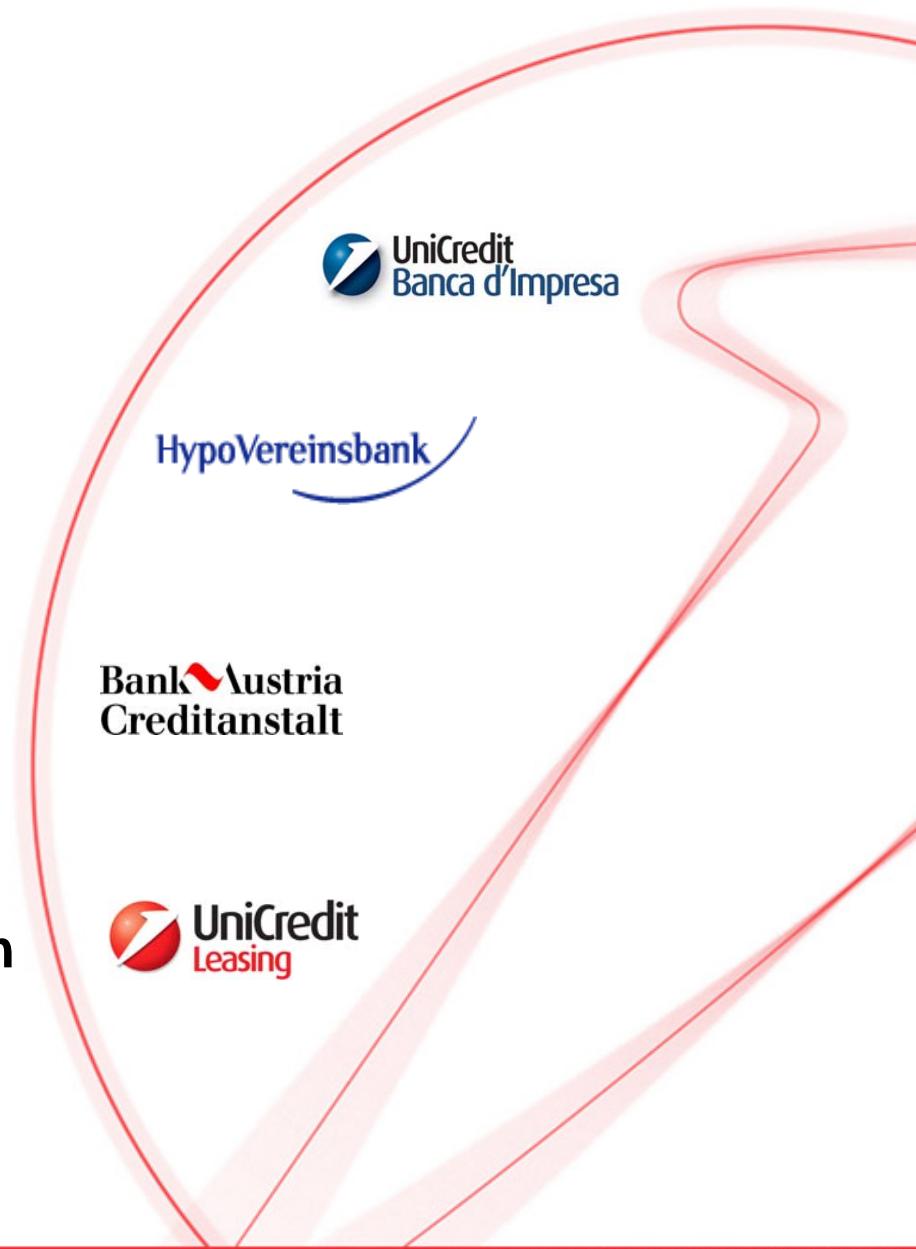




## **An Overview of UniCredit Corporate Division**

**Vittorio Ogliengo –  
Head of UniCredit Corporate Division**

Verona, July 19th, 2007



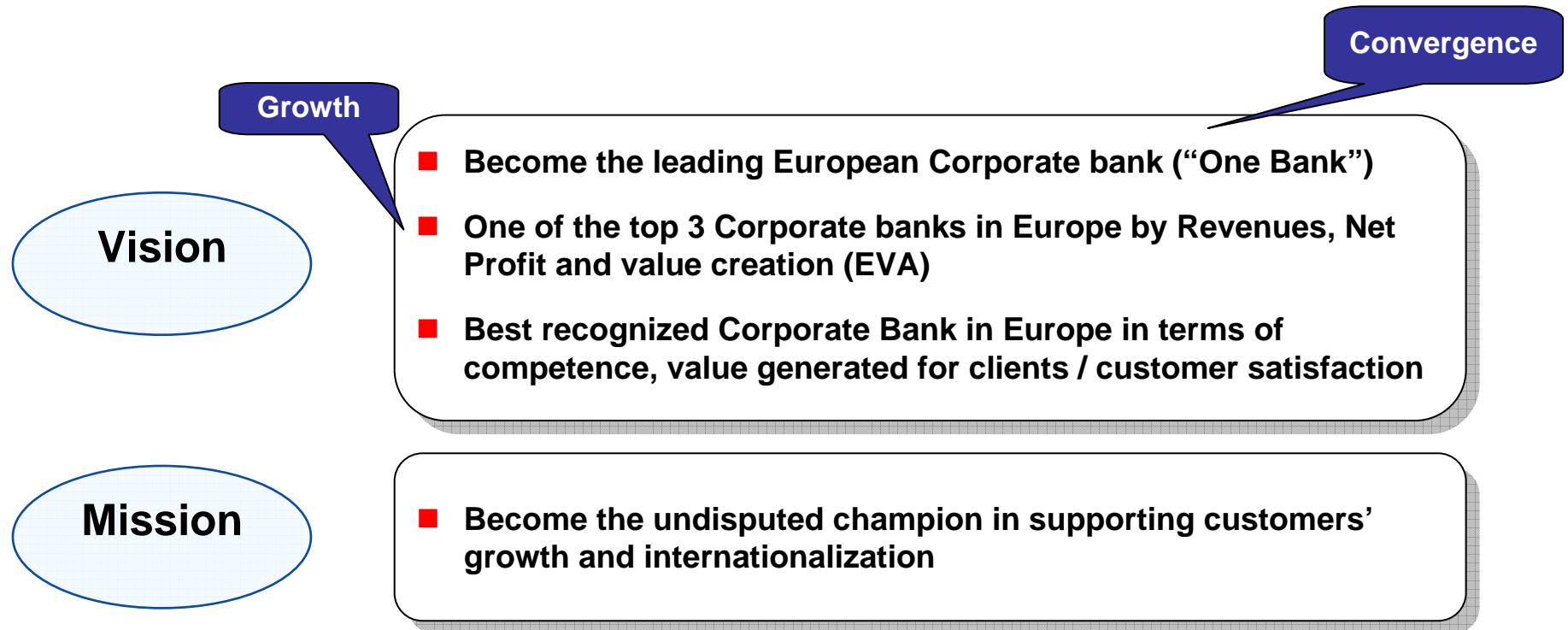


## AGENDA

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- **Corporate Division at a glance**
- Corporate Business: positioning and key strategic guidelines
- Focus on Corporate - Italy
- Leasing: a leading product factory of the Corporate Division
- Conclusions

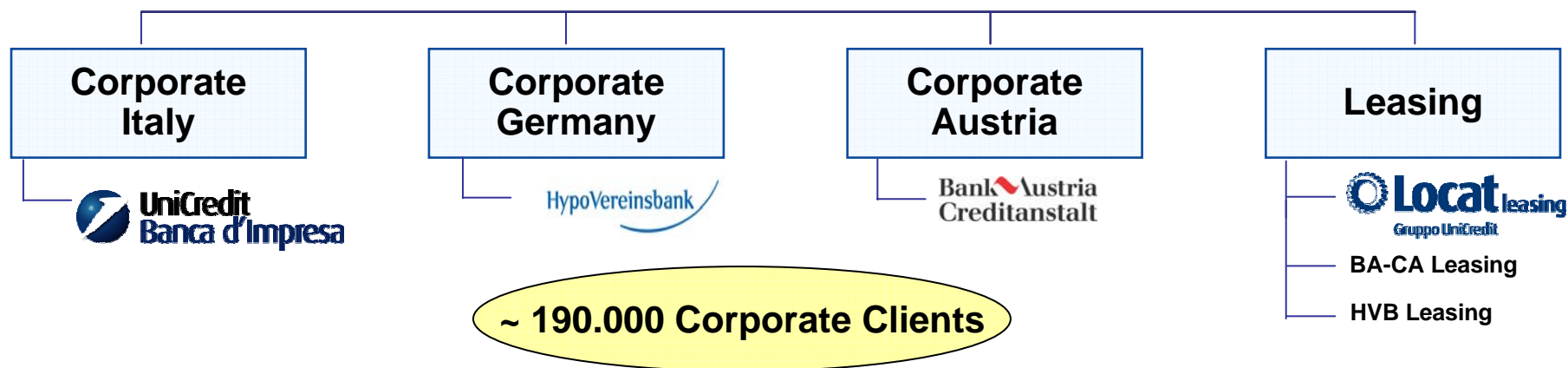
## OUR VISION & MISSION FOR GROWTH AND CONVERGENCE



**Corporate Division is a truly international, strong network of fully divisionalized and converging Banks in our core markets (Austria, Germany, Italy, CEE) acting as one single Corporate Bank**

A TRULY EUROPEAN CORPORATE DIVISION WITH A BUSINESS MODEL BASED ON GLOBAL PRODUCT LINES, COMMON SERVICE PLATFORMS AND DEDICATED / FOCUSED DISTRIBUTION NETWORKS

## UniCredit Corporate Division



## KEY FINANCIALS: ALMOST 5 BN REVENUES AND MORE THAN 2.2 BN PRETAX PROFIT

<b>December 2006<sup>(1)</sup></b>	<b>Austria<sup>(2)</sup></b>	<b>Germany<sup>(2) (3)</sup></b>	<b>Italy<sup>(2)</sup></b>	<b>TOTAL</b>
<b>Tot Revenues</b> (mln)	<b>1,022</b>	<b>1,302</b>	<b>2,414</b>	<b>4,740</b>
<b>Operating Costs</b> (mln)	<b>406</b>	<b>494</b>	<b>694</b>	<b>1,595</b>
<b>Profit before Taxes</b> (mln)	<b>500</b>	<b>531</b>	<b>1,244</b>	<b>2,276</b>

<b>March 2007</b>	<b>Austria<sup>(2)</sup></b>	<b>Germany<sup>(2) (3)</sup></b>	<b>Italy<sup>(2)</sup></b>	<b>TOTAL</b>
<b>Total Loans</b> (bn)	<b>43</b>	<b>55</b>	<b>81</b>	<b>179</b>
<b>Total Deposits</b> (bn)	<b>19</b>	<b>31</b>	<b>33</b>	<b>83</b>
<b>Branches</b> (#)	<b>14</b>	<b>91</b>	<b>252</b>	<b>357</b>
<b>Employees</b> (FTE, #)	<b>2,483</b>	<b>2,094</b>	<b>4,364</b>	<b>8,941</b>

- (1) Restated, in order to harmonize with the current Division's perimeter  
 (2) Including leasing  
 (3) Including CREF



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## HOW WE WANT TO DIFFERENTIATE OURSELVES FROM COMPETITORS: OUR DISTINCTIVE & UNIQUE DNA CHARACTERISTICS

- **Domestic “champions” with the capability to serve our clients throughout Europe** (all client segments including Large, Mid and Small) **with a deep “operational” network in >20 European countries**
  - ✓ **Unique proposition throughout Europe (GAM, CBBM, GFS, Credit...)**
  - ✓ **Entrepreneurial behavior**
- **The European leading bank for cash management & trade finance**
- **Capability to bring sophisticated products to medium sized companies** (Derivatives, Structured Finance, Trade Finance, Mezzanine, ...)
- **Deep industry/business knowledge**
- **Recognized as creative product innovator and professional executor**



**One global brand:**  **UniCredit**  
Corporate Banking



## **KEY STRATEGIC TARGETS: STRONGER GROWTH AND HIGHER WEIGHT OF FEE-BASED BUSINESS**

### **Accelerate growth on Revenues:**

- **Higher focus on International clients** (all segments) **and domestic Mid/Large Caps**
- **Gain market share in German and Italian markets**
- **Strong push of GFS products** (cash management and trade finance)
- **Reinforce push on sophisticated fee-based products** (derivatives, structured finance, ...)

### **Improve Revenue mix:**

- **Increase share of fee-based business on all client segments**
- **Greater push on deposits**

### **Improve EVA and Revenues/RWA:**

- **Active management of capital via ACPM** (Active Credit Portfolio Management)
- **Persevering discipline on cross-selling** (especially on Large and Mid Caps)
- **From “buy & take” to “buy & sell” philosophy**



# FROM “PATCHWORK” TO “NETWORK”: THE KEY STRATEGIC PROJECT OF THE CORPORATE DIVISION

## Rationale of new business model

- Higher focus at country level/distribution network on commercial/sales activities by segment
- Stronger integration with CEE in order to fully exploit our network potential
- Determined Divisional guidance in order to further push revenue growth and convergence on service model, products, processes, ...
  - ✓ Strong central guidance of key segments (GAM/LC segment, international mid corporate customers)
  - ✓ Strong central guidance of key products (GFS, Leasing, Factoring)
  - ✓ Coordination functions in other segments & businesses (Mid and Small Domestic Corporates, ...)
  - ✓ Same MIS and CRM at Division and country level
  - ✓ Unified credit approach
- Reinforce product expertise through dedicated global and local product lines
- Better leverage of Group support functions/service platforms

## Key projects

- 1 GAM/LC sales channel
- 2 Mid & Small sales channel
- 3 Cross border set-up for Mid caps
- 4 Products leadership
- 5 Industry specialization
- 6 HR excellence
- 7 Capital Management
- 8 Business Innovation
- 9 Integration with CEE
- 10 Customer Satisfaction
- 11 MIS / CRM & Sales processes



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## THE CAPITALIA MERGER: AT GROUP LEVEL A DEAL WITH A STRONG STRATEGIC RATIONALE...



A unique opportunity to consolidate in Italy...

- **Consolidating positioning** in a banking market with a very attractive outlook, combined **16% market share** based on total customer loans
- **Strengthening combined presence** in all regions with **limited expected network overlap** and room for further growth
- **Enhancing domestic stance in attractive segments** (e.g. consumer credit, leasing, factoring and asset gathering) while **increasing scale in global businesses** (e.g. asset management and investment banking)

... while maintaining a Pan European Profile

- A **strengthened Pan-European bank** with well-balanced geographic distribution...
  - ✓ **4 core markets** (Italy, Germany, Austria and CEE)
  - ✓ more than **50% of combined revenues** still originated **outside Italy**
- ... coupled with a **highly diversified business mix**:
  - ✓ **strengthened Corporate** business
  - ✓ significant **exposure to retail** banking
  - ✓ “**add-ons**” in global businesses: **MIB and PB&AM**

## ... MAKING UNICREDIT BANCA D'IMPRESA THE N.2 CORPORATE BANK IN ITALY...

			Total
Corporate Centers (#)	248 <sup>(1)</sup>	118 <sup>(1)</sup>	366
Relationship Managers (#)	892	521 <sup>(2)</sup>	1,413
Assistants (#)	837	492	1,329
Clients (# ths)	~88	~52 <sup>(5)</sup>	110 – 130 <sup>(3)</sup>
Total Loans (Eur Mln)	~64,000 <sup>(4)</sup>	~30,000	~94,000
Loan Market Share	~ 9%	~4%	~13%
Total Revenues (Eur Mln)	2,050	~850	~2,900

*Data as of Dec 06; source: internal analysis*



n°2 in loans to non financial institutions

- Improved growth potential through **enhanced positioning in target regions (Lombardy, Tuscany and Lazio)** thanks to **complementary networks**
- Similar business models and client segmentation criteria providing for “**fast-track**” integration process

(1) including sub-branches (44 UBI, 32 BdR)  
 (2) of which 76 Junior Relationship Managers  
 (3) function of overlap

(4) December 2006 average volume, net of NPL  
 (5) excluding public entities

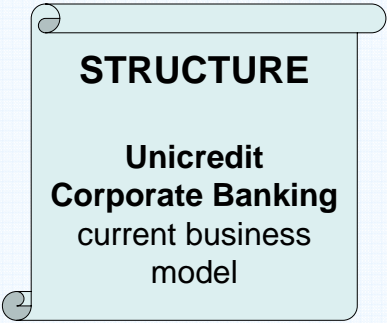

## ... AND IMPROVING UNICREDIT FACTORING RANKING IN THE ITALIAN MARKET: N. 4 BY TURNOVER, N. 1 BY OUTSTANDING LOANS

(Euro mln & %)	Outstanding loans		Turnover	
Company	amount	market share	amount	market share
Intesa Mediofactoring	5,369	16.2%	6,120	23.1%
Italease Factoring	4,865	14.7%	4,603	17.4%
Ifitalia	5,157	15.5%	3,687	13.9%
 UniCredit Factoring	2,699	8.1%	1,856	7.0%
 MCC	2,756	8.3%	1,520	5.7%
<b>UCF + MCC</b>	<b>5,455</b>	<b>16.4%</b>	<b>3,376</b>	<b>12.8%</b>

Data as of March 07; source: Assifact

- **Better positioning** to take advantage of a market expected to grow at a >5% CAGR over the next three years
- **Broadening of existing client base** thanks to **MCC Factoring** footprint in Public Sector
- Room to improve leveraging on a larger (Capitalia + UCI) banking distribution platform

## THE INTEGRATION PROCESS WITH CAPITALIA WILL BE SMOOTH AND FAST

Target	Key actions	Deadline
 <p><b>STRUCTURE</b></p> <p>Unicredit Corporate Banking current business model</p>	<ul style="list-style-type: none"><li>■ Quick <b>carve-out of the “as-is” Corporate Banking Business</b> from the three commercial banks (BdR, BdS, BIPOP) + MCC and <b>integration into Unicredit Banca d’Impresa</b></li><li>■ Integrate <b>Capitalia transaction services into GFS</b> structure harmonizing product / service offering</li><li>■ Integrate <b>MCC Leasing and Fineco Leasing into Locat</b></li><li>■ Integrate <b>MCC Factoring into Unicredit Factoring</b></li></ul>	 <p><b>2H 2008</b></p>

- Dedicated **joint project teams** (Unicredit + Capitalia) already up and running to:
  - ✓ **retain key people** within the Group
  - ✓ **define new target network** structure
  - ✓ **setup commercial** coordination **rules, tools** and **processes** to effectively manage the transitory period (post closing and pre IT migrations)





## SUMMING UP: STRATEGIC INITIATIVES ON THE ITALIAN MARKET

### Strategic Priorities

- Quickly **integrate Capitalia Corporate Banking** business into UBI
- Increase **revenues and market share** through
  - ✓ growth in **high potential regions** (Lombardy, Tuscany, Lazio) leveraging on the existing Capitalia Corporate Banking network
  - ✓ improvement of **penetration and share of wallet** on mid and large corporate through the **new segment based service model**
  - ✓ enhancement of revenue mix, pushing **fee-based products**
- **Optimize capital absorption** and **EVA** over time

### Key Initiatives

- **Fast track integration** of Capitalia Corporate Banking activities into UBI
- **Fine tuning of new segment based service model**
- Strong **push** on:
  - ✓ **GFS products** (cash management and trade finance)
  - ✓ **sophisticated fee-based products** (structured finance, corporate finance,...)
- Implementation of **new Credit Treasury** and **tight monitoring of Value Creation ability at customer level**



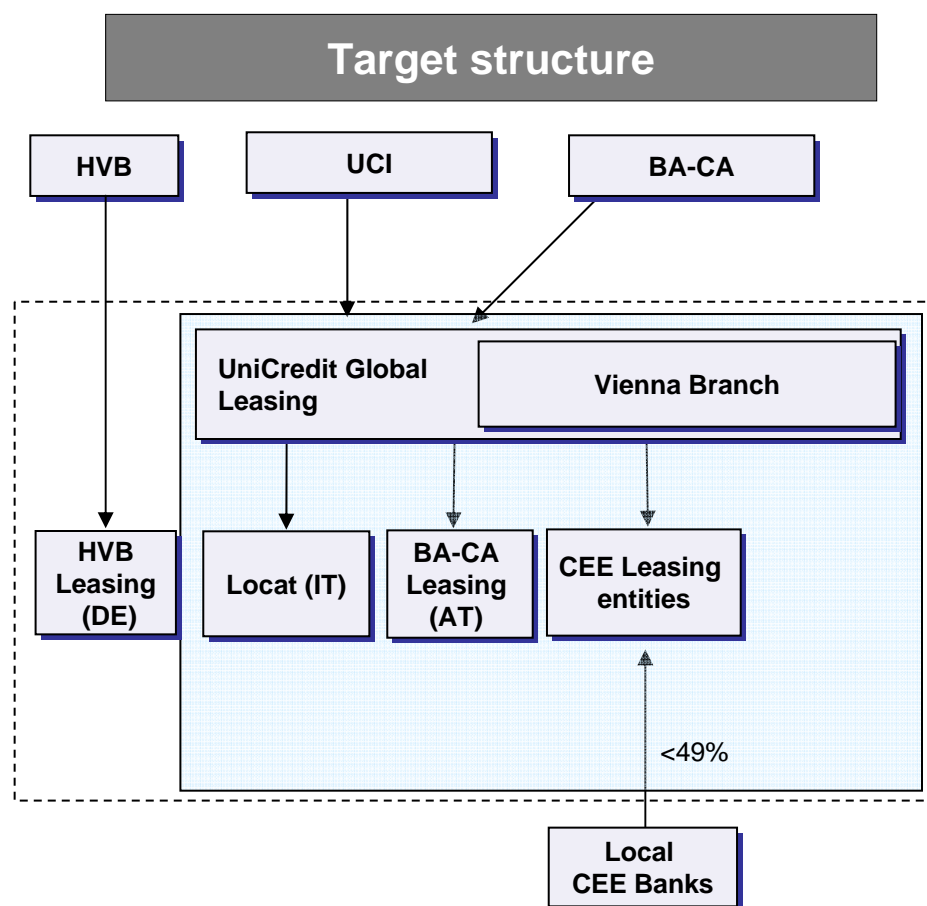
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# UNICREDIT GLOBAL LEASING TARGET STRUCTURE



## Governance guidelines

### UniCredit Global Leasing S.p.A.

- Overall management and coordination of the leasing businesses in Germany, Austria, Italy and of Vienna Branch

### Operative companies in Italy, Germany, Austria

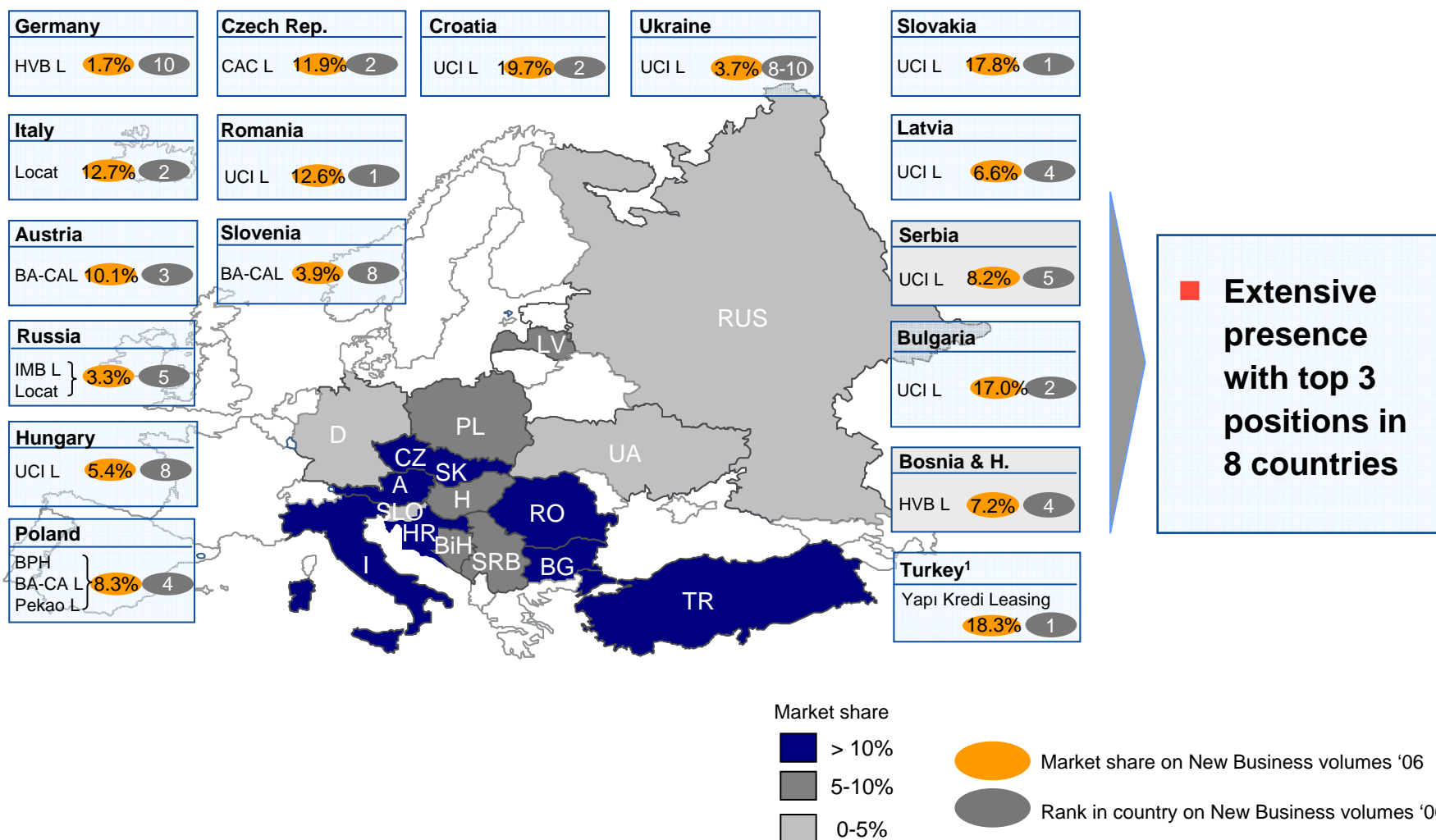
- Operative business on the local markets

### Vienna Branch

- Overall management and coordination of the leasing businesses in CEE
- CEE competence center

- UniCredit Global Leasing manages and coordinates the leasing businesses in Germany, Austria, Italy and CEE countries

# A PAN-EUROPEAN PRESENCE IN 17 DIFFERENT COUNTRIES

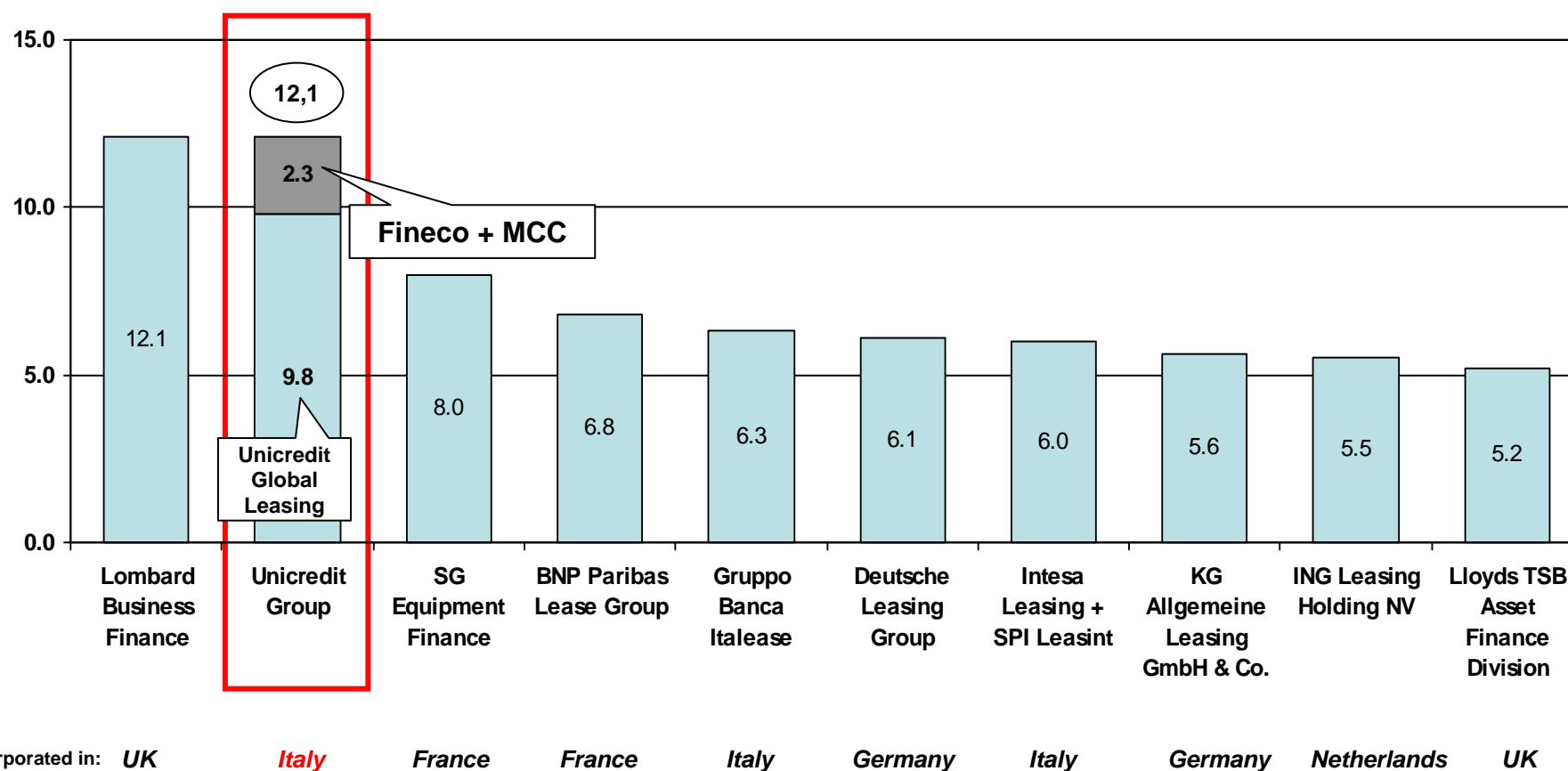


Source: UniCredit analysis based on locally published data 2007

(<sup>1</sup>) Joint Venture with Koc Holding

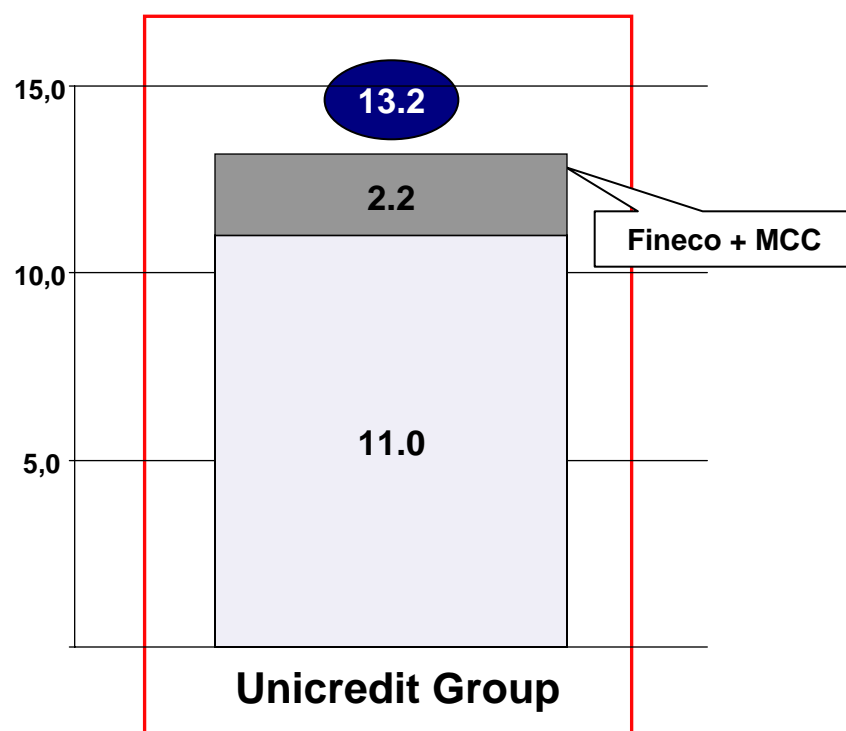
## N.1 EUROPEAN LEASING GROUP ON NEW BUSINESS AFTER INTEGRATION WITH CAPITALIA

Total New Business in Europe



# MORE THAN 13 BN NEW BUSINESS GENERATED ACROSS EUROPE IN 2006

**TOTAL NEW BUSINESS IN EUROPE 2006**  
bn



**UNICREDIT GLOBAL LEASING KEY FIGURES 2006<sup>(1)</sup>**

■ Employees<sup>(2)</sup>: ~2,500 #

■ New Business<sup>(3)</sup>: ~11 bn

■ Revenues<sup>(4)</sup>: ~615 mln

■ Net Profit<sup>(4)</sup>: ~180 mln

■ Nr. of outstanding contracts: ~340,000

■ Operating units in: I, D, A, BiH, BG, CZ, H, HR, LV, PL, RO, RUS, SRB, SK, SLO, TR<sup>5</sup>, UA

Source: UniCredit analysis 2007

(1) Not including Capitalia companies

(2) Estimated Head counts, not including Turkey

(3) including Poland and Turkey

(4) Turkey not included

(5) Participation in Koc Financial Services



## VERY INTERESTING GROWTH RATES EXPECTED IN 2007

### ALL UNICREDIT LEASING COMPANIES<sup>(1)</sup> - KEY FINANCIALS

	2006	Expected growth for 2007
New Business (bn)	~11	~ 10%
Revenues (mln)	~615	~ 10%
Net profit (mln)	~180	> 20%



## STRATEGIC OUTLOOK



### Organic Growth

Open new business in countries where UniCredit is already present and in new geographies

### Growth by acquisitions

Explore opportunities

### Product innovation

Be the product leader of the leasing industry

### People focus

Foster the team of talents

- 
- **Strengthen the position as leading leasing group** by outperforming average European leasing market growth
  - **Massive growth in Germany**
  - **Expansion of business in Kazakhstan and in the Baltic States**
  - **Be among the top three players in each country of presence**
  - **Be the best place to work** for our staff



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## **POSITIVE OUTLOOK FOR 2H07 AND FOR 2008**

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- **2007 performance in line or above expectations**
- **New enhanced business model in place by beginning of 2008 in all countries**
- **Good growth opportunities for 2008 in all markets**
- **Fast integration of Capitalia**
  - ✓ **unified commercial management from January 2008**
  - ✓ **full integration in 2H08**