UNICREDIT GROUP
2Q07 Results

Alessandro Profumo - CEO

Milan, 3rd August 2007

2Q07 RESULTS, DRIVEN BY REVENUE GROWTH, CONFIRM THE GROUP STRONG PROFITABILITY

- **2Q07 net income at 1,827 mln, another record quarter, +6.8% y/y, +35.1% y/y at constant FX and perimeter (excluding gain on Splitska[(1)])**

- **Good revenue stream +9.4% y/y supported by double digit commission growth**

- **Excellent operating performance: ~+22% y/y**

- **2Q07 C/I ratio below 50% vs 54.2% in 2Q06**

- **Increased Core Tier 1 ratio to ~6.1%, notwithstanding business growth**

- **Positive trends in asset quality and continued de-risking of balance sheet:**
  - ✓ **Net impaired loans down 13.5% on Dec06, approx. -1.9 bn …**
  - ✓ **… with improved coverage ratio: 53.2% as of Jun07 from 48.9% in Dec06**
  - ✓ **RER reduced to 3.3 bn** (-13.2% q/q)**, Special Credit Portfolio ("SCP") to 16.9 bn** (-7.1% q/q)

(1) Eur 367 mln posted in 2Q06

SOLID NET INCOME GROWTH, IMPROVED EFFICIENCY AND PROFITABILITY

mln	1H07	% ch. on 1H06	% ch. on 1H06 at constant FX & perimeter	2Q07	% ch. on 2Q06	% ch. on 2Q06 at constant FX & perimeter
Total Revenues	13,124	9.6%	10.7%	6,547	9.4%	9.8%
Operating Costs	-6,593	0.4%	1.5%	-3,207	-1.1%	-0.4%
Operating Profit	6,531	20.9%	21.8%	3,340	21.8%	21.6%
Net Write Downs of Loans	-1,075	5.8%	5.3%	-510	1.8%	0.8%
Other Non Operating Items(1)	165	-61.7%	>100%	-1.0	n.m.	n.m.
Net Income for the Group	3,607	16.6%	34.8%	1,827	6.8%	35.1%
Cost/Income ratio, %	50.2%	-462 bp	-448 bp	49.0%	-519 bp	-495 bp

	1H07	FY06	% ch. on FY06
FTEs, #(2,3)	135,880	137,197	-1,317
Revenues/Avg. RWA, %(4)	6.12%	5.51%	60 bp
Cost of Risk, bp(4)	53	56	-3 bp
Branches, #(3)	7,486	7,357	129

- **Good operating performance sustained by sound revenue growth in all business divisions**
- **Operating costs benefiting from release of excess pension fund provisions** (~150 mln in BA-CA and ~116 mln in Italy for "TFR"); +4.4% 1H07/1H06 net of this effect, mainly due to higher business volumes
- **Net write-downs on loans stable, cost of risk down to 53 bp in 1H07** (-3 bp vs FY06)
- **Lower contribution of other non operating items** (-319 mln y/y, largely due to gain on Splitska posted in 2Q06)
- **Net Income** growing **35.1% y/y** at constant FX and perimeter
- **Improved profitability of RWA, 6.12% in 1H07** (~ +60 bp on FY06)
- **FTEs reduction,** benefiting also from outsourcing in Germany and Turkey

(1) Goodwill amortization, provisions for risk and charges, integration costs and net profit from investments

(2) FY06 adjusted for new methodology (mainly without unpaid leaves)

(3) KFS included at 100%

(4) Revenues/avg. RWA ad CoR in 1H07 are annualized

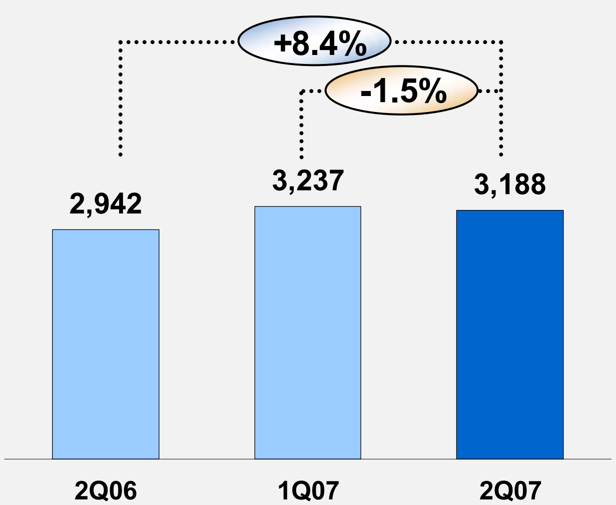
EVA GENERATION IN EXCESS OF ~2 BN IN 1H07, +52.6% Y/Y; CORE TIER 1 RATIO WELL ABOVE 6% AND 27 bp UP VS DEC06

	1H07	1H06	Δ
EVA (mln)	2,073	1,358	715
Marginal RARORAC (%)	16.4%	11.7%	4.7%
	Jun07	Dec06	Δ
Core Capital (mln)	26,777	24,583	2,194
Total Capital (mln)	46,108	44,324	1,784
Total RWA (bn)	439.9	422.3	4.2%
Core TIER1 Ratio (%)	6.09%	5.82%	27 bp
TIER1 Ratio (%)	7.14%	6.96%	18 bp
Total Capital Ratio (%)	10.48%	10.50%	-1 bp

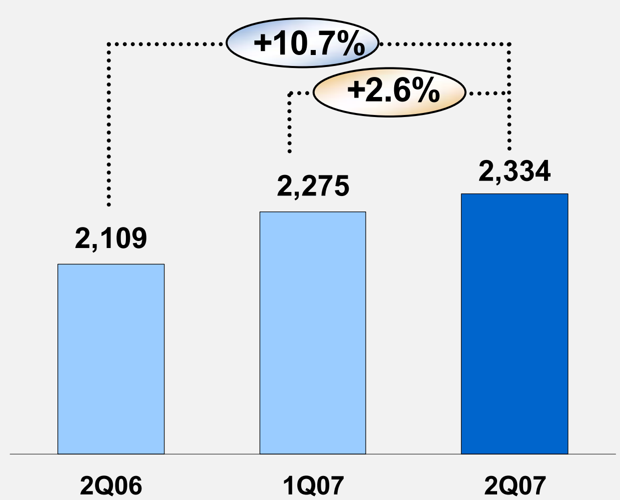
- ~2.1 bn EVA, +52.6% y/y
- 4.2% growth of RWA vs Dec06, driven by MIB and Corporate Divisions
- ~2.2 bn of core capital generated in 6 months
- 27 bp increase of Core Tier 1 ratio
- ~200 mln of capital generated through securitizations

REVENUES AT ~6.5 BN (+9.4% Y/Y) DRIVEN BY GOOD TREND IN FEES AND COMMISSIONS

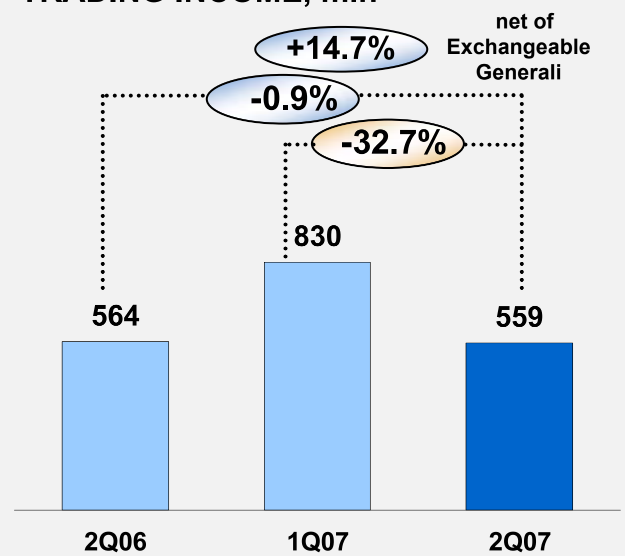
NET INTEREST INCOME (ex div.), mln



NET COMMISSION INCOME, mln



TRADING INCOME, mln



Of which Exchangeable Generali effect, mln

+42	+58	-40

- **Net interest income up 8.4% y/y, with positive contribution from all the Divisions,** mainly CEE and Poland's Markets (both approx. +24% y/y) and Retail-Italy (+10% y/y, thanks to loan growth and improved deposit spread); -1.5% q/q due to MIB Division's seasonality
- **Net commissions +10.7% y/y** mainly due to growth in MIB (+35.3 y/y) and in the CEE Region (+23.6% y/y). Good trend also in AM (+17.0% y/y) and in Corporate (+10.1% y/y)
- **Trading income +14.7% y/y net of Exchangeable Generali effect** (-82 mln), with continuous strong contribution of MIB (+33.1% y/y)

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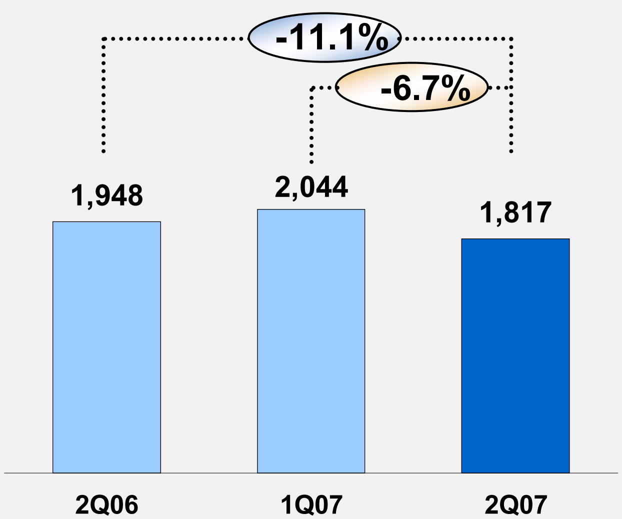
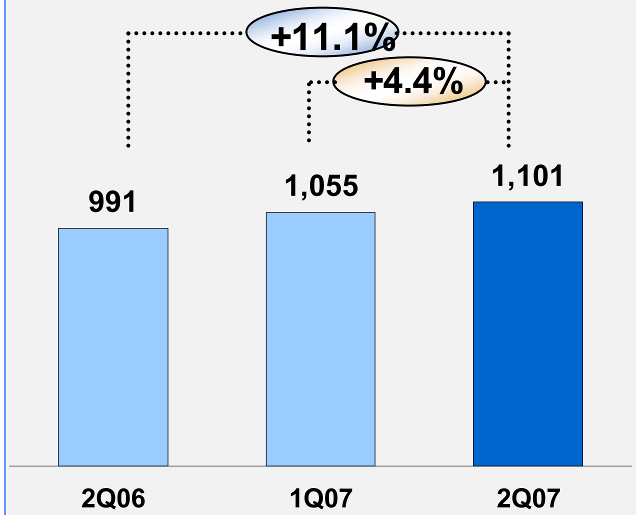
OPERATING COSTS AT 3,207 MLN (-1.1% Y/Y) BENEFITING FROM RELEASE OF EXCESS PENSION PROVISIONS

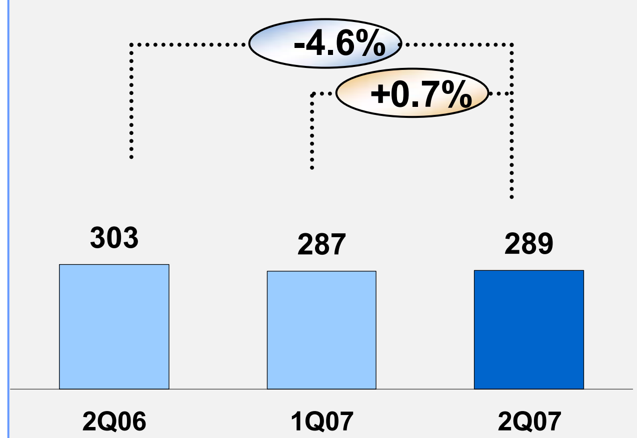
STAFF EXPENSES[1], mln



OTHER ADMIN. EXPENSES AND EXPENSE RECOVERIES, mln



DEPRECIATION, mln



- **Staff costs** decline due to the effect of TFR reform in Italy and release of provisions for BA-CA pension liabilities[1]; **net of non-recurring items[1], staff costs are up ~7**% y/y mainly driven by:
  - ✓ performance-related compensation, accounting for >50% of the increase (mainly MIB, AM and Poland)
  - ✓ business expansion in selected CEE countries and investments in global business lines
- **Other administrative expenses +11% y/y** mainly explained by:
  - ✓ growth projects like investments in global product lines and opening of new branches in Turkey, Russia and Hungary
  - ✓ outsourcing in Germany
  - ✓ various IT projects in Germany and Italy largely related to Eurosig implementation and mandatory projects[2]
  - ✓ effect of comparison with 2Q06, lowest quarter in the year. 1H07/1H06 change +4.7%

[1] 2Q07 non-recurring items in staff-costs: 150 mln of release of provisions for BA-CA pension liabilities and 116 mln of TFR reform benefits

[2] MIFID directive; SEPA (Single Euro Payments Area: integrated market implementation for international payments in 27 EU countries); Basel II

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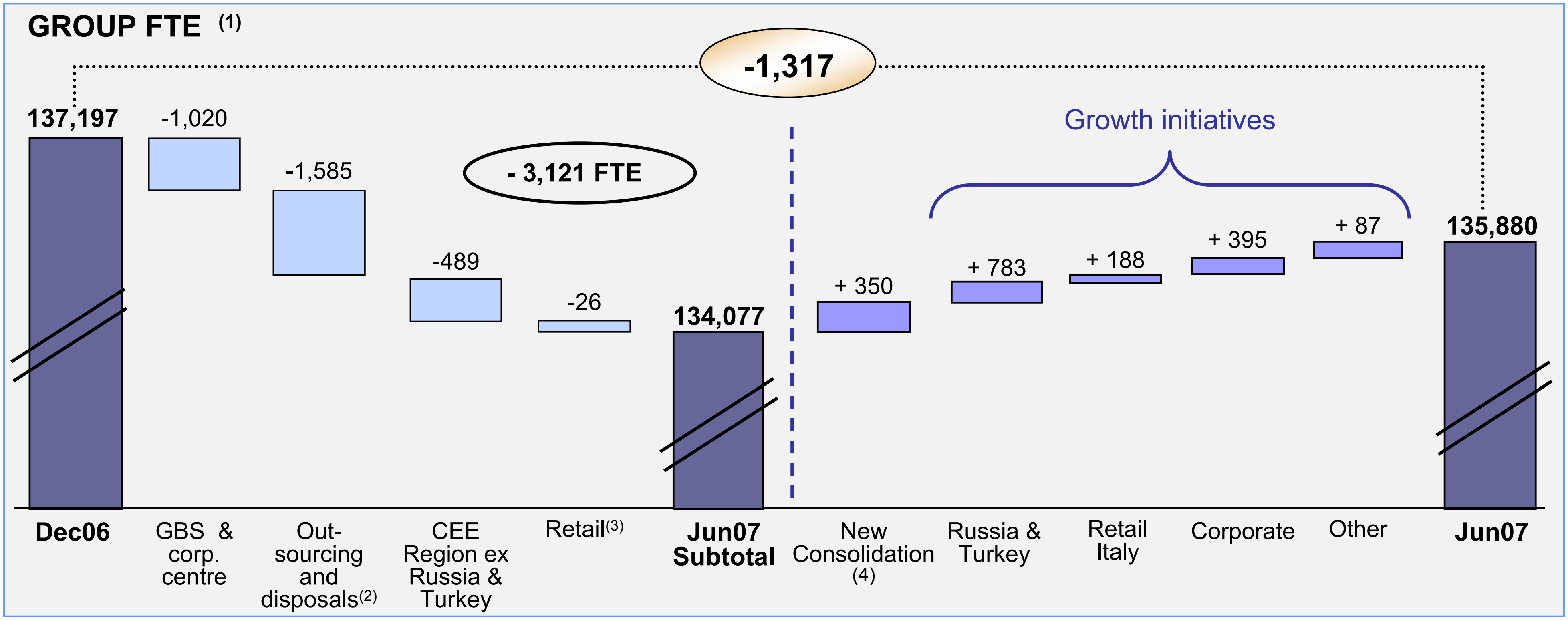
GROUP STAFF RIGHTSIZING STILL MORE THAN OFFSETTING HIRING FOR GROWTH INITIATIVES



- **Decrease of FTEs (-3,121 or – 2.3%)** excluding growth initiatives with relevant contribution of GBS & corporate centre and outsourcing deals
- **Decrease in CEE Region driven by merger completion and rightsizing**
- **Increase in Corporate mainly due to investment in Leasing and to "revenue boost project"** in Banca d'Impresa and HVB

(1) Yapi Group at 100%
(2) Outsourcing: Security activities in Turkey (820), PAS (420), HVB IS (316), Indexchange Investment (30)
(3) Include transfer of approx. 200 FTE from Corporate Centre for CRO related activities
(4) New consolidation: Planet Home (299), Insurance Broker (16) and Unicredit Leasing Ukraina (20)

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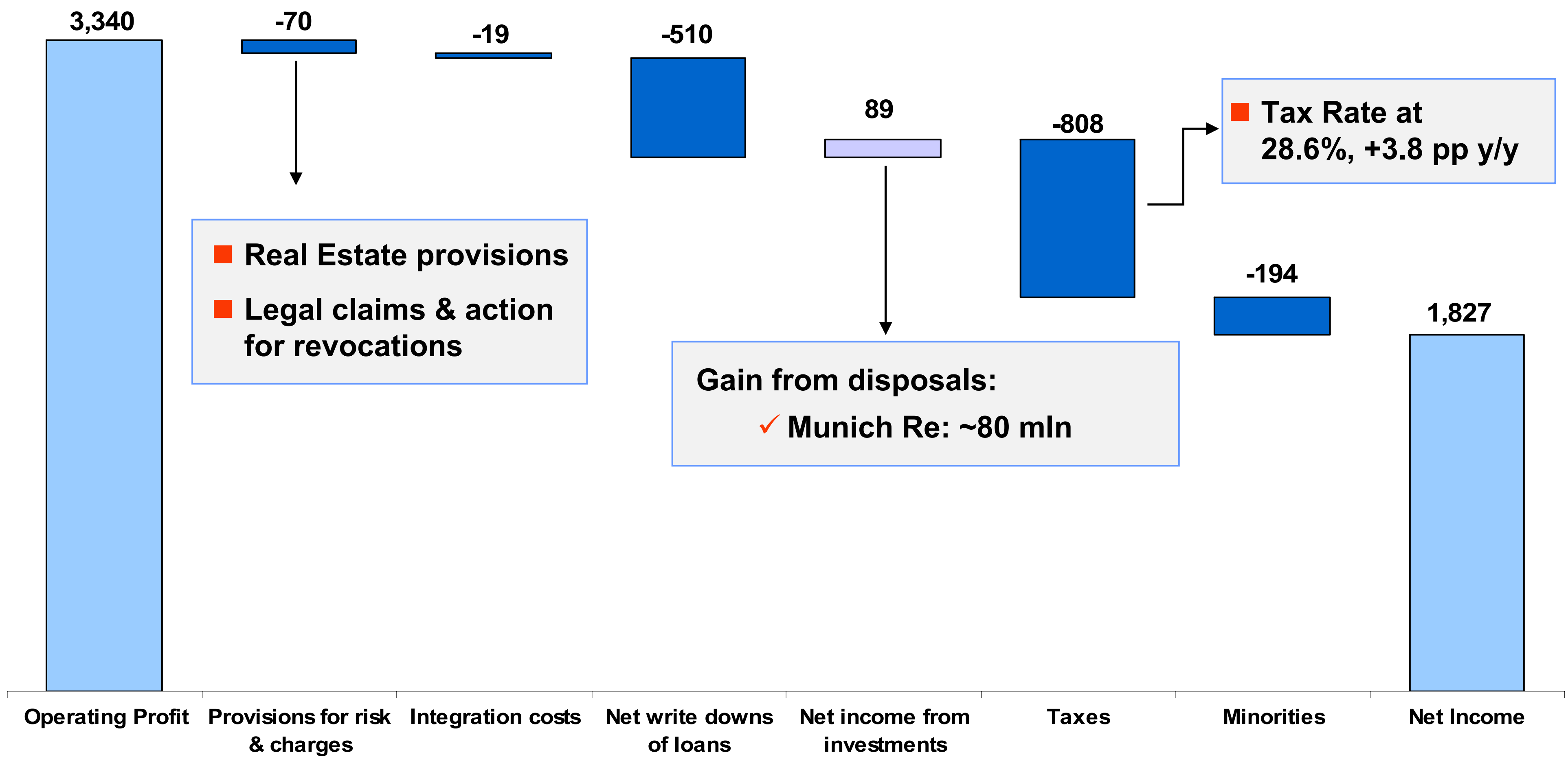
NON OPERATING ITEMS IN 2Q07: POSITIVE INCOME FROM INVESTMENTS DRIVEN BY MUNICH RE SALE

(mln)



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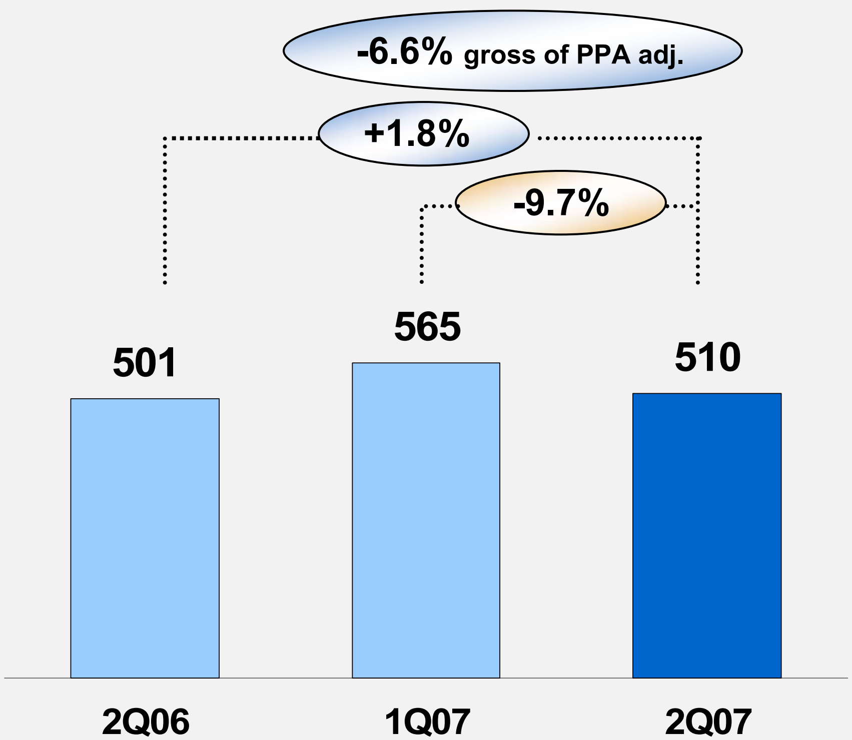
LOAN LOSS PROVISIONS 6.6% DOWN Y/Y GROSS OF PPA ADJUSTMENTS, REFLECTING A POSITIVE CREDIT ENVIRONMENT

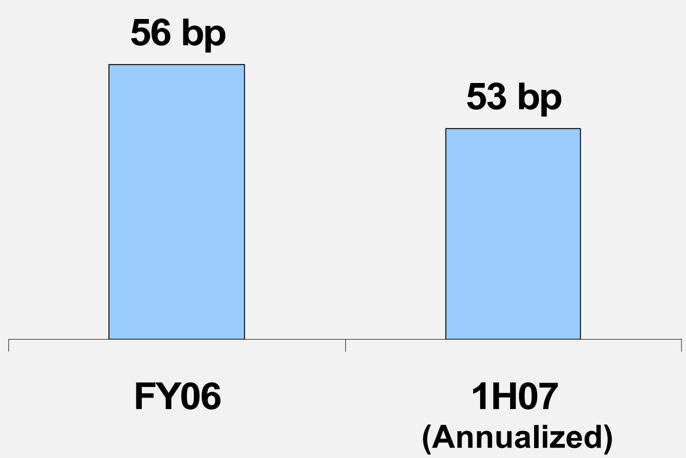
LOAN LOSS PROVISIONS, mln



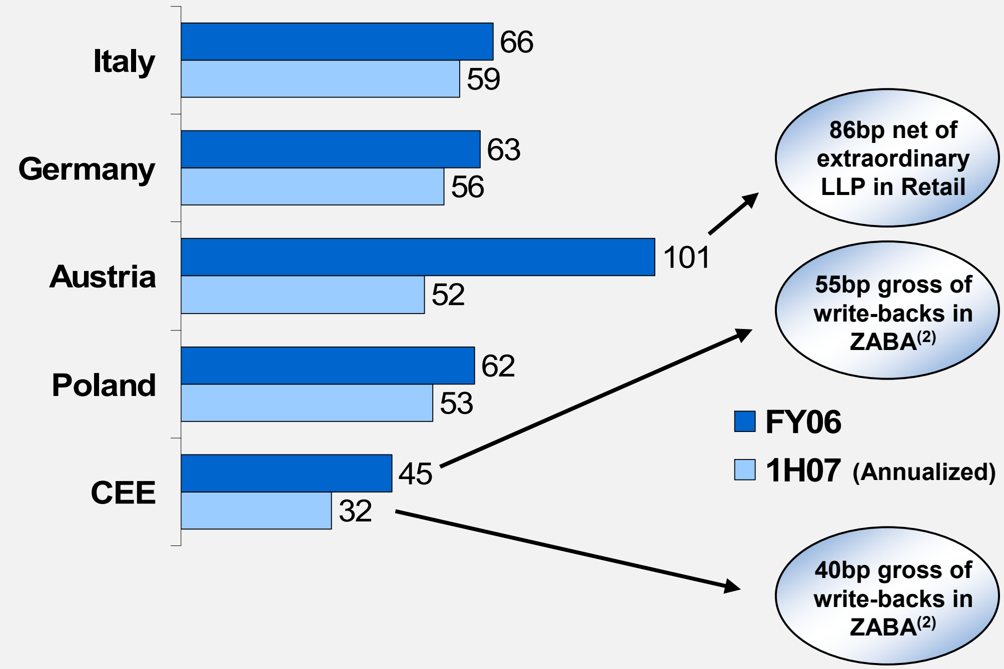
- **Italy:** -11 mln y/y; decrease in Retail (-21 mln) only partially offset by slightly higher provisions in Corporate (+9 mln, y/y)
- **Germany:** -22 mln y/y; overall good environment in Germany and still very low inflows of impaired loans in MIB
- **Austria:** +15 mln y/y; largely related to Corporate, due to the exceptionally low 2Q06 (13 mln in 2Q07 vs only 4 mln in 2Q06)
- **Poland's Markets:** -4 mln y/y; positive credit environment and improved quality of the loan portfolio
- **CEE:** -14 mln y/y mostly due to write-backs in ZABA (~17 mln)
- **PPA adjustments:** -2 mln in 2Q07 vs -48 mln in 2Q06

COST OF RISK DOWN TO 53 BP IN 1H07

Consolidated COST OF RISK(1), bp



COST OF RISK by geographies(1), bp



- **Improvement of cost of risk in all geographic areas**

(1) Profit (loss) and net write downs on loans / Total Period Average RWA for Credit Risks

(2) Considering CEE Divisions gross of write-backs posted by ZABA in FY06 and in 1H07: ~40 mln in FY06 and ~17 mln in 1H07

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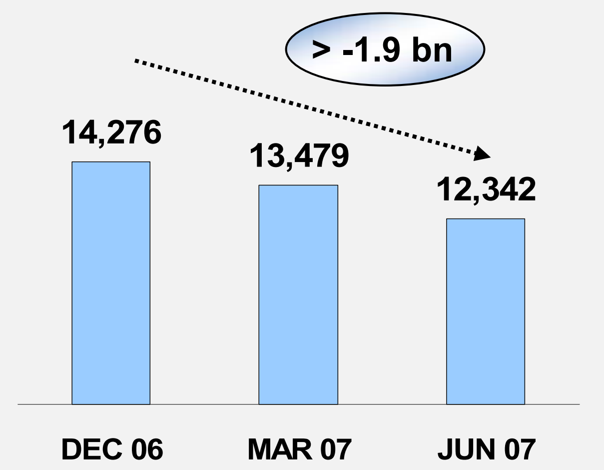
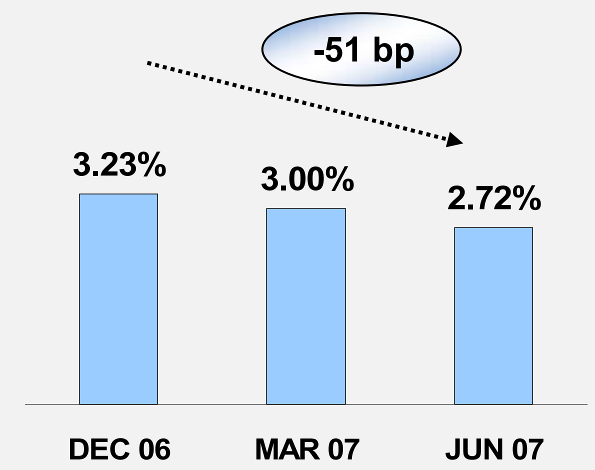
ASSET QUALITY: FURTHER DE-RISKING OF BALANCE SHEET AND SIGNIFICANT INCREASE OF COVERAGE RATIO

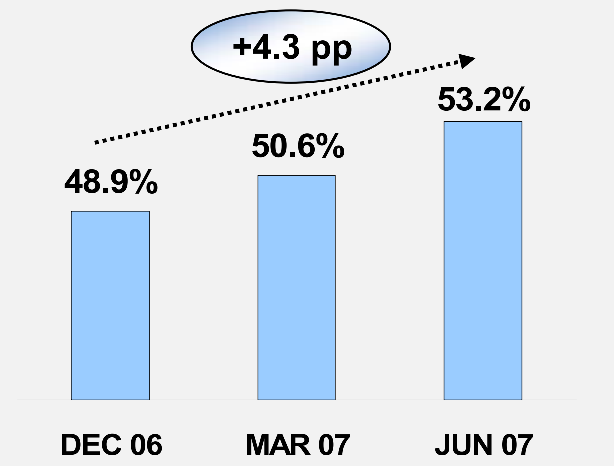
NET IMPAIRED LOANS[(1)], mln



% ON TOTAL NET LOANS[(1)]



% COVERAGE RATIO ON IMPAIRED[(1)]

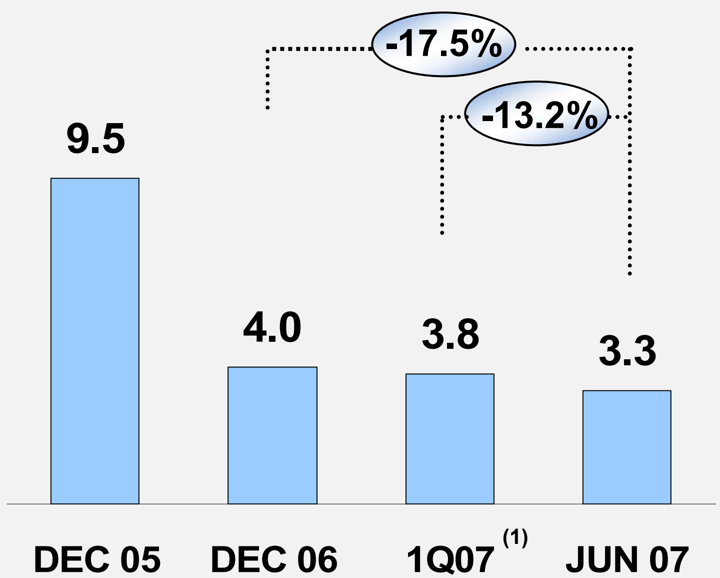


- **Strong reduction of net impaired loans: > -1.9 bn vs Dec06, of which > -1.1 bn vs Mar07** (-13.5% and -8.4% respectively)
- **% weight of net impaired loans on total customer loans down to 2.72%, -51 bp in 1H07 and -28 bp in the last quarter**
- **Coverage ratio on impaired loans increased to 53.2% (+4.3 bp vs Dec06) with significant growth on NPL** (from 61.5% to 63.6%), **doubtful** (from 26% to 30%) **and restructured loans** (from 31.6% to 37%)
- **Material de-risking of balance sheet: Net impaired loans/Total Regulatory Capital ratio reduced from 32.2% as of Dec06 to 26.8% as of Jun07 (> 5% reduction)**

(1) Loans to customers

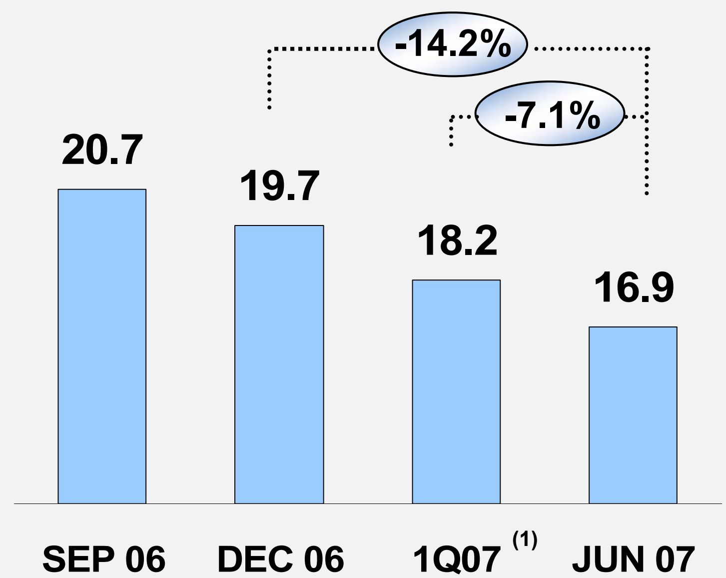
HVB NON STRATEGIC ASSETS: FURTHER SIGNIFICANT REDUCTION OF BOTH RER AND SPECIAL CREDIT PORTFOLIO (SCP)

RER: recent evolution (Credit Exposure, bn)



- **RER portfolio reduced by ~79% since creation** (15.4 bn as of 31.12.2004)
- **~500 mln reduction in the last 4 months achieved through successful day-by-day workout**

SCP: recent evolution (Credit Exposure, bn)

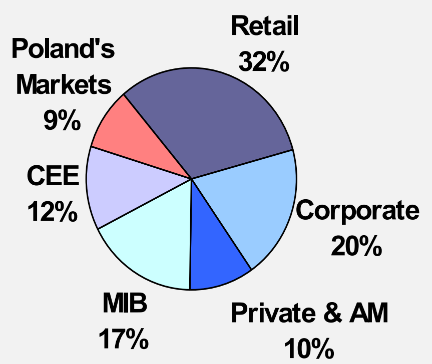


- **3.8 bn reduction achieved since creation (~ -20%), o/w 1.3 bn in the last 4 months**

(1) 1Q07 based on Feb 07 data

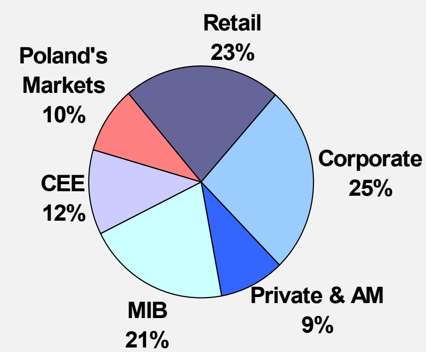
GROUP RESULTS BENEFITING FROM A WELL BALANCED BUSINESS PORTFOLIO MORE THAN 60% COMING FROM OUTSIDE ITALY

1H07 TOTAL REVENUES



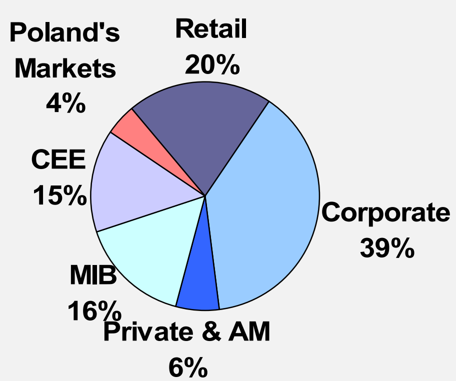
	y/y % ch.
Retail	4.3%
Corporate	6.1%
Private & AM	7.0%
MIB	26.5%
CEE	17.6%
Poland's Markets	13.1%

1H07 OPERATING PROFIT



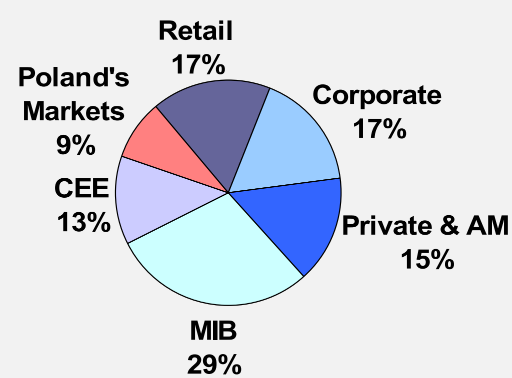
	y/y % ch.
Retail	20.5%
Corporate	8.9%
Private & AM	15.3%
MIB	39.6%
CEE	25.9%
Poland Markets	23.0%

1H07 ALLOCATED CAPITAL



	y/y % ch.
Retail	1.7%
Corporate	3.3%
Private & AM	10.9%
MIB	7.9%
CEE	31.5%
Poland's Markets	30.8%

1H07 EVA



	y/y % ch.
Retail	92.7%
Corporate	31.4%
Private & AM	27.7%
MIB	58.7%
CEE	70.5%
Poland's Markets	39.2%

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RETAIL DIVISION: CONFIRMED STRONG IMPROVEMENT OF OPERATING PERFORMANCE (+23.4%) AND VALUE CREATION (EVA ~+90%), WITH COST/INCOME REDUCED BY ~6 P.P.

mln	1H07	% ch. on 1H06	2Q07	% ch. on 2Q06
Total Revenues	4,094	4.3%	2,049	4.2%
Operating Costs	-2,570	-3.3%	-1,269	-4.9%
Operating Profit	1,524	20.5%	780	23.4%
Net write-downs on loans	-382	-7.3%	-162	-25.7%
Profit before taxes	1,140	38.0%	609	51.5%
Cost/Income Ratio, %	62.8%	-5.0 pp	61.9%	-5.9 pp

KPIs	1H07	FY06	∆ on FY06
Revenues / Avg. RWA, %(1)	9.0%	8.5%	59 bp
Cost of risk, bp(1)	85	119	-35 bp
EVA	423	220(2)	92.7%
FTEs, #	35,295	34,834	461(3)

2Q07 Changes on 2Q06:

- **Total revenues +4.2% y/y:** thanks to significant growth of net interest margin in Italy (+10.3%) and fees and commissions in Austria (+5.7%) and Germany (+11.7%). **Increased weight of recurring revenues** in all countries
- **Operating costs -4.9% y/y:** netting one-off savings on "TFR" reform, costs are unchanged (+0.3%), despite investing for business development projects
- **Write downs on loans -25.7% y/y:** strong reduction driven by Germany and Italy
- Additional improvement of asset profitably: **Revenues/RWA 9.0%, +59 bp vs FY06**
- **Significant reduction of cost of risk** across all Countries
- **Good Cost Income ratio** reduction, ~6 p.p. y/y
- **Strong EVA growth**, ~+90% 1H07/06

(1) Revenues/avg. RWA ad CoR in 1H07 are annualized
(2) Data refers to 1H06
(3) +162 net of Planet Home new consolidation

CORPORATE DIVISION: +31% EVA GROWTH SUSTAINED BY GOOD REVENUE STREAM AND COST CONTROL

mln	1H07	% ch. on 1H06	2Q07	% ch. on 2Q06
Total Revenues	2,530	6.1%	1,289	7.6%
Operating Costs	-798	0.5%	-399	-0.7%
Operating Profit	1,732	8.9%	890	11.8%
Net write-downs on loans	-370	10.1%	-193	17.7%
Profit before taxes	1,365	7.2%	685	7.9%
Cost/Income Ratio, %	31.5%	*-175bp*	31.0%	*-260bp*

KPIs	1H07	FY06	Δ on FY06
Revenues / Avg. RWA, %(1)	3.2%	3.0%	*19bp*
Cost of risk, bp(1)	*48bp*	*53bp*	*-6bp*
EVA	425	323(2)	31.4%
FTEs, #	9,131	8,698	433

- **Very good performance of revenues** (+7.6% y/y) driven by:
  - ✓ **Leasing;**
  - ✓ **net interest income in Italy,** supported by **higher volumes;**
  - ✓ **fees and commissions in Austria and Germany**
- **Operating costs in line with 2Q06,** due to **one-off benefits for TFR reform in Italy,** offsetting **higher depreciation** linked to development of **operating leasing** and **costs related to the expansion plan in Italy and Germany**
- **C/I ratio at ~31%,** ~2.6% better than 2Q06
- **7.9% y/y progress of profit before taxes**
- **Cost of risk annualized at 48bp, about 6 bp better than FY06**
- **EVA at 425 mln in 1H07, +31.4% y/y 1H06 thanks to progress of net profit, strict control of capital absorption and active portfolio management** (securitizations)
- **FTE up by 433 unit, o/w**
  - ✓ **+290 due to changes in the scope of consolidation of the Division,**
  - ✓ **+188 due to the expansion strategy in Italy, Germany and Leasing in CEE,**
  - ✓ **-45 reduction in Austria and Italian subsidiaries**

(1) Revenues/Avg. RWA and Cost of Risk in 1H07 are annualized

(2) Data refers to 1H06

MIB DIVISION: EXCELLENT PERFORMANCE DRIVEN BY 40% Y/Y REVENUE GROWTH. STRONG EVA INCREASE: ~+60% Y/Y

mln	1H07	% ch. on 1H06	2Q07	% ch. on 2Q06
Total Revenues	2,216	26.5%	1,066	39.9%
Operating Costs	-848	9.8%	-426	9.0%
Operating Profit	1,368	39.6%	640	72.5%
Net write-downs on loans	0	-100.0%	1	-95.7%
Profit before taxes	1,591	52.7%	650	54.4%
Cost/Income Ratio	38.3%	-580 bp	40.0%	-1135 bp

	1H07	FY06	Δ on FY06
Revenues / Avg. RWA, %(1)	6.6%	5.1%	154 bp
EVA(2)	721	454	58.7%
FTEs, #	3,203	3,218	-15

- **Total revenues +40% y/y** - excellent performance compared to last year throughout almost all business lines, with the highest growth contribution from Financing (+146% vs. 2Q06), followed by Equities (+44%), Structured Credit (+25%) and Regional Investment Banking (+52%)
- **Operating Costs +9.0% y/y** - staff costs driven by performance related compensation accruals; other admin. expenses declining y/y
- **Cost of risk:** positive credit cycle and very sound credit quality
- **Cost/Income ratio down 11 p.p. vs. 2Q06**
- **Revenues/Avg. RWA improving by over 150 bp**
- **EVA: strong increase, +59% y/y**

(1) Figure in 1H07 is annualized

(2) Figure in FY06 column is related to 1H06 and Δ is consequently calculated vs. 1H06

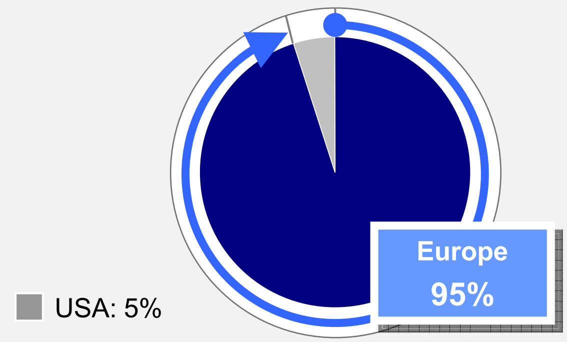
MIB DIVISION: VERY LIMITED EXPOSURE TO MARKET "HOT SPOTS"

PRUDENT AND WELL MANAGED RISKS:

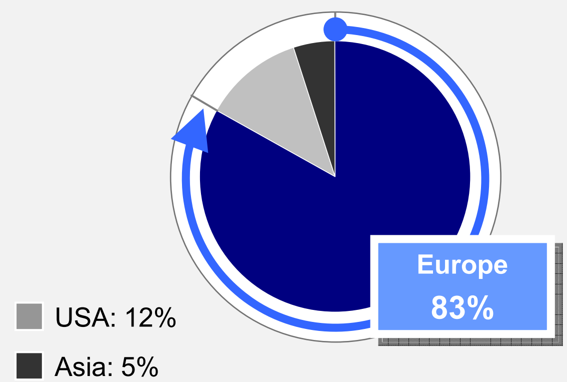
- **Significant reduction of Market Risk Exposure** in March/April prior to the move of the market as a consequence of prudent active risk management:
  - **Synthetic CDOs**: portfolio reduced in Q1, significantly decreasing spread risks
- **US subprime:** negligible exposure across all business lines
- **Hedge funds** with solid performance year to date
  - Direct investments are well diversified across funds and strategies
  - No investments in funds that have recently ceased operations
  - No unsecured exposure to hedge fund counterparties
- **Leveraged finance/LBOs** with strong performance year to date with a very experienced team
  - **Underwriting portfolio** comprises 13 deals (1 jumbo LBO), 90% senior, all strong credit stories
  - **Hold portfolio** comprises 160 deals, 95% senior, well diversified and no portfolio concerns

REGIONAL BREAKDOWN OF…

Underwriting Portfolio



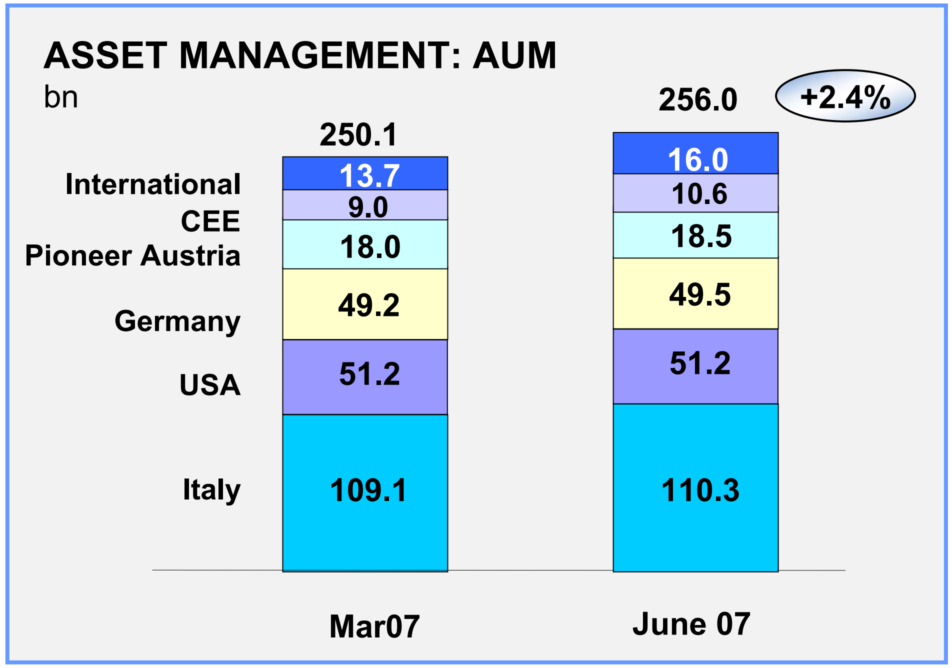
Hold Portfolio



ASSET MANAGEMENT DIVISION: EXCELLENT PERFORMANCE DRIVEN BY DOUBLE DIGIT GROWTH OF NET COMMISSIONS

mln	1H07	% ch. on 1H06	2Q07	% ch. on 2Q06
Total Revenues	698	9.2%	363	16.3%
Operating Costs	-304	1.7%	-161	15.8%
Operating Profit	394	15.9%	202	16.8%
Profit before taxes	396	15.8%	208	19.5%
Cost/Income Ratio, %	43.6%	-324 bp	44.4%	-20 bp

	1H07	FY06	Δ on FY06
Revenues/Avg. AUM[1], bp	56 bp	57 bp	-1 bp
Operating costs/Avg. AUM[1], bp	24 bp	26 bp	-2 bp
EVA[2]	266	211	26.2%
FTEs	2,310	2,277	33



- **Total revenues +16.3%** y/y thanks to higher management fees driven by avg AUM increase (+9.5%) and higher performance fees
- **Operating costs +15.8%** y/y due to higher staff costs mainly for stock options; higher depreciation partly offset by decline in other administrative expenses
- **Pre-tax profit +19.5%** y/y, **C/I ratio** stood at a sound **44.4%**
- **EVA** strong increase: +26% y/y

- **Asset under Management up to 256bn** (**+9.8% y/y**; **+2.4% vs. Mar07**)
- **AuM increase of 4.1% vs. Dec06** driven by both market effect (+2.1% including FX effect) and net sales effect (+1.5%)
- **YTD net sales of 3.7 bn**, of which 3.3bn in US, 2bn in International (mainly in Asia), -0.6bn in low margin institutional business in Germany and 1.4bn in CEE
- **Market share in Italy** further increasing to 15.66% (+23bps vs. Mar07)

(1) Figures in 1H07 are annualized

(2) Figure in FY06 column is related to 1H06 and Δ is consequently calculated vs 1H06

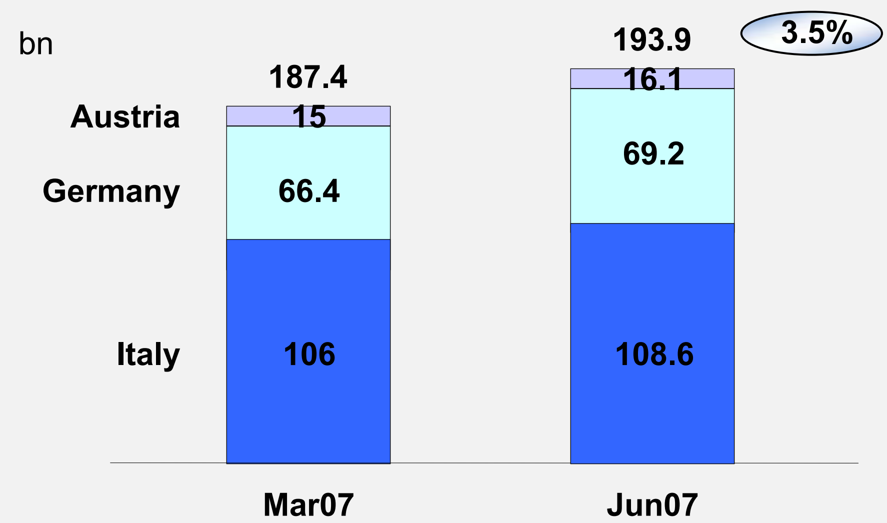
PRIVATE BANKING DIVISION: DOUBLE DIGIT EVA GROWTH DRIVEN BY A SOLID OPERATING PERFORMANCE

mln	1H07	% ch. on 1H06	2Q07	% ch. on 2Q06
Total Revenues	575	4.4%	285	5.9%
Operating Costs	-344	-1.1%	-170	-2.3%
Operating Profit	231	13.8%	115	21.1%
Profit before taxes	225	16.6%	117	25.8%
Cost/Income Ratio, %	59.8%	-333 bp	59.6%	-503 bp

	1H07	FY06	Δ on FY06
Revenues/Avg. TFA[1,2], bp	73 bp	73 bp	0 bp
Operating costs/Avg. TFA[1,2], bp	43 bp	49 bp	-6 bp
EVA[3]	112	84	32.5%
FTEs	3,405	3,351	54

- **Total Revenues, +5.9%:** mainly thanks to net interest income growth (+9.7%) driven by higher volumes and spreads on deposits in Italy and higher dividends in Germany from closed-end funds business
- **Operating costs -2.3%**:mainly due to reduction on other admin. exp. in Xelion and Germany and positive one-off effect from "TFR reform" in Italy
- **Profit Before taxes, +26%:** Italy 58 mln, +71% , Germany 45 mln +5% and Austria 14 mln (vs. 15 mln in 2Q06)

PRIVATE BANKING: total financial assets



ITALY

- positive net sales both for UPB (~450 mln[4], with slightly positive net inflows in AuM) and Xelion (+170 mln), despite a context of still deep redemptions in the Italian fund industry (-10bn in 2Q07)

GERMANY

- Growth driven by DAB (+1.6 bn, +5.3%) and WEM AG (+1.1bn, +3.5%)

AUSTRIA

- +7.8% asset growth, thanks to positive net sales in Schoellerbank (225 mln) and successful transfer of BA-CA Retail customer to Bank Privat (~800 mln in 2Q07, ~1.2 bn in 1H07)

(1) TFA net of extraordinary assets (Private Banking Italy)
(2) Figures in 1H07 are annualized
(3) Figure in FY06 column is related to 1H06 and Δ is consequently calculated vs 1H06

(4) Excluding flows from extraordinary assets (~+1bn in 2Q07)

POLAND'S MARKETS: SOLID OPERATING PERFORMANCE (+22.3% 2Q07/2Q06) DRIVEN BY REVENUE GROWTH; FURTHER EFFICIENCY IMPROVEMENT (C/I AT 44.9%, -410 BP vs. 2Q06)

mln	1H07	% ch. on 1H06 at constant FX	2Q07	% ch. on 2Q06 at constant FX
Total Revenues	1,172	12.1%	615	13.2%
Operating Costs	-535	2.5%	-276	3.8%
Operating Profit	637	21.6%	339	22.3%
Net Write Downs on Loans	-54	-12.7%	-25	-10.3%
Profit Before Taxes	626	30.8%	311	22.0%
Net Income for the Group	308	34.6%	151	18.5%
Cost/Income Ratio (%)	45.6%	-427 bp	44.9%	-410 bp

- **Good performance of revenues:**
  - ✓ **Net interest income** up 12.4% y/y mainly thanks to **volume growth**
  - ✓ **Net commissions** up 18.9% y/y benefiting from **higher sales of Mutual Funds**
- **Moderate growth of operating costs:**
  - ✓ **Decreased non HR costs** (-2.3% y/y) mainly thanks to savings in IT expenses
  - ✓ **Increased staff costs** (+9.6% y/y) impacted by higher variable part of compensation in Poland and branch expansion in Ukraine
- **Outstanding efficiency,** C/I at 44.9%
- **Lower net write downs on loans** thanks to **improving quality of loan portfolio**

CEE DIVISION: STRONG OPERATING PERFORMANCE (+24.2% 2Q07/2Q06) AND LOWER NET WRITE DOWNS ON LOANS

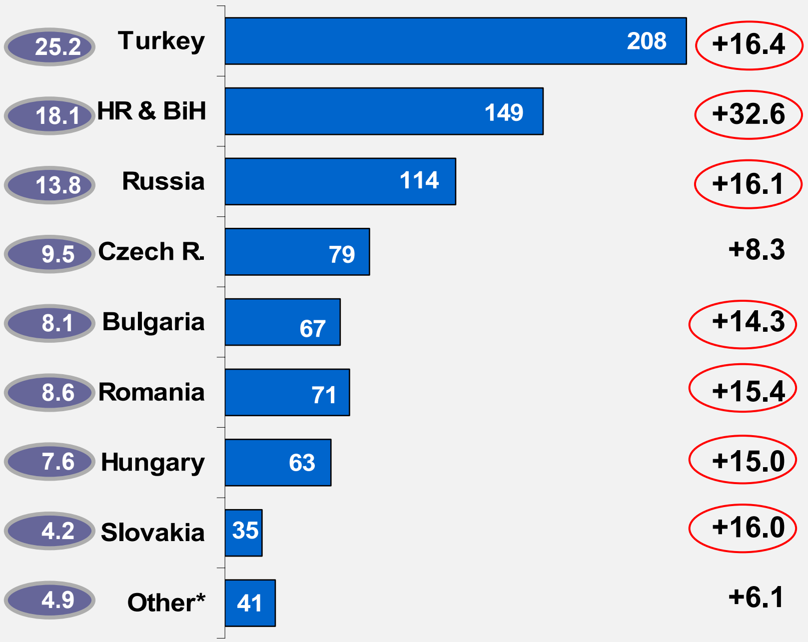
mln	1H07	% ch. on 1H06 at constant FX	2Q07	% ch. on 2Q06 at constant FX
Total Revenues	**1,577**	**17.8%**	**826**	**17.5%**
Operating Costs	**-790**	**10.5%**	**-413**	**11.4%**
Operating Profit	**787**	**26.1%**	**413**	**24.2%**
Net Write Downs on Loans	**-69**	**-11.3%**	**-19**	**-42.9%**
Profit Before Taxes	**685**	**34.8%**	**375**	**39.9%**
Net Income for the Group	**486**	**62.6%**	**266**	**73.2%**
Cost/Income Ratio (%)	**50.1%**	**-328 bp**	**50.0%**	**-271 bp**

- **Total revenues up 17.5% vs. 2Q06** sustained by:
  - ✓ **Net interest income,** +26.0% vs. 2Q06 **benefiting from high volume growth**
  - ✓ **Net commissions,** +19.8% vs. 2Q06 **benefiting from volume growth**
- **Operating costs impacted by branch opening:**
  - ✓ Higher **non HR costs** (mainly for rent and running costs for newly opened branches)
  - ✓ **Staff costs, +10.7% vs. 2Q06** (including variable compensation and salary adjustments)
- **Lower net write downs on loans with**
  - ✓ **Release of generic provisions in Croatia** (~16 mln in 2Q07)
  - ✓ **Higher provisions in Bulgaria and Czech Rep.** (merger-related alignment to the more conservative UCG provisioning policy)

Minorities figures not normalized for changes in controlling stake

CEE DIVISION: REVENUES AND NET INCOME BY COUNTRIES

Total Revenues in 2Q07 (mln)

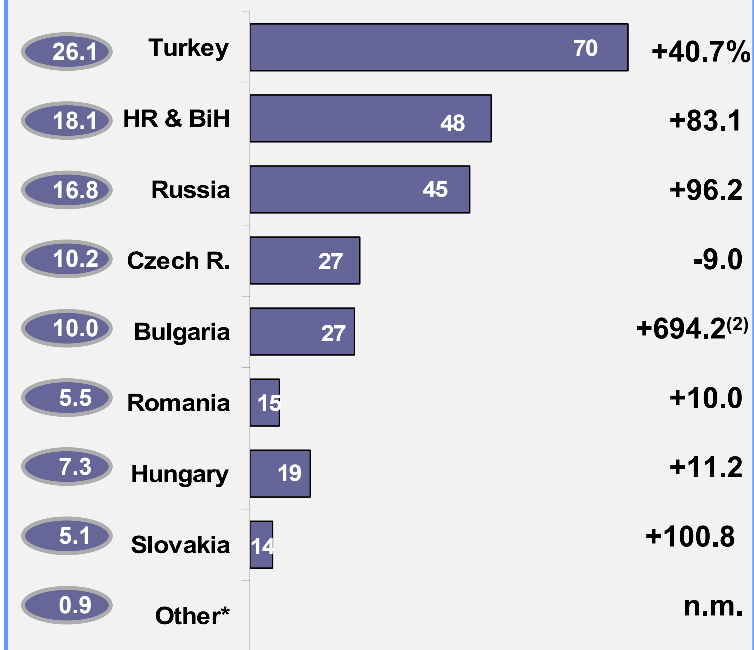


+17.5%
CEE Division

Revenues trend in main countries

- **Turkey** +16.4% driven by volume growth and insurance business
- **Croatia & Bosnia** +32.6%(1) mainly thanks to volume growth, fees on guarantees, custody & brokerage
- **Russia** +16.1% driven by volume growth
- **Czech Rep.** +8.3% thanks to volume growth coupled with stable spreads
- **Bulgaria** +14.3% driven by net interest income
- **Romania** +15.4% driven by net interest income
- **Hungary** +15.0% mainly thanks to volume growth and spread on deposits

Net Income for the Group in 2Q07 (mln)



+73.2%
CEE Division

% ch. at constant FX rates
(*) Serbia, Slovenia, Baltic Countries, Profit Center Vienna
(1) +~19.3% net of non recurring item from property sale
(2) +5.3% net of integration costs accounted in 2Q06

Weight in % on total

Minorities figures not normalized for changes in controlling stake

TURKEY AND RUSSIA: INCOME STATEMENT

TURKEY

mln	2Q07	2Q06	% ch. on 2Q06 at constant FX
Total Revenues	208	172	16.4%
Operating Costs	-107	-94	9.7%
Operating Profit	100	77	24.6%
Net Write Downs on Loans	-9	-10	-11.2%
Profit Before Taxes	84	64	27.3%
Net Income for the Group	70	54	40.7%
Cost/Income Ratio, %	51.7%	54.9%	-317 bp

- **Total revenues,** +16.4% y/y **driven by net interest income** (thanks to volume growth) **and good performance of the insurance business**
- **Operating costs,** +9.7% y/y impacted by salary adjustment
- **Net write downs on loans,** -11.2% y/y benefiting from improved asset quality
- **Consumer loans**, +10.5% y/y, +7.4% q/q to 4.0 bn(1)

RUSSIA

mln	2Q07	2Q06	% ch. on 2Q06 at constant FX
Total Revenues	114	100	16.1%
Operating Costs	-41	-31	35.2%
Operating Profit	73	70	7.7%
Net Write Downs on Loans	-6	-6	5.3%
Profit Before Taxes	67	64	7.3%
Net Income for the Group	45	23	96.2%
Cost/Income Ratio, %	35.6%	30.5%	503 bp

- **Total revenues,** +16.1% driven by net interest income (mainly thanks to volume growth and coupon income from trading securities) and net commissions (mainly lending fees and customer FX business)
- **Operating costs,** +35.2% y/y with slightly lower staff costs(2) and higher other administrative expenses (due to the strategic expansion program, +19 branches y/y, +7 in 2Q07)
- **Net write downs on loans,** +5.3% y/y linked to loan growth
- **Net customer loans,** +12.9% q/q to 5.4 bn, **consumer loans,** +26.8% q/q to 0.8 bn

(1) At 100%
(2) Benefiting from bonus provision release
Minorities figures not normalized for changes in controlling stake

SALE OF NEW BPH: A FURTHER STEP FORWARD IN THE INTEGRATION OF UNICREDIT POLISH OPERATIONS, ONE BANK BY 2007 YEAR END

- **New BPH** is a universal bank with a national network of 200 branches
- In line with the Agreement with the Polish Ministry of State Treasury, **UniCredit to sell via a NewCo ~66%** (out of a total 71%) **stake in New BPH to GE Money**
- **GE Money also to acquire**, from CABET Holding(1), **a 49.9% stake in BPH TFI**, not directly owned by New BPH

'OLD' BPH

Euro, data as of 31.12.2006 pro-forma	New BPH	'BPH285'(2)
Total Assets, bn	2.2	14.7
Net Loans, bn	1.4	7.9
Deposits, bn	1.2	9.6
AUM (BPH TFI), bn	1.8	n.a.
Shareholders' Equity, bn	0.4	1.4
Branches, #	200	285
C/I ratio, %	86.0%	35.3%
Net profit (after minorities), mln	7	324
ROE, %	1.9%	22.9%

Spin-off into Pekao expected by October 2007

- **Aggregate cash consideration for ~66% of New BPH and 49.9% of BPH TFI is Euro 625 mln,** implying **a P/BV multiple of 2.4x:**
  - ✓ **excluding New BPH's excess capital**, the **implied P/BV would be 3.3x – 4.5x** based on 15% and 10% Tier I ratio respectively
- **"Old BPH" is currently trading at P/BV06 of ~4x**, **in line with NEW BPH** evaluation excluding excess capital
- **Completion expected by year end 2007**, following registration of the spin-off of part of Bank BPH business ('BPH285') into Bank Pekao and fulfillment of conditions including regulatory approvals and consents

(1) A wholly-owned subsidiary of BA-CA

(2) Based on difference between Bank BPH and New BPH

CONCLUSIONS: 1H07 NET INCOME 3,607 MLN, WITH OPERATING PROFIT GROWING BY ~21% AND CORE TIER 1 RATIO AT ~6.1%

Solid set of results supports forecast of better than planned 2007 EPS, thanks to positive trend across all the Divisions

RETAIL: Strong value creation (EVA ~+90% 1H07/06), driven by **sustained growth in Italy and continuous restructuring in Germany and Austria**

CORPORATE: Good revenues growth (+6.1% 1H07/06) benefiting from the **positive economic cycle and strict cost control**

MIB: excellent performance through almost all business lines (revenues +26.5% 1H07/06); **limited exposure to areas subject to market turmoil** thanks to **strict risk management**

PRIVATE & AM: consolidating market positioning in a difficult environment **in Italy, very good net sales in US** (~3.3 bn), **CEE Region** (~1.4 bn) and **in the International business unit** (~2 bn)

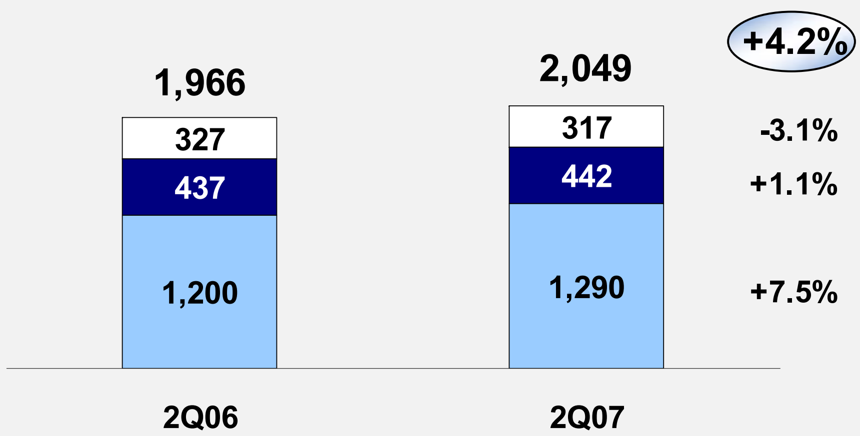
CEE and POLAND'S MKTS: excellent results (profit before taxes: +33.6% 1H07/06) **in a very dynamic environment. Completion of 3 in-country mergers[1] and signing of BPH sale agreement**

[1] Slovakia, Romania and Bulgaria,

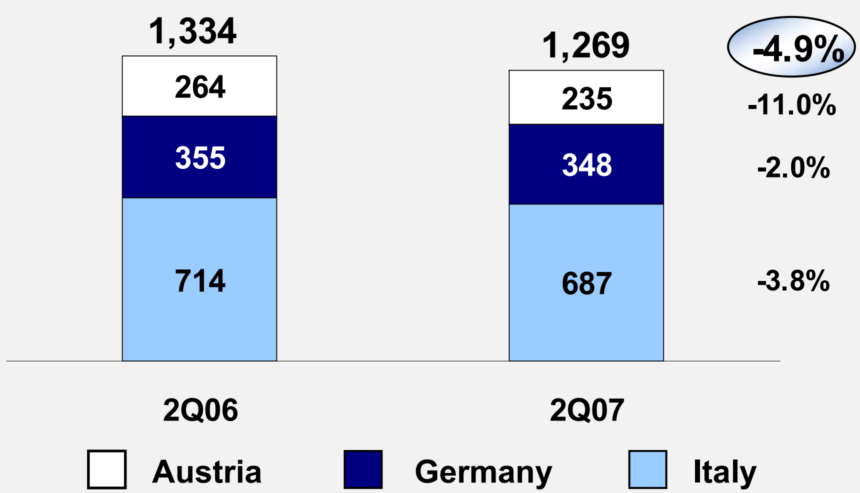
ANNEX

RETAIL DIVISION: OPERATING PERFORMANCE BY COUNTRY

TOTAL REVENUES (mln and y/y % ch.)



OPERATING COSTS (mln and y/y % ch.)



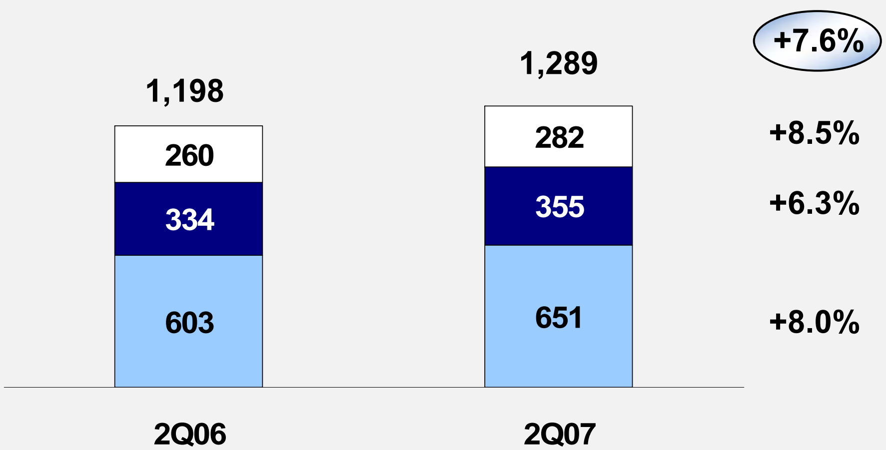
- **AUSTRIA** -3.1%: good increase in fees and commissions (+5.7%) from AUM/AUC, offset by decrease in net interest income (-6.7%), mainly due to pressure on lending spreads
- **GERMANY**: fees and commissions +11.7%, also due to improved cross-selling and higher sales of investment products. Resilient net interest income, despite selective approach in lending
- **ITALY**: net interest income +10.4% driven by higher deposit spread and loans growth. Positive commercial result as of June ytd: ~100,000 new net current accounts; household financial assets +2.4% (net of market effect)

- **AUSTRIA**: strong reduction in both staff expenses (-11.7%) thanks to FTE rightsizing program and other administrative expenses (-11.8%), as result of effective cost management
- **GERMANY** -2% y/y: decrease of both direct (particularly in personnel, consulting and professional services and postage) and indirect
- **ITALY**: -3.8% y/y due to “TFR” release (+68 mln), +5.7% net of that to finance business development projects (S&Q, Consumer Financing internationalization, Banca Casa Internationalization, Italy mortgages spin off)

UniCredit

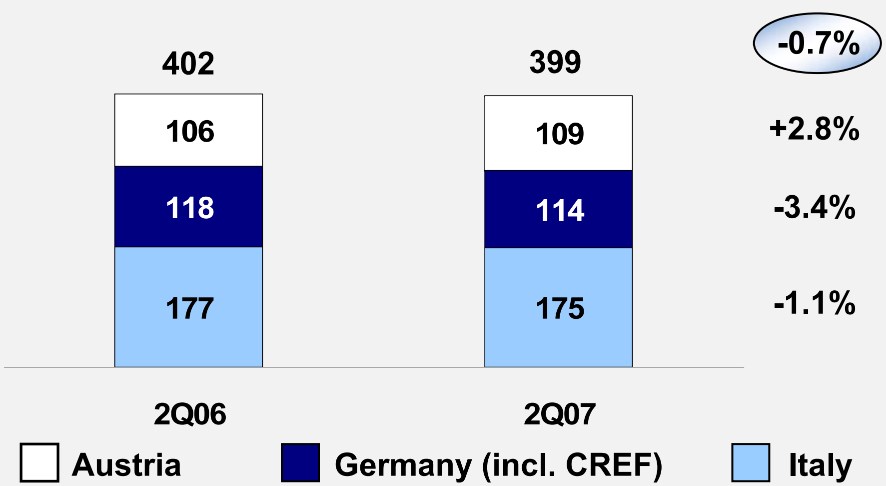
CORPORATE DIVISION: REVENUES AND COSTS BREAKDOWN BY COUNTRY

TOTAL REVENUES (mln and y/y % ch.)



- **AUSTRIA: +8.5% y/y** thanks to the good performance of deposits. Sound growth of fee-based derivative business and leasing business.
- **GERMANY: +6.3% y/y** thanks to growth of "pure Corporate", partially offset by decrease of CREF due to rationalization of non strategic asset. Net commissions from services (derivatives, securities services) main growth drivers
- **ITALY: +8.0% y/y** thanks to excellent performance of Locat (+15% y/y) and UBI (+7% y/y, mainly linked to net interest income - higher lending and deposit volumes - and Corporate Finance, more than balancing lower trading profits)

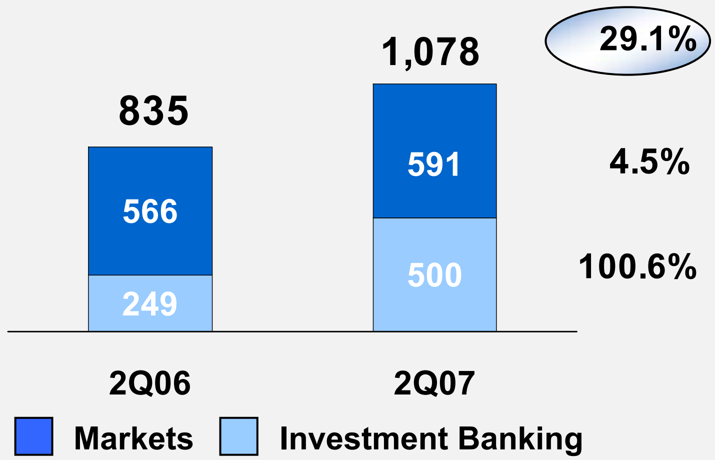
OPERATING COSTS (mln and y/y % ch.)



- **AUSTRIA: +2.8% y/y;** excellent control of other administrative expenses (-14.3%) offset by higher depreciation for higher volumes of leasing business and staff costs
- **GERMANY: -3.4% y/y** thanks to the efficient cost control in "pure corporate" leading to lower staff and NHR costs
- **ITALY: -1,1% y/y;** slight decrease due to to lower staff expenses benefiting from the TFR reform, partially offset by higher other administrative expenses mainly related to the expansion project

MIB DIVISION: REVENUES AND COSTS BREAKDOWN BY BUSINESS NATURE

TOTAL REVENUES[1] (mln)



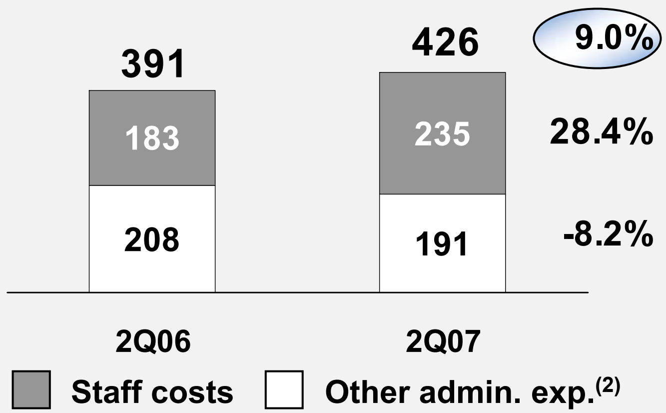
MARKETS +5% y/y

- **FICC -10% y/y:** low volatilities and unfavorable market conditions, EEMEA Markets and Interest Rate Management with further growth.
- **Equities +44% y/y:** driven by Equity Finance and Sales activities.
- **Structured Derivatives -5% y/y:** further positive deal flow with international institutional clients across all asset classes
- **Structured Credit** (JV with Investment Banking) **+25% y/y:** strong results driven by active credit portfolio management and securitizations.

INVESTMENT BANKING +101% y/y

- **Financing +146% y/y:** outstanding performance in Financial Sponsors and Leverage Finance mainly related to private equity.
- **Regional IBs +60% y/y:** with strong German IB contribution.

OPERATING EXPENSES (mln)



STAFF EXPENSES +28% y/y

- Due to the strong increase in revenues, the higher staff expenses are driven by performance and in line with the compensation policy

OTHER ADMIN. EXPENSES & DEPRECIATION -8% y/y

- Strong cost management and achieved synergies result in administrative costs, well below budget.

(1) Revenues economic view: the sum of Markets and Investment Banking differs from total accounting revenues of the division due to other revenues and reconciliation factors

(2) Including recoveries of expenses and writedowns on tangible/intangible assets

UniCredit

POLAND'S MARKETS DIVISION: KPIs

KPIs	1H07	1H06	∆ y/y
EVA (mln)	215	155	39.2%
Total RWA (bn, eop)	22.7	19.1	18.7%
Tax Rate (%)(1)	19.8%	19.7%	17 bp
Branches (#, eop)	1,333	1,310	23

KPIs	1H07	FY06	∆ on FY06
Revenues/avg. RWA (%)(2)	10.9%	11.3%	-41 bp
Cost of Risk (%)(2)	53 bp	62 bp	-9 bp
FTEs (#, eop)	25,526	25,646	-120

- **215 mln EVA generation in 1H07,** +39.2% y/y driven by sound operating performance and lower provisions on loans
- **Improved cost of risk,** -9 bp vs. FY06 thanks to better quality of assets
- **Sound volume growth**
  - ✓ **Net customer loans** +2.7% q/q to 18.0 bn
  - ✓ Stock of **Mortgages** + 20.8% y/y, + 8.0% q/q to 5.7 bn
  - ✓ **AUM** +52% y/y, +18% q/q to 12 bn
- **FTEs, -120 employees** (o/w +215 in Ukraine) vs. Dec06 **due to managed turnover in Poland**
- **Branch opening in Ukraine,** +24 y/y o/w 10 new branches in 2Q07

(1) ∆ y/y calculated on figures at constant FX

(2) Revenues/Avg. RWA and Cost of Risk in 1H07 are annualized

CEE DIVISION: KPIs

KPIs	1H07	1H06	∆ y/y
EVA (mln)	313	183	70.5%
Total RWA (bn, eop)	45.7	39.2	16.6%
Tax Rate (%)(1)	18.8%	20.7%	-306 bp
Branches (#, eop)(2)	1,776	1,722	54

KPIs	1H07	FY06	∆ on FY06
Revenues/avg. RWA (%)(3)	6.9%	6.9%	1 bp
Cost of Risk (%)(3)	32 bp(4)	45 bp(5)	-13 bp
FTEs (#, eop)(2)	37,158	37,565	-407

- **313 mln EVA generation in 2Q07**
- **Cost of risk at 32 bp,** benefiting from released provisions in Croatia
- **Volume growth**
  - ✓ **Customer loans** + 6.5% q/q to 40.1 bn
  - ✓ Stock of **Mortgages** + 22.6% y/y, + 2.4% q/q to 5.4 bn(2)
  - ✓ **AUM** +14.1% y/y, +8.3% q/q to 6.1 bn(2)
- **FTEs, -407 employees mainly in merger countries** (e.g. Bulgaria and Slovakia) **and Turkey** (mainly for outsourcing projects)
- **Branches: +54 branches y/y** (mainly in Turkey, Russia and Hungary) **net of some closing in merger countries** (mainly Bulgaria)

(1) ∆ y/y calculated on figures at constant FX
(2) KFS included at 100%
(3) Revenues/Avg. RWA and Cost of Risk in 1H07 are annualized

(4) CoR at 40 bp in 1H07 ann. excl. release in Zaba
(5) CoR at 55 bp in FY06 excluding exceptional write-backs in Zaba

HVB GROUP: INCOME STATEMENT AND MAIN KPIs

mln	2Q07	2Q06	% ch. on 2Q06	% ch. on 2Q06 at constant FX & perimeter
Total Revenues	1,982	1,499	32.2%	28.6%
Operating Costs	-943	-906	4.1%	1.9%
Operating Profit	1,039	593	75.2%	69.5%
Net Write Downs of Loans	-181	-202	-10.4%	-11.4%
Other Non Operating Items(1)	91	21	>100%	>100%
Net Income(2)	601	46	>100%	>100%
Cost/Income ratio, %	47.6%	60.4%	-12.8%	-12.6%

	1H07	FY06	Δ on FY06
Revenues / Avg. RWA, %(3)	5.18%	3.78%	140bp
Cost of Risk, bp(3)	56bp	63bp	-7bp
FTEs	23,073	23,803	-730

- **Total revenues increase by a strong 32.2% y/y** (+28.6% at constant FX and perimeter), **driven by all the main lines:**
  - ✓ **Net interest income** +11.6**%,** helped by the return on the cash in from disposals but also benefiting of strong contribution from trading related interest
  - ✓ **Net commissions** +9.2%, mainly driven by the good development of fees from lending business
  - ✓ **Trading income** over +60%, also net of UBM
- **Operating costs up by 4.1% y/y** (+1.9% at constant FX and perimeter), well below revenue growth; **cost/income: -12.8 pp y/y**
- **Net write downs of loans** at low level in 2Q07 (down both y/y and q/q) with overall good recoveries; **cost of risk** below FY07 run-rate
- **Good rise of asset profitability: Revenues/ Avg. RWA increases by 140 bp vs FY06**
- **High reduction of FTE also thanks to outsourcing:** -730 ytd decrease (~1,500 net of new consolidations)

(1) Provisions for risk and charges, Integration costs and Net profit from investments

(2) Net income after HVB Group's minorities but before UniCredit's minorities

(3) Revenues/Avg. RWA and Cost of Risk 1H07 are annualized

RETAIL GERMANY: INCOME STATEMENT AND MAIN KPIs

mln	2Q07	2Q06	% ch. on 2Q06
Total Revenues	442	437	1.1%
Operating Costs	-348	-355	-2.0%
Operating Profit	94	82	14.6%
Net Write Downs of Loans	-13	-51	-74.5%
Profit before taxes	81	31	161.3%
Cost/Income ratio, %	78.7%	81.2%	-2.5 pp
KPIs	**1H07**	**FY06**	**Δ on FY06**
Revenues/Avg. RWA, %(1)	7.3%	6.1%	111 bp
Cost of Risk, bp(1)	65	64	1 bp

- **Revenues**
  - ✓ **Stable net interest income**, with higher deposits and slight improvement in spread offsetting decreasing loan volumes
  - ✓ **Fees growth** +11.7%, also due to improved cross-selling and higher sales of investment products
- **Operating costs:** y/y decrease across all lines
- **2Q07 net write downs of loans** benefit from relatively high write-backs. Y/Y comparison also positively influenced by SCP creation in 2006
- Sizeable improvement in **asset profitability**: **Revenues/Avg. RWA up 111 bp**
- **Business drivers** moving in the right direction:
  - ✓ **Customer Satisfaction**: good trend in all segments and regions, leading to a stable customer base
  - ✓ **Recurring fees**:+18% 1H07/06
  - ✓ **Financial Assets**: +5% 1H07/06
  - ✓ **Alpha Certificate**: 500 mln sold in 2Q
  - ✓ **Willkommenskonto**: >130,000 since launch in July 06

(1) Revenues/avg. RWA ad CoR in 1H07 are annualized

CORPORATE GERMANY (incl. CREF): INCOME STATEMENT AND MAIN KPIs

mln	2Q07	2Q06	% ch. on 2Q06
Total Revenues	**355**	**334**	**6.3%**
Operating Costs	**-114**	**-118**	**-3.4%**
Operating Profit	**241**	**216**	**11.6%**
Net Write Downs of Loans	**-50**	**-39**	**28.2%**
Profit before taxes	**194**	**178**	**9.0%**
Cost/Income ratio, %	**32.1%**	**35.3%**	***-322bp***

	1H07	FY06	Δ on FY06
Revenues/Avg. RWA, %(1)	**3.28%**	**2.77%**	***51bp***
Cost of Risk, bp(1)	**48**	**58**	***-10bp***

- **Revenue growth driven by net interest income** (~ +3.4% up despite planned portfolio reduction in CREF) **and fees** (up by ~12% driven by good development of services: derivatives, securities services)
- **Strong cost control in both "pure Corporate" and CREF, leading to lower HR and NHR expenses**
- **Good 11.6% y/y increase of operating profit**
- **Net write-downs of loans: +28.2% vs 2Q06,** which was **the lowest of the last 6 quarters; 2Q07 in line with 1Q07 and well below the quarterly average of the last 6 quarters** (~60 mln)
- **Asset profitability significantly improved: Revenues/Avg. RWA at 3.28% in 1H07, +51 bp vs FY06**

(1) Revenues/avg. RWA ad CoR in 1H07 are annualized

PRIVATE BANKING GERMANY: INCOME STATEMENT AND MAIN KPIs

mln	2Q07	2Q06	% ch. on 2Q06
Total Revenues	112	108	3.7%
Operating Costs	-70	-70	0.0%
Operating Profit	42	38	10.5%
Profit before taxes	45	43	4.7%
Cost/Income ratio, %	62.5%	64.8%	-231 bp
	1H07	FY06	∆ on FY06
Total Financial Assets (eop)(1)	69,238	65,159	6.3%
Revenues/Avg. TFA(2), bp	70 bp	72 bp	-2 bp
Operating Costs/Avg. TFA(2), bp	43 bp	45 bp	-2 bp
EVA(3)	44	34	28.5%

- **Good results 2Q07 vs 2Q06**, with operating profit increasing by a strong 10.5% y/y
- **Revenues** increased by by 3.7% y/y, with net interest income up by 2.6% and net commissions increasing by 3.9% despite a decreasing upfront component
- **Operating costs** flat, with the increase in staff costs related to business growth offset by decrease in other administrative expenses and depreciation
- **Cost income ratio** shows over 2 p.p. improvement
- **Strong Volume growth**: Total Financial Assets up to €69.2 bn(3), post ~17% yoy growth and 6.3% from 2006 year end; AuM up by 19.2% yoy to €29.6 bn
- **Business drivers:**
  - ✓ Successful development of Asset Management Products
  - ✓ Strong increase in revenues from WealthCap
  - ✓ Improved asset mix
  - ✓ Rise in discretionary mandates

(1) Figures in 1H07 are annualized

(2) Figure in FY06 column is related to 1H06 and ∆ is consequently calculated vs 1H06

(3) Figures excluding Weath Cap closed end funds; ~76bn including

BA-CA GROUP: INCOME STATEMENT AND MAIN KPIs

mln	2Q07	2Q06	% ch. on 2Q06	% ch. on 2Q06 at constant FX & perimeter[5]
Total Revenues	1,624	1,232	32%	11.5%
Operating Costs	-735	-706	4%	-13.0%
Operating Profit	889	526	69%	45.2%
Net Write Downs of Loans	-90	-87	4%	-1.3%
Other Non Operating Items[1]	41	689 [2]	-94%	n.m.
Net Income[3]	674	1,008[2]	-33%	100.3%
Cost/Income ratio, %	45%	57%	-12 pp	-13 pp

	1H07	FY06	Δ on FY06	Δ on FY06 at constant FX & perimeter
Revenues / Avg. RWA, %[4]	6.38%	5.97%	41 bp	-
Cost of Risk, bp[4]	43 bp	85 bp	-42 bp	-

- UniCredit's CEE subsidiaries in Turkey, Romania, Bulgaria, Croatia, Slovakia, Czech Republic and the Russian IMB and UniCredit Latvia have been **included in BA-CA group of consolidated companies** from **1 January 2007**
- **Revenue growth driven by net interest income and net commissions increase,** mainly in MIB and CEE divisions
- **Operating costs, -13.0% y/y, but + ~5% net of non recurring item** (release of excess pension fund provisions ~150 mln) mainly due to CEE division
- **Positive trend in credit risk** with reduction of cost of risk to 43 bp from ~50 bp (net of one-off effects in 2006[6])
- **Improved efficiency, cost income ratio to 45.3%,** -12.7 pp y/y at constant FX and perimeter

(1) Provisions for risk and charges, Goodwill impairment, Integration costs and Net income from investments

(2) Including the capital gain from the sale of Splitska banka in 2Q06 (+684 mln)

(3) Net income after BA-CA Group's minorities but before UniCredit's minorities

(4) Revenues/avg. RWA ad CoR in 1H07 are annualized; RWA net of intercompany

(5) Net of changes in CEE perimeter

(6) 79 mln in Retail segment; 199 mln as IBNR

UniCredit

AUSTRIA: INCOME STATEMENT AND MAIN KPIs

mln	2Q07	2Q06	% ch. on 2Q06	% ch. on 2Q06 net non recurring items[1]
Total Revenues	803	743	8%	8%
Operating Costs	-327	-455	-28%	5%
Operating Profit	476	288	65%	13%
Net Write Downs of Loans	-71	-57	25%	25%
Profit before taxes	466	924[2]	-50%	31%
Cost/Income ratio, %	40.8%	61.3%	-21 pp	-

	1H07	FY06	Δ on FY06
Revenues / Avg. RWA, %[3]	5.97%	5.52%	45 bp
Cost of Risk, bp[3]	52 bp	98 bp[4]	-46 bp

- **All Austrian business** segments **increased their results y/y in 2Q07**
- **Total revenues** rose by **8.0%** in 2Q07 y/y mainly driven by **net interest income growth in the MIB division** and **net commissions growth in MIB and retail divisions**
- **Good cost management in Retail and Corporate divisions; non recurring item** (release of excess pension fund provisions ~150 mln) **in 2Q07 positively impacted Corporate Center**
- **Higher net write downs on loans** mainly due to **the exceptionally low 2Q06 in corporate division**

(1) Release of excess pension fund provisions (~150 mln in 2Q07), capital gain on Splitska in 2Q06
(2) Including the capital gain from the sale of Splitska banka in 2Q06 (+684 mln)
(3) Revenues/avg. RWA ad CoR in 1H07 are annualized. RWA net of intercompany
(4) ~52 bp net of one off effects in 2006: 79 mln in Retail segment; 199 mln as IBNR

RETAIL AUSTRIA: INCOME STATEMENT AND MAIN KPIs

mln	2Q07	2Q06	% ch. on 2Q06
Total Revenues	317	327	-3.1%
Operating Costs	-235	-264	-11.0%
Operating Profit	82	63	30.2%
Net Write Downs of Loans	-59	-55	7.3%
Profit before taxes	24	7	242.9%
Cost/Income ratio, %	74.1%	80.7%	-6.6 pp

KPIs	1H07	FY06	Δ on FY06
Revenues/Avg. RWA, %[1]	7.9%	7.8%	8 bp
Cost of Risk, bp[1]	135	251	-116 bp

- **Revenues - 3.1%:** decrease in net interest (-6.7%) due to pressure on lending spread almost compensated by the increase (+5.7%) in net commissions from sales of investment products (i.e gross sales of mutual funds, +40% y/y)
- **Operating costs -11.0%:** dramatic reduction due to effective cost management on both staff (-11.7% y/y) and other administrative costs (-11.8% y/y)
- **Net write-downs on loans:** slightly higher y/y, but well below last six quarters average (~87 mln)
- **Cost/Income ratio:** over 6.6 points improvement y/y mainly thanks to very successful cost management

(1) Revenues/avg. RWA ad CoR in 1H07 are annualized

CORPORATE AUSTRIA: INCOME STATEMENT AND MAIN KPIs

mln	2Q07	2Q06	% ch. on 2Q06
Total Revenues	**282**	**260**	**8.5%**
Operating Costs	**-109**	**-106**	**2.8%**
Operating Profit	**173**	**154**	**12.3%**
Net Write Downs of Loans	**-14**	**-4**	**250.0%**
Profit before taxes	**159**	**148**	**7.4%**
Cost/Income ratio, %	**38.7%**	**40.8%**	***-212bp***
	1H07	FY06	Δ on FY06
Revenues/Avg. RWA, %[(1)]	**3.56%**	**3.21%**	***35 pp***
Cost of Risk, bp[(1)]	**20**	**39**	***-19bp***

- **Strong revenue stream** (+8.5% y/y) mainly driven by **service related fees** (derivatives and securities services) and **higher leasing volumes**
- **Slight y/y growth of operating costs** due to **higher depreciation linked to development of leasing** and to staff expenses
- **C/I ratio at ~38.7%,** ~2% better than 2Q06
- **Net write-downs on loans trend affected by the exceptionally low 2Q06**; 14 mln in 2Q07 vs a quarterly average of ~25 mln in the last 6 quarters
- **7.4% y/y progress of profit before taxes**
- **Strong increase of Asset profitability: Revenues/Avg. RWA at 3.56% in 1H07, +35 bp vs FY06**

[(1)] Revenues/avg. RWA ad CoR in 1H07 are annualized

PRIVATE BANKING AUSTRIA: INCOME STATEMENT AND MAIN KPIs

mln	2Q07	2Q06	% ch. on 2Q06
Total Revenues	34	34	0.0%
Operating Costs[1]	-19	-19	0.0%
Operating Profit	15	15	0.0%
Profit before taxes	14	15	-3.0%
Cost/Income ratio, %	55.9%	55.9%	bp
	1H07	FY06	Δ on FY06
Total Financial Assets (eop)	16,129	14,091	14.5%
Revenues/Avg. TFA[2]**, bp**	86 bp	91 bp	-5 bp
Operating Costs/Avg. TFA[2]**, bp**	49 bp	60 bp	-11 bp
EVA[3]	18	13	34.6%

- **+14.5% growth of Total Financial Asset** from 2006 year end, driven by ~400 mln of net sales of Schoellerbank and excellent results of customers transfer from BA-CA Retail to Bank Privat (~800 mln in 2Q07, ~1.2bn in 1H07)
- **Total Revenues** in line with 2Q06, with Bank Privat and AMG growth offsetting Schoellerbank's slowdown on net commissions
- **Costs** basically flat on 2Q06 and **cost income stable** at ~56%
- **EVA up to 18mn** in 1H07, with excellent +35% y/y growth

(1) 2Q07 operating costs figures not fully comparable with 2Q06 due to allocation of divisional costs to the corporate centre in 2Q06 ahead of set-up of divisional structure in 2H06

(2) Figures in 1H07 are annualized

(3) Figure in FY06 column is related to 1H06 and Δ is consequently calculated vs 1H06