend distribution with an average payout ratio of ca. 40% is envisaged. Asset quality remains a key priority with a target coverage ratio above 50% on impaired loans and cost of risk below 70 bps in 2018
- The Strategic Plan 2013-18 envisages a separate reporting of the Italian Non-Core portfolio which is planned to be reduced by 63% in 2018. The Non-Core portfolio consists of ca. €87 billion[3] gross loans, including both performing (33%) and impaired loans (67%) of which more than 80% originated before 2009. UniCredit is the first bank in Italy to be fully operative on a segregated portfolio and to provide full transparency on the run-down process on a quarterly basis
- UniCredit reaffirms its leadership as a European commercial bank with a 17% target ROAC in 2018 on the Core Bank. The three key pillars supporting the Core Bank are: 1) the multi-channel transformation of commercial bank in Western European markets and UniCredit's positioning as a European leader in corporate banking; 2) a strong focus on growth businesses such as selected CEE regions and capital-light businesses, and 3) consolidation of CIB leadership and of operational excellence
- Investments of €4.5 billion spread through the Plan will drive network restructuring and digitalization in Western Europe, foster growth in CEE and achieve group synergies

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[1] CET1 ratio Basel 3 phased-in (10.4% as of December 2013) is an estimate based on the current understanding of the regulatory framework in force in 2014 and on the outputs of certain models not yet formally approved by the Competent Authorities. CET1 ratio Basel 3 fully loaded (9.4% as of December 2013) is estimated on the basis of current understanding of the regulatory framework which will be in force starting from 2019, hence anticipating all the effects that will gradually be factored in.

[2] Calculated as the ratio of Total Assets net of Goodwill and Other Intangible Assets (numerator) and Equity (including Minorities) net of Goodwill and Other Intangible Assets (denominator).

[3] Pro-forma for the inclusion Trevi which will be consolidated starting from 1 January 2014.

- Strict cost control will lead to cost savings for €1.3 billion in 2018 thanks to dedicated initiatives targeting business simplification which include FTEs reductions, leading to a drop of the cost/income ratio to 51%
- As part of its active portfolio management, UniCredit will list on the market Fineco to further accelerate its growth. In parallel, it will explore the potential disposal of UniCredit Credit Management Bank (UCCMB), the largest collections platform in Italy, to a specialized player, enabling UniCredit to extract additional value by enhancing collections. The effects of these potential transactions are not factored into the Strategic Plan 2013-18

4Q13 AND FY13 RESULTS HIGHLIGHTS

- UniCredit Group reports a 4Q13 net result of -€15.0 billion (-€14.0 billion in FY13) mostly attributable to non-recurring items, driven by revised macroeconomic assumptions and a tougher regulatory framework and to lay the foundations of the success of the Strategic Plan 2013-18. These actions include:
  - €9.3 billion impairment of goodwill and customer relationships in 4Q13, leading to the full write down of the goodwill allocated to Italy, CEE and Austria. Goodwill remaining on balance sheet equal to €3.5 billion, broadly in line with 2004 level
  - €7.2 billion additional loan loss provisions, leading to total LLPs of €9.3 billion in 4Q13 (€13.7 billion in FY13, +46.8% Y/Y). The overall provisions bring the impaired loan coverage ratio from 45% as of 3Q13 to 52% as of 4Q13, in line with best European peers. Cash coverage of Group NPLs (*sofferenze*) increased from 56% to 62%. Quarterly flow from performing to impaired loans broadly in line with previous quarter, while impaired interclass migration was done with a very rigorous approach
  - €699 million restructuring costs in 4Q13, part of a wider plan to reduce FTEs by ca. 8,500
- Gross Operating Profit shows the first signs of recovery in 4Q13 reaching €2.1 billion, inverting the trend with an increase of 2.7% Y/Y and 1.1% Q/Q driven by Revenues (+5.2% Y/Y and 5.8% Q/Q), and despite an upward quarterly cost trend (+6.6% Y/Y and 8.6% Q/Q) affected by one-off items of €241 million. Net of one-offs, Gross Operating Profit was up by 12.7% Q/Q
- Positive dynamic of the Revenues mix: Net Interest Income totalled €3.3 billion, +2.0% Q/Q (€13.0 billion FY13) thanks to continuous re-pricing on deposits which grew by 2.8% Q/Q strengthening the funding profile of the Group. Net Fees and Commissions reached €2.0 billion, +5.1% Q/Q (€7.7 billion in FY13) thanks to the positive dynamic of Investment Services Fees (+11.8% Q/Q) and Financing Services Fees (+5.1% Q/Q), which more than compensated for the decrease in transactional and banking services fees (-

1.8% Q/Q). Trading Income totalled €0.6 billion benefiting from the gains on the sale of non-core equity investments

- The gain from the valuation of the stake in Banca d'Italia is equal to €1.4 billion pre-tax and it has been recognized through the P&L as Net Income from Investments in 4Q13. The application of IAS/IFRS to the transaction is currently being discussed by competent authorities, a different interpretation versus the adopted accounting treatment may arise, leading to the recognition of the same gain through equity valuation reserves, instead of through P&L. In case of recognition through equity valuation reserves, net loss FY13 and 4Q13 would increase by €1.2 billion, while CET1 ratio Basel 3 fully loaded would remain at 9.4% (CET1 ratio phased-in would be at 10.0%).
- The funding gap improved to €29.2 billion as of December 2013 (-€31.5 billion Q/Q), also thanks to deposits growth across all the regions (+2.8% Q/Q) while loans still display a negative trend (-4.0% Q/Q) due to ongoing weak demand in Western Europe
- The 2014 Funding Plan is well on track, thanks to strong access to wholesale markets, with a significant diversification of issuances as well as robust demand from retail
- Strong regulatory capital base confirmed, with CET1 ratio Basel 3 phased-in at 10.4% (9.4% fully loaded, including the gain from the valuation of the stake in *Banca d'Italia*)
- At the Annual General Meeting on 13 May 2014, the UniCredit Board of Directors will propose for the financial year 2013 a distribution of a 10 eurocent scrip dividend per share out of reserves of profits via a newly issued shares assignment or, upon shareholders' request, cash payment. The ex-dividend date has been set on May 19th 2014, the record date on May 21st 2014 and payment date on June 6th 2014

FY13 - Key Financial Data

- Group Net Result: -€14.0 billion[4]
- Revenues: €24.0 billion (-4.1% Y/Y)
- Operating Costs: €14.8 billion (-0.1% Y/Y)
- Cost/Income ratio: 61.7% (+2.5 p.p. Y/Y)
- Gross Operating Profit: €9.2 billion (-9.9% Y/Y)
- Loan Loss Provisions: €13.7 billion (+46.8% Y/Y)
- Regulatory capital: CET1 ratio Basel 3 fully loaded at 9.4%, estimated pro-forma on the basis of actual data and current understanding of new regulatory framework

4Q13 - Key Financial Data

- Group Net Result: -€15.0billion
- Revenues: €6.0 billion (+5.2% Y/Y, +5.8% Q/Q)
- Operating Costs: €3.9 billion (-1.7 Y/Y, +1.9% Q/Q, both net of €241 million of impairments on Customer Relationships and write offs in Depreciation and Amortization)
- Cost/Income ratio: 64.9% (+0.9 p.p. Y/Y, +1.7 p.p. Q/Q)
- Gross Operating Profit: €2.1 billion (+2.7% Y/Y, +1.1% Q/Q)
- Loan Loss Provisions: €9.3 billion
- Leverage ratio[5]: 18.8x (+0.4x Y/Y, +1.4x Q/Q) due to 4Q13 loss, still lower than the average of European peers

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[4] **Accounting figures for 4Q13 include the following post tax non-recurring items** (amounts gross of tax in brackets): goodwill impairment of -€8.0 billion(-€8.0 billion gross); Impairment of PPA for -€1.3 billion (-€1.9 billion gross); assets held for sale related to Ukrotsbank of -€0.6 billion (-€0.6 billion gross); loan loss provisions to increase cash coverage ratio of -€4.8 billion (-€7.2 billion gross), additional to the baseline of €6.5 billion for 2013; gain form valuation of *Banca d'Italia* stake of +€1.2 billion (+€1.4 billion gross); integration costs of -€0.5 billion (-€0.7 billion gross); few large Risks & Charges of -€0.2 billion (-€0.3 billion gross); capital gain from the sale of MOEX and FonSAI of +€0.2 billion (+€0.2 billion gross); write-downs of customer relationship and other write offs in Depreciation and Amortization of -€0.2 billion (-€0.2 billion gross).

[5] Calculated as the ratio of Total Assets net of Goodwill and Other Intangible Assets (numerator) and Equity (including Minorities) net of Goodwill and Other Intangible Assets (denominator).

ADDRESSING POST CRISIS ISSUES: ACHIEVEMENTS SINCE 2010

Since 2010, UniCredit has put in place an extraordinary effort to deal with the issues originating from the financial crisis. Key management focus has been on restoring the Group's fundamentals via capital and balance sheet strengthening, business refocusing and cost reduction.

UniCredit has delivered: substantial strengthening of the regulatory capital base in line with European peers (Core Tier 1 Basel 2.5 ratio rose from 6.0% in 2008 to 10.6% in 2013 or 9.6% including the floor), 80% improvement in the funding gap (from €163 billion in 2008 to €29 billion in 2013), leverage ratio almost halved (from 32x in 2008 to 19x in 2013) and material de-risking thanks to a 25% RWA reduction.

A strong emphasis has been put on risk control and mitigation actions. Since 2012, Group Risk Management has been strengthening, with a special focus devoted to Italian activities. Such action comprised, among the other things, the development of a new risk appetite framework, the strengthening of the managerial team and the establishment of closer links with the business. Moreover, in April 2013, UniCredit identified an optimization portfolio comprising all Italian exposures with sub-optimal risk-return profile and it introduced a series of improvements to deal with such positions.

As of year-end 2013, thanks to the loan loss provisions booked in 4Q13, amounting to €9.3 billion (€13.7 billion in FY13), the Group cash coverage ratio of impaired loans went up to 52%, in line with pre-crisis levels (2008), and aligned with best European peers, well ahead Italian banks.

The effort on simplification and cost management has generated ca. €2 billion of sustainable cost savings from 2008 to year end 2013 achieved by streamlining the organization, implementing cost savings programs and redesigning the network.

The business has been refocused with a view to enhance risk-adjusted profitability. More Group capital has been allocated to Central and Eastern Europe (from ca. 21% in 2011 to ca. 23% in 2013) and the portfolio has been streamlined, by reshaping UniCredit's presence across Central and Eastern Europe (e.g. exiting from Kazakhstan and the Baltics). Investment Banking business has been refocused and shifted to more profitable, lower risk client-related activities delivering an increase in Return on Allocated Capital from about 7% in 2012 to about 14% in 2013.

UniCredit has navigated the crisis increasing the Core Tier 1 ratio by 5 p.p. between 2008 and 2013, and can now leverage its strengthened capital base. The Basel 3 CET1 ratio phased-in as of December 2013 stood at 10.4%, while the CET1 ratio Basel 3 fully loaded as of stood at 9.4%, including the gain from the valuation of the stake in *Banca d'Italia*, thus allowing UniCredit to exclude the need of any capital increase. UniCredit targets a minimum CET1 ratio Basel 3 fully loaded of 10% by 2018 and plans to achieve it organically, thanks to improved profitability.

After undertaking all planned actions under management control, UniCredit is committed to restoring its profitability through the execution of the key elements of the Strategic Plan 2013-18.

BRIDGING PAST AND FUTURE: STRATEGIC PLAN PREPARATORY ACTIONS TAKEN IN 2013

Since 2008, the Group has faced a persistently deteriorating macro-scenario, but strong measures have been adopted to overcome the crisis, acting on all the levers under managerial control. A progressive normalization of macroeconomic conditions is expected for the coming years, with an increase in GDP growth across the main regions where the Group operates and a moderate increase in interest rates towards the final years of the Plan horizon. In this context, UniCredit decided to set a new strategic agenda and has established new targets for 2018. The preparatory actions that UniCredit has put in place to capture future growth opportunities, leveraging on its materially de-risked and stronger balance sheet are: 1) impairment of goodwill and customer relationships (€9.3 billion); 2) additional LLPs in 4Q13 (€7.2 billion); 3) network restructuring in 4Q13 (€0.7 billion).

GOODWILL IMPAIRMENT

During the past decades, UniCredit significantly broadened its footprint, starting from being a purely domestic Italian bank to become one of the largest European banking groups. This transformation was achieved via an intense inorganic growth activity, with HVB in 2005 and Capitalia in 2007 being the largest acquisitions.

Over the past years, foreign subsidiaries provided a strong contribution to UniCredit's earnings both sustaining Group profitability and providing an important source of revenue diversification. In particular, the cumulated net profit 2005-13 of foreign subsidiaries has been €21.2 billion.

The inorganic growth led to the build-up of a significant amount of goodwill, of which €10.3 billion were written-off between 2006 and 2012. In 4Q13, €8.0 billion of goodwill - primarily allocated to Italy, Austria and CEE – have been written-off on the back of revised macro-economic assumptions coupled with a tougher regulatory framework. As of year-end 2013, goodwill amounts to €3.5 billion – broadly in line with the 2004 level - and it is mainly allocated to Poland, Asset Management and Asset Gathering, which are expected to deliver a Return on Allocated Capital (ROAC) higher than other divisions over the Strategic Plan horizon.

The write off of goodwill has no impact on capital ratios and no impact on liquidity.

CASH COVERAGE RATIO INCREASED TO 52%, POSITIONING UCG IN LINE WITH BEST EUROPEAN BANKS AND THE BEST AMONG ITALIAN BANKS

In 2013, UniCredit booked a total of €13.7 billion loan loss provisions, increasing cash coverage ratio of impaired loans, mainly in Italy, stemming from a more stringent assessment of collateral and impaired loans classification. As result of these additional provisions, UniCredit is very well positioned ahead of the upcoming assessments of the ECB.

Thanks to the additional provisions booked in 4Q13, the cash coverage ratio is now in line with pre-crisis level in Italy (at 52%, up by +9.2 p.p. Q/Q) and CEE (at 51% up by +3.7 p.p. Q/Q). With a cash coverage ratio of 52% for the overall Group, UniCredit is now fully in line with the best European peers (considering the average of European SIFI[6]) and the best among Italian banks.

The €7.2 billion of additional provisions, has increased the coverage ratio of Italian impaired loans from 42% as of 3Q13 to 52% as of 4Q13. In particular, the coverage of NPLs (*sofferenze*) increased from 55% to 63%, the coverage of doubtful loans (*incagli*) increased from 32% to 41%, coverage of restructured loans (*ristrutturati*) increased from 20% to 29%, coverage of past-due (*scaduti*) increased from 14% to 22%.A thorough revision of the hypotheses to assess real estate collaterals has been applied, fully factoring in the risks related to the real estate market, which has become less liquid in 2007-13. As a result, even after more conservative haircuts, the adjusted coverage ratio of doubtful loans (incagli) and non-performing loans (sofferenze) for residential real estate exposures stands now at 141%[7]. For secured and unsecured loans to enterprises, the ratio stands at ca. 127%[8].

It is worth mentioning that the additional provisioning caused the full absorption of the Expected Loss shortfall, which is an item totally deducted from the calculation of CET1 ratio Basel 3 fully loaded.

NETWORK RESTRUCTURING

Commercial Bank Italy, Germany and Austria have been undertaking a significant rethink of their business model, with a specific attention on remote channels and a rationalization of the geographical location of branches. These projects, now fully defined, will be launched within the Strategic Plan 2013-18.

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[6] As of 1H13, the average coverage ratio of main European SIFI included in the Transparency Exercise by EBA was 46%.
[7] Data related to UniCredit SpA.
[8] Data related to UniCredit SpA.

As a consequence, UniCredit booked €727 million restructuring costs in 2013, of which €699 million in 4Q13. This will lead to a reduction of ca. 8,500 FTEs by 2018 (of which over 5,700 in Italy), allowing staff expenses savings of about €0.3 billion in 2016 and €0.7 billion on a running basis starting from 2018 (including the effect of additional restructuring costs for about €650 million to be accounted in 2016). The Commercial Banks in the three Western Europe markets will see ca. 13% of the current FTEs while in the Corporate Centre & GBS ca. 7.4% of the current workforce will exit by 2018.

GUIDELINES OF STRATEGIC PLAN 2013-18

SEGREGATION OF THE NON-CORE PORTFOLIO TO BE MANAGED AS A SEPARATE BUSINESS

In April 2013, UniCredit set up a Non-Core portfolio in Italy to segregate business lines defined as not strategic and not in line with Group risk appetite to rebalance the risk return profile. A dedicated management team and a structure of about 1,100 dedicated professionals, tailored credit process has been identified, with specific strategies for all relevant clients and risk mitigation KPIs for performance management.

As at December 2013, the non-core portfolio comprises ca. €87 billion of gross loans[9] (€54 billion net of provisions), already down by €8 billion since April 2013. The Non-Core portfolio comprises Italian assets only, including all UCCMB[10] NPLs (€10.4 billion), leasing business (€10.2 billion) and other commercial banking exposures (€63.2 billion), mainly related to higher risk customers. The portfolio is composed of ca. 33% of performing loans and ca. 67% of impaired loans, of which more than 80% has been originated before 2009. The performing part embeds loans with a sub-optimal risk-return profile which will be managed with a number of strategies such as exposure reductions, increasing collaterals guarantees and rebalancing the risk-return profile.

Non-Core Portfolio will be monitored as a standalone business, based on a separated internal reporting and its performance will be communicated to the market on a quarterly basis. The impaired part mostly relates to old positions already covered at 55% and will be managed with a strong de-risking approach and via non-performing loan sales.

After 2018 the remaining part of the non-core portfolio will be migrated back to core bank. As a result of the risk mitigating strategy in place, the net impaired loan ratio of the Italy region as a whole will be down from 12.4% in 2013 to 6.7% percent at the end of 2018.

Non-Performing Loans Disposals in Italy Support Balance Sheet De-risking

Over the past months, international investors specialized in bad loans management have shown growing interest for Italian non-performing loans: appetite is growing generally for loans across all asset classes. This renewed interest is a tangible sign of confidence in an economic recovery in Italy.

UniCredit has started to be active in this market as part of its on-going activities to sell non-core assets and strengthen its credit profile. The sale of NPL portfolios allows UniCredit to release capital and liquidity and to reduce operational costs. Five transactions have been carried out in 2013 encompassing the sale of ca. €2.0 billion of gross loans with an average coverage of 95%. Of these, the sale of a portfolio of Italian consumer loans totalling ca. €1.0 billion has been completed in February 2014, hence not included in FY13 accounts.

FOCUS ON THE CORE BANK BUSINESS: ACCELERATING THE JOURNEY TOWARDS A SUSTAINABLE PROFITABILITY

[9] Includes €3.1 billion from Trevi which will be consolidated starting from 1Q14.

[10] UniCredit Credit Management Bank (UCCMB) is the fully owned NPL servicing platform. UniCredit Group's accounting figures regularly consolidate loans managed by UCCMB.

The Group has identified the following drivers based on UniCredit's unique competitive advantages, to restore and enhance sustainable core profitability.

New commercial banking service model: digitalization and efficiency innovations are constantly explored to put UniCredit at the forefront of technological innovation. Several initiatives are included in the Strategic Plan 2013-18 in order to reshape the service model and improve the customer experience of our clients. Customer demand is being dramatically changed by new customers behaviours, characterized by higher propensity to use mobiles, tablets and internet. This market trend is also consistent with the need for banks to streamline their geographical presence and optimize the size of branches and employees.

In retail banking, the Group has started a journey to transform its delivery model. Different strategies will be implemented in Italy, Germany, and Austria, taking into account specificities of customer needs and 'digital market readiness' in the three countries.

The Group can leverage its unique position in corporate banking to grow revenue generation. Today UniCredit is a leading lender in Europe with excellent reach also thanks to a widespread network in CEE.

In order to support the planned revenue growth and superior cost savings in mature markets, the plan envisages a significant level of investment amounting to a cumulative €4.5 billion over the plan horizon. Specifically, €1.3 billion will be invested to sustain the transformation of commercial banking in Italy, Germany and Austria, €1.3 billion to fuel the growth in CEE and in capital light businesses, and €1.9 billion to enable group synergies.

Despite the expected increase in mandatory costs (e.g. regulatory burdens), the cost base will decrease on a like-for-like base from 2013 to 2018, including €1.3 billion of saving. The cost/income ratio for the Core Bank is expected to drop to 50% (-10 p.p. versus 2013). Notably, UniCredit targets a strong efficiency improvement in Western Europe, also achieved through rationalization of the organization, with the cost/income ratio targeted to decrease from the current 76% to 56%, while operating costs in CEE will support growing markets.

CEE: Invest in Growth Markets and Rationalize Geographical Presence

UniCredit considers CEE a strong area of growth, outperforming Western Europe with regard to expectations about business fundamentals. Consequently, the Group is planning to continue increasing capital allocation towards CEE region over the next five years (from 23% to 30% allocated capital), with increased focus on the higher growth markets, while improving profitability in the remainder country markets.

In CEE & Poland, Retail Banking plans to expand its client base and innovate the service model. Growth of the client base will be achieved mainly through an innovative service model and expansion into underpenetrated areas, while further growing the positioning in the SME sector. The service model will be enhanced by leveraging a multi-channel service offering and adapting the branch formats to micro-markets trends.

The investment approach adopted in CEE & Poland will be coupled with an ongoing process rationalization across the different geographies. Consequently, UniCredit's Ukrainian subsidiary[11] has been classified as Held for Sale and its relevant activities are now booked in a single line item in both the Income Statement and Balance Sheet. As effect of such reclassification, UniCredit registered a negative P&L impact of €0.6 billion in 4Q13.

Asset Management and Asset Gathering: Growth in Capital-Light Businesses to Foster Profitability

UniCredit will continue to grow capital-light businesses, scaling-up Asset Management leveraging on non-captive distribution channels and boosting client acquisition in Asset Gathering.

[11] In 2013, the two subsidiaries of UniCredit in Ukraine were merged. First, 100% of shares of PJSC UniCredit Bank were transferred from Bank Pekao to UniCredit, then it was merged into the other Ukrainian subsidiary Ukrsotsbank into a single legal entity.

Pioneer Investments' assets under management are planned to increase from €174 billion as of December 2013 to €263 billion at year-end 2018, whereas Total Financial Assets of Asset Gathering (including Fineco and DAB) are expected to increase from €76 billion to €111 billion.

CIB and CEE: Leveraging Group Common Platforms

Horizontal platforms are a key source of value creation and competitive advantage for UniCredit, enabling superior cost efficiencies and revenue excellence. A key priority for the Group is the consolidation of CIB's role in enabling client-access to international infrastructure and superior product capabilities. CIB business will be further rebalanced towards client driven revenues, reducing risk and volatility, and increasing market share among institutional clients. Horizontal synergies with commercial banking and CEE will be enhanced including growing Global Transaction Banking market share in core countries and strengthening the product offering. As a result, CIB RoAC is expected to grow from about 14% to about 18% over the Plan horizon. With regard to Corporate Banking in CEE, the Group plans to further expand in attractive segments, enhancing the service offering through a broader range of structured products, and leveraging its excellent reach to support internationalization.

STRATEGIC PLAN 2013-18 TARGETS: TOWARDS A ROTE OF 13% BY 2018

UniCredit navigated through the financial crisis with a sound balance sheet and adapted to a tougher regulatory and economic environment. For the coming years, the focus is now firmly on the roots of profitability, which is expected to materially increase through operating performance improvement coupled with risk mitigation. This twofold strategy will allow UniCredit to reach a Return on Tangible Equity (RoTE) of 13% by 2018, assuming dividend distribution throughout the Strategic Plan time horizon with an average payout of ca. 40%. In particular, the normalization of the Cost of Risk by itself accounts for ca. 5 p.p. RoTE uplift, following the revision of the risk appetite at Group level and the implied underlying actions; the enhancement of operating performance will provide additional ca. 6 p.p. improvement, through maintaining a strong commitment to cost optimisation and driving higher net interest and fees.

With reference to the Core bank, UniCredit is targeting a 17% RoAC with an expected net profit of €7.5 billion in 2018. Sustained revenues (+5% CAGR13-18) and normalizing cost of risk (-31 bps by 2018) underpin earning generation, with loans increasing by 4% CAGR13-18; cost/income ratio is targeted to fall by 10 p.p. to 50% in 2018.

ACTIVE SHAREHOLDING PORTFOLIO MANAGEMENT STRATEGY CONTINUES

Over the past few years, UniCredit has carried out an active portfolio management strategy encompassing the exit from Kazakhstan and the Baltics, group rationalization via the merger of Slovakia and Czech Republic, the merger of the two Ukrainian banks, and the sale of non-core shareholdings.

With the view to further support the development of high growth businesses and as a part of UniCredit Credit Risk Management's refocusing, the next steps are the IPO of Fineco and the possible externalisation of part of the NPL servicing business.

Listing of Fineco in the Market in 2014

Fineco, which as of December 2013 had Total Financial Assets of €44 billion, has a unique business model combining the European market leadership in on-line brokerage with the sales force power of its Personal Financial Advisors network.
UniCredit decided to IPO Fineco during 2014 in order to accelerate its growth and enhance its market visibility, whilst optimizing capital allocation within the Group.

Search for a Strategic Partner in NPLs Servicing via UniCredit Credit Management Bank

UniCredit Credit Management Bank (UCCMB) is UniCredit Group's main servicer for Italian non-performing loans collection. Today UCCMB is the largest platform in Italy by managed assets and it boasts an outstanding track record, as demonstrated by its top performer ratings assigned by Standard & Poor's and Fitchratings.
As part of the reorganisation process of UniCredit's non-performing loans management set-up and strategy, UniCredit is considering the potential disposal of UCCMB to a specialized player, enabling the group to extract additional value by enhancing collection. UCCMB could then become a national workout provider boosting its operations in the non-captive market.

4Q13 AND FULL YEAR 2013 RESULTS

GROSS OPERATING PROFIT UP IN 4Q13 THANKS TO ALL REVENUE SOURCES

The quarterly operating performance showed the first encouraging signs, with gross operating profit up by 1.1% Q/Q, reversing the trend of past quarters, with revenues up by 5.8% Q/Q offsetting the seasonal increase in costs (+8.6% Q/Q), but +1.9% Q/Q net of impairments on customer relationships and some write-offs. Revenues were up thanks to strong fees, improving net interest and a positive contribution from trading income (benefitting from some gains on equity investments), whereas costs increased on a quarterly basis driven by seasonal expenses related to IT investments, marketing and projects. From a divisional point of view CEE & Poland was the main contributor to the increase of operating profit (+14.1% Q/Q) thanks to Russia, Poland and Turkey. Also CIB (+7.5% Q/Q) and Commercial Bank Germany (+35.9%) showed a positive performance.

In full year 2013 Gross Operating Profit amounted to €9.2 billion, down by 9.9% versus 2012 affected by the negative dynamics of revenues in a challenging economic environment.

Management actions were put in place to counterbalance the negative scenario, with operating costs reduced by 0.1% in 2013 versus the previous year (-0.6% in Western Europe versus +1.7 in CEE & Poland), supported by FTEs reduction and thanks to a particular focus on discretionary cost reductions to offset salary inflation and higher depreciation related to IT investments. These efforts provided material support to the operating performance, but were not enough to offset the downward trend of revenues: fees were up by 0.7% in 2013 as a result of good performance in Investments service offsetting the negative outcome of financing fees; net interest came down by 6.4% in full year 2013 versus 2012 due to the material decline in lending volumes (-€41.3 billion Y/Y). In 2013 Gross Operating Profit was positively supported by Commercial Bank Italy (+8.3% in FY13/FY12), CEE & Poland (+4% in FY13/FY12 thanks to Russia, Czech Republic & Slovakia and Romania) and Commercial Bank Germany (+10% in FY13/FY12).

In relation to the quarterly trend of gross operating profit, it is worth noting the reversing trend of net interest which, after several quarters of decrease, was up by 2.0% Q/Q (+2.3% at constant FX), reversing the negative trend of last quarters, also thanks to the re-pricing of liabilities. This result is remarkable taking into account current environment characterized by depreciating currencies in CEE & Poland, weak loan demand and low interest rates in Western Europe.

COST REDUCTION CONFIRMED IN 2013

The Group's effort to reduce costs bore results in 2013, with operating costs amounting at €14.8 billion (-0.1% FY13/FY12). Staff expenses were down by 2.3% FY13/FY12, with FTEs reduction offsetting salary inflation. Other managerial actions have been put in place to further reduce staff expenses. Non-HR costs amounted to €6.1 billion (+3.1% FY13/FY12), due to the impairment of customer relationships and some write-offs. Net of positive and negative one-off components, the decreasing trend of operating costs is confirmed (-1.7% FY13/FY12).

FTEs were down by ca. 8,500 in 2013 mainly thanks to the disposal of Kazakhstan (about 3,300 FTEs), the sale of Sigorta, Yapi's insurance subsidiary in Turkey (about 1,800 FTEs) and the set-up of VTS (almost 700 FTEs) .

SOUND CAPITAL CONFIRMED DESPITE ADDITIONAL LLPS TO INCREASE CASH COVERAGE

At the end of 2013 CET1 ratio under Basel 3 phased-in was 10.4%, while the Group's Common Equity Tier 1 (CET1) ratio was equal to 9.4% under Basel 3 fully loaded, pro-forma on the basis of actual data and the current understanding of the regulatory framework. The CET1 ratio Basel 3 fully loaded was down by 47 bps versus September 2013, due to the quarterly loss (-157 bps) but this negative impact was almost offset by a lower Expected Loss shortfall (+56 bps), RWAs dynamics (+39 bps) and the gain from the valuation of the stake in *Banca d'Italia* (+35 bps).

In summary, notwithstanding the charges booked in 4Q13, UniCredit managed to confirm a solid capital position, with Core Tier 1 at 10.57% as of December 2013 (9.6% considering the floor impact). The gain from the valuation of the stake in *Banca d'Italia* has no impact on CT1 ratio under Basel 2.5.

UniCredit

OTHER CAPITAL ENHANCING ACTIONS

Non-Core Assets Disposals

in 4Q13 UniCredit finalized the sale of its entire participation (6.7% ordinary shares) in Fondiaria-Sai SpA and UniCredit's Russian subsidiary, ZAO UniCredit Bank, disposed of its entire stake (5.7%) in Moscow Exchange. The two transactions led to a net capital gain of about €160 million in 4Q13 and to an increase of ca. 5 bps to Group CT1 ratio Basel 2.5 (+3 bps under Basel 3 fully loaded).

UniCredit agreed to sell a 20.07% stake in SIA SpA[12] for ca. €150 million to a consortium comprising Fondo Strategico Italiano, F2i SGR and Orizzonte SGR. The closing of the transaction is expected by June 2014. UniCredit will continue to hold a 4% stake in SIA SpA.

Valuation of the Stake in Banca d'Italia

In January 2014 the Italian Parliament passed a law on the valuation of the stakes in *Banca d'Italia* based on a valuation of €7.5 billion for 100 %, also considering the valuation performed by a panel of experts on behalf of *Banca d'Italia* using a long term Dividend Discount Model. UniCredit holds a 22.1% stake, reported at historical cost of €284 million as an Available-for-Sale security prior to valuation. According to the law (D.L. 133/2013), shares in excess of 3% have to be sold to investors having certain characteristics and *Banca d'Italia* may facilitate the creation of a market with temporary buy backs. Shares in excess of 3% will not carry right to the dividend after 3 years. The net capital gain booked in 4Q13 P&L is equal to about €1.2 billion (after €0.2 billion tax), generating +35 bps on CET1 ratio Basel 3 fully loaded, leading to a CET1 ratio Basel 3 fully loaded of 9.36%. Under Basel 3 phased-in the CET1 is equal to 10.4%. The gain from the valuation of the stake in Banca d'Italia has no impact on Core Tier 1 ratio under Basel 2.5 as of December 2013.

The gain from the valuation of the stake in Banca d'Italia is equal to €1.4 billion pre-tax and it has been recognized through the P&L as Net Income from Investments in 4Q13. The application of IAS/IFRS to the transaction is currently being discussed by competent authorities, a different interpretation versus the adopted accounting treatment may arise, leading to the recognition of the same gain through equity valuation reserves, instead of through P&L. In case of recognition through equity valuation reserves, net loss FY13 and 4Q13 would increase by €1.2 billion, while CET1 ratio Basel 3 fully loaded would remain at 9.4% (CET1 ratio phased-in would be at 10.0%).

SOUND LIQUIDITY TO SUPPORT UNICREDIT'S FUTURE PROFITABILITY

Funding Gap significantly improved over 2013

At the end of December 2013, the funding gap improved by €36.6 billion on a yearly basis and was equal to €29.2 billion, confirming a very good improvement trend. On a quarterly basis, the funding gap was down by €31.5 billion. In Italy the funding gap was equal to €27.8 billion at the end of December, improving by €13.9 billion Q/Q and by €17.9 billion on a yearly basis.

LTRO Reimbursed by about €5 billion to date

Between December 2011 and January 2012, together with most Eurozone-based banks and despite a solid liquidity buffer in support of its liquidity position, UniCredit joined the ECB Longer Term Refinancing Operation (LTRO), borrowing about €26.1 billion maturing in 2015. After prepaying about €2 billion in June 2013, at the beginning of November UniCredit further reimbursed about €1 billion of the LTRO funds and an additional €2 billion in December. The outstanding amount of LTRO is now down to about €21 billion. Going forward, UniCredit will consider the possibility of further prepayments of LTRO funds depending on a number of factors including market conditions.

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[12] Intesa Sanpaolo (28.9%), UniCredit (20.07%), Montepaschi Siena (5.8%) and BNL (4.5%) held a combined stake of 59.3% in SIA, a European leader in technology infrastructures for payments, e-money, network services and capital markets and services designed for Corporates and Institutions.

Funding Plan Well on Track – Continued Wholesale Market Access

The medium-long term funding plan for 2013 was realized at 103%, raising €30.4 billion. For 2014 UniCredit is planning to raise €31.5 billion. As of today the plan is well on track, thanks to a strong retail franchise and continued access to the wholesale markets.

RESULTS HIGHLIGHTS

CONSOLIDATED INCOME STATEMENT RESULTS

(€ million)	FY12	FY13	Y/Y %	4Q12	3Q13	4Q13	var. % Y/Y	var. % Q/Q
Total Revenues	24,997	23,973	-4.1%	5,678	5,645	5,975	5.2%	5.8%
Operating Costs	(14,816)	(14,801)	-0.1%	(3,637)	(3,571)	(3,878)	6.6%	8.6%
Gross Operating Profit	**10,181**	**9,172**	**-9.9%**	**2,041**	**2,075**	**2,096**	**2.7%**	**1.1%**
Net Write-downs on Loans	(9,303)	(13,658)	46.8%	(4,516)	(1,526)	(9,337)	n.m.	n.m.
Net Operating Profit	**877**	**(4,486)**	**n.m.**	**(2,475)**	**548**	**(7,240)**	**n.m.**	**n.m.**
Other Non Operating Items (1)	(635)	(402)	-36.7%	(426)	14	(104)	-75.6%	n.m.
Group Net Income (2)	**865**	**(13,965)**	**n.m.**	**(553)**	**204**	**(14,979)**	**n.m.**	**n.m.**
Cost Income	59.3%	61.7%	2.5 p.p.	64.1%	63.3%	64.9%	.9 p.p.	1.7 p.p.
Cost of Risk (bp)	169	259	90 bp	328	116	727	399 bp	611 bp
Cost of Risk adjusted (bp) (3)	169	123	-46 bp	328	116	170	-158 bp	54 bp

(1) Including Provisions for Risks and charges, Restructuring costs, Net income from investments
(2) After taxes, minorities, and PPA
(3) The cost of risk is adjusted for the €7,151 million LLP booked in 4Q13 to increase cash coverage
Note: see Income Statement at the end of the document for restated figures

GROUP FY13 AND 4Q13 RESULTS AND CAPITAL IMPACTS

In FY13 the Group posted a net loss of €14.0 billion, mostly attributable to significant non-recurring items affecting 4Q13 results. These items are driven by a revised macroeconomic scenario, the tougher regulatory framework and by a set of preparatory above in support of the new Strategic Plan 2013-18 targets. It is important to note that while the loss of €15.0 billion in 4Q13 is registered in the income statement, estimated CET1 Basel 3 fully loaded decreased by a much lower €3.6 billion in the quarter (about €6.1 billion Core Tier 1 under current Basel 2.5 rules).

The main negative items booked in 4Q13, leading to the full year 2013 net loss are:

- €8.0 billion related to the impairment of Goodwill and €1.3 billion related to the impairment of customer relationships, intangible asset with indefinite life with economic impact mostly booked within Purchase Price Allocation;
- €9.3 billion loan loss provisions, of which €7.2 billion leading to increase coverage ratios in Italy and CEE back to pre-crisis levels. These additional provisions resulted from a more stringent assessment of collateral and classification of impaired loans; the effect on capital ratios is mitigated by the already existing shortfall of loan loss provisions versus expected loss, which was already deducted from capital ratios;
- €699 million restructuring costs, as a part of a wider plan to reduce about 8,500 FTEs;
- €0.6 billion charge related to UniCredit's Ukrainian subsidiary, Ukrotsbank, which has been reclassified as Held for Sale according to IFRS 5. The impacts here reported refer to the impairment on the carrying value (-€0.2 billion) and the partial reclassification through P&L of the negative FX reserve (-€0.4 billion).

REVENUES COMPOSITION

(€ million)	FY12	FY13	Y/Y %	4Q12	3Q13	4Q13	var. % Y/Y	var. % Q/Q
Net Interest	13,877	12,990	-6.4%	3,247	3,196	3,260	0.4%	2.0%
Commissions and Fees	7,673	7,728	0.7%	1,927	1,864	1,959	1.7%	5.1%
Trading Income	2,794	2,657	-4.9%	328	406	643	96.2%	58.4%
Others revenues	653	597	-8.5%	176	179	113	-35.9%	-37.0%
Total Revenues	**24,997**	**23,973**	**-4.1%**	**5,678**	**5,645**	**5,975**	**5.2%**	**5.8%**

In 2013, revenues amounted to €24.0 billion (-4.1% FY13/FY12). Fees were equal to €7.7 billion (+0.7% FY13/FY12), but the overall revenues decrease was determined by lower net interest (€13.0 billion in 2013, -6.4% FY13/FY12) with unfavorable FX dynamics, low interest rates and weak loan demand in Western Europe compressing margins and lower trading income, equal to €2.7 billion (-4.9% FY13/FY12), when some specific bond buy-backs supported 2012 revenues[13].

From a geographical point of view, revenues in Western Europe were equal to €17.1 billion (-6.7% FY13/FY12), mainly due to Commercial Bank Austria (-6.7% FY13/FY12), and CIB (-0.6% FY13/FY12) and despite the positive contribution of Commercial Bank Italy (+0.3% FY13/FY12) and Commercial Bank Germany (+0.7% FY13/FY12); in CEE & Poland revenues were equal to €6.9 billion (+2.9% FY13/FY12, +6.1% at constant FX) with Turkey's performance (+7.9% FY13/FY12 at constant FX) more than compensating the slowdown in Poland (-4.0% FY13/FY12), due to a drop in market interest rates).

[13] Post tax bonds buy-backs in 2012 include (amounts gross of tax in brackets): tender offer on T1-UT2 and ABS for €477 million in 1Q12 (€697 million gross); tender offer on ABS for €39 million in 3Q12 (€59 million gross); bonds buy back in 4Q12 for €26 million (39 million). Post tax adjustments in 2013 year to date include (amounts gross of tax in brackets): tender offer on senior notes for €170 million in 2Q13 (€254 million gross).

- In full year 2013 net interest was equal to €13.0 billion, -6.4% versus 2012, mainly related to weak loan demand in Western Europe and very low interest rates (average Euribor at 0.22%, down by 35 bps during the year), which were only partially counterbalanced by effective re-pricing actions on deposits. In particular, CEE & Poland registered a yearly decrease of 0.9% versus 2012, mainly related to the depreciation of local currencies (net interest in full year 2013 was up by 2.2% at constant FX). The yearly trend of net interest was negatively affected by the performance of Poland, Turkey (where regulatory constraints curbed net interest), Croatia and Hungary. In 4Q13 net Interest amounted to €3.3 billion, reversing its quarterly trend and recording an increase of 2% Q/Q (+0.4% Y/Y). From a geographic point of view, in the quarter net interest decreased by 0.2% in CEE & Poland (but was up by 0.7% at constant FX) due to Turkey, Russia and Czech Republic, despite the positive contribution from Poland. In Western Europe net interest increased by 3.1% Q/Q driven by CIB and Commercial Bank Germany, while Commercial Bank Italy was still slightly down due to declining lending volumes. The contribution from the macro hedging strategy on sight deposits not naturally hedged was equal to €372 million in 4Q13.
- In FY13 Fees totaled €7.7 billion, up by 0.7% FY13/FY12 (+1.4% at constant FX), thanks to Investment Services fees (+11.8% Q/Q) offsetting the downward dynamics of transactional banking fees (-2.4% FY13/FY12) and of financing services fees (-9% FY13/FY12) affected by weak loan demand. From a divisional point of view, the yearly increase was driven by CEE & Poland (+6.4% FY13/FY12), CIB (+12.2% FY13/FY12), Asset Gathering (+16.1% FY13/FY12), Asset Management (+5.1% FY13/FY12) and Austria (+4.6% FY13/FY12). In 4Q13 Fees were up by 5.1% Q/Q (+1.7% Y/Y) to €2.0 billion, with Investment Services fees up by 11.8% Q/Q and financing services fees up by 5.1% Q/Q, offsetting the downward dynamics of transactional banking fees (-1.8% Q/Q). All business divisions contributed to the positive dynamics in the quarter, with Turkey, Czech Republic, Hungary and Russia being the main contributors in CEE & Poland.
- Trading income was equal to €2.7 billion in FY13, down by 4.9% but up by 20.3% FY13/FY12 net of bond buy-backs, benefiting from favorable market trends. In 4Q13 Trading income totaled €643 million, up by 58.4% Q/Q, benefiting from some gains on equity investments.

The Asset Management division recorded Assets under Management of €173.9 billion as at December 2013, growing mainly thanks to the contribution of the non-captive distribution channel and positive market performance. In particular, in FY13 net sales were equal to €9.6 billion (compared to -€5.8 billion of FY12). In 4Q13 the division reached a growth of €5 billion in Assets under Management, thanks to €2.0 billion net sales and €2.9 billion from performance and FX effects.

As of December 2013, Total Financial Assets of the Asset Gathering business were equal to €76.1 billion, up by €2.9 billion Q/Q (+€7.9 billion Y/Y), with about €1.2 billion net sales in the quarter. In FY13 net sales totaled €5.7 billion, up by almost €0.4 billion FY13/FY12.

COSTS BREAKDOWN

(€ million)	FY12	FY13	Y/Y %	4Q12	3Q13	4Q13	var. % Y/Y	var. % Q/Q
Staff expenses	(8,850)	(8,649)	-2.3%	(2,097)	(2,142)	(2,109)	0.6%	-1.6%
Other Expenses	(4,932)	(4,844)	-1.8%	(1,273)	(1,167)	(1,257)	-1.3%	7.7%
Depreciation	(1,034)	(1,307)	26.5%	(267)	(261)	(512)	91.8%	96.0%
Operating Costs	**(14,816)**	**(14,801)**	**-0.1%**	**(3,637)**	**(3,571)**	**(3,878)**	**6.6%**	**8.6%**

Operating costs in 2013 were equal to €14.8 billion, down by 0.1% versus 2012. The yearly trend of Operating Costs confirmed the positive impact of cost containment initiatives, with tangible effects coming from staff expenses, down by a solid 2.3% versus 2012 and other expenses, which decreased by 1.8% versus 2012. On a geographical basis trends diverged in 2013, with Western Europe down by 0.6% versus 2012 and CEE & Poland up by 1.7% to support the growth of emerging markets. In 4Q13 Operating Costs amounted to €3.9 billion, up by 6.6% Y/Y and by 8.6% Q/Q (but up by a lower 1.9% Q/Q net of €241 million non-recurring write-offs).

- In full year 2013 Staff Expenses totaled €8.6 billion decreasing by a sound 2.3% FY13/FY12 with lower FTEs also thanks to Join Ventures[14]. Staff Expenses in 4Q13 amounted to €2.1 billion, up by 0.6% Y/Y. On a quarterly basis staff expenses were down by 1.6% supported by lower FTEs.
- In full year 2013 Other Expenses totaled €4.8 billion, decreasing by 1.8% versus the previous year with cost optimization driven by Real Estate, projects and other expenses related to personnel. Other Expenses in 4Q13 were equal to €1.3 billion, down by 1.3% Y/Y. On a quarterly basis other expenses were up by 7.7% Q/Q: in addition to normal seasonality, other effects negatively weighed on this item, namely the negative impact of customer relationships (intangible asset with finite life) and single positions in 4Q13;
- Depreciation expenses amounted to €1.3 billion in full year 2013, up versus 2012 due to carry forward and new IT investments and due to €241 million in 4Q13 related to the impairment of customer relationships and write-offs.

In 2013 the cost/income ratio was equal to 61.7% (+2.5 p.p. versus 2012). In 4Q13 cost/income stood at 64.9%, up by 0.9 p.p. Y/Y and up by 1.7 p.p. on a quarterly basis.

At the end of December 2013, Full Time Equivalents were about 148,000, down by about 500 Q/Q thanks to Ukraine, Commercial Bank Germany and Hungary. On a yearly basis FTEs declined by ca. 8,500 mainly thanks to the disposals of Kazakhstan operations (ca. -3,300 FTEs), the sale of Turkish insurance business Yapi Sigorta (ca. -1,800 FTEs) and VTS the Joint Venture between IBM and UniCredit (ca. -700 FTEs). This material result was achieved mostly thanks to restructuring actions in Western Europe and despite investments in Turkey and Russia where FTEs grew. The reduction came to almost 33,000 since March 2008.

LOANS WRITE-DOWNS

(€ million)	FY12	FY13	Y/Y %	4Q12	3Q13	4Q13	var. % Y/Y	var. % Q/Q
Net Write-downs on Loans	(9,303)	(13,658)	46.8%	(4,516)	(1,526)	(9,337)	n.m.	n.m.
Cost of Risk (bp)	169	259	90 bp	328	116	727	399 bp	611 bp
Cost of Risk adjusted (bp)(1)	169	123	-46 bp	328	116	170	-158 bp	54 bp

(1) The cost of risk is adjusted for the €7,151 million LLP booked in 4Q13 to increase cash coverage ratio

In 2013 Net write-downs on loans (LLP) amounted to €13.7 billion, materially up versus 2012 (€9.3 billion) leading to an increase of coverage in Italy and CEE in 4Q13, now in line with best European peers. and the highest in Italy In 4Q13 net write-downs on loans were equal to €9.3 billion of which €7.2 billion related to the coverage actions mentioned above. The additional provisions are mainly allocated to Italian operations. In terms of impaired categories addressed €3.3 billion provisions relate to non-performing loans (sofferenze), €2.4 billion to doubtful loans (incagli), €0.4 billion to restructured loans and €0.2 billion to past due loans.

The Cost of Risk in 2013 was equal to 259 bps, up by 90 bps vs. 2012 driven by Commercial Bank Italy and CEE. In fact, the Cost of Risk in CEE was up by 60 bps to 174 bps in 2013 and equal to 510 bps (+198 bps) in Commercial Bank Italy. With regard to the quarterly evolution, in 4Q13 the Cost of Risk amounted to 727 bps, 611 bps above the previous quarter after the coverage increase in Italy and CEE.

Other Non-operating Items in 2013 were equal to -€402 million. Risk and Charges for legal proceedings and other potential liabilities amounted to €1.0 billion and integration costs to €727 (mostly related to the restructuring of networks in Italy, Germany and Austria booked in 4Q13). Net income from investments amounted to €1.3 billion in

[14] As part of the Newton Program, UniCredit Business Integrated Solutions S.C.p.A. the Group's global service company and IBM created in 2013 the joint venture VTS, aiming at optimizing ICT infrastructure services. The operational structures will be located in Italy, Germany, Austria, Czech Republic, Slovakia and Hungary and involves about 700 FTEs from UniCredit.

2013, mostly resulting from a €1.4 billion gain from the valuation of the stake in Banca d'Italia and the capital gain for the disposal of Yapi Sigorta (€191 million gross in 3Q13).

In 4Q13 UniCredit booked an impairment of Goodwill of €8.0 billion, resulting from the revision of the assumed macroeconomic scenario and from a tougher regulatory framework. As a result, no more goodwill is allocated to Commercial Bank Italy, Commercial Bank Austria and CEE. The remaining goodwill for €3.5 billion is mostly allocated to Poland, Asset Gathering, CIB and Asset Management, which show a superior Return on Allocated Capital (ROAC) over the Strategic Plan horizon. It is worth noting that over 2005-2013, thanks to a well-diversified geographical presence, the main Cash Generating Units to which Goodwill was previously allocated generated cumulative earnings for €21.2 billion across CEE & Austria, Germany and Poland.

BALANCE SHEET HIGHLIGHTS

CONSOLIDATED BALANCE SHEET DATA

(€ million)	Dec 12	Sep 13	Dec 13	Y/Y %	Q/Q %
Total assets	926,838	883,802	845,838	-8.7%	-4.3%
Financial assets held for trading	107,046	87,974	80,910	-24.4%	-8.0%
Loans and receivables with customers	544,443	524,132	503,142	-7.6%	-4.0%
Financial liabilities held for trading	99,123	76,927	63,169	-36.3%	-17.9%
Deposits from customers and debt securities in issue	578,066	558,279	571,024	-1.2%	2.3%
Deposits from customers	*407,615*	*399,792*	*410,930*	*0.8%*	*2.8%*
Debt securities in issue	*170,451*	*158,487*	*160,094*	*-6.1%*	*1.0%*
Group Shareholders' Equity	61,579	61,303	46,841	-23.9%	-23.6%
Net Interbank position	(43,325)	(55,577)	(49,104)	13.3%	-11.6%
Loans/Deposits ratio	133.6%	131.1%	122.4%	-11.1 p.p.	-8.7 p.p.

Note: see Balance Sheet at the end of the document for restatements related to the introduction of the accounting principle IAS 19R

Total assets amounted to €845.8 billion as at December 2013, down by 4.3% since September 2013 (-8.7% versus December 2012). The decrease is mainly related to lower loans to customers (-€21 billion Q/Q), goodwill and other intangibles (-€9.9 billion Q/Q) and lower trading assets (-€7.1 billion Q/Q).

Customer Loans were €503.1 billion as of December 2013, down by 4.0% Q/Q and by 7.6% Y/Y. Both the quarterly and the yearly decreases are due to lower commercial loans.

Net Impaired Loans accounted for €39.8 billion as of December 2013, down by 12.4% Q/Q after the additional loan loss provisions in 4Q13. The net impaired loans ratio at December 2013 was equal to 7.9% of Net Customer Loans, down by 76 bps versus September 2013.

Gross Impaired Loans at the end of December 2013 amounted to €82.4 billion, with a net increase of a modest €0.1 billion versus September 2013. Net flows showed an overall stable trend in the quarter, notwithstanding considering some seasonal effect typical in the fourth quarter. In the quarter, gross impaired loans increased by €1.8 billion in Italy and by €0.2 billion in CEE & Poland while they were down by €1.8 billon in Germany. With regard to loan categories at Group level, Gross Non-Performing Loans (sofferenze) stood at €47.6 billion, with a 3.8% Q/Q increase, and other impaired loans totaled €34.8 billion, down by 4.5% Q/Q and by 0.4% Y/Y.

As of the end of December 2013, the Coverage Ratio of Gross Impaired Loans stood at 51.7% for the Group, +7 p.p. Q/Q thanks to the additional loan loss provisions in 4Q13 (+6.6 p.p. Y/Y). In particular Non-Performing Loans (sofferenze) were covered at 62.1% at the end of December, up by 6.4 p.p. Q/Q (+5.2 p.p. Y/Y). In Italy the coverage ratio of gross impaired loans was 51.6%, +9.3 p.p. Q/Q (+8.2 p.p. Y/Y). As regards Non-Performing Loans (sofferenze) in Italy, coverage stood at 63.1% up by 8.2 p.p. Q/Q (+7.0 p.p. Y/Y). In CEE the coverage ratio of gross impaired loans was 50.7%, +3.7 p.p. Q/Q (+4.4 p.p. Y/Y). Non-Performing Loans (sofferenze) in CEE were covered at 62.4% up by 1.3 p.p. Q/Q (-1.6 p.p. Y/Y).

Customer Deposits totaled €410.9 billion, up by 2.8% Q/Q and by 0.8% Y/Y, despite a selective pricing approach on deposits.

Securities in Issue were equal to €160.1 billion at December 2013, of which €63 billion were represented by customer securities. Securities in issue were up by €1.6 billion Q/Q, mostly related to wholesale securities (+€2.2 billion Q/Q).

Direct Funding, which includes customer securities and customer deposits, is equal to €474.0 billion at December 2013, slightly up in the quarter by 2.3% (€10.5 billion) and only down by 1.0% versus 2012 (-€4.6 billion) despite a selective pricing approach.

The funding gap came to €29.2 billion at the end of December 2013, improving by a sizeable €36.6 billion versus the previous year. On a quarterly basis, the funding gap was down by €31.5 billion. In Italy the funding gap was equal to €27.8 billion at the end of December, improving by €13.9 billion Q/Q and by €17.9 billion on a yearly basis.

The net interbank position stood at -€49.1 billion, down by €6.5 billion versus September, with loans to banks down by €10.7 billion and deposits from banks down by €17.2 billion (of which about €3 billion related to the reimbursement of LTRO during 4Q13).

The medium-long term funding plan for 2014 is planned to raise €31.5 billion. As of today about 19% of the plan has been realized, and 24% of the plan for Italy is now completed. Out of €5.8 billion already issued, about €1.2 billion are retail bonds, thanks to a strong retail franchise and continued access to the wholesale markets. With a good diversification in terms of funding instruments, geographies and currencies, UniCredit's issuances have consistently been positively received by investors. The latest relevant issuances to date includes €1.5 billion dual tranche 3 and 10 year Covered Bond (OBG) benchmarks, which encountered exceptional interest from investors, bringing the final order book to almost €4 billion with a participation of around 250 investors.

RATINGS

RATINGS OVERVIEW

	MEDIUM AND LONG-TERM	OUTLOOK	SHORT-TERM DEBT	STANDALONE RATING
Standard & Poor's	BBB	NEGATIVE	A-2	bbb
Moody's Investors Service	Baa2	STABLE	P-2	D+/baa3
Fitch Ratings	BBB+	NEGATIVE	F2	bbb+

S&P lowered the long-term rating by one notch to 'BBB' on the 12th of July following the same rating action on the Italian sovereign a few days earlier. UniCredit SpA's rating is capped at the Sovereign rating as per S&P's current rating methodology. The stand-alone was subsequently also aligned at the same level 'bbb'.

Moody's affirmed the 'Baa2/P-2' long and short-term ratings on the 18th of February 2014 and changed the outlook to stable from negative. This follows the outlook change of Italy's rating a few days earlier.

Fitch confirmed the ratings at 'BBB+/F2' on the 28th November when the rating agency again stated that UniCredit SpA could potentially be rated one notch higher than Italy.

CAPITAL STRUCTURE

CAPITAL RATIOS

	AS AT			
Capital Ratios	**Dec 12**	**Sep 13**	**Dec 13**	**Dec 13 inc. floor**
Capital for regulatory purposes (€ million)	62,018	61,653	57,651	57,651
Total Risk Weighted Assets (€ million)	427,127	399,747	384,750	423,739
Core Tier 1 Ratio	**10.84%**	**11.71%**	**10.57%**	**9.60%**
Tier 1 Ratio	**11.44%**	**12.22%**	**11.11%**	**10.09%**
Total Capital Ratio	**14.52%**	**15.42%**	**14.98%**	**13.61%**

Risk Weighted Assets (RWAs) decreased by €15.0 billion on a quarterly basis to €384.7 billion at the end of December 2013 excluding the effect of the floor[15], thanks to a reduction in Credit RWAs (-€14.6 billion Q/Q) and with Group Market RWAs and Operational RWAs broadly stable. In 4Q13, Credit RWAs decreased mostly thanks to the ongoing optimization of CIB assets (-€6.9 billion RWAs), de-leveraging in Commercial Bank Italy (-€4.3 billion RWAs), de-leveraging Corporate Center (-€1.4 billion) and in CEE (-€2.1 billion, due to FX effects). On a yearly basis Credit RWAs were down by €43.6 billion thanks to CIB (-€18.3 billion), Commercial Bank Italy (-€9.4 billion), CEE (-€5.5 billion) and Commercial Bank Germany (-€4.2 billion).

As of December 2013, Core Tier 1 ratio under Basel 2.5 was equal to 9.6%, down by 211 bps versus September 2013, mostly due to the quarterly loss (-167 bps) and to the negative impact of the floor (-97 bps), partially offset by RWA dynamics (+40 bps) and by the improvement of the Expected Loss shortfall (+36 bps). The latter provides further positive contribution under Basel 3 rules fully phased[16].

At the end of December 2013 the CET1 ratio phased-in according to the regulatory framework as of 2014 is equal to 10.4%. As of December 2013, CET1 ratio Basel 3 fully loaded is equal to 9.36%, pro-forma on the basis of actual data and the current understanding of the regulatory framework. The negative impact of the quarterly loss (-157 bps) was almost offset by the lower Expected Loss shortfall (+56 bps), RWAs dynamics (+39 bps) and by the gain from the valuation of the stake in *Banca d'Italia* (+35 bps).

As of the end of December 2013 Total Capital ratio stood at 13.61%, or 14.98% excluding the impact of floor.

Group leverage ratio[17] was equal to the 18.8x as of December 2013, up by 1.4x versus September 2013 and up by 0.4x versus December 2012. Despite the increase in leverage due to the 4Q13 loss, UniCredit is confirmed to benefit from a leverage ratio lower than its peers in Europe; with respect to the leverage ratio calculated according to Basel 3 regulatory framework, UniCredit is in a sound position.

[15] In 4Q13 with reference to only Core Tier 1 ratio a floor on capital has been introduced equal to €39.0 billion. Such floor is expected to be ruled out under Basel 3 rules.

[16] The impact of the additional provisions booked in 4Q13 on regulatory is lower under Basel 3 than Basel 2.5 rules. In fact, under Basel 2.5 rules Shortfall of provisions compared to the Expected Loss is deducted 50% from T1 and 50% from T2, with limited possibility to compensate positive and negative shortfall. Under Basel 3 rules, the negative shortfall against provisions is deducted 100% from Common Equity Tier 1, with the possibility to compensate positive and negative shortfall.

[17] Calculated as the ratio of Total Assets net of Goodwill and Other Intangible Assets (numerator) and Equity (including Minorities) net of Goodwill and Other Intangible Assets (denominator).

Attached are the Group's key figures, the consolidated balance sheet and income statement, the quarterly evolution of the consolidated income statement and balance sheet, the fourth quarter 2013 income statement comparison.

Declaration by the Senior Manager in charge of drawing up company accounts

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 Report as at December 31st, 2013 as reported in this press release corresponds to the underlying documentary reports, books of account and accounting entries

Nominated Official in charge of
drawing up Company Accounts

Milano, March 11th 2014

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This Press Release may contain written and oral "forward-looking statements", which includes all statements that do not relate solely to historical or current facts and which are therefore inherently uncertain. All forward-looking statements rely on a number of assumptions, expectations, projections and provisional data concerning future events and are subject to a number of uncertainties and other factors, many of which are outside the control of UniCredit S.p.A. (the "Company"). There are a variety of factors that may cause actual results and performance to be materially different from the explicit or implicit contents of any forward-looking statements and thus, such forward-looking statements are not a reliable indicator of future performance. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law.
The information and opinions contained in this Press Release are provided as at the date hereof and are subject to change without notice. Neither this Presentation nor any part of it nor the fact of its distribution may form the basis of, or be relied on or in connection with, any contract or investment decision.
The information, statements and opinions contained in this Press Release are for information purposes only and do not constitute a public offer under any applicable legislation or an offer to sell or solicitation of an offer to purchase or subscribe for securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments. None of the securities referred to herein have been, or will be, registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction of the United States or in Australia, Canada or Japan or any other jurisdiction where such an offer or solicitation would be unlawful (the "Other Countries"), and there will be no public offer of any such securities in the United States. This Press Release does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or the Other Countries Pursuant the consolidated law on financial intermediation of 24 February 1998 (article 154-bis, paragraph 2) Marina Natale, in her capacity as manager responsible for the preparation of the Company's financial reports declares that the accounting information contained in this Press Release reflects the UniCredit Group's documented results, financial accounts and accounting records Neither the Company nor any member of the UniCredit Group nor any of its or their respective representatives, directors or employees accept any liability whatsoever in connection with this Press Release or any of its contents or in relation to any loss arising from its use or from any reliance placed upon it.

UniCredit

UNICREDIT GUIDELINES OF STRATEGIC PLAN 2013-18 AND FY13 GROUP RESULTS.

DETAILS OF CONFERENCE CALL

MILANO, MARCH 11TH 2014 – 16.00 CET

CONFERENCE CALL DIAL IN

ITALY: +39 02 805 88 11

UK: + 44 1 212818003

USA: +1 718 7058794

THE **CONFERENCE CALL** WILL ALSO BE **AVAILABLE** VIA **LIVE AUDIO WEBCAST** AT https://www.unicreditgroup.eu/group-results, WHERE THE SLIDES WILL BE DOWNLOADABLE

UNICREDIT GROUP: HIGHLIGHTS

STAFF AND BRANCHES

(units) Staff and Branches	Dec 12	Sep 13	Dec 13	Y/Y change	Q/Q change
Employees [1]	156,354	148,341	147,864	-8,490	-477
Employees (subsidiaries are consolidated proportionately)	146,110	138,796	138,159	-7,951	-637
Branches [2]	9,322	9,002	8,954	-368	-48
of which: - Italy	*4,298*	*4,235*	*4,171*	*-127*	-64
- Other countries	*5,024*	*4,767*	*4,783*	*-241*	16

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.

UNICREDIT GROUP: QUARTERLY INCOME STATEMENT

(€ million) Income Statement	FY12	FY13	Y/Y %	4Q12	3Q13	4Q13	Y/Y %	Q/Q %
Net interest	13,877	12,990	-6.4%	3,247	3,196	3,260	0.4%	2.0%
Dividends and other income from equity investments	397	324	-18.3%	106	67	88	-17.4%	31.6%
Net fees and commissions	7,673	7,728	0.7%	1,927	1,864	1,959	1.7%	5.1%
Net trading, hedging and fair value income	2,794	2,657	-4.9%	328	406	643	96.2%	58.4%
Net other expenses/income	256	273	6.5%	70	112	25	-64.0%	-77.6%
OPERATING INCOME	**24,997**	**23,973**	**-4.1%**	**5,678**	**5,645**	**5,975**	**5.2%**	**5.8%**
Staff expenses	(8,850)	(8,649)	-2.3%	(2,097)	(2,142)	(2,109)	0.6%	-1.6%
Other administrative expenses	(5,472)	(5,559)	1.6%	(1,454)	(1,329)	(1,479)	1.7%	11.3%
Recovery of expenses	539	715	32.6%	181	162	222	22.6%	37.1%
Amortisation, depreciation and impairment losses on intangible and tangible assets	(1,034)	(1,307)	26.5%	(267)	(261)	(512)	91.8%	96.0%
Operating costs	**(14,816)**	**(14,801)**	**-0.1%**	**(3,637)**	**(3,571)**	**(3,878)**	**6.6%**	**8.6%**
OPERATING PROFIT (LOSS)	**10,181**	**9,172**	**-9.9%**	**2,041**	**2,075**	**2,096**	**2.7%**	**1.1%**
Net write-downs on loans and provisions for guarantees and commitments	(9,303)	(13,658)	46.8%	(4,516)	(1,526)	(9,337)	n.m.	n.m.
NET OPERATING PROFIT (LOSS)	**877**	**(4,486)**	**n.m.**	**(2,475)**	**548**	**(7,240)**	**n.m.**	**n.m.**
Provisions for risks and charges	(166)	(996)	n.m.	(44)	(174)	(522)	n.m.	n.m.
Integration costs	(277)	(727)	n.m.	(253)	(16)	(699)	n.m.	n.m.
Net income from investments	(192)	1,322	n.m.	(129)	204	1,117	n.m.	n.m.
PROFIT (LOSS) BEFORE TAX	**243**	**(4,888)**	**n.m.**	**(2,901)**	**562**	**(7,344)**	**n.m.**	**n.m.**
Income tax for the period	1,566	1,607	2.6%	2,737	(164)	2,456	-10.3%	n.m.
Profit (Loss) from non-current assets held for sale, after tax	(121)	(639)	n.m.	(191)	9	(632)	n.m.	n.m.
PROFIT (LOSS) FOR THE PERIOD	**1,687**	**(3,920)**	**n.m.**	**(354)**	**407**	**(5,520)**	**n.m.**	**n.m.**
Minorities	(358)	(382)	6.7%	(72)	(105)	(90)	25.5%	-14.2%
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**1,330**	**(4,302)**	**n.m.**	**(426)**	**302**	**(5,611)**	**n.m.**	**n.m.**
Purchase Price Allocation effect	(435)	(1,673)	n.m.	(105)	(98)	(1,378)	n.m.	n.m.
Goodwill impairment	(30)	(7,990)	n.m.	(22)	0	(7,990)	n.m.	n.m.
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**865**	**(13,965)**	**n.m.**	**(553)**	**204**	**(14,979)**	**n.m.**	**n.m.**

Comparative quarterly figures for 2012 are different from those disclosed as a result of the restatement, for comparative purposes, of interest income from impaired assets whose book value was written down and reversals connected with the passing of time from item "net interest" to item "Net write-downs on loans and provisions for guarantees and commitments", as a result of the reclassification carried out by three Group companies in 2013.

Since 2013 gains on disposal or repurchase of available-for-sale financial assets and gains on disposal or repurchase of held-to-maturity investments have been reclassified to "Net trading income" in order to align their presentation in the condensed consolidated Income Statement with the standards of the major Italian and European banks. Such gains were previously included in "Net income from investments".

With reference to the Condensed Income Statement, in 2013:

- the positive P&L items relating to the rationalization of the support companies of the Group's Global Banking Services have been recorded in "Recovery of expenses" instead of "Net other expenses/income" in accordance with the economic substance of the transaction;
- some P&L items relating to the operations of one Group company have been reclassified (from "Net fees and commissions" to "net interest") to better reflect their economic nature.

The previous periods were restated accordingly.

It should be noted that the 2012 figures differ from those disclosed in the "2012 Consolidated Reports and Accounts" as a result of the restatement, for comparison purposes, of the individual items that composed the profit/loss of some Group companies (PUBLIC JOINT STOCK COMPANY UNICREDIT BANK, BDK CONSULTING, PUBLIC JOINT STOCK COMPANY UKRSOTSBANK, PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL, LLC UKROTSBUD, LTD SI&C AMC UKRSOTS REAL ESTATE, SVIF UKRSOTSBUD), which as at December 31, 2013, in accordance with IFRS5, were shown under item "310. Profit (loss) after tax from discontinued operations".

UNICREDIT GROUP: QUARTERLY INCOME STATEMENT, TIME SERIES

(€ million)	2012				2013			
Consolidated Income Statement	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**
Net interest	3,633	3,538	3,458	3,247	3,275	3,260	3,196	3,260
Dividends and other income from equity investments	54	169	68	106	46	124	67	88
Net fees and commissions	1,959	1,905	1,882	1,927	1,970	1,935	1,864	1,959
Net trading, hedging and fair value income	1,280	530	656	328	651	957	406	643
Net other expenses/income	41	52	93	70	69	67	112	25
OPERATING INCOME	**6,968**	**6,193**	**6,158**	**5,678**	**6,010**	**6,343**	**5,645**	**5,975**
Staff expenses	(2,283)	(2,244)	(2,226)	(2,097)	(2,215)	(2,183)	(2,142)	(2,109)
Other administrative expenses	(1,366)	(1,341)	(1,310)	(1,454)	(1,382)	(1,370)	(1,329)	(1,479)
Recovery of expenses	109	138	111	181	143	188	162	222
Amortisation, depreciation and impairment losses on intangible and tangible assets	(255)	(253)	(259)	(267)	(266)	(267)	(261)	(512)
Operating costs	**(3,796)**	**(3,700)**	**(3,684)**	**(3,637)**	**(3,720)**	**(3,632)**	(3,571)	(3,878)
OPERATING PROFIT (LOSS)	**3,172**	**2,493**	**2,474**	**2,041**	**2,290**	**2,711**	**2,075**	**2,096**
Net write-downs on loans and provisions for guarantees and commitments	(1,285)	(1,797)	(1,706)	(4,516)	(1,219)	(1,577)	(1,526)	(9,337)
NET OPERATING PROFIT (LOSS)	**1,888**	**697**	**768**	**(2,475)**	**1,071**	**1,134**	**548**	**(7,240)**
Provisions for risks and charges	(16)	(61)	(46)	(44)	(110)	(191)	(174)	(522)
Integration costs	(5)	(15)	(4)	(253)	(3)	(9)	(16)	(699)
Net income from investments	(25)	(50)	13	(129)	21	(20)	204	1,117
PROFIT (LOSS) BEFORE TAX	**1,842**	**571**	**730**	**(2,901)**	**979**	**915**	**562**	**(7,344)**
Income tax for the period	(740)	(246)	(186)	2,737	(373)	(313)	(164)	2,456
NET PROFIT (LOSS)	**1,102**	**325**	**545**	**(164)**	**607**	**602**	398	(4,889)
Profit (Loss) from non-current assets held for sale, after tax	27	21	22	(191)	24	(40)	9	(632)
PROFIT (LOSS) FOR THE PERIOD	**1,129**	**346**	**567**	**(354)**	**631**	**563**	**407**	**(5,520)**
Minorities	(98)	(68)	(119)	(72)	(84)	(102)	(105)	(90)
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**1,031**	**278**	**447**	**(426)**	**547**	**461**	**302**	**(5,611)**
Purchase Price Allocation effect	(117)	(106)	(107)	(105)	(98)	(99)	(98)	(1,378)
Goodwill impairment	-	(2)	(6)	(22)	-	0	0	(7,990)
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**914**	**169**	**335**	**(553)**	**449**	**361**	**204**	**(14,979)**

Comparative quarterly figures for 2012 are different from those disclosed as a result of the restatement, for comparative purposes, of interest income from impaired assets whose book value was written down and reversals connected with the passing of time from item "net interest" to item "Net write-downs on loans and provisions for guarantees and commitments", as a result of the reclassification carried out by three Group companies in 2013.

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- some P&L items relating to the operations of one Group company have been reclassified (from “Net fees and commissions” to “net interest”) to better reflect their economic nature.

The previous periods were restated accordingly.

It should be noted that the 2012 figures differ from those disclosed in the “2012 Consolidated Reports and Accounts” as a result of the restatement, for comparison purposes, of the individual items that composed the profit/loss of some Group companies (PUBLIC JOINT STOCK COMPANY UNICREDIT BANK, BDK CONSULTING, PUBLIC JOINT STOCK COMPANY UKRSOTSBANK, PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL, LLC UKROTSBUD, LTD SI&C AMC UKRSOTS REAL ESTATE, SVIF UKRSOTSBUD), which as at December 31, 2013, in accordance with IFRS5, were shown under item “310. Profit (loss) after tax from discontinued operations”.

UNICREDIT GROUP: END OF PERIOD BALANCE SHEET

(€ million)	AMOUNTS AS AT				
Summary Balance Sheet	**Dec 12**	**Sep 13**	**Dec 13**	**Y/Y %**	**Q/Q %**
ASSETS					
Cash and cash balances	7,370	7,003	10,808	46.7%	54.3%
Financial assets held for trading	107,046	87,974	80,910	-24.4%	-8.0%
Loans and receivables with banks	73,995	71,836	61,119	-17.4%	-14.9%
Loans and receivables with customers	544,443	524,132	503,142	-7.6%	-4.0%
Financial investments	108,494	118,073	125,722	15.9%	6.5%
Hedging instruments	20,847	15,244	12,464	-40.2%	-18.2%
Property, plant and equipment	11,586	11,150	10,950	-5.5%	-1.8%
Goodwill	11,678	11,544	3,533	-69.7%	-69.4%
Other intangible assets	3,928	3,772	1,851	-52.9%	-50.9%
Tax assets	18,063	17,488	19,951	10.5%	14.1%
Non-current assets and disposal groups classified as held for sale	8,117	3,902	3,929	-51.6%	0.7%
Other assets	11,273	11,685	11,461	1.7%	-1.9%
Total assets	**926,838**	**883,802**	**845,838**	**-8.7%**	**-4.3%**

	AMOUNTS AS AT				
	Dec 12	**Sep 13**	**Dec 13**	**Y/Y %**	**Q/Q %**
LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits from banks	117,320	127,413	110,222	-6.0%	-13.5%
Deposits from customers	407,615	399,792	410,930	0.8%	2.8%
Debt securities in issue	170,451	158,487	160,094	-6.1%	1.0%
Financial liabilities held for trading	99,123	76,927	63,169	-36.3%	-17.9%
Financial liabilities designated at fair value	852	691	702	-17.6%	1.6%
Hedging instruments	21,309	15,106	12,799	-39.9%	-15.3%
Provisions for risks and charges	9,091	8,977	9,629	5.9%	7.3%
Tax liabilities	7,874	5,004	3,972	-49.6%	-20.6%
Liabilities included in disposal groups classified as held for sale	5,628	2,102	2,129	*-62.2%*	1.3%
Other liabilities	22,328	24,038	22,019	-1.4%	-8.4%
Minorities	3,669	3,963	3,334	-9.1%	-15.9%
Group Shareholders' Equity:	61,579	61,303	46,841	-23.9%	-23.6%
- Capital and reserves	*61,100*	*61,007*	*61,168*	*0.1%*	*0.3%*
- Available-for-sale assets fair value reserve and cash-flow hedging reserve	*(386)*	*(717)*	*(362)*	*-6.1%*	*-49.5%*
- Net profit (loss)	*865*	*1,014*	*(13,965)*	*n.m.*	*n.m.*
Total liabilities and Shareholders' Equity	**926,838**	**883,802**	**845,838**	**-8.7%**	**-4.3%**

Comparative figures as referred to 2012 were restated following the introduction of the revised IAS 19 ('IAS 19R')
As at December 31, 2013, in accordance with IFRS5, the assets of the following companies were recognized under item "Non-current assets and disposal groups classified as held for sale" and item "Liabilities included in disposal groups classified as held for sale" as a result of their classification as "discontinued operations": PUBLIC JOINT STOCK COMPANY UNICREDIT BANK; BDK CONSULTING; PUBLIC JOINT STOCK COMPANY UKRSOTSBANK; PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL; LLC UKROTSBUD; LTD SI&C AMC UKRSOTS REAL ESTATE; SVIF UKRSOTSBUD. The previous periods were restated accordingly to increase comparability, pursuant to the regulations in force.

UNICREDIT GROUP: END OF PERIOD BALANCE SHEET, TIME SERIES

Consolidated Balance Sheet (€ million)	AMOUNTS AS AT							
ASSETS	**Mar 12**	**Jun 12**	**Sep 12**	**Dec 12**	**Mar 13**	**Jun 13**	**Sep 13**	**Dec 13**
Cash and cash balances	19,186	31,137	5,780	7,370	7,033	7,002	7,003	10,808
Financial assets held for trading	108,201	112,637	112,826	107,046	98,535	93,722	87,974	80,910
Loans and receivables with banks	64,530	64,935	90,793	73,995	78,596	66,610	71,836	61,119
Loans and receivables with customers	547,250	550,255	555,666	544,443	534,685	530,139	524,132	503,142
Financial investments	103,184	99,329	102,010	108,494	111,623	117,218	118,073	125,722
Hedging instruments	17,029	19,044	21,076	20,847	17,988	16,014	15,244	12,464
Property, plant and equipment	11,891	11,610	11,516	11,586	11,471	11,388	11,150	10,950
Goodwill	11,664	11,665	11,691	11,678	11,678	11,567	11,544	3,533
Other intangible assets	3,885	3,902	3,882	3,928	3,875	3,821	3,772	1,851
Tax assets	13,641	13,618	13,302	18,063	17,837	17,471	17,488	19,951
Non-current assets and disposal groups classified as held for sale	8,645	8,764	8,620	8,117	8,232	4,450	3,902	3,929
Other assets	10,636	11,684	12,608	11,273	11,367	10,230	11,685	11,461
Total assets	**919,743**	**938,581**	**949,769**	**926,838**	**912,921**	**889,632**	**883,802**	**845,838**

	AMOUNTS AS AT							
LIABILITIES AND SHAREHOLDERS' EQUITY	**Mar 12**	**Jun 12**	**Sep 12**	**Dec 12**	**Mar 13**	**Jun 13**	**Sep 13**	**Dec 13**
Deposits from banks	124,537	126,775	131,509	117,320	120,709	129,075	127,413	110,222
Deposits from customers	401,317	412,570	415,209	407,615	405,806	403,261	399,792	410,930
Debt securities in issue	163,429	162,173	164,693	170,451	161,728	159,528	158,487	160,094
Financial liabilities held for trading	105,000	107,913	107,807	99,123	92,361	77,216	76,927	63,169
Financial liabilities designated at fair value	857	787	842	852	749	675	691	702
Hedging instruments	17,029	19,119	20,912	21,309	20,187	16,218	15,106	12,799
Provisions for risks and charges	8,474	8,344	8,284	9,091	9,010	8,912	8,977	9,629
Tax liabilities	6,449	6,200	6,208	7,874	7,662	5,012	5,004	3,972
Liabilities included in disposal groups classified as held for sale	6,246	6,207	6,253	5,628	6,228	2,468	2,102	2,129
Other liabilities	21,100	24,119	21,987	22,328	21,911	22,114	24,038	22,019
Minorities	3,542	3,445	3,608	3,669	4,186	3,831	3,963	3,334
Group Shareholders' Equity:	61,764	60,930	62,456	61,579	62,382	61,322	61,303	46,841
- Capital and reserves	*61,115*	*60,982*	*61,178*	*61,100*	*62,402*	*61,365*	*61,007*	*61,168*
- Available-for-sale assets fair value reserve and cash-flow hedging reserve	*(265)*	*(1,135)*	*(140)*	*(386)*	*(468)*	*(853)*	*(717)*	*(362)*
- Net profit (loss)	*914*	*1,083*	*1,418*	*865*	*449*	*810*	*1,014*	*(13,965)*
Total liabilities and Shareholders' Equity	**919,743**	**938,581**	**949,769**	**926,838**	**912,921**	**889,632**	**883,802**	**845,838**

Comparative figures as referred to 2012 were restated following the introduction of the revised IAS 19 (‘IAS 19R’)
As at December 31, 2013, in accordance with IFRS5, the assets of the following companies were recognized under item "Non-current assets and disposal groups classified as held for sale" and item “Liabilities included in disposal groups classified as held for sale” as a result of their classification as "discontinued operations": PUBLIC JOINT STOCK COMPANY UNICREDIT BANK; BDK CONSULTING; PUBLIC JOINT STOCK COMPANY UKRSOTSBANK; PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL; LLC UKROTSBUD; LTD SI&C AMC UKRSOTS REAL ESTATE; SVIF UKRSOTSBUD. The previous periods were restated accordingly to increase comparability, pursuant to the regulations in force.