Meeting real needs with concrete solutions.

2011 Consolidated Reports and Accounts

Every day, life presents new challenges and opportunities. Every day, we each have a new story to tell that involves tangible needs and requires clear answers.

In this year's annual report, we illustrate our way of banking with stories of the people, businesses and institutions who use our customized solutions. You will read stories about how we worked together to promote sports in schools and how we gave a boost to long-established industrial firms by enabling them to update their machinery. You will also learn about how we have supported the development of new computer systems and have provided broad support to the green economy.

These stories were built on entrepreneurship, courageous innovation, respect for tradition, and our strong bonds with local communities.

We strongly believe that being a bank today means making a concrete difference, day in and day out, for those who have chosen to do business with us. It means facing challenges together and creating a world of new opportunities.

These are true stories - snapshots of ordinary life that shape the mosaic of our daily work. At UniCredit, we are creating a world of relationships, where our stakeholders can best meet the changing needs of the times.

2011 Consolidated Reports and Accounts

Financing the excitement of UEFA EURO 2012™.

Bank Pekao participated in acquisition of financing of three UEFA EURO 2012™ stadiums: Stadion Narodowy in Warsaw, the Poznań Stadium and Stadium in Gdańsk. From an architectural standpoint, the Stadium in Gdańsk is considered the most impressive construction of UEFA EURO 2012™. This year for UEFA EURO 2012™ Bank Pekao has also financed other infrastructures, such as highways, regional airports and public transportation. As the official slogan states "simple emotions are sometimes not enough", Bank Pekao has really become part of EURO UEFA 2012™ as a National Sponsor.
This is another way to be close to local communities and a concrete sign of trust in the future of the country.

Stadium in Gdańsk

Contents

Notes

The following conventional symbols have been used in the tables:
- a dash (-) indicates that the item/figure is inexistent;
- two stops (..), "n.s." or "n.m." when the figures do not reach the minimum considered significant or are not in any case considered significant;
- "n.a." indicates that the figure is not available.

Any discrepancies between data are solely due to the effect of rounding.

Making “Made in Italy” an international success.

Many Italian SMEs have expressed interest in participating in a series of workshops on internationalization. The *Export Business School* is a programme UniCredit developed to reinforce the competitiveness of companies in the international arena by means of in-depth coursework and creation of networking opportunities. In conjunction with this initiative, the bank also created the *East Gate Export* programme to promote the activities of Italian companies in Eastern Europe. And moving further eastward, a UniCredit project to promote Italian SMEs in China has drawn praise from entrepreneurs and managers from among a wide cross-section of Italian companies.

“Destinazione Cina 2011” project - October 26, 2011, Magnani Palace, Bologna

Introduction

Partnering with clients to generate success.

One of Russia's largest soft drink companies, a longtime client of our bank, once used 6.7 million euros in UniCredit financing to modernize its production facilities. Through this partnership, concrete action was taken in three steps: the bank devised a five-year financing plan; it helped arrange export partnerships with other companies of the Group and it extended additional UniCredit resources, including those of UniCredit Leasing, which financed some of the plant's machinery. This example shows how our bank acts as a truly European commercial institution, with a truly global vision.

Old Spring Group, Stavropol Region, Russia

Board of Directors, Board of Statutory Auditors and External Auditors as at December 31, 2011

	Board of Directors*
Dieter Rampl	**Chairman**
Luigi Castelletti	**Deputy Vice Chairman**
Farhat Omar Bengdara Vincenzo Calandra Buonaura Fabrizio Palenzona	**Vice Chairmen**
Federico Ghizzoni	**CEO**
Giovanni Belluzzi Manfred Bischoff Donato Fontanesi Francesco Giacomin Friedrich Kadrnoska Marianna Li Calzi Luigi Maramotti Antonio Maria Marocco Carlo Pesenti Lucrezia Reichlin Hans-Jürgen Schinzler Theodor Waigel Anthony Wyand Franz Zwickl	**Directors**
Lorenzo Lampiano	**Company Secretary**

	Board of Statutory Auditors
Maurizio Lauri	**Chairman**
Cesare Bisoni Vincenzo Nicastro Michele Rutigliano Marco Ventoruzzo	**Standing Auditors**
Massimo Livatino Paolo Domenico Sfameni	**Alternate Auditors**
Roberto Nicastro	**General Manager**
Marina Natale	**Nominated Official in charge of drawing up Company Accounts**
KPMG S.p.A.	**External Auditors**

(*) **2011**
Director Salvatore Ligresti handed in his resignation with effect from March 22, 2011.
Mr. Piero Gnudi ceased being a Director on November 16, 2011 as he took government office.
Director Enrico Tommaso Cucchiani handed in his resignation with effect from December 16, 2011.

2012
On January 31, 2012 the Board of Directors co-opted Mrs. Helga Jung onto the Board of Directors.
Director Carlo Pesenti handed in his resignation with effect from January 31, 2012.

UniCredit S.p.A.
A joint stock company
Registered Office in Rome: Via Alessandro Specchi, 16
Head Office in Milan: Piazza Cordusio
Share capital Euro €19.647.948.525,10 fully paid in, Fiscal Code, VAT number and Registration number with the Company Register of Rome: 00348170101
Registered in the Register of Banking Groups and Parent Company of the Unicredit Banking Group, with cod. 02008.1;
Cod. ABI 02008.1
Member of the National Interbank Deposit Guarantee Fund and of the National Compensation Fund

Chairman’s message to the Shareholders

“I am confident that the measures we have taken, bolstered by our extensive and diversified financial network in Western Europe and in the high-growth CEE countries, will ensure a bright future for the Bank and offer sustainable value to our stakeholders.”

Dear Shareholders,

2011 was an important year for UniCredit in a complex and difficult economic environment that has put the European Financial System again under stress.

During this year we took several important decisions for the Bank. We wrote off over € 10B in goodwill and other intangible assets, we presented to the market our multi-year plan and we successfully launched and completed a € 7,5B capital increase taking our core Tier 1 close to 10%. These were difficult but necessary decisions to ensure the Bank could face with confidence both the challenges and the opportunities ahead. The Management faced reality and acted decisively.

At the beginning of the year 2011 we were optimistic. Although growth was still lagging in most of the European markets the difficult years of the financial crisis, we thought, were behind us. However, we were proved wrong as the sovereign debt crisis initiated in Greece, and spread quickly, hitting most of the European countries and particularly Ireland, Portugal, Spain and finally Italy. During the third quarter, the situation became serious with the spreads on the sovereign bonds of these countries hitting record high levels versus the Bund. The markets started losing confidence in the ability of the Euro countries to effectively and appropriately handle the crisis. By year end the situation was still difficult and volatile, notwithstanding the strong and decisive actions taken by the Governments to strengthen the countries balance sheet and ultimately reassuring on the resilience of the Euro zone.
The BCE again took unprecedented measures to ensure the stability of the financial markets. All of this was painful but necessary, with important consequences on the standard of living of the European citizens who endured austerity measures that will have long standing impact on their lives.

For the Banking sector as a whole this year clearly took a toll on their profitability and required a further strengthening of the capital base, also as required by the results of the EBA stress tests. A combination of cost measures, selective deleveraging and a significant capital increase were the concrete answers that UniCredit gave to the challenges of the crisis.

Today, however, confidence has come back and the markets look with optimism at a still difficult 2012, where most

European countries will record modest growth rates and others will be experiencing the difficulties of the recession.
The optimism stems from the confidence that the Governments have taken the right decisions, the Greek crisis although far from over has been dealt with and 2013 looks more and more solid. This said, we expect a 2012 still difficult and volatile which will require our bank to demonstrate particular focus and determination on cost containment and strong discipline on capital management and allocation in line with the multi-year plan targets presented in November to the market.

The strategic plan actions will continue to strengthen our position in the commercial banking activities across our unparalleled pan-European network , allowing us to better meet the needs of our customers. Customer satisfaction is and will remain a key performance indicator and a benchmark against which we will measure management and the sustainability of our results. Investment banking services will remain a core activity but focused on supporting the commercial banking operations and always within very strict risk appetite.

The diversification of the business lines and of our presence across the different European countries is an asset of the bank and a key competitive advantage. Even during the most difficult moments of the crisis, this diversification has indeed played to our advantage allowing us to compensate weak performance in some countries with a strong delivery in others like Poland and Turkey. We intend to maintain our European footprint while investing selectively in those countries were there are the higher growth opportunities.

We are grateful for the strong support of our shareholders who, subscribing the capital increase, allowed the Bank to strengthen the capital position to support the strategic plan targets. We are well aware, however, that this strong vote of confidence needs to be repaid with the promised performance. The Board of Directors' decision not to propose a dividend distribution this year is consistent with the need to strengthen the capital position of the Bank: it is, nonetheless a painful one, taken with the strong confidence that dividend distribution can be resumed quickly.

To ensure results are achieved within the risk boundaries agreed, the Board has taken measures to reinforce internal oversight. The Internal Control and Risks Committee and the Corporate Governance, HR and Nomination Committee monitored the activities of the Bank and maintained close oversight of those that fell within their respective areas of specialization. The Remuneration Committee continued to assess the compensation packages of top management and to keep our policies aligned with the recommendations of relevant policymakers and the market best practices.
The Corporate Governance Committee embarked in a fundamental initiative to strengthen the governance of the Bank recommending the size and composition of the Board to ensure full alignment of the Board's skills to the challenges and responsibilities associated with running one of the most relevant pan-European Banks .

I am confident that the measures we have taken, bolstered by our extensive and diversified financial network in Western Europe and in the high-growth CEE countries, will ensure a bright future for the Bank and offer sustainable value to our stakeholders.

We have successfully weathered one of the most difficult period in our history. And for this I wish to express, also on behalf of the Board of Directors, all the appreciation and the warmest thanks to our employees and management team for the hard work, support and dedication. Our thanks goes also to you, our shareholders, for your continued support.

The success of the capital increase is the solid foundation on which we will build our future and the premise to deliver consistent and sustainable results to our shareholders.

Dieter Rampl
Chairman

CEO's Letter to the Shareholders

"Being a rock-solid European commercial bank is the best way for our Group to meet the real needs of our customers and to offer sustainable value for our shareholders."

Dear Shareholders,

During a challenging year that will be remembered as a pivotal time in UniCredit's history, we took two major steps to secure our future and address the new economic reality.

We strengthened our capital position through a successful 7.5 billion euro capital increase and a write-down of goodwill, which allowed us to align our balance sheet with the real economy. And we developed a new strategic plan based on a more efficient and more focused business structure.

Though 2011 began on a positive note, events were soon dominated by the escalation of the sovereign debt crisis. Europe faced a structural crisis more alarming than an economic recession, and it called into question the sustainability of the European Union itself.

Regulators had to rapidly shore up the capital levels of major banks to ensure that they could manage the risks of potential defaults on public debt. For the banks, this meant achieving higher capital ratios and implementing necessary austerity measures.

I am confident that the calculated steps we have taken are in the best interests of our shareholders.

The strategic plan is our guide to profitable and sustainable growth in this new economic era. First and foremost, the plan puts commercial banking at the core of our activities. Being a rock-solid European commercial bank is the best way for our Group to meet the real needs of our customers. This means maintaining a focus on providing credit to families and companies, in addition to offering services related to payments, receipts, trade financing and financial advice. The plan also better tailors our investment banking services to our corporate customers, while allowing us to progressively exit non-customer-oriented businesses.

Our plan calls for greater operational efficiency, strict cost management and a lower risk profile. These measures, coupled with rigorous capital discipline, should result in growing profits and a favorable return on equity over the next three years.

Our customers are at the heart of our plan. Because we are one of the largest banking networks in Europe, doing business with more than 35 million customers through our 9,500 branches, we have every incentive to build stronger customer relationships. Our leaner business structure reduces complexity, brings us closer to our customers, and helps us to meet their real needs with concrete solutions.

You can see examples of this everywhere we do business. Our innovative mobile phone banking means our customers across Europe literally have a bank in their pocket. Our new ATMs are communication centers where customers can pay bills and buy train tickets.
Our "Best in Class" program in Germany provides one-on-one financial advisory services and innovative banking tools to help families and businesses. Our new "Hub and Spoke" operational model in Italy serves our customers more efficiently with expanded automated services.
We are always innovating to find better ways to meet the real needs of our customers.

Finally, our strategic plan provides concrete support for our employees, our most valuable asset. In addition to practical career assistance, we also offer the UniCredit Welfare Plan, which helps employees to secure better childcare, family care and healthcare options, and to invest in their pension plans. And we offer them professional training at our LifeLong Learning Center to help them be at the top of their field.

Looking forward, we expect 2012 to be another challenging year, with modest GDP growth and critical issues to be addressed in Italy. However, we see the second half of 2012 developing positively and project a gradual recovery in 2013. Our decision to refrain from paying a dividend in 2012 reflects our objective to strengthen our bank and achieve the increased profitability described in our strategic plan.

We have responded to the critical events of 2011 and I am confident that we have now secured our future as a rock-solid European bank that will continue to offer sustainable value for our shareholders.

Federico Ghizzoni
Chief Executive Officer

Highlights

UniCredit operates in 22 Countries with more than 160,000 employees and nearly 9,500 branches.

UniCredit benefits from a strong European identity, extensive international presence and broad customer base.

Its strategic position in Western and Eastern Europe gives the Group one of the region's highest market shares.

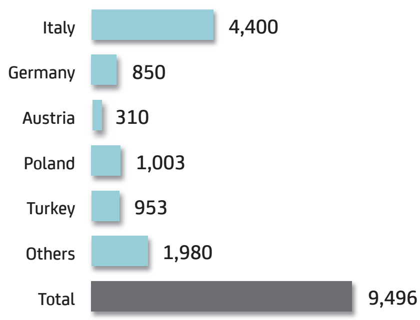
(currency amounts are shown in € million)

OPERATING INCOME	25,200
OPERATING PROFIT	9,740
NET PROFIT (LOSS)	(9,206)

SHAREHOLDERS' EQUITY	51,479
CORE TIER 1 RATIO	8.40%
TIER 1 RATIO	9.32%

EMPLOYEES[1]	over 160,000
BRANCHES[2]	nearly 9,500
TOTAL ASSETS	926,769

BRANCHES BY COUNTRY[2]

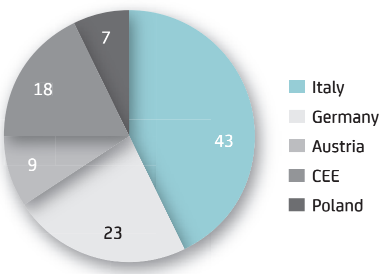


1. Data as at December 31, 2011. FTE = "Full Time Equivalent": number of employees counted for the rate of presence. Figures include all employees of subsidiaries consolidated proportionately, such as Koç Financial Services Group employees.
2. Figures include all branches of subsidiaries consolidated proportionately, such as Koç Financial Services Group branches.

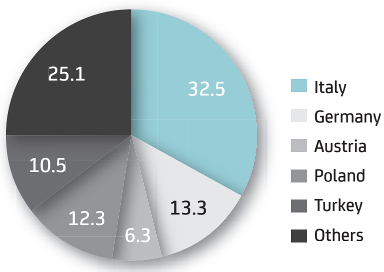
WHERE WE OPERATE

AUSTRIA
AZERBAIJAN
BOSNIA AND HERZEGOVINA
BULGARIA
CROATIA
CZECH REPUBLIC
ESTONIA
GERMANY
HUNGARY
ITALY
KAZAKHSTAN
KYRGYZSTAN
LATVIA
LITHUANIA
POLAND
ROMANIA
RUSSIA
SERBIA
SLOVAKIA
SLOVENIA
TURKEY
UKRAINE

REVENUES BY REGION (%)



EMPLOYEES BY COUNTRY[1] (%)



Focus

AUSTRIA, GERMANY AND ITALY

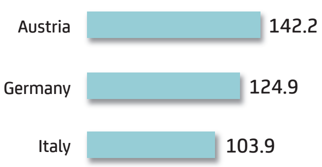
UniCredit is strategically positioned in Italy, Germany and Austria. These three countries account for more than one-third of the combined GDP of the European Union and collectively represent one of the continent's wealthiest transnational regions.

GDP per capita in each of these countries is higher than the average for the EU as a whole. Moreover, Germany ranks first in terms of GDP per capita among the four largest EU economies, surpassing France, the United Kingdom and Italy.

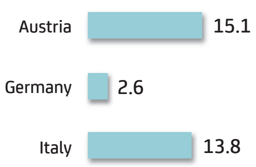
UniCredit has one of the largest banking networks in all three of these core Western European countries and provides access to 310 branches in Austria, 850 in Germany and 4,400 in Italy. Each country is closely linked to the growing economies of Central and Eastern Europe.

In terms of economic performance, 2011 was another year of moderate expansion for these core countries. The first half of the year saw a growth in momentum that was sustained by healthy global demand. During the second half of the year, there was a marked slowdown in economic activity following the sovereign debt crisis, which took place during the summer. In particular, market repricing of risk premiums on Italy's sovereign debt took its toll, fueled by investor concerns about the sustainability of the country's public debt in the context of structurally low GDP growth. The response of the Italian government in terms of fiscal consolidation was impressive, although this likely contributed to dampen the country's growth prospects, at least in the short-term. As for Germany, market sentiment remained extremely positive with regard to the country's perceived health.

GDP PER CAPITA[1]



MARKET SHARE[2] (%)



1. Nominal GDP per capita as at December 31, 2011 (EU27=100). Estimate of Nominal GDP per capita within the EU27 as at December 31, 2011 (last update April 13, 2012).

2. Market Share in terms of Total Customer Loans as at December 31, 2011.

Source: Eurostat, UniCredit Research.

For the next two years, our three core markets will face challenges. These will be particularly acute in Italy. Nevertheless, these three countries will continue to demonstrate their relative strength in comparison to the nations of southern Europe given their balanced growth model, relatively low level of private sector debt and continued prudent management of public finances. Italy and Germany possess the eurozone's largest manufacturing base, together generating more than 50 percent of the euro area's total nominal added value.

From 2011 to 2015, real economic growth is expected to continue at an average annual rate of roughly 2 percent in Austria and Germany, and nearly 0.5 percent in Italy. This is higher than the average rate achieved over the previous five-year period for the three countries. Moreover, while exports will certainly be an important factor behind the ongoing economic recovery, another favorable development will be seen in domestic demand, which will become an increasingly important engine of economic development. Particularly in Germany, this will result in a more sustainable pattern of growth that is not exclusively export-driven.

CENTRAL AND EASTERN EUROPE

UniCredit is a market leader in Central and Eastern Europe, where it has a broad network of roughly 3,900 branches.

Its regional footprint is diverse, and includes a direct presence in 19 countries. It is ranked in the top five in 11 of these countries*. In fact, the CEE now accounts for 18 percent of the Group's revenues.

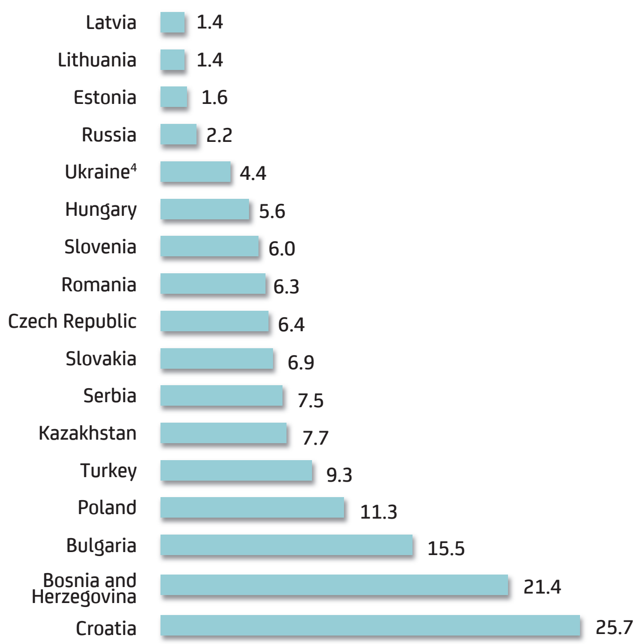
UniCredit has a long history in this dynamic region, from which nearly half of all its employees come. The Group is well positioned to benefit from the process of economic convergence that has been generating higher living standards and a better business environment in these countries.

UniCredit's market position in this region gives its local banks a substantial competitive advantage. This includes the sharing of best practices, significant economies of scale, access to international markets and strong brand recognition. Moreover, the bank's diversified portfolio in this region enables modular growth and increased market penetration for UniCredit's global product lines.

In the first three quarters of 2011, most countries in the region posted strong gains in economic activity, supported by robust external demand, favorable agricultural conditions and, in some cases, resilient domestic demand growth. To date, available data indicates some slowdown in economic activity in the fourth quarter, in part as a result of weaker external and industrial demand. Nevertheless, the region as a whole proved relatively resilient to the challenges of the EMU. The risks, if any, to UniCredit prediction of 4.7 percent GDP growth for the CEE in 2011** are to the upside.

In 2012, GDP growth for the region is forecast at 3.3 percent, assuming a broadly flat first half-year followed by an improved second half-year. Among the largest economies in the region, Russia is expected to lead, posting growth of almost 4 percent, while in Turkey and Poland GDP should post gains of approximately 3 percent. These economies will benefit from lower debt levels as well as a head start in fiscal consolidation relative to the EMU. Other economies in the region, including Croatia, Slovenia and Hungary, will struggle to post positive gains in GDP.

MARKET SHARE[3] (%)



* as at September 30, 2011.

** GDP figures at December, 31 2011 are not yet final.

3. Market Share in terms of Total Assets as at December 31, 2011. Market Share in Azerbaijan and Kyrgyzstan not available.

4. Pro-forma (Ukrsotsbank + UniCredit Bank Ukraine).

Source: UniCredit Research, UniCredit CEE Strategic Analysis.

Business Model

This model focuses on four pillars:

Customer-centricity

This is the focus of the Business Divisions - *Families & Small-Medium sized Enterprises, Corporate & Investment Banking, Private Banking and Central Eastern Europe.* With their highly specialized services, they offer clear and simple solutions to all customer segments, thereby maximizing long-term value and generating customer satisfaction.

A multi-local approach

UniCredit combines an international distribution network with deep local roots and close ties to its customers by leveraging the global product lines, like Leasing and Factoring, its global service lines and the local expertise of UniCredit's people operating in the local markets.

Global product lines

Each of the product lines is responsible for the centralized development of a complete portfolio of financial products and services suitable to the diverse needs of its customers. These product lines generate added value for customer segments in all countries and regions by leveraging also the specialized skills and knowledge of the Group's Banks/Companies (e.g Fineco Bank).

Global service lines

UniCredit's service lines provide a broad range of specialized internal services such as information technologies, back-office activities, personnel administrative management, loan recovery, purchasing and the real estate management.

Organizational structure

UniCredit's organization reflects its divisional business model and geographic scope.
To meet customers' needs, UniCredit is divided into **specialized Business Divisions**, as follows:

- Three divisions - *Families & Small-Medium sized Enterprises, Corporate & Investment Banking, Private Banking* - manage the activities intended for their respective customer segments. These include marketing, defining service models and developing products, as well as overseeing and coordinating some specific businesses.
- The CEE Division serves to align the activities in 19 countries of Central and Eastern Europe to a single, comprehensive business vision.

In line with the multi-local approach, responsibility for individual countries is lodged with leadership roles - such as the Country Chairman in the four main markets of Austria, Germany, Italy and Poland and the Country CEO in the six divisionalized CEE countries. Their task is to combine the Group's strategic business vision with that of their country.

Lastly, the functions called **Competence Lines** oversee the guidance, coordination and control of UniCredit's activities and manage the related risks. These competence lines include Planning, Finance & Administration, Risk Management, Legal & Compliance, Internal Audit, Human Resources, Organization and Identity & Communications.

The UniCredit Strategic Plan

Clear goals, specific actions and a long-term vision are key elements of the UniCredit Strategic Plan that will be implemented through 2015. The strategic targets of the plan are related to commercial activity which meets real needs with concrete solutions, capital strength, operating efficiency, profitability and focus on Europe.

Commercial activity. Placing a renewed emphasis on the importance of being a commercial bank will put UniCredit at the center of the real economy. Customers primarily look to UniCredit to provide them with savings and loan services. Most importantly, the Group's return to traditional banking fundamentals means that it can provide tailored solutions to fit these needs.

Capital strength. UniCredit's position as one of the 29 global systematically important financial institutions (G-SIFIs) is official recognition that it is now one of the most secure banks in the world. However, it remains a priority to further improve its capital and liquidity positions, as well as its access to funding.

Operating efficiency. To be truly competitive in the years to come, UniCredit requires a simplified operating structure that is more customer-focused, efficient, cost-conscious and streamlined in terms of central functions.

Profitability. Profits must be sustainable. And only a strong, low-risk traditional business model can generate sustainable profits and a return on capital that is greater than its costs.

Focus on Europe. UniCredit's current orientation is towards Europe. Its geographic diversity is an unquestionable asset that will continue to serve the Group well into the future. In fact, its strong presence in Western Europe and in those CEE countries with high growth potential will strengthen UniCredit's relationships with strategic customers internationally.

The steps set forth in the UniCredit Strategic Plan to achieve these goals can be broken down into four areas of activity: use of capital; cost control and simplification; a business shift for CEE and CIB; and a resurgence in Italy.

Use of capital. This must be carefully addressed. Being a G-SIFI bank may mean that UniCredit is one of the 29 most secure banks in the world, but it also means it is one of the most regulated institutions. This is especially true with regard to the subjects of capital endowment and risk profile. UniCredit's successful €7.5 billion capital increase was the first step towards strengthening its position, and, in 2012, it gave the bank a Common Equity Tier 1 Ratio of over 9 percent based on Basel 3 criteria. UniCredit's goal is to exceed 10 percent by 2015. As for the reduction of its risk profile, this will require the sale of €48 billion in non-strategic assets and greater selectivity in lending as compared to the past. These transactions will allow UniCredit to focus more on its traditional banking business by raising funds and providing loans on an ongoing basis and under attractive conditions.

Cost controls and simplification. UniCredit aims to be efficient, streamlined, fast and unified. To achieve this as quickly as possible and starting in 2012, the strategic plan calls for difficult decisions requiring it to break with the past. UniCredit's organizational model and several other components will change according to customer needs and will involve a downsizing of support functions plus a shift to centralized departments. At the same time, spending will be thoroughly reviewed to achieve overall savings of €440 million.

Business shift for CEE and CIB. Both of these business areas will be reviewed. On one hand, this will involve leveraging countries with the greatest growth potential - especially those where UniCredit is well-positioned in terms of risk/return (the Czech Republic, Poland, Russia and Turkey). On the other hand, it will involve a shift in lending to focus on more strategic customers in order to create additional loans.

Resurgence in Italy. While Italy is number one for UniCredit in terms of revenues and loans, the country's profitability must improve. To do this, UniCredit will adjust the risk profile of its loan portfolio to favor higher credit ratings, reduce the efficiency gap with its main competitors and to be more selective in its lending. These steps will allow UniCredit to provide new medium- and long-term credit lines totaling €33 billion to SMEs, and to extend new loans to households totaling more than €39 billion.

Raising standards to protect the environment.

UniCredit is an environmentally conscious institution and, in Slovakia, it has instituted an energy management system that complies with the STN EN 16001 EMS certification standards. This is the bank's second such certification, building on an earlier ISO 14001 certification, and underscores its commitment to reducing emissions and protecting the environment from further climate change. This was a concrete endorsement of the articulated project of lower energy costs. The development of sustainable energy programmes is strategic both for the European Union and for UniCredit which has its own project named Environmental Programme Sustainability. A tangible and certified answer to an issue of great social importance.

Strategy and Results

2011 Highlights

- Adjusted net profit of €1,110 million, -27.4% y/y net of €10,317 million non-operating and one-off write-downs mostly posted in Q3 2011, which affect yearly profitability, but with negligible impact on regulatory capital ratios. Stated loss of €9,206 million (net profit of €1,323 million in 2010);
- Net operating profit of €3,715 million in 2011, down by 3.7% y/y, with main operating items in line with the previous year: revenues slightly down irrespective of the sovereign debt crisis (-3.4% y/y), operating costs almost stable (+0.9% y/y, but flat net of bank levies) and loan loss provisions significantly down (-12.6%);
- Sound balance sheet and liquidity position;
- Core Tier 1 at 8.40% up to 9.97% considering the rights issue completed in early 2012.

- Group's stated Net Profit at €114 million, €247 million adjusted for non-operating one-offs (-€474 million adjusted in Q3 2011);
- Net Operating Profit to €801 million from -€2 million in Q3 2011, thanks to positive progression of its main components: revenues to €6,092 million (+6.4% q/q), Operating Costs to €3,799 million (-2.1% q/q) and Loan Loss Provisions to €1,492 million (-19.3% q/q);
- Revenues supported by stable core revenues and rebounding Net Trading Profit (+€204 million, -€285 million in Q3 2011);
- Net Interest in line (-0.4% in the Q4 2011, +0.3% q/q at constant FX) to €3,816 million, with repricing actions on loans offsetting the higher cost of funding, especially in Italy;
- Fees and Commissions up (+1.8% q/q) to €2,040 million, with a significant recovery of Financing Services (+16.5% q/q);
- Operating Costs decrease to €3,799 million (-2.1% q/q), driven by Staff Expenses pointing to €2,177 million (-7.6% q/q) and Other Expenses at €1,323 million affected by seasonality (+6.1% q/q);
- Loan Loss Provisions decreasing to €1,492 million in Q4 2011 (-19.3% q/q) with Cost of Risk at 106 bp, improving vs Q3 2011 (-25 bp q/q), despite persisting uncertainties and a challenging macroeconomic environment.

Note to the Report on Operations and the Consolidated Accounts

General Aspects

The **UniCredit Group's Consolidated Report and Accounts** at December 31, 2011 have been compiled under IFRS as required by Banca d'Italia Circular 262 dated December 22, 2005 (first amendment dated November 18th, 2009). These instructions lay down the Accounts tables and compilation methods, as well as the Notes to the Accounts.

The **Consolidated Report and Accounts** comprise the Balance Sheet, the Income Statement, the Statement of Changes in Shareholders' Equity, the Cash Flow Statement and the Notes to the Accounts, as well as a Report on operations, results and the Group's financial situation and Annexes.

Included in this package are:
- The Attestation of the Consolidated Accounts pursuant to art. 81-ter of Consob regulation 11971 dated May 14th 1999 as amended and supplemented.
- The Report of the External Auditors in accordance with articles 14 and 16 of Legislative decree no. 39 of January 27, 2010.

UniCredit's website also contains the press releases concerning the main events of the period and the presentation to the market of the results for the period.
Within the meaning of Art. 123-bis par. 3 of Legislative Decree 58 dated February 24, 1998, the Report on Corporate Governance and Proprietary Structures is available in the "Governance" section of the UniCredit website (http://www.unicreditgroup.eu/it/Governance/corporate_governance_report.htm).

Any discrepancies between data disclosed in the Report on operations and in the consolidated accounts are solely due to the effect of rounding.

General Principles Followed in the Preparation of the Report on Operations

In light of the need to ensure that in both form and content disclosure is clear, true and fair, the **Report on Operations** includes information in accordance with the principles of prior-period quarterly reports including condensed balance sheet and income statement prepared following principles previously used -as required by Consob Notice 6064293 dated July 28, 2006 a line-by-line reconciliation of these to the statutory statements is given in an annex to the Accounts - and in other interim financial statements.

The report is accompanied by a number of tables - Highlights, Condensed Accounts, Quarterly Figures, a Comparison of Q4 2011 with Q4 2010, Segment Reporting, How the Group has grown and the UniCredit Share - as well as a comment on Group Results and Results by Business Segment.

Reconciliation Principles Followed for the Condensed Balance Sheet and Income Statement

The main reconciliations - of which the amounts are given in the reconciliation tables annexed to this volume were the following:

Balance Sheet
- The aggregation of Financial assets designated at fair value, Available-for-sale financial assets, Held-to-maturity financial assets and Equity investments as 'Financial investments'.
- Grouping under Hedging Instruments, both assets and liabilities, of Hedging derivatives and Value adjustments to macro-hedged financial assets.
- Aggregation of Deposits from customers and Debt securities in issue into a single item.
- The inclusion of Severance pay (TFR) and Technical reserves under Other liabilities.

Income Statement
- Dividends and other income include gains (losses) on equity investments valued at net equity and do not include dividends on held-for-trading shares, which are included in trading, hedging and fair value income.
- The balance of other income/expense includes the insurance business result and other operating expense/income not including recovery of expenses which is classified under its own item.
- Payroll costs, other administrative expense, write-downs of tangible and intangible assets and provisions for risks and charges are presented net of integration costs, which are shown in their own item.
- Write-downs of tangible assets do not include impairment losses and write-backs on investment property, which are recognized in net income from investments.
- Net income from investments includes gains (losses) and write-downs and write-backs on available-for-sale financial assets and held-to-maturity financial assets, gains (losses) on disposal of investments, as well as gains (losses) on equity investments and on disposals of investments.

Note to the Report on Operations and the Consolidated Accounts (Continued)

Changes Made to Increase Comparability

It should be noted that starting from the first quarter of 2011 the Condensed Accounts (Income Statement and Balance Sheet-Liabilities) have been reviewed and consequently restated according to the previous periods.

Furthermore, it should be noted that starting from the first quarter of 2011 the Purchase Price Allocation (PPA) related to the acquisition of HVB, previously allocated to several items of the **Condensed Income Statement**, has been entirely allocated to the item "Economic effects of the Purchase Price Allocation" (as for the PPA related to the merger of Capitalia). The previous periods have been restated accordingly.

Consolidation Area

In the year 2011 the consolidation area changed as follows:
- Fully consolidated subsidiaries increased from 735 in 2010 to 760 in 2011 (25 new subsidiaries).
- Proportionally consolidated entities increased from 19 in 2010 to 30 in 2011.

For further details see Part A - Accounting Policies - Section 3 - Consolidation Procedures and Scope and Part B - Consolidated Balance Sheet - Assets - Section 10 - Investments in associates and joint ventures (item 100).

Non-Current Assets and Asset Groups Held for Disposal

As at December 31, 2011, the main items reclassified according to IFRS 5 under non-current assets and asset groups held for disposal were mainly related to:
- IRFIS - Finanziaria per lo Sviluppo della Sicilia S.p.A.;
- Business Oil of Italpetroli group.

For further details see the Notes to the Consolidated Accounts - Part B - Consolidated Balance Sheet - Assets - Section 15.

Segment Reporting (Summary)

Segment reporting is presented and commented on the basis of the organizational structure currently used in management reporting of Group results, which consists of the following business segments:
- F&SME Network Italy;
- F&SME Network Germany;
- F&SME Network Austria;
- F&SME Network Poland;
- F&SME Factories;
- Corporate & Investment Banking (CIB);
- Private Banking;
- Asset Management;
- Central Eastern Europe (CEE);
- Group Corporate Center (including Global Banking Services, Corporate Centre, inter-segment adjustments and consolidation adjustments not attributable to individual segments).

Profit and loss data are given in the items of the reclassified income statement down to operating profit, except for CEE, for which profit after tax is also given.

Speaking the language of our clients.

As a result of expanded international mobility, many citizens who work in Austria do not speak German. These are citizens of other nationalities and cultures, who need to communicate in their own languages when discussing delicate subjects such as banking transactions. Bank Austria's *Banking Without Borders* programme guarantees that such customers, on any given day, will have access to an employee who speaks his or her own language. Additionally, in Vienna, five branches provide documentation and product literature in several languages other than German. An effective answer to a multicultural society.

Report on Operations

Unless otherwise indicated, all amounts are in **millions of euros**.

Highlights

Income Statement

(€ million)

	YEAR		
	2011	2010	CHANGE
Operating income	25,200	26,074	- 3.4%
of which: - net interest	*15,433*	*15,721*	*- 1.8%*
- dividends and other income from equity investments	*380*	*407*	*- 6.7%*
- net fees and commissions	*8,307*	*8,455*	*- 1.8%*
Operating costs	(15,460)	(15,324)	+ 0.9%
Operating profit	9,740	10,750	- 9.4%
Profit (loss) before tax	2,060	2,776	- 25.8%
Net profit (loss) attributable to the Group	**(9,206)**	**1,323**	**n.s.**

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

Balance Sheet

(€ million)

	AMOUNTS AS AT		
	12.31.2011	12.31.2010	CHANGE
Total assets	926,769	929,488	- 0.3%
Financial assets held for trading	130,985	122,551	+ 6.9%
Loans and receivables with customers	559,553	555,653	+ 0.7%
of which: - impaired loans	*40,184*	*37,429*	*+ 7.4%*
Financial liabilities held for trading	123,286	114,099	+ 8.1%
Deposits from customers and debt securities in issue	561,370	583,239	- 3.7%
of which: - deposits from customers	*398,379*	*402,248*	*- 1.0%*
- securities in issue	*162,990*	*180,990*	*- 9.9%*
Shareholders' Equity	**51,479**	**64,224**	**- 19.8%**

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

See § "Net Impairment Losses on Loans and Provision for Guarantees and Commitments" in these Report on Operations for more details.

Staff and Branches

	AS AT		
	12.31.2011	12.31.2010	CHANGE
Employees[1]	160,360	162,009	- 1,649
Employees (subsidiaries are consolidated proportionately)	150,240	152,183	- 1,943
Branches[2]	9,496	9,617	- 121
of which: - Italy	*4,400*	*4,510*	*- 110*
- Other countries	*5,096*	*5,107*	*- 11*

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

Profitability Ratios

	YEAR		
	2011	2010	CHANGE
EPS[1] (€)	- 5.12	0.64	- 5.76
Cost/income ratio[2]	61.4%	58.8%	+ 2.6
EVA[3] (€ million)	(3,355)	(2,092)	- 1,263

1. The 2011 EPS calculation used a net losses of €9,378 million instead of €9,206 million due to payments charged to equity relating to the own shares usufruct agreement entered into as part of the Cashes transaction. €156 million was deducted from 2010 net profit of €1,323 million due to disbursements charged to equity made in connection with the contract of usufruct on own shares agreed under the Cashes transaction.
2. The 2010 figure has been restated following revision of the condensed income statement. The Cost/income ratio is at the same level.
3. Economic Value Added, equal to the difference between NOPAT (net operating profit after taxes) and the cost of capital.

Risk Ratios

	AS AT		12.31.2010
	12.31.2011	12.31.2010	COMPARABLE[1]
Net non-performing loans to customers / Loans to customers	3.24%	2.94%	2.95%
Net impaired loans to customers / Loans to customers	7.18%	6.74%	6.89%

1. See § "Net Impairment Losses on Loans and Provision for Guarantees and Commitments" in these Report on Operations, for more details.

Capital Ratios

	AS AT	
	12.31.2011	12.31.2010
Capital for regulatory purposes (€ million)	56,973	57,655
Total risk weighted assets (€ million)	460,395	454,850
Core Tier 1 Ratio	**8.40%**	**8.58%**
Total regulatory capital/Total risk-weighted assets	**12.37%**	**12.68%**

See § Capital and Value Management - Capital Ratios, for more details.

Ratings

	SHORT-TERM DEBT	MEDIUM AND LONG-TERM	OUTLOOK	STANDALONE RATING
Fitch Ratings	F2	A-	NEGATIVE	a-
Moody's Investors Service	P-1	A2	UNDER REVIEW	C-
Standard & Poor's	A-2	BBB+	NEGATIVE	a-

Condensed Accounts

Consolidated Balance Sheet

(€ million)

ASSETS	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010	CHANGE AMOUNT	CHANGE PERCENT
Cash and cash balances	9,728	6,414	3,314	+ 51.7%
Financial assets held for trading	130,985	122,551	8,434	+ 6.9%
Loans and receivables with banks	56,365	70,215	- 13,850	- 19.7%
Loans and receivables with customers	559,553	555,653	3,900	+ 0.7%
Financial investments	99,364	96,148	3,216	+ 3.3%
Hedging instruments	18,069	13,616	4,453	+ 32.7%
Property, plant and equipment	12,198	12,611	- 413	- 3.3%
Goodwill	11,567	20,428	- 8,861	- 43.4%
Other intangible assets	4,118	5,164	- 1,046	- 20.3%
Tax assets	14,346	12,961	1,385	+ 10.7%
Non-current assets and disposal groups classified as held for sale	345	776	- 431	- 55.5%
Other assets	10,130	12,949	- 2,819	- 21.8%
Total assets	**926,769**	**929,488**	**- 2,719**	**- 0.3%**

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010	CHANGE AMOUNT	CHANGE PERCENT
Deposits from banks	131,807	111,735	20,072	+ 18.0%
Deposits from customers	398,379	402,248	- 3,869	- 1.0%
Debt securities in issue	162,990	180,990	- 18,000	- 9.9%
Financial liabilities held for trading	123,286	114,099	9,187	+ 8.1%
Financial liabilities designated at fair value	786	1,268	- 482	- 38.0%
Hedging instruments	18,050	12,479	5,570	+ 44.6%
Provisions for risks and charges	8,496	8,088	408	+ 5.0%
Tax liabilities	6,210	5,837	373	+ 6.4%
Liabilities included in disposal groups classified as held for sale	252	1,395	- 1,143	- 81.9%
Other liabilities	21,715	23,645	- 1,930	- 8.2%
Minorities	3,318	3,479	- 161	- 4.6%
Group Shareholders' Equity:	51,479	64,224	- 12,745	- 19.8%
- Capital and reserves	*62,417*	*63,237*	*- 821*	*- 1.3%*
- Available-for-sale assets fair value reserve and cash-flow hedging reserve	*(1,731)*	*(336)*	*- 1,394*	*+ 414.5%*
- Net profit (loss)	*(9,206)*	*1,323*	*- 10,530*	n.s.
Total liabilities and Shareholders' Equity	**926,769**	**929,488**	**- 2,719**	**- 0.3%**

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

Consolidated Income Statement

(€ million)

	YEAR		CHANGE		
	2011	2010	€M	PERCENT	ADJUSTED[1]
Net interest	15,433	15,721	- 287	- 1.8%	- 0.5%
Dividends and other income from equity investments	380	407	- 28	- 6.7%	+ 5.6%
Net fees and commissions	8,307	8,455	- 148	- 1.8%	- 0.1%
Net trading, hedging and fair value income	909	1,053	- 144	- 13.7%	- 15.6%
Net other expenses/income	171	438	- 268	- 61.1%	- 67.3%
OPERATING INCOME	**25,200**	**26,074**	**- 874**	**- 3.4%**	**- 2.1%**
Payroll costs	(9,209)	(9,205)	- 4	+ 0.0%	- 0.1%
Other administrative expenses	(5,641)	(5,479)	- 162	+ 3.0%	+ 1.7%
Recovery of expenses	525	484	41	+ 8.5%	+ 9.1%
Amortisation, depreciation and impairment losses on intangible and tangible assets	(1,136)	(1,124)	- 12	+ 1.0%	- 1.2%
Operating costs	**(15,460)**	**(15,324)**	**- 136**	**+ 0.9%**	**+ 0.2%**
OPERATING PROFIT (LOSS)	**9,740**	**10,750**	**- 1,011**	**- 9.4%**	**- 5.2%**
Net write-downs on loans and provisions for guarantees and commitments	(6,025)	(6,892)	867	- 12.6%	- 11.9%
NET OPERATING PROFIT (LOSS)	**3,715**	**3,859**	**- 143**	**- 3.7%**	**+ 6.9%**
Provisions for risks and charges	(718)	(766)	47	- 6.2%	- 5.5%
Integration costs	(270)	(282)	11	- 3.9%	- 4.0%
Net income from investments	(666)	(36)	- 631	n.s.	n.s.
PROFIT (LOSS) BEFORE TAX	**2,060**	**2,776**	**- 716**	**- 25.8%**	**- 14.1%**
Income tax for the period	(1,416)	(595)	- 821	+ 137.9%	+ 131.2%
NET PROFIT (LOSS)	**644**	**2,181**	**- 1,536**	**- 70.4%**	**- 53.3%**
Profit (Loss) from non-current assets held for sale, after tax	-	-	-	-	-
PROFIT (LOSS) FOR THE PERIOD	**644**	**2,181**	**- 1,536**	**- 70.4%**	**- 53.3%**
Minorities	(365)	(321)	- 44	+ 13.6%	+ 16.1%
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**280**	**1,860**	**- 1,580**	**- 85.0%**	**- 64.8%**
Purchase Price Allocation effect	(809)	(175)	- 634	n.s.	n.s.
Goodwill impairment	(8,677)	(362)	- 8,316	n.s.	n.s.
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**(9,206)**	**1,323**	**- 10,530**	**n.s.**	**n.s.**

Notes:
1. Changes at constant foreign exchange rates and perimeter.

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

Quarterly Figures

Consolidated Balance Sheet

(€ million)

ASSETS	AMOUNTS AS AT 12.31.2011	09.30.2011	06.30.2011	03.31.2011	AMOUNTS AS AT 12.31.2010	09.30.2010	06.30.2010	03.31.2010
Cash and cash balances	9,728	5,566	6,596	5,982	6,414	4,935	7,225	5,796
Financial assets held for trading	130,985	140,008	107,203	106,400	122,551	156,983	152,100	138,495
Loans and receivables with banks	56,365	72,474	71,544	67,319	70,215	77,977	80,295	91,862
Loans and receivables with customers	559,553	562,447	561,792	558,825	555,653	558,836	558,770	563,894
Financial investments	99,364	96,886	97,352	96,373	96,148	89,286	76,679	70,906
Hedging instruments	18,069	18,626	10,718	9,828	13,616	18,679	17,520	15,557
Property, plant and equipment	12,198	12,288	12,345	12,629	12,611	12,155	12,148	12,161
Goodwill	11,567	11,529	20,244	20,293	20,428	20,570	20,808	20,815
Other intangible assets	4,118	4,034	5,007	5,061	5,164	5,082	5,213	5,288
Tax assets	14,346	13,519	12,329	12,797	12,961	12,615	12,375	12,949
Non-current assets and disposal groups classified as held for sale	345	376	798	726	776	823	853	640
Other assets	10,130	12,544	12,845	14,744	12,949	10,863	10,658	10,505
Total assets	**926,769**	**950,296**	**918,772**	**910,977**	**929,488**	**968,804**	**954,644**	**948,867**

(€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 12.31.2011	09.30.2011	06.30.2011	03.31.2011	AMOUNTS AS AT 12.31.2010	09.30.2010	06.30.2010	03.31.2010
Deposits from banks	131,807	139,476	115,688	112,908	111,735	106,059	115,363	112,828
Deposits from customers	398,379	392,517	406,713	401,923	402,248	393,806	390,891	384,359
Debt securities in issue	162,990	166,714	179,223	180,446	180,990	194,765	186,454	208,180
Financial liabilities held for trading	123,286	137,734	98,035	97,016	114,099	149,382	139,487	122,753
Financial liabilities designated at fair value	786	912	1,065	1,156	1,268	1,351	1,423	1,601
Hedging instruments	18,050	17,265	10,040	8,447	12,479	17,105	16,505	14,248
Provisions for risks and charges	8,496	8,615	8,252	8,156	8,088	7,858	7,957	8,010
Tax liabilities	6,210	5,873	5,356	5,821	5,837	6,533	6,229	7,174
Liabilities included in disposal groups classified as held for sale	252	260	976	761	1,395	1,017	403	262
Other liabilities	21,715	25,367	25,302	26,153	23,645	23,004	22,178	20,712
Minorities	3,318	3,271	3,397	3,502	3,479	3,438	3,326	3,452
Group Shareholders' Equity:	51,479	52,292	64,726	64,686	64,224	64,487	64,428	65,288
- Capital and reserves	*62,417*	*62,621*	*63,384*	*64,259*	*63,237*	*63,274*	*63,664*	*64,135*
- Available-for-sale assets fair value reserve and cash-flow hedging reserve	*(1,731)*	*(1,008)*	*20*	*(384)*	*(336)*	*210*	*95*	*633*
- Net profit (loss)	*(9,206)*	*(9,320)*	*1,321*	*810*	*1,323*	*1,003*	*669*	*520*
Total liabilities and Shareholders' Equity	**926,769**	**950,296**	**918,772**	**910,977**	**929,488**	**968,804**	**954,644**	**948,867**

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

Consolidated Income Statement

(€ million)

	2011				2010			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net interest	3,816	3,831	3,903	3,884	3,982	3,893	3,956	3,890
Dividends and other income from equity investments	47	91	126	117	144	69	135	60
Net fees and commissions	2,040	2,004	2,096	2,168	2,155	1,993	2,171	2,136
Net trading, hedging and fair value income	204	(285)	290	700	53	381	58	560
Net other expenses/income	(13)	85	39	59	139	86	114	99
OPERATING INCOME	**6,092**	**5,725**	**6,455**	**6,928**	**6,474**	**6,422**	**6,433**	**6,746**
Payroll costs	(2,177)	(2,357)	(2,342)	(2,333)	(2,196)	(2,356)	(2,331)	(2,322)
Other administrative expenses	(1,488)	(1,391)	(1,418)	(1,345)	(1,407)	(1,330)	(1,401)	(1,341)
Recovery of expenses	164	143	113	104	164	111	108	101
Amortisation, depreciation and impairment losses on intangible and tangible assets	(298)	(275)	(279)	(284)	(282)	(284)	(278)	(281)
Operating costs	**(3,799)**	**(3,879)**	**(3,925)**	**(3,858)**	**(3,720)**	**(3,859)**	**(3,903)**	**(3,842)**
OPERATING PROFIT (LOSS)	**2,294**	**1,846**	**2,530**	**3,070**	**2,754**	**2,563**	**2,530**	**2,903**
Net write-downs on loans and provisions for guarantees and commitments	(1,492)	(1,848)	(1,181)	(1,504)	(1,751)	(1,634)	(1,716)	(1,791)
NET OPERATING PROFIT (LOSS)	**801**	**(2)**	**1,349**	**1,566**	**1,003**	**929**	**814**	**1,113**
Provisions for risks and charges	(48)	(266)	(244)	(161)	(472)	(32)	(106)	(156)
Integration costs	(90)	(174)	(3)	(3)	(254)	(16)	(6)	(6)
Net income from investments	(123)	(612)	(15)	84	(155)	4	47	68
PROFIT (LOSS) BEFORE TAX	**541**	**(1,054)**	**1,087**	**1,486**	**121**	**886**	**749**	**1,020**
Income tax for the period	(248)	(149)	(463)	(555)	509	(380)	(331)	(393)
NET PROFIT (LOSS)	**292**	**(1,203)**	**624**	**932**	**630**	**505**	**418**	**627**
Profit (Loss) from non-current assets held for sale, after tax	-	-	-	-	-	-	-	-
PROFIT (LOSS) FOR THE PERIOD	**292**	**(1,203)**	**624**	**932**	**630**	**505**	**418**	**627**
Minorities	(78)	(81)	(99)	(107)	(80)	(122)	(56)	(63)
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**214**	**(1,284)**	**525**	**825**	**550**	**383**	**362**	**564**
Purchase Price Allocation effect	(92)	(687)	(14)	(15)	(30)	(49)	(52)	(44)
Goodwill impairment	(8)	(8,669)	-	-	(199)	-	(162)	-
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**114**	**(10,641)**	**511**	**810**	**321**	**334**	**148**	**520**

Notes:

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

Comparison of Q4 2011/Q4 2010

Condensed Income Statement

(€ million)

	Q4		CHANGE		
	2011	2010	€M	PERCENT	ADJUSTED[1]
Net interest	3,816	3,982	- 167	- 4.2%	- 5.1%
Dividends and other income from equity investments	47	144	- 98	- 67.7%	- 28.9%
Net fees and commissions	2,040	2,155	- 116	- 5.4%	+ 2.7%
Net trading, hedging and fair value income	204	53	150	+ 282.5%	+ 154.7%
Net other expenses/income	(13)	139	- 152	n.s.	n.s.
OPERATING INCOME	**6,092**	**6,474**	**- 382**	**- 5.9%**	**- 3.4%**
Payroll costs	(2,177)	(2,196)	19	- 0.8%	+ 0.4%
Other administrative expenses	(1,488)	(1,407)	- 81	+ 5.8%	+ 3.4%
Recovery of expenses	164	164	1	+ 0.3%	+ 0.5%
Amortisation, depreciation and impairment losses on intangible and tangible assets	(298)	(282)	- 17	+ 5.9%	+ 3.2%
Operating costs	**(3,799)**	**(3,720)**	**- 79**	**+ 2.1%**	**+ 1.8%**
OPERATING PROFIT (LOSS)	**2,294**	**2,754**	**- 460**	**- 16.7%**	**- 10.4%**
Net write-downs on loans and provisions for guarantees and commitments	(1,492)	(1,751)	259	- 14.8%	- 14.2%
NET OPERATING PROFIT (LOSS)	**801**	**1,003**	**- 201**	**- 20.1%**	**- 3.9%**
Provisions for risks and charges	(48)	(472)	425	- 89.9%	- 90.9%
Integration costs	(90)	(254)	164	- 64.5%	- 64.9%
Net income from investments	(123)	(155)	32	- 20.7%	- 17.3%
PROFIT (LOSS) BEFORE TAX	**541**	**121**	**419**	**+ 345.7%**	**+ 376.7%**
Income tax for the period	(248)	509	- 757	n.s.	n.s.
NET PROFIT (LOSS)	**292**	**630**	**- 338**	**- 53.6%**	**- 26.4%**
Profit (Loss) from non-current assets held for sale, after tax	-	-	-	-	-
PROFIT (LOSS) FOR THE PERIOD	**292**	**630**	**- 338**	**- 53.6%**	**- 26.4%**
Minorities	(78)	(80)	2	- 3.0%	+ 6.5%
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**214**	**550**	**- 336**	**- 61.1%**	**- 30.8%**
Purchase Price Allocation effect	(92)	(30)	- 62	+ 209.7%	+ 117.1%
Goodwill impairment	(8)	(199)	191	- 96.0%	- 100.0%
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**114**	**321**	**- 207**	**- 64.5%**	**- 8.9%**

Notes:
1. Changes at constant exchange rates and perimeter.

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

Segment Reporting (Summary)

Key Figures by Business Segment

(€ million)

	F&SME NETWORK ITALY	F&SME NETWORK GERMANY	F&SME NETWORK AUSTRIA	F&SME NETWORK POLAND	F&SME FACTORIES	CORPORATE & INVESTMENT BANKING	PRIVATE BANKING	ASSET MANAGEMENT	CENTRAL EASTERN EUROPE	GROUP CORPORATE CENTER[1]	CONSOLIDATED GROUP TOTAL
Income statement											
OPERATING INCOME											
2011	6,808	1,594	1,171	1,133	2,056	7,657	921	787	4,719	(1,646)	25,200
2010	*6,480*	*1,521*	*1,145*	*1,079*	*1,981*	*7,858*	*881*	*834*	*4,694*	*(399)*	*26,074*
Operating costs											
2011	(4,323)	(1,449)	(905)	(685)	(863)	(2,698)	(563)	(466)	(2,206)	(1,304)	(15,460)
2010	*(4,483)*	*(1,400)*	*(846)*	*(702)*	*(848)*	*(2,672)*	*(565)*	*(487)*	*(2,141)*	*(1,181)*	*(15,324)*
OPERATING PROFIT											
2011	2,485	146	266	449	1,193	4,959	358	321	2,512	(2,949)	9,740
2010	*1,996*	*122*	*299*	*378*	*1,132*	*5,187*	*316*	*347*	*2,553*	*(1,580)*	*10,750*
PROFIT BEFORE TAX											
2011	429	79	112	362	514	2,493	304	297	1,447	(3,977)	2,060
2010	*(196)*	*52*	*37*	*270*	*378*	*2,489*	*283*	*330*	*1,133*	*(2,000)*	*2,776*
Balance Sheet											
LOANS TO CUSTOMERS											
as at December 31, 2011	124,510	43,040	21,130	9,157	56,380	218,551	7,748	-	70,352	8,685	559,553
as at December 31, 2010	*125,708*	*46,885*	*22,122*	*8,764*	*54,460*	*212,826*	*6,970*	-	*66,308*	*11,611*	*555,653*
DEPOSITS FROM CUSTOMERS AND DEBT SECURITIES IN ISSUE											
as at December 31, 2011	97,144	44,284	23,606	12,321	19,749	101,295	24,454	-	61,010	177,506	561,370
as at December 31, 2010	*97,349*	*39,252*	*23,516*	*13,166*	*15,589*	*131,245*	*24,974*	-	*56,902*	*181,246*	*583,239*
TOTAL RISK WEIGHTED ASSETS											
as at December 31, 2011	56,950	14,699	11,531	8,192	48,571	196,744	4,445	1,795	84,246	33,224	460,395
as at December 31, 2010	*52,945*	*15,447*	*16,325*	*7,905*	*46,380*	*198,594*	*4,368*	*1,896*	*79,178*	*31,811*	*454,850*
EVA											
2011	(337)	(35)	(20)	131	3	57	164	191	246	(3,754)	(3,355)
2010	*(623)*	*(45)*	*(89)*	*89*	*(63)*	*90*	*172*	*218*	*33*	*(1,873)*	*(2,092)*
Cost/income ratio											
2011	63.5%	90.9%	77.3%	60.4%	42.0%	35.2%	61.1%	59.2%	46.8%	- 79.2%	61.4%
2010	*69.2%*	*92.0%*	*73.9%*	*65.0%*	*42.8%*	*34.0%*	*64.1%*	*58.4%*	*45.6%*	*- 295.7%*	*58.8%*
Employees[2]											
as at December 31, 2011	30,546	7,521	3,937	13,988	6,199	9,403	3,038	1,975	51,517	32,236	160,360
as at December 31, 2010	*31,895*	*7,511*	*3,748*	*14,260*	*5,850*	*9,599*	*3,018*	*1,877*	*51,608*	*32,643*	*162,009*

Notes:

Figures were recasted, where necessary, on a like-to-like basis to consider changes after the September 30, 2011 in scope of business segments and computation rules.

1. Global Banking Services, Corporate Centre, inter-segment adjustments and consolidation adjustments not attributable to individual segments.
2. "Full Time Equivalent". These figures include all the employees of subsidiaries consolidated proportionately, such as Koç Financial Services.

How the UniCredit Group has grown

UniCredit S.p.A. (formerly Unicredito Italiano S.p.A.) and the Group of companies with the same name which the latter heads up came about as a result of the merger, in October 1998, between the Credito Italiano S.p.A., founded in 1870 under the name of Banca di Genova, and Unicredito S.p.A., the latter the holding company which held the controlling equity investments in Banca CRT, CRV and Cassamarca. As a result of this merger, the Credito Italiano Group and the Unicredito Group pooled the strength of their respective products and the complementary nature of the geographic coverage for the purpose of more effectively competing on the banking and financial services markets both in Italy and in Europe, thereby creating the UniCredit group. Since its creation, the Group has continued to expand in Italy and in Eastern European countries, both via buy-outs and via systematic growth, also consolidating its roles in sectors of important significance outside Europe, such as the asset management sector in the USA.

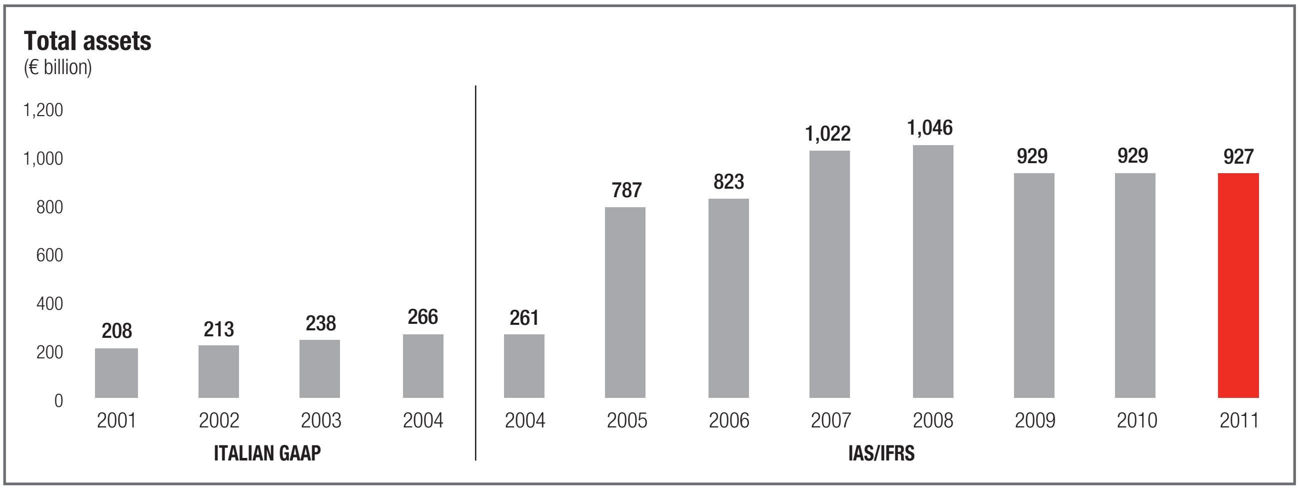
This expansion was characterized, particularly:

- by the merger with the HVB Group, achieved by means of a public exchange offer furthered by UniCredit on August 26, 2005 so as to take over control of HVB and the companies it headed up. Following this offer, finalized during 2005, UniCredit in fact acquired a holding of 93.93% in HVB's share capital (UniCredit has now 100% of the shares, after the acquisition of minority interest concluded on September 15, 2008 - so-called "squeeze-out" - in accordance with German regulations);
- by the merger with the Capitalia Group, achieved by means of merger through incorporation of Capitalia within UniCredit, which became effective as from October 1, 2007.

Group Figures 2001 - 2011

	IAS/IFRS								ITALIAN GAAP			
	2011	2010	2009	2008	2007	2006	2005	2004	2004	2003	2002	2001
Income Statement (€ million)												
Operating income	25,200	26,347	27,572	26,866	25,893	23,464	11,024	10,203	10,375	10,465	10,099	9,989
Operating costs	(15,460)	(15,483)	(15,324)	(16,692)	(14,081)	(13,258)	(6,045)	(5,701)	(5,941)	(5,703)	(5,483)	(5,263)
Operating profit (loss)	9,740	10,864	12,248	10,174	11,812	10,206	4,979	4,502	4,434	4,762	4,616	4,726
Profit (loss) before income tax	2,060	2,517	3,300	5,458	9,355	8,210	4,068	3,238	2,988	3,257	2,924	3,212
Net profit (loss) for the period	644	1,876	2,291	4,831	6,678	6,128	2,731	2,239	2,300	2,090	1,962	1,954
Net profit (loss) attributable to the Group	(9,206)	1,323	1,702	4,012	5,961	5,448	2,470	2,069	2,131	1,961	1,801	1,454
Balance sheet (€ million)												
Total assets	926,769	929,488	928,760	1,045,612	1,021,758	823,284	787,284	260,909	265,855	238,256	213,349	208,388
Loans and receivables to customers	559,553	555,653	564,986	612,480	574,206	441,320	425,277	139,723	144,438	126,709	113,824	117,622
of which: non-performing loans	*18,118*	*16,344*	*12,692*	*10,464*	*9,932*	*6,812*	*6,861*	*2,621*	*2,621*	*2,373*	*2,104*	*1,822*
Deposits from customers and debt securities in issue	561,370	583,239	596,396	591,290	630,533	495,255	462,226	155,079	156,923	135,274	126,745	127,320
Shareholders' Equity	51,479	64,224	59,689	54,999	57,724	38,468	35,199	14,373	14,036	13,013	12,261	9,535
Profitability ratios (%)												
Operating profit (loss) / Total assets	1.05	1.17	1.32	0.97	1.16	1.24	0.63	1.73	1.67	2.00	2.16	2.27
Cost/income ratio	61.4	58.8	55.6	62.1	54.4	56.5	54.8	55.9	57.3	54.5	54.3	52.7

Information in the table are "historical figures". They don't allow comparison because they are not recasted.



UniCredit Share

Share Information

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Share price (€)											
- maximum	13.105	2.336	2.769	5.697	7.646	6.727	5.864	4.421	4.425	5.255	5.865
- minimum	4.225	1.512	0.634	1.539	5.131	5.564	4.082	3.805	3.144	3.173	3.202
- average	8.573	1.931	1.902	3.768	6.541	6.161	4.596	4.083	3.959	4.273	4.830
- end of period	4.225	1.570	2.358	1.728	5.659	6.654	5.819	4.225	4.303	3.808	4.494
Number of outstanding shares (million)											
- at period end[1]	1,930	19,297.6	16,779.3	13,368.1	13,278.4	10,351.3	10,303.6	6,249.7	6,316.3	6,296.1	5,046.4
- shares cum dividend	1,833	18,330.5	18,329.5	13,372.7	13,195.3	10,357.9	10,342.3	6,338.0	6,316.3	6,296.1	5,131.1
of which: savings shares	*2.42*	*24.2*	*24.2*	*21.7*	*21.7*	*21.7*	*21.7*	*21.7*	*21.7*	*21.7*	*21.7*
- average[1]	1,930	19,101.8	16,637.8	13,204.6	11,071.6	10,345.2	6,730.3	6,303.6	-	-	-
Dividend											
- total dividends (€ million)		550	550	(*)	3,431	2,486	2,276	1,282	1,080	995	724
- dividend per ordinary share		0.030	0.030	(*)	0.260	0.240	0.220	0.205	0.171	0.158	0.141
- dividend per savings share		0.045	0.045	(*)	0.275	0.255	0.235	0.220	0.186	0.173	0.156

1. The number of shares is net of treasury shares and included n. 96.76 million of shares held under a contract of usufruct.

(*) 2008 dividend was paid with cash to savings shareholders (€0.025 per share, for a total amount of €0.5 million), and with newly issued shares (so called "scrip dividend").

In 2011 the following operations were carried out:
- the €2,499,217,969.50 free capital increase, through the allocation to capital of an equivalent amount transferred from the "Issue-premium reserve";
- the reverse stock split of ordinary and savings shares based on a ratio of 1 new ordinary or savings share for every 10 existing ordinary or savings shares.

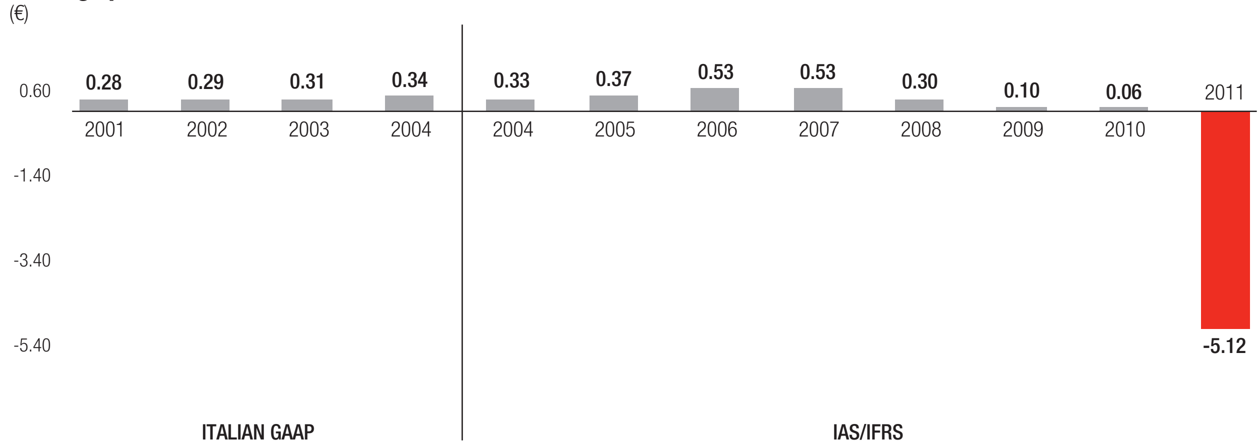
Earnings Ratios

	IAS/IFRS								ITALIAN GAAP			
	2011	2010	2009	2008	2007	2006	2005	2004	2004	2003	2002	2001
Shareholders' Equity (€ million)	51,479	64,224	59,689	54,999	57,690	38,468	35,199	14,373	14,036	13,013	12,261	9,535
Group portion of Net profit (loss) (€ million)	(9,206)	1,323	1,702	4,012	5,901	5,448	2,470	2,069	2,131	1,961	1,801	1,454
Net worth per share (€)	26.67	3.33	3.56	4.11	4.34	3.72	3.42	2.30	2.21	2.06	1.95	1.89
Price/Book value	0.16	0.47	0.66	0.42	1.30	1.79	1.70	1.84	1.91	2.09	1.96	2.38
Earnings per share (€)	-5.12	0.06	0.10	0.30	0.53	0.53	0.37	0.33	0.34	0.31	0.29	0.28
Payout ratio (%)		41.6	32.3	(*)	58.1	45.6	92.1		60.2	55.1	55.2	49.8
Dividend yield on average price per ordinary share (%)		1.55	1.58	(*)	3.97	3.90	4.79		5.02	4.32	3.70	2.92

(*) 2008 dividend was paid with cash to savings shareholders (€0.025 per share, for a total amount of €0.5 million), and with newly issued shares (so called "scrip dividend").

The 2008 EPS figure published in the consolidated report as at December 31, 2008 was €0.30 and has now been amended to €0.26 due to the increase in the number of shares following the capital increase (IAS 33 § 28). For the purposes of calculating 2009 EPS, net profit for the period of €1,702 million was changed to €1,571 million due to disbursements made in connection with the foreseen use of treasury shares agreed under the 'cashes' transaction, and charged to equity. For the purposes of calculating 2010 EPS, net profit for the period of 1,323 million was changed to 1,167million due to disbursements made in connection with the foreseen use of treasury shares agreed under the 'cashes' transaction, and charged to equity; net losses for 2011, 9,206 million, was changed to 9,378 million.

Earnings per share
(€)



Group Results

Macroeconomic situation, banking and financial markets

International situation

USA/Eurozone

2011 began with promising indications for global growth. The upturn was in line with expectations, with encouraging signals as to its sustainability. Growth prospects began to wane in the second quarter, when the first signs were noted of a slowdown in the global economy, only to undergo a more pronounced deterioration in August due to increased tensions on the financial markets tied to a worsening of the Eurozone's sovereign debt crisis, with repercussions on confidence and the financing costs paid by businesses and consumers.
The escalation of the debt crisis in subsequent months gave rise to a response by Eurozone countries, taking the form of an agreement on a plan to recapitalize European banks, a new intergovernmental fiscal pact with more stringent fiscal rules, and a decision to advance the launching of the European Stability Mechanism (ESM). This was accompanied by significant measures of fiscal consolidation in those countries regarded as more vulnerable and by interventions of the European Central Bank aimed at supporting liquidity in the banking sector. Following a phase of marked slowdown, 2011 drew to a close with the first signs of stabilization. As for inflation, the industrialized countries saw stabilization in the second half of the year, while in emerging markets there was a slowdown in the final months of the year from levels that were in any event elevated.

The overall growth rate in the Eurozone for 2011 was 1.5%, as compared to 1.8% in 2010. Economic growth in particular, after a relatively favorable first half of the year in which gross domestic product grew by 2.0% (annualized), posted a decline in the second half of the year. A loss of confidence on the part of investors drove the spreads between Italian and Spanish government bonds and German government bonds to record levels, forcing the respective governments to undertake a significant fiscal consolidation and causing financing difficulties for the banking sector. All of this had an effect on confidence and on the financing costs of businesses and consumers and thus, via these channels, on the real economy. Gross domestic product grew only by 0.1% in the third quarter and contracted by 0.3% in the last three months of the year.
In December, however, the first signs appeared of stabilization in economic activity. Inflation, after having hit a peak of 3.0% in November, began trending downwards, falling to 2.7% in December.

With regard to monetary policy, the European Central Bank, in light of the exacerbation of tensions on the financial markets and the deterioration in the outlook for growth, lowered its reference rate by 25 basis points in November and December, bringing it from 1.50% to 1.00%.

The ECB also announced a series of extraordinary measures aimed at ensuring the proper functioning of channels for the transmission of monetary policy, such as the introduction of long-term refinancing operations with 1-3 year duration, a new program to acquire covered bonds, and a relaxation of the rules relating to collateral.

In the United States, 2011 saw a moderation in overall growth (1.7% as compared to 3.0% in 2010). After a solid performance at the end of 2010, growth was reined in by temporary factors such as the effect on the global distribution chain of the earthquake in Japan and the increase in commodities prices, leading to a fall in disposable household income. Gross domestic product grew only by 0.4% (annualized quarterly rate) in the first quarter and by 1.3% in the second quarter. Once the effect of these temporary factors disappeared, growth once again took on momentum, recording higher rates in the third and fourth quarters (1.8% and 2.8%, respectively). Nevertheless, overall growth moderated, and unemployment dropped one percentage point, from 9.4% in December 2010 to 8.5% in December 2011. Along with the persistence of a high jobless rate, public debt continues to be one of the thorniest questions. In August, Standard and Poor's cut its sovereign debt rating from AAA to AA+, due to the lack of concrete measures to reduce the federal debt. Inflation increased in the first half of the year, principally owing to the prices of raw materials. While "headline" inflation began to go down in the fourth quarter, "core" inflation continued to increase at the end of the year, doubtless hitting its peak.

In light of a moderation in the pace of growth, the Federal Reserve in 2011 continued with a further relaxation of monetary policy. After completing a program to acquire $600 billion in long-term government securities announced at the end of 2010, the central bank announced that it intends to hold the Fed funds rate steady until at least the end of 2014.
The aim of the latter announcement is to lower long-term interest rates by influencing the expectations of financial market participants. Furthermore, at its September 21 meeting, the central bank announced its intention to extend the duration of its portfolio by exchanging short-term securities for those with longer maturities (so-called "Operation Twist") so as to reduce long-term rates. More specifically, the Fed intends to purchase $400 billion in government bonds with 6-30 year maturities, and sell a similar quantity of government securities with maturities of less than or equal to three years.

Banking and financial markets

Late 2011 saw further evidence of the slowing trend in private sector credit in the Eurozone, consistent with the slowdown in economic activity, which most likely hit a low in the final months of 2011, and with the sharp tightening of loan standards for households and businesses. Those banks taking part in the European Central Bank's survey of bank lending made it clear that the less flexible terms offered in the last quarter of 2011 were primarily a reflection of the grave funding difficulties banks were facing on the markets, as well as growing credit risks.
In the Eurozone area as a whole, bank lending to the private sector (businesses and households) displayed a marked slowdown in the last two months of 2011, with annualized growth coming in at 1.0% in the month of December, as compared to a growth rate in excess of 2.5% y/y over the year as a whole.

The rate of expansion in private sector lending proved to be weak in all three countries of relevance to the Group, even though the slowdown taking hold in Italy was especially pronounced. Here, banks felt the repercussions of the worsening sovereign debt crisis more directly, plainly reflected in generally stiffer loan terms offered in the final quarter of 2011, returning to levels close to those seen after the Lehman collapse. As a consequence, private sector lending in Italy in December showed an annualized increase of just 1.8%, well away from the nearly 7% y/y annualized growth rate that was noted in February of 2011. More specifically, household lending continued trending downwards, coming in at 4.3% y/y in December (down from 8.4% y/y growth in February 2011), while the rate of growth in loans to businesses, after tending towards recovery over the course of the year, noticeably deteriorated specifically in the last two months of 2011, falling to 3.1% y/y in December. In Germany, private sector lending (according to the ECB's monthly statistics) showed a restrained pace of growth, around 2% y/y in December, but an improvement over the first part of the year. In particular, the rate of growth in household lending stabilized at around 1%, thanks to a good performance by loans to homebuyers, while the trend in loans to business showed progressive improvement, growing by 1.5% y/y in the month of December (-0.9% y/y in December 2010). In Austria, loans to the private sector showed solid performance in the second half of 2011, expanding around 2% y/y in December, with a slight weakening in household lending, which nonetheless did post 2.3% y/y growth in December, and a stabilization in the rates of growth in business lending, which closed out the year with expansion of 2.6% y/y.

Funds taken in by the banking system, even though showing a slight pick-up in the second portion of 2011 in all three of the countries of relevance to the Group, came in at a weaker rate in Italy. In that country in particular, the slowdown in customer deposits mainly reflected the continuation of the trend towards a contraction in current-account deposits (of around -3.0% y/y in December) and a pullback in time deposits, which recorded an annualized increase of just 1.7% in December (compared to +5.4% y/y in December 2010). Weighing on both types of funds brought in from retail customers was the progressive deterioration in the savings rate of Italian households, against a backdrop of extreme weakness in disposable income.
By contrast, customer deposits in Germany continued to show recovery in the second half of 2011, with annualized growth of around 5.0%, as a result of an improving trend in current-account deposits and an acceleration in time deposits, although the year-end reversal of the trend towards rising deposit interest rates had already started to weigh on the latter component in December. In Austria, finally, customer deposits showed an annualized increase of 3.0% in December (+0.6% in December 2010), supported in the second half of the year mainly by a nice recovery in current-account deposits, up about 6.0% on an annual basis in the month of December (+1.1% in December 2010), while growth in deposits other than to current accounts stabilized at around 1.0%.

In the final months of 2011, bank rates, both payable and receivable, were marked by further rises in Italy, in line with banks' increased costs of procurement, while being slightly down in Austria and Germany, consistent with the more expansionary monetary policy approach of the European Central Bank. In Italy, this upward trend was accompanied by a progressive increase in the bank spread (difference between the average rate on loans and that on deposits), while the bank spread was slightly lower both in Austria and Germany, coming in respectively at 2.06% and around 3.40% in December 2011.

On the financial market front, tensions tied to the exacerbation of the sovereign debt crisis and the increasing risk aversion with regard to a number of the principal Eurozone countries such as Spain and Italy brought about a sharp increase in stock market volatility.
This volatility, together with the reduced prospects for economic growth, wound up weighing on the performance of equity markets, following the attempt at a slight recovery in October. The Italian stock market ended out the year 2011 nearly 25% lower than in December 2010, while the Austrian stock market recorded a negative performance of 35% relative to December of the year before.
The German stock market's general index limited a portion of its losses, finishing out 2011 with about a 15% drop for the year.

Group Results (Continued)

Macroeconomic situation, banking and financial markets (Continued)

CEE Countries

2011 was a positive year for economic activity in CEE.
The vast majority of countries in the region posted strong gains in economic activity over the course of the first three quarters of 2011, albeit with the help of some one-offs such as agriculture. Q4 saw some slowdown in growth, albeit concentrated towards the end of the quarter, but any downside risks to our full year forecast for GDP of 4.4% are limited. There was differentiation across the region, with Poland and Turkey in particular doing well but for the first year in 4 all CEE economies under our coverage posted gains in GDP. Developments YTD also suggest limited downside risks to our forecast for GDP growth this year of 3.0%. Our forecast already incorporates a very weak H1 - in a number of countries we could be proven too conservative. Secondly following a weak Q4 last year, emerging markets as an asset class (including CEE) is enjoying strong capital inflows, helping to finance both public and private sectors in CEE. Thirdly fiscal consolidation in the vast majority of countries in CEE acts as much less of a drag on economic activity than in the case in EMU, to a large extent because the CEE economies are already 2-3 years ahead of EMU in their consolidation efforts.
Turkey, Russia and Poland remain amongst the top performers in the region.

Following bumper gains in both 2010 and 2011, GDP growth in Turkey this year looks set to slow to approximately 3% but the soft landing that the authorities have worked hard to engineer appears to be on track. A further tightening in monetary policy should be avoided by more favourable inflation trends as the year progresses while any sharper than expected slowdown in economic activity can be at least partially counteracted by fiscal measures, given lower public debt to GDP and an already narrow budget deficit. Poland's economy once again proved impressively resilient over recent months while this year's european football championships should help in sustaining a healthy growth pace. Growth accelerated in Russia over H2 last year, supported by a boost to real consumer purchasing power from lower inflation and continued elevated oil prices. Fiscal policy looks set to sustain GDP gains of close to 4.0% once again this year.

Other economies in the region are struggling more, including Croatia, Hungary, Slovenia and Ukraine, as authorities work towards addressing competitiveness shortfalls and tightening fiscal shortfalls. To date governments have proved reluctant to draw off IMF funding but at least in some cases remain in close contact with their international partners should external assistance be required.

Main results and performance for the period

2012 began with a greater awareness of the continuing economic problems and a changed political climate in certain European countries. This helped to mitigate and make the general perception of growth prospects more optimistic, despite the fact that the global economy had continued to suffer from the severe repercussions of the sovereign debt crisis that hit the euro zone in particular.
The contagion effect - a consequence of the market's considerable volatility and the debt crisis - was felt most intensely in Italy and Spain and the yield gap compared to German Government bonds widened to an extent that would be unsustainable in the long term. Speculative pressure concentrated on Portugal and Ireland in the first half but then turned to other euro zone countries, particularly Spain and Italy where their were signs of limited economic growth given the weakness of the global economy.
This climate of extreme pressure also flattened the interest-rate curve: relatively short-term maturities were penalised by increased credit risk. Bond market liquidity contracted and bid/ask spreads widened considerably.

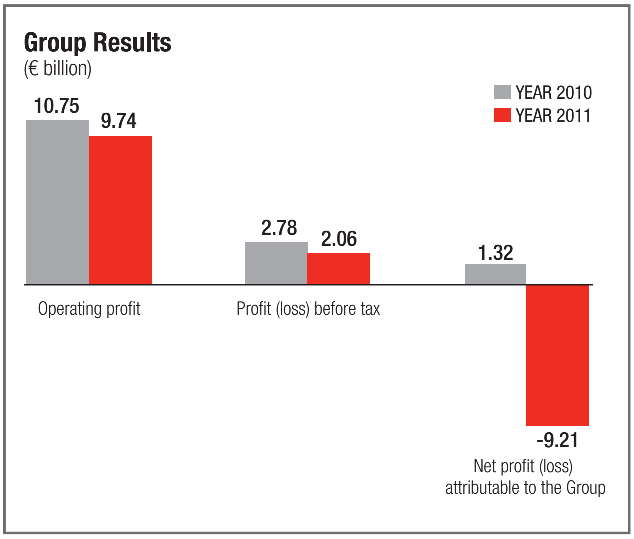
Uncertainty in financial markets made an already precarious situation worse. This in turn penalised the banking industry which saw heavy losses in the equity markets.
The consequent liquidity crisis induced the ECB to reduce the cost of money twice in the last quarter - from 1.5% to 1% - to alleviate the European debt markets' difficulties, which threatened the stability of the banking system. The ECB also announced a series of three-year refinancing operations for an unlimited amount; this announcement helped to reduce market tension substantially. Following these operations, UniCredit, too, increased its ECB funding, which at December 31, 2011 amounted to €29.8 billion.

In this environment, the UniCredit Group achieved results that even more markedly point up the advantages of its geographical diversification. In West Europe - not least due to certain write-downs made following the approval of the new Strategic Plan 2012-15 - the results were negative, whereas CEE Region countries achieved sharply increased net profit.

In 2011 the UniCredit Group's **Net operating profit (loss)** was €3,715 million, a reduction of €143 million or 3.7% from 2010 (6.6% at constant exchange rates and businesses).

This contraction was mainly due to a reduction in **Operating income** (down by €874 million or 3.4%) which was partly mitigated by lower **Net write-downs of loans** (down by €867 million or 12.6%) and practically unchanged **Operating costs** (up by 0.9%).

Net profit (loss) attributable to the Group was negative €9,206 million in 2011, as against a profit of €1,323 million in 2010.
This was affected by non-recurring items, viz. write-downs of the equity investment in Mediobanca and of intangible assets such as goodwill and brands, together with restructuring costs incurred under the new strategic plan.



Group Results (Continued)

Main results and performance for the period (Continued)

Net operating profit (loss)

In 2011, as already noted, the Group's **Net operating profit (loss)** was €3,715 million, a reduction of €143 million or 3.7% from 2010 (6.6% at constant exchange rates and businesses) due in turn to **Operating profit (loss)** of €9,740 million, a reduction of €1,011 million from 2010 (down by 9.4% or -5.3% at constant exchange rates and businesses) partly offset by lower **Net write-downs of loans** (down by €867 million or 12.6%).

The contraction in **Operating profit (loss)** was largely due to lower **Operating income** (down by €874 million, or 2.1% at constant exchange rates and businesses), and slightly higher **Operating costs** (up by 0.9%) mainly due to the additional bank levies suffered in certain European countries, net of which costs would have been in line with 2010.

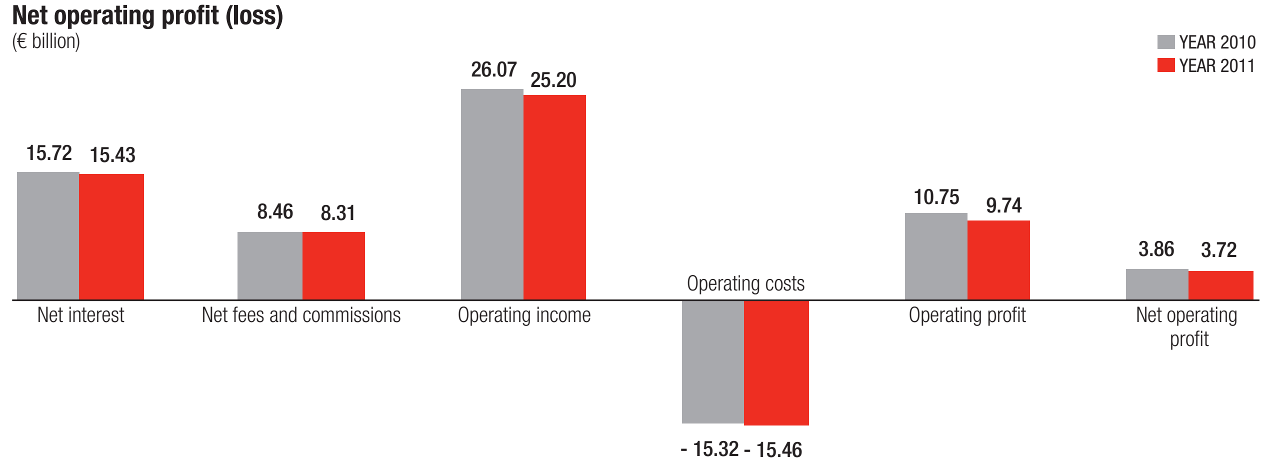
Net operating profit (loss)

(€ million)

	YEAR		CHANGE		QUARTERLY FIGURES							
					2011				2010			
	2011	2010	AMOUNT	%	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net interest	15,433	15,721	- 287	- 1.8%	3,816	3,831	3,903	3,884	3,982	3,893	3,956	3,890
Dividends and other income from equity investments	380	407	- 28	- 6.7%	47	91	126	117	144	69	135	60
Net fees and commissions	8,307	8,455	- 148	- 1.8%	2,040	2,004	2,096	2,168	2,155	1,993	2,171	2,136
Net trading, hedging and fair value income	909	1,053	- 144	- 13.7%	204	(285)	290	700	53	381	58	560
Net other expenses/income	171	438	- 268	- 61.1%	(13)	85	39	59	139	86	114	99
Operating income	**25,200**	**26,074**	**- 874**	**- 3.4%**	**6,092**	**5,725**	**6,455**	**6,928**	**6,474**	**6,422**	**6,433**	**6,746**
Operating costs	(15,460)	(15,324)	- 136	0.9%	(3,799)	(3,879)	(3,925)	(3,858)	(3,720)	(3,859)	(3,903)	(3,842)
Operating profit (loss)	**9,740**	**10,750**	**- 1,011**	**- 9.4%**	**2,294**	**1,846**	**2,530**	**3,070**	**2,754**	**2,563**	**2,530**	**2,903**
Net write-downs of loans and provisions for guarantees and commitments	(6,025)	(6,892)	867	- 12.6%	(1,492)	(1,848)	(1,181)	(1,504)	(1,751)	(1,634)	(1,716)	(1,791)
Net operating profit (loss)	**3,715**	**3,859**	**- 143**	**- 3.7%**	**801**	**(2)**	**1,349**	**1,566**	**1,003**	**929**	**814**	**1,113**

Cost/income (%)	61.4%	58.8%			62.4%	67.8%	60.8%	55.7%	57.5%	60.1%	60.7%	57.0%

Net operating profit (loss)
(€ billion)



Operating income

In 2011 the Group's **Operating income** was €25,200 million, a reduction of €874 million from 2010 (down by 3.4% or 2.1% at constant exchange rates and businesses). All income items contributed to this fall.

Net interest was €15,433 million, a reduction of €287 million (or 1.8% at current ex-rates and 0.8% at constant ex-rates). This falling trend was mainly due to Italy and Germany, while Austria, Poland (which recorded growth of 7.7%) and the CEE Division countries (growth of 2.2% net of the ex-rate effect) all increased Net Interest over 2010.

It should be noted that Net Interest was impacted by the increase in cost of funding. Although a rise in interest rates - average 3-month Euribor was 0.81% in 2010 and rose to 1.39% in 2011 - should favour higher margins, the worsening of the sovereign debt crisis sharply widened credit spreads and thus the cost of funding, in particular in the customer segments that are more sensitive to market conditions.

This effect was felt most starting in Q3 2011, at which point the Group responded to the problems in the interbank market with a series of measures to strengthen its liquidity position by increasing its use of long-term financial instruments.

Market performance was also reflected in that of the various businesses contributing to total Operating Income: growth in Divisions more oriented to deposit products such as the Family and SME Division (up by 5.7% over 2010) or Private Banking (up by 21.3% over 2010); a slight reduction in the Business Divisions more oriented to lending or more sensitive to market trends such as CIB (a fall of 2.5% from 2010); and a significant fall in the Corporate Centre, which was penalised by higher funding costs in the market.

Operating income

(€ million)

	YEAR		CHANGE	
	2011	2010	AMOUNT	%
Net interest	15,433	15,721	- 287	- 1.8%
Interest income and similar revenues	*30,054*	*29,105*	*948*	*3.3%*
Interest expense and similar costs	*(14,620)*	*(13,385)*	*- 1,236*	*9.2%*
Dividends and other income from equity investments	380	407	- 28	- 6.7%
Net fees and commissions	8,307	8,455	- 148	- 1.8%
Fee and commission income	*10,062*	*10,210*	*- 147*	*- 1.4%*
Fee and commission expense	*(1,755)*	*(1,754)*	*- 1*	*0.0%*
Net trading, hedging and fair value income	909	1,053	- 144	- 13.7%
Net other expenses/income	171	438	- 268	- 61.1%
Other administrative income	*1,167*	*1,266*	*- 99*	*- 7.8%*
Other administrative expense	*(996)*	*(828)*	*- 168*	*20.3%*
Operating income	**25,200**	**26,074**	**- 874**	**- 3.4%**

Net loans and receivables with customers were €559.6 billion at December 31, 2011, up by €3.9 billion or 0.7% over 2010. This growth was due both to the CEE Division, where lending increased by 10.8% at constant exchange rates mainly in Turkey (up by 27.3%) and Russia (up by 22%), and to the CIB Division, where lending increased by 2.7% and all geographies contributed, which shows that - despite the liquidity problems - the Group always maintained its support of the real economy. By contrast the Family & SME Division's lending contracted by 2.8%, which was the case in all geographies except Poland.

Customer deposits including securities were €561.4 billion, down from December 31, 2010 by €21.9 billion or 3.7%, in particular short-term deposits with institutional counterparties due to the problems generated by the sovereign debt crisis. This impacted principally the CIB Division, while growth was notable in the CEE Division, where deposits increased by 11.3% at constant exchange rates driven by Turkey and Russia, and the Family & SME Division, especially in Germany, where the increase was 2.1%.

Dividends and other income from equity investments fell by €28 million or 6.7% from 2010, largely due to the loss made by Fondiaria-SAI (consolidated at net equity since Q3 2011) and a lower dividend from Mediobanca than in 2010.

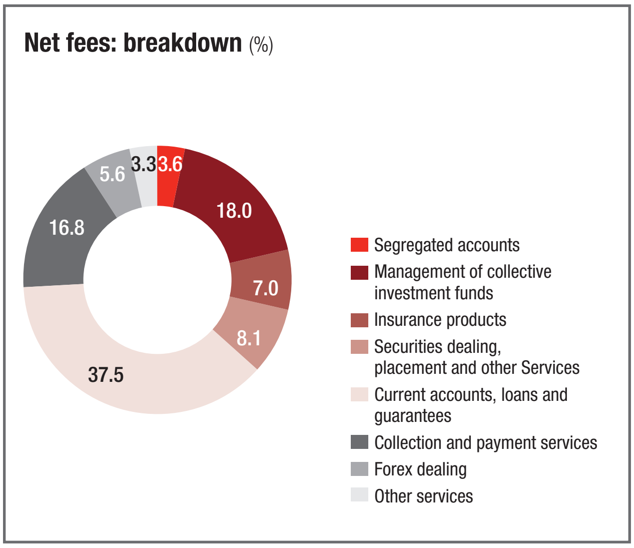
Group Results (Continued)

Main results and performance for the period (Continued)

Net fees and commissions fell by €148 million or 1.8% from 2010 due to a reduction in revenue from *Asset Management and Administration Services* (down by €250 million or 7.6%), following a contraction of assets under management and administration, and *Other Services* (down by €65 million), partly offset by *Collection and Payment Services* (up by €31 million) and *Current Accounts, Loans and Guarantees* (up by €151 million or 5.1%).

Net fees and commissions (€ million)

	YEAR		CHANGE	
	2011	2010	AMOUNT	%
Asset management, custody and administration:	3,052	3,302	- 250	- 7.6%
segregated accounts	*302*	*334*	*- 32*	*- 9.6%*
management of collective investment funds	*1,497*	*1,597*	*- 100*	*- 6.3%*
insurance products	*579*	*570*	*9*	*+ 1.6%*
securities dealing, placement and other services	*674*	*801*	*- 127*	*- 15.9%*
Current accounts, loans and guarantees	3,118	2,967	151	+ 5.1%
Collection and payment services	1,395	1,364	31	+ 2.3%
Forex dealing	468	483	- 15	- 3.1%
Other services	274	339	- 65	- 19.2%
Total	**8,307**	**8,455**	**- 148**	**- 1.8%**



The extreme volatility of the financial markets - especially in H2 2011 - impacted **Net trading, hedging, and fair value income,** which fell by €144 million or 13.7% from 2010. This was attributable to the CIB Division, which suffered from the problems in the markets due to the sovereign debt crisis.

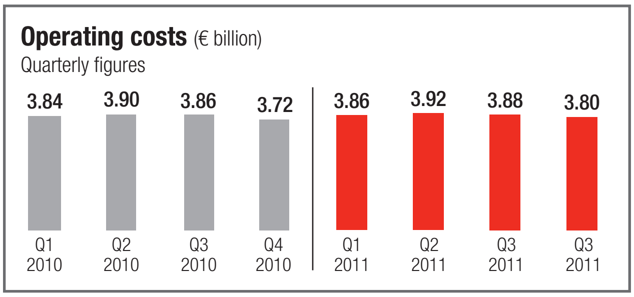
Net other expense/income was €171 million, a reduction of €268 million, partly due to the additional bank levy introduced in Germany in 2011.

Operating costs

In 2011 **Operating costs** were €15.5 billion, up by €136 million, or 1.7% at constant exchange rates, over 2010.
This increase was largely due to additional bank levies introduced in some of the countries in which the Group operates (including Austria, Hungary and the UK): net of these levies costs would have been in line with those of 2010.

Operating costs (€ million)

	YEAR		CHANGE	
	2011	2010	AMOUNT	%
Payroll costs	(9,209)	(9,205)	- 4	0.0%
Other administrative expenses	(5,641)	(5,479)	- 162	3.0%
Recovery of expenses	525	484	41	8.5%
Amortisation, depreciation and impairment losses on intangible and tangible assets	(1,136)	(1,124)	- 12	1.0%
Operating costs	**(15,460)**	**(15,324)**	**- 136**	**0.9%**



Payroll costs were €9.2 billion, practically unchanged from 2010.

This outcome comprised regional variations: in the mature markets (Italy, Germany and Austria) staff cost fell overall, while in the countries of Eastern Europe - where growth rates are higher - the opposite occurred.

The trend described above in staff numbers: in Full Time Equivalent[1] terms there were 160,360 employees at December 31, 2011, a reduction of 1,649 FTEs from 2010, which mainly occurred in Italy.

The largest contributor to the reduction in headcount was the F&SME Italy Division, which recorded a reduction of 1,349 employees from December 31, 2010. In the CEE Division, the overall reduction of 91 employees comprised, e.g., an increase of 496 in Turkey and an increase of 179 in the Czech Republic, where the Group continued to invest in 2011, as against a reduction of 666 people in Ukraine and 191 in Kazakhstan, where consolidation continued.

Other administrative expenses were €5.6 billion in 2011, up by €162 million or +3% over 2010.
As noted above, most of this increase is attributable to **Indirect taxes and duties,** which increased by €151 million over 2010 due to the additional bank levies introduced in some of the countries where the Group operates, net of which costs would have been in line with those of 2010.

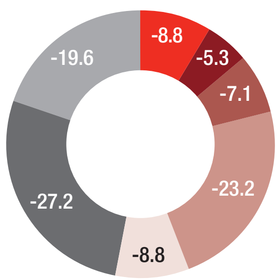
Write-downs of tangible and intangible assets were €1,136 million, an increase of 1% over 2010.

The **Cost/income** ratio rose to 61.4% 258 bp over the 58.8% result in 2010.

Other administrative expenses (€ million)

	YEAR		CHANGE	
	2011	2010	AMOUNT	%
Indirect taxes and duties	(637)	(485)	- 151	31.1%
Miscellaneous costs and expenses	(5,004)	(4,993)	- 11	0.2%
advertising marketing and comunication	*(438)*	*(397)*	*- 41*	*10.3%*
expenses related to credit risk	*(266)*	*(279)*	*13*	*- 4.6%*
expenses related to personnel	*(356)*	*(356)*	*-*	*0.1%*
information communication technology expenses	*(1,161)*	*(1,159)*	*- 2*	*0.2%*
consulting and professionals services	*(439)*	*(390)*	*- 48*	*12.4%*
real estate expenses	*(1,362)*	*(1,384)*	*22*	*- 1.6%*
other functioning costs	*(982)*	*(1,028)*	*46*	*- 4.5%*
Other administrative expenses	**(5,641)**	**(5,479)**	**- 162**	**3.0%**

Miscellaneous costs and expenses breakdown (%)



Net write-downs of loans and provisions for guarantees and commitments

In 2011 the item **Net write-downs of loans and provisions for guarantees and commitments** improved by €867 million or 12.6% over 2010, decreasing to €6,025 million. Cost of risk measured on average loan volume improved by 15 bps over 2010, declining to 108 bps.

The reduction in write-downs was due to the favourable performance of the economy in Germany, to outcomes in Austria, in particular in respect of Family & SME customers, and to the CEE Division, where almost all countries had reduced provisions.

Poland had the same level of provisions as in 2010 but cost of risk fell slightly and remains at an excellent level. The Italian businesses were also stable in this respect, though with cost of risk persisting above 150 bps, which shows that the economy is still going through a difficult period.

Asset quality figures show that impaired loans were €40.2 billion, an increase of €1.9 billion over December 31, 2010. The ratio to total customer loans was 7.18% as against 6.89% at December 31, 2010. This increase in impaired loans was attributable to non-performing loans as to €1,738 million and restructured loans as to €451 million; by contrast, doubtful loans fell by €67 million and past dues by €202 million.

1 FTE: Personnel on the payroll minus employees seconded to other companies and those on long-term leaves, plus employees seconded from other companies; all categories are accounted for on the basis of hours worked i.e. that for which the company bears a cost.

Group Results (Continued)

Main results and performance for the period (Continued)

Loans to customers - asset quality

(€ million)

	NON-PERFORMING LOANS	DOUBTFUL LOANS	RESTRUCTURED LOANS	PAST-DUE LOANS	IMPAIRED LOANS	PERFORMING LOANS	TOTAL LOANS TO CUSTOMERS
As at 12.31.2011							
Face value	42,245	18,735	7,250	4,301	**72,531**	522,279	**594,810**
as a percentage of total loans	*7.10%*	*3.15%*	*1.22%*	*0.72%*	***12.19%***	*87.81%*	
Writedowns	24,127	5,704	1,856	660	**32,347**	2,910	**35,257**
as a percentage of face value	*57.1%*	*30.4%*	*25.6%*	*15.3%*	***44.6%***	*0.6%*	
Carrying value	18,118	13,031	5,394	3,641	**40,184**	519,369	**559,553**
as a percentage of total loans	*3.24%*	*2.33%*	*0.96%*	*0.65%*	***7.18%***	*92.82%*	
As at 12.31.2010 comparable							
Face value	38,538	19,035	6,207	4,435	**68,215**	520,457	**588,672**
as a percentage of total loans	*6.55%*	*3.23%*	*1.05%*	*0.75%*	***11.59%***	*88.41%*	
Writedowns	22,158	5,937	1,264	592	**29,951**	3,068	**33,019**
as a percentage of face value	*57.5%*	*31.2%*	*20.4%*	*13.3%*	***43.9%***	*0.6%*	
Carrying value	16,380	13,098	4,943	3,843	**38,264**	517,389	**555,653**
as a percentage of total loans	*2.95%*	*2.36%*	*0.89%*	*0.69%*	***6.89%***	*93.11%*	
As at 12.31.2010							
Face value	38,743	19,671	5,176	3,766	**67,356**	521,316	**588,672**
as a percentage of total loans	*6.58%*	*3.34%*	*0.88%*	*0.64%*	***11.44%***	*88.56%*	
Writedowns	22,399	5,945	1,147	437	**29,928**	3,091	**33,019**
as a percentage of face value	*57.8%*	*30.2%*	*22.2%*	*11.6%*	***44.4%***	*0.6%*	
Carrying value	16,344	13,726	4,029	3,329	**37,428**	518,225	**555,653**
as a percentage of total loans	*2.94%*	*2.47%*	*0.73%*	*0.60%*	***6.74%***	*93.26%*	

At December 31, 2011 the coverage ratio for impaired loans was 44.6%, an improvement over the 43.9% coverage reported at December 31, 2010, thanks to a fall in non-performing loans in Germany and the CEE countries and a stabilisation of the trend in Italy.

It should be noted that in Q1 2011 the criterion for classification of impaired loans in Central and Eastern European Countries was revised, with particular regard to the "Restructured" and "Past due" categories. Consequently, and for purposes of a more uniform comparison, the December 2010 data are presented both in the historical version and in the comparable one.

Net operating profit by business segment

The following table details how Group **Net operating profit** was realised, by business segment.

Net operating profit by business segment

(€ million)

	OPERATING INCOME	OPERATING COSTS	NET WRITE DOWNS OF LOANS AND PROV. FOR GUAR. AND COMM.	NET OPERATING PROFIT		
				2011	2010	CHANGE. %
F&SME Network Italy	6,808	(4,323)	(1,938)	547	18	n.m.
F&SME Network Germany	1,594	(1,449)	(17)	129	57	124.3%
F&SME Network Austria	1,171	(905)	(160)	106	33	217.3%
F&SME Network Poland	1,133	(685)	(86)	362	270	34.3%
F&SME Factories	2,056	(863)	(634)	559	405	38.1%
Corporate & Inv. Banking	7,657	(2,698)	(2,033)	2,926	3,066	- 4.6%
Private Banking	921	(563)	(6)	352	311	13.2%
Asset Management	787	(466)	-	321	347	- 7.4%
Central Eastern Europe	4,719	(2,206)	(1,055)	1,457	1,128	29.2%
Group Corporate Center	(1,646)	(1,304)	(95)	(3,044)	(1,776)	71.4%
Group Total	**25,200**	**(15,460)**	**(6,025)**	**3,715**	**3,859**	**- 3.7%**

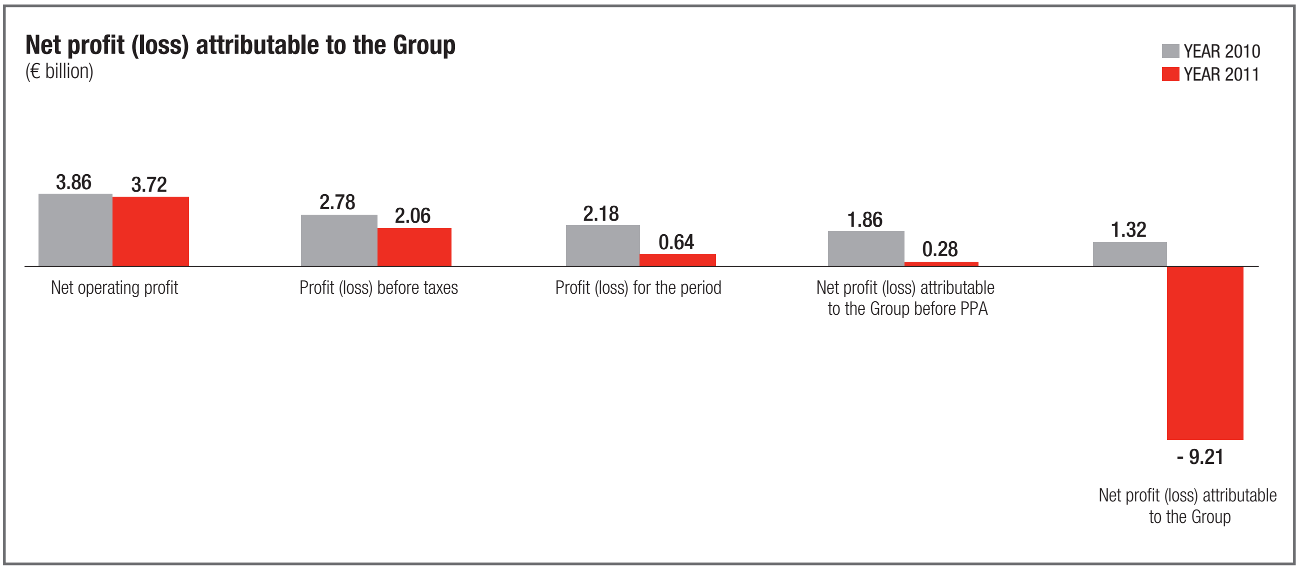
Net profit (loss) attributable to the Group

In the following table the items between **Operating profit (loss)** and **Net profit (loss),** shown with comparative 2010 data, are reclassified for disclosure purposes.

Net profit (loss) attributable to the Group

(€ million)

	YEAR		CHANGE		QUARTERLY FIGURES 2011				QUARTERLY FIGURES 2010			
	2011	2010	AMOUNT	%	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net operating profit (loss)	**3,715**	**3,859**	**- 143**	**- 3.7%**	**801**	**(2)**	**1,349**	**1,566**	**1,003**	**929**	**814**	**1,113**
Provisions for risks and charges	(718)	(766)	47	- 6.2%	(48)	(266)	(244)	(161)	(472)	(32)	(106)	(156)
Integration costs	(270)	(282)	11	- 3.9%	(90)	(174)	(3)	(3)	(254)	(16)	(6)	(6)
Net income from investments	(666)	(36)	- 631	n.s.	(123)	(612)	(15)	84	(155)	4	47	68
Profit (loss) before taxes	**2,060**	**2,776**	**- 716**	**- 25.8%**	**541**	**(1,054)**	**1,087**	**1,486**	**121**	**886**	**749**	**1,020**
Income tax for the period	(1,416)	(595)	- 821	137.9%	(248)	(149)	(463)	(555)	509	(380)	(331)	(393)
Profit (loss) for the period	**644**	**2,181**	**- 1,536**	**- 70.4%**	**292**	**(1,203)**	**624**	**932**	**630**	**505**	**418**	**627**
Minorities	(365)	(321)	- 44	13.6%	(78)	(81)	(99)	(107)	(80)	(122)	(56)	(63)
Net profit (loss) attributable to the Group before PPA	**280**	**1,860**	**- 1,580**	**- 85.0%**	**214**	**(1,284)**	**525**	**825**	**550**	**383**	**362**	**564**
Purchase Price allocation effects	(809)	(175)	- 634	362.8%	(92)	(687)	(14)	(15)	(30)	(49)	(52)	(44)
Goodwill impariment	(8,677)	(362)	- 8,316	n.s.	(8)	(8,669)	-	-	(199)	-	(162)	-
Net profit (loss) attributable to the Group	**(9,206)**	**1,323**	**- 10,530**	**n.s.**	**114**	**(10,641)**	**511**	**810**	**321**	**334**	**148**	**520**



Group Results (Continued)

Main results and performance for the period (Continued)

Provisions for risks and charges

Provisions for risks and charges amounted to €718 million in 2011, a reduction of €47 million or 6.2% from 2010.

This change comprised an increase in the Italian businesses - mainly due to a significant provision in respect of legal and tax disputes - and a reduction in Germany, which had made a large provision on a project finance asset in 2010.

Integration costs

Integration costs were €270 million, a reduction of €11 million or 3.9% from 2010. Italian businesses accounted for €137 million, in relation to reorganisation included in the recently approved Group Strategic Plan, the remainder being attributable mainly to German businesses (€108 million).

Net income from investments

Net income from investments were €666 million in 2011. This was due to the €404 million write-down of the equity investment in Mediobanca and the €399 million write-down of Greek government bonds. These write-downs completely absorbed capital gains of €100 million on valuations of property holdings, gains of €80 million on a share swap of the equity held in a prime Russian stock exchange management group and gains of €54 million on the disposal of Cassa Compensazione e Garanzia.

Profit before tax

Net operating profit (loss) of €3.7 billion less **Provisions for risks and charges** of €718 million, **Net income from investments** of €666 million, and **Integration costs** of €270 million resulted in **Profit before tax** for 2011 of €2,060 million, a reduction of €716 million or 25.8% from 2010.

Profit before tax by business segment

The following table shows how **Profit before tax** was generated in each business segment starting from Net operating profit (loss); please see the respective sections for an analysis of individual items.

Profit before tax by business segment

(€ million)

	NET OPERATING PROFIT	PROVISIONS FOR RISK AND CHARGES	INTEGRATION COSTS	NET INCOME FROM INVESTMENTS	PROFIT BEFORE TAX	
					2011	2010
F&SME Network Italy	547	(63)	(54)	-	429	(196)
F&SME Network Germany	129	(35)	(15)	-	79	52
F&SME Network Austria	106	4	-	3	112	37
F&SME Network Poland	362	-	-	-	362	270
F&SME Factories	559	(29)	(7)	(9)	514	378
Corporate & Investment Banking	2,926	(243)	(88)	(102)	2,493	2,489
Private Banking	352	(37)	(9)	(1)	304	283
Asset Management	321	(4)	(14)	(7)	297	330
Central Eastern Europe	1,457	(14)	(2)	6	1,447	1,133
Group Corporate Center	(3,044)	(298)	(81)	(555)	(3,977)	(2,000)
Group Total	**3,715**	**(718)**	**(270)**	**(666)**	**2,060**	**2,776**

Income tax for the year

Income tax for 2011 amounted to €1,416 million, an increase of €821 million over 2010. The 2011 tax rate was 68.7% (up by 47.3pp over 2010). The main reason for this change was the non-deductibility of some of the write-downs and an adjustment of the deferred tax assets recognised in the accounts, on the basis of changed profit projections implicit in the new Strategic Plan, as well as the increased impact of IRAP [regional tax on productive activity] in Italy, which remained almost unchanged despite the gross profit decline.

Profit (loss) attributable to the Group

Profit (loss) for the year was €644 million, while the **Loss attributable to the Group** was €9,206 million.
This last figure was the resultant of Profit (loss) for the year less: **Minorities** of €365 million, the economic effects of **Purchase Price Allocation** amounting to €809 million - including the write-down of the HVB, Bank Austria, Banca di Roma, Banco di Sicilia and Ukrsotsbank brands - and **Goodwill Impairment** of €8,677 million, essentially due to the Group Strategic Plan, which inevitably took into account on the one hand increasingly severe regulation and on the other a deterioration of the macroeconomic scenario.

Principles of value creation and disciplined capital allocation

In order to create value for the shareholders, the Group's strategic guidelines are aimed at optimizing the composition of its business portfolio. This goal is pursued through a process of capital allocation to each business line in relation to its specific risk profile and ability to generate extra income measured as EVA, which is the main performance indicator related to TSR (Total Shareholder Return). The development of Group operations with a view to value creation requires a process for allocating and managing capital governed by different phases in the process of planning and control, articulated as:

- formulation of the proposed propensity for risk and capitalization targets;
- analysis of the risks associated with the value drivers and resulting allocation of capital to the business lines and to the Business Units;
- assignment of performance targets in line with risk;
- analysis of the impact on the Group's value and of the creation of value for shareholders;
- drafting and proposal of the financial plan and dividend policy.

The process of capital allocation is based on a "dual track" logic, considering both economic capital, measured through the full evaluation of risks by risk management models, and regulatory capital, quantified applying internal capitalization targets to regulatory capital requirements.

EVA Generated by Business Segment (€ million)

	YEAR	
	2011	2010
F&SME Network Italy	(337)	(623)
F&SME Network Germany	(35)	(45)
F&SME Network Austria	(20)	(89)
F&SME Network Poland	131	89
F&SME Factories	3	(63)
Corporate & Investment Banking	57	90
Private Banking	164	172
Asset Management	191	218
Central Eastern Europe	246	33
Group Corporate Center[1]	(3,754)	(1,873)
Group Total	**(3,355)**	**(2,092)**

Notes:
Figures were recasted, where necessary, on a like-to-like basis to consider changes after the September 30, 2011 in scope of business segments and computation rules.

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

Capital ratios

The Group dynamically manages its capital base by monitoring regulatory capital ratios, anticipating the appropriate changes necessary to achieve its targets, and optimizing the composition of its assets and equity. Planning and monitoring refer, on the one hand, to shareholders' equity and the composition of regulatory capital (Core Tier 1, Tier 1, Lower and Upper Tier 2, and Tier 3 Capital) and, on the other hand, to the Risk-Weighted Assets (RWAs). The Risk-Weighted Assets, for portfolios managed using the Advanced model, not only depend on the nominal value of the assets but also on the relevant credit parameters. Besides volume dynamics, it is also crucial to monitor and forecast the change in the loan quality of the portfolio in view of the macroeconomic scenario (the so-called pro-cyclical effect).

The Core Tier 1 Ratio (Basel 2) at December 2011 was 8.40%. The Tier 1 Ratio and Total Capital Ratio, respectively, were 9.32% and 12.37%.

Capital Ratios (€ million)

	AS AT	
	12.31.2011	12.31.2010
Total Capital	56,973	57,655
Tier 1 Capital	42,917	43,037
Core Tier 1 Capital	38,691	39,006
Total RWA	460,395	454,850
Total Capital Ratio	**12.37%**	**12.68%**
Tier 1 Ratio	**9.32%**	**9.46%**
Core Tier 1 Ratio	**8.40%**	**8.58%**

The recent economic and financial crisis, which began in 2007, has given rise to intense debate on the need to revise, in a more restrictive sense, the rules for measuring capital and the capital ratios imposed by Basel 2. With the aim to raise the resilience of the banking sector, the Basel Committee on Banking Supervision published the comprehensive reform framework (Basel 3) on December 16, 2010. The package modifies the rules for the levels of banks capital adequacy and introduces limits in terms of liquidity, medium-long term funding and leverage. The Basel Committee defined a smoothed timeline for the introduction of new rules, with the full implementation by January 2019 after a phase-in starting from January 2013. On 20 July 2011, a legislative proposal drawn up by the European Commission with a view to implementing the Basel 3 standards in Europe was published. Specifically, the proposal involves two separate legislative instruments: a Directive (CRD IV) and a Regulation (CRRI), which will include the majority of the measures relating to capital requirements, the provisions of which will be directly binding and applicable within each European Union Member State. The Commission's proposal is currently being analysed by the European Parliament and the Council of the European Union with a view to definitively approving it in 2012.

Group Results (Continued)

Capital and Value Management (Continued)

Shareholders' Equity attributable to the Group

The **Shareholders' Equity of the Group**, including the **loss of the period** (€ 9,206 million), amounted to €51,479 million at December 31, 2011, compared to €64,224 million at December 31, 2010.

The statement of changes in Shareholders' Equity is included in the consolidated accounts.

The following table shows the main changes that occurred in 2011.

Shareholders' Equity attributable to the Group (€ million)

Shareholders' Equity as at December 31, 2010	**64,224**
Capital increase (net of capitalized costs)	(4)
Disbursements related to Cashes transaction ("canoni di usufrutto")	(172)
Dividend payment	(550)
Forex translation reserve	(993)
Change in afs / cash-flow hedge reserve	(1,394)
Others	(424)
Net profit (loss) for the period	(9,206)
Shareholders' Equity as at December 31, 2011	**51,479**

Reconciliation of the Parent Company's Accounts to the Consolidated Accounts

Shareholders' Equity attributable to the Group, including the loss of the period, amounted to €51.5 billion at December 31, 2011, compared to €64.2 billion at December 31, 2010.

The following table reconciles the Parent Company's Shareholders' Equity and **Net profit** to the corresponding consolidated figures

Reconciliation of Parent Company to Consolidated Accounts (€ million)

	SHAREHOLDERS' EQUITY	OF WHICH: NET PROFIT
Balance as at December 31, 2011 as per UniCredit S.p.A. Accounts	**49,649**	**(6,349)**
Surplus over carrying values:	2,332	(790)
- subsidiaries (consolidated)	*2,130*	*(994)*
- associates accounted for at net equity	*202*	*203*
Dividends received in the period by the Holding Company	-	(2,235)
Other reclassification on consolidation	(502)	168
Balance as at December 31, 2011 attributable to the Group	**51,479**	**(9,206)**
Minorities	3,318	365
Balance as at December 31, 2011 (minorities included)	**54,798**	**(8,842)**

Result by Business Segment

2011 results by business segment are given below, to be commented on in subsequent sections.

Key Figures by Business Segment

(€ million)

	F&SME NETWORK ITALY	F&SME NETWORK GERMANY	F&SME NETWORK AUSTRIA	F&SME NETWORK POLAND	F&SME FACTORIES	CORPORATE & INVESTMENT BANKING	PRIVATE BANKING	ASSET MANAGEMENT	CENTRAL EASTERN EUROPE	GROUP CORPORATE CENTER[1]	CONSOLIDATED GROUP TOTAL
Income statement											
OPERATING INCOME											
2011	6,808	1,594	1,171	1,133	2,056	7,657	921	787	4,719	(1,646)	25,200
2010	*6,480*	*1,521*	*1,145*	*1,079*	*1,981*	*7,858*	*881*	*834*	*4,694*	*(399)*	*26,074*
Operating costs											
2011	(4,323)	(1,449)	(905)	(685)	(863)	(2,698)	(563)	(466)	(2,206)	(1,304)	(15,460)
2010	*(4,483)*	*(1,400)*	*(846)*	*(702)*	*(848)*	*(2,672)*	*(565)*	*(487)*	*(2,141)*	*(1,181)*	*(15,324)*
OPERATING PROFIT											
2011	2,485	146	266	449	1,193	4,959	358	321	2,512	(2,949)	9,740
2010	*1,996*	*122*	*299*	*378*	*1,132*	*5,187*	*316*	*347*	*2,553*	*(1,580)*	*10,750*
PROFIT BEFORE TAX											
2011	429	79	112	362	514	2,493	304	297	1,447	(3,977)	2,060
2010	*(196)*	*52*	*37*	*270*	*378*	*2,489*	*283*	*330*	*1,133*	*(2,000)*	*2,776*
EVA											
2011	(337)	(35)	(20)	131	3	57	164	191	246	(3,754)	(3,355)
2010	*(623)*	*(45)*	*(89)*	*89*	*(63)*	*90*	*172*	*218*	*33*	*(1,873)*	*(2,092)*
Cost/income ratio											
2011	63.5%	90.9%	77.3%	60.4%	42.0%	35.2%	61.1%	59.2%	46.8%	- 79.2%	61.4%
2010	*69.2%*	*92.0%*	*73.9%*	*65.0%*	*42.8%*	*34.0%*	*64.1%*	*58.4%*	*45.6%*	*- 295.7%*	*58.8%*
Employees[2]											
as at December 31, 2011	30,546	7,521	3,937	13,988	6,199	9,403	3,038	1,975	51,517	32,236	160,360
as at December 31, 2010	*31,895*	*7,511*	*3,748*	*14,260*	*5,850*	*9,599*	*3,018*	*1,877*	*51,608*	*32,643*	*162,009*

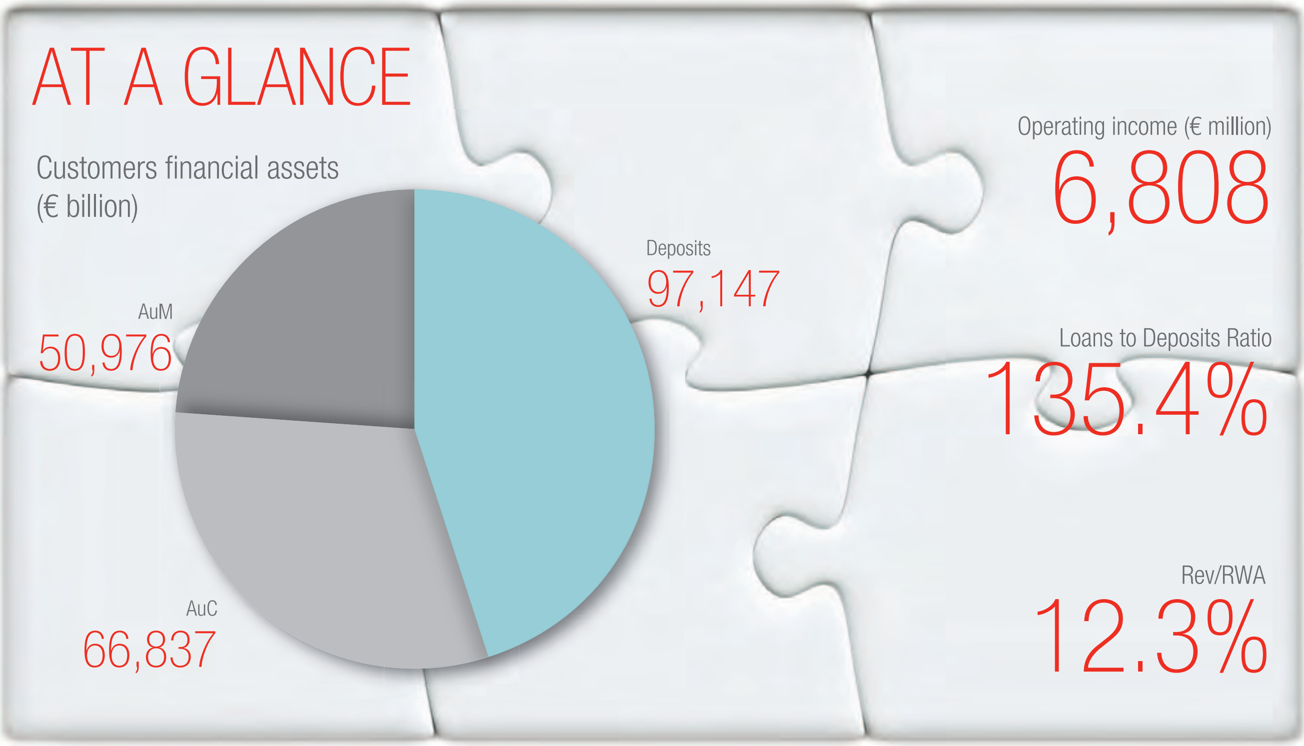
Notes:

Figures were recasted, where necessary, on a like-to-like basis to consider changes after the September 30, 2011 in scope of business segments and computation rules.

1. Global Banking Services, Corporate Centre, inter-segment adjustments and consolidation adjustments not attributable to individual segments.
2. "Full Time Equivalent". These figures include all the employees of subsidiaries consolidated proportionately, such as Koç Financial Services.

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME)



F&SME Network Italy

The primary goal of the Family & SME Division[1] is to allow individuals, households, small and medium enterprises to meet their financial needs by offering them a complete range of reliable, high-quality products and services at a competitive price. The Group's major strengths in retail banking are the experience of its employees and the central role played by customer satisfaction. UniCredit holds a strategic position in the retail banking segment in Italy thanks to its nearly 4,000 branches throughout the country.

Financial performance

F&SME Network Italy ended 2011 with **operating income** of 6,808 million, up strongly over 2010 (+5.1%). This is the result of an increase in the interest margin which benefited from an increase in rates (1-month Euribor up +62 basis points from the year before) and from the trend in average amounts on deposit over the course of the year. The margin from services was positively affected by the sale of investment products and loan commissions.

Operating expenses came in at 4,323 million, down relative to the previous year (-3.6%), thanks to savings in other administrative expenses and to efficiency in structural personnel expenses due to the reduction of FTEs (-1,349 y/y).

The increase in revenues had a positive effect on the **cost/income ratio**, which was 63.5% at the end of December, down from 2010 (-569 bp).

Net write-downs on loans amounted to 1,938 million, representing a reduction relative to 2010 (-2.0%), due to lower default rates on the mortgage and medium-sized businesses portfolio. The cost of risk in 2011 was equal to 1.53%, 3 points lower than at the end of 2010.

F&SME Network Italy ended 2011 with a **gross profit** of 429 million.

Loans to customers as of the 2011 year-end stood at 124,510 million, a fall of 1,198 million compared to December 2010, to be attributed to a drop in mortgage loans. **Deposits from customers** (including securities) were 97,144 million, in line with the end of 2010. **Risk-weighted assets** came in at 56,950 million, a rise of +7.6% from December 2010.
The growth in RWA is attributable to the "mix" effect (mix among loans with different weightings) and the recalibration of the calculation models.

1. The introduction of each sub-section focuses on a brief description of the business sectors that come within the scope of the Family & Small Medium Enterprises Division, also known as the F&SME Division, in addition to a brief description of their mission and principal strengths. The F&SME Division is made up of the Retail networks in Italy, Germany, Austria and Poland. It also includes entities specializing in consumer credit, leasing and factoring. Finally, it also includes banks specializing in asset gathering.

Fourth quarter 2011 posted operating income of 1,711 million, up +3.1% over the previous quarter. This increase can be attributed to the good commercial performance of rates offered to customers, offsetting the fall in the Euribor rate in the final months of the year. **Operating expenses** were down -6.4% thanks to savings in personnel expenses, partly linked to a drop in FTEs, and to lower administrative expenses from cost-cutting measures. **Loan impairment losses** amounted to 552 million net, up 34.7% over the preceding quarter. The fourth quarter ended with a **gross profit** of 117 million, an increase of 12.2% relative to the previous quarter.

Income Statement

(€ million)

	YEAR		CHANGE	2011		CHANGE	2010
F&SME NETWORK ITALY	2011	2010	%	Q4	Q3	% ON Q3 2011	Q4
Operating income	6.808	6.480	+ 5.1%	1,711	1,659	+ 3.1%	1,562
Operating costs	(4,323)	(4,483)	- 3.6%	(1,019)	(1,089)	- 6.4%	(1,051)
Operating profit	2.485	1.996	+ 24.5%	691	570	+ 21.3%	511
Net write-downs on loans	(1,938)	(1,979)	- 2.0%	(552)	(410)	+ 34.7%	(551)
Profit before tax	429	(196)	n.m.	117	104	+ 12.2%	(199)

Balance Sheet

(€ million)

	AMOUNTS AS AT			CHANGE ON DEC '10	
F&SME NETWORK ITALY	12.31.2011	09.30.2011	12.31.2010	AMOUNT	%
Loans to customers	124,510	128,076	125,708	- 1,198	- 1.0%
Customer deposits (incl. Securities in issue)	97,144	95,096	97,349	- 205	- 0.2%
Total RWA	56,950	57,821	52,945	4,004	+ 7.6%
RWA for Credit Risk	46,599	46,143	41,960	4,639	+ 11.1%

Key Ratios and Indicators

	YEAR		CHANGE	
F&SME NETWORK ITALY	2011	2010	AMOUNT	%
EVA (€ million)	(337)	(623)	286	- 45.9%
Absorbed Capital (€ million)	4,510	4,290	220	+ 5.1%
RARORAC	- 7.47%	- 14.52%	n.s.	
Operating Income/RWA (avg)	12.29%	11.80%	50bp	
Cost/Income	63.5%	69.2%	- 569bp	
Cost of Risk	1.53%	1.56%	- 3bp	

Staff Numbers

	AS AT			CHANGE ON DEC '10	
F&SME NETWORK ITALY	12.31.2011	09.30.2011	12.31.2010	AMOUNT	%
Full Time Equivalent	30,546	30,574	31,895	- 1,349	- 4.2%

Business lines

In the **Mass Market segment**, 2011 saw the launch of the new tool "Uni-Co 2.0," an advanced new system for managing commercial contacts. Using it, branch managers can get one-click access to all initiatives available for their branches:

- **Appointments** set by direct channels;
- "**Indications of interest**" coming from direct channels (customers and/or prospects that have indicated interest in a product);
- **Events** (indicators stemming from important events occurring to customers);
- **Commercial initiatives** (list of the best opportunities selected by the CRM system for each customer based on the latter's priorities and propensity to purchase).

The process requires that the branch manager assign contacts to mass market advisors based on level of experience, expertise, availability and greatest ability to satisfy customers' needs while guaranteeing the optimum level of service. In order to improve familiarity with the characteristics of current accounts, an automatic process of post-sale management has been launched to explain the value of the product to all new Genius customers through the various channels of communication (branches, ATMs, emails, online banking). As for the acquisition of younger customers, a second edition of "**Genius for University**" has been launched. During this event, organized at a number of branches and selected universities, students obtained a better understanding of the products offered by the bank and were given the opportunity to obtain a Genius Card on advantageous terms. In addition, at Christmastime, there were

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)

two dedicated commercial initiatives: "**For Christmas, Genius Card is giving the gifts to you**," a contest held to improve the volume of transactions using the Genius Card that promoted the use of the card to purchase Christmas gifts, and a special promotion, with a highly attractive interest rate, for the "Genius Kids" product ***("Genius Bimbi")***, a deposit account offered to parents to begin to set aside savings for their children (between 0 and 13 years of age). Confirming the importance of satisfying foreign customers, UniCredit signed an agreement with Western Union to offer its clients a money transfer service based on a current account (ABMT). Thanks to this partnership, it will be easier for UniCredit clients to send money to their families abroad, using a widespread network of branches (ATMs, kiosks and internet banking). For customers of "*Agenzia Tu*," the network of UniCredit agency offices dedicated to foreign clients, it will also be possible to benefit from in-agency services. During the fourth quarter, a variety of unanticipated weather events took place in Italy. UniCredit was out in front of the Italian government with initiatives aimed at assisting its clients who live in the affected areas, allowing them to suspend mortgage payments for up to 12 months because of water-related damage to their home or place of work. In addition, UniCredit introduced "**Super Genius**," a new current account dedicated to retail customers, allowing them to perform unlimited in-branch transactions and have zero monthly fees with two easy steps: by having a pension or salary of more than €1,000 directly deposited to a current account and by keeping an account balance over €2,500.

In 2011, the **Personal Banking segment** devoted much effort to adopting a commercial approach based on the new advisory and consulting model, doing so at the total-portfolio level and in consistence with the customer's profile and his or her financial needs. The structure of this consulting model is broken down into a variety of stages, from the sale of individual products to the proposal of a personalized model portfolio. The consulting service is integrated with product offer in order to increase portfolio diversification, and is based on three cornerstones:

- "**Client characteristics analysis**" for products suitable to the specific needs of customers;
- "**Model portfolio analysis**" to offer a holistic approach to the management of customers' financial needs;
- "**Post-sale monitoring**" to monitor changes occurring over time to customer portfolios.

There are plans for a specific training program to ensure that consultants possess the necessary expertise.

Following the introduction of new Italian tax reforms in July of 2011, initiatives were developed in support of day-to-day customer advising. The "**Count on UniCredit**" *("Punta su UniCredit")* initiative, launched at the end of September, took advantage of a commercial offering based on bonuses for customers who transferred their assets from other institutions to UniCredit before the end of December 2011.

In order to optimize clients' asset allocation and offer them support on the changes in taxation, the "**Inform your Client**" ("*Informa il tuo Cliente*") initiative has been developed. The main objective is to optimize customers' asset allocation based on the model portfolio, choosing products better suited to their financial needs and in line with the new tax treatment.

2011 was a highly challenging year due to the exceptional market volatility brought on by the explosion of the sovereign debt crisis in the second half of the year and the extraordinary fiscal measures put in place by the Italian government to improve the situation of public finances in a difficult macro-economic environment.
This unfavorable context, affecting the affluent segment most of all, led the entire banking system to an increased competition for funds, as well as to a need to face up to the changes taking place in clients' saving and investment behavior. To respond effectively to this environment, the set of guaranteed-principal products was improved. While keeping the focus on transparency and simplicity, the catalog of deposit products was completely revised, providing a broad, competitive range of products distinguished by their value proposition and maturities, intended to meet clients' needs in the best manner possible:

- **CD Gold and Silver**, a 6-24 month time deposit with fixed interest rates. The longer the maturity, the higher the return.
  These products are suitable to attracting new clients and bringing in fresh money. 2011 sales posted significant volumes;
- "**Money plus flexi**," Deposit Account: savings accounts dedicated to bringing in new clients, with a fixed interest rate. Time periods of 12, 18 and 24 months are offered, but customers can get out of the investment prior to the nominal maturity chosen. Sales confirmed customers' interest in this product;
- **Money Box**, an on-line deposit-related repurchase transaction. This product was repositioned in terms of interest rates in mid-September, giving a new boost to sales.

Another objective for 2011 was the continued development of asset management and bancassurance products, in order to offer solutions consistent with the situation described above:

- "***UniCredit Soluzione Fondi,***" a family of white-label funds consisting of four offers differentiated by risk profile and directed towards customers seeking control over volatility ("asymmetric payoff") rather than pure performance;
- "***Uniattiva,***" an insurance, which protects principal upon maturity and provides the ability to consolidate 50% of the annual performance as of a certain date;
- "***Uniopportunità,***" a multi-line recurring-premium policy with a low monthly investment (€50) and the ability to combine a guaranteed line with another that fluctuates with equities markets;
- "***Unidifesa Inflazione,***" an index-linked 6-year policy, with a fixed annual dividend until the fifth year and an inflation-linked payment upon maturity calculated from the launch date. Repayment of principal is guaranteed by an insurance company;

- *"**UniGarantito Special**,"* a single-premium insurance product (minimum of €2,500) aimed at guaranteeing an annual return of 2% for three years, along with guaranteed capital at all times.

To improve the potential for customer growth by making use of internal resources, the first "**Feeding**" initiative was launched: a specific and structured process directed towards identifying high-potential mass market clients and helping them to grow. After the implementation of the new network structure, the opportunity for creating and developing synergies becomes even more important. One specific project is dedicated to the commercial synergies between the personal-banking and small-business segments, with the objective of increasing cooperation between small-business and personal-banking consultants in order to accelerate the acquisition of the private assets of the small business customers.

In the **Small Business segment**, on the heels of *"Impresa Italia"*[2] and "*SOS Impresa Italia*"[3] (still under way), February 2011 saw the launching of an important new initiative, "***Ripresa Italia.***" Through this agreement, entered into with "*Rete Imprese Italia*" (Italian Enterprise Network - the principal association of small and medium-sized Italian businesses), UniCredit is continuing its commitment to support the real economy in this particular phase characterized by weak signs of recovery. The main contents of "*Ripresa Italia*" are a new cap of 1 billion in loans intended for small and medium-sized businesses and a new line of products created on the basis of the needs of this type of company, concentrating on five action areas: "Production cycle recovery", "Innovation and competitiveness," "Sustainability and education," "Internationalization" and "Support for network businesses." The Retail Network Italy focused its attention in July 2011 on the small business segment, organizing the eight annual *"**Premio Ok Italia**"* prize awards, held in Bologna. This is a competition among stories of successful businesses, with the winners receiving prizes from UniCredit Group executives. In that same month, the "***Valore Professioni***" commercial agreement was renewed with *Confprofessioni*, an association representing various trade associations of professionals (attorney-notaries, accountants, architects, etc.). *Valore Professioni* manages a dedicated catalogue of products and an associated marketing and sales plan directed towards bringing in new professionals and helping them to develop and manage their business. In November, UniCredit launched the new product "**UniCreditCard Business Easy**." This innovative pre-paid card has been designed to satisfy the needs of businesses with employees on the move (e.g., businesses in the logistics sector), allowing complete control and management of those expenses incurred for business reasons. Companies can activate a card for each of their employees and manage them online for replenishment purposes or for controlling transactions. The card may be used for payments, including over the Internet, thanks to the Mastercard network. Starting in November, the scope of the small-business segment was extended to companies with annual sales of 5 million, and the network structure has been redesigned. The reorganization transferred the majority of small-business consultants to new areas called "**Districts**," enabling close client contacts on a regional basis so as to better satisfy customers' needs and serve small-business customers at a local level with specialized representatives. In order to increase acquisition of new customers, in the fourth quarter of 2011, UniCredit reinforced the business development team by 10% in terms of resources. In support of their activities, commercial initiatives were implemented (e.g., with the Central Guarantee Fund to assist small and medium-sized businesses to obtain easier access to financial resources and to mitigate the credit risk for the bank), as were incentive campaigns. There were three editions of the "pre-authorized short-term lines of credit" commercial initiative, dedicated to the best small-business customers. The initiative offers "**pre-authorized**" lines of credit with the aim of satisfying customers' needs for short-term credit and supporting their growth. Thanks to that initiative, UniCredit in 2011 guaranteed around 170 million in new short-term credit lines.

The **Medium Enterprises segment** was created - beginning November 1, 2010 - within the F&SME Division, to offer companies with sales of up to €50 million dedicated service and points of contact all across the country (160 Business Centers with 700 advisors). A number of initiatives have been launched following a route which has led to the creation of a bank for medium-sized businesses that is a leader in quality. November 2010 saw the launching of the "**Short-Term Response**" ("*Risposta a breve termine*") initiative, to reinforce relationships with the Division's best customers, supporting them in financing their working capital needs (showing 11% growth in short-term loans as of the end of February). Between March and June, this same offering was made to 14,000 selected customers, whose short-term loans have grown by 10%. A network of 150 dedicated specialists (trade finance, cash management, medium long-term financing, treasury management products, leasing and factoring) was set up to support advisors in their dealings with customers as well as in the furnishing of specific products. Sales initiatives have been launched that favor cross-selling of specialized products such as Import/Export loans, trade finance services, interest rate caps, medium to long-term loans and cash management solutions. Additional initiatives were defined in the fourth quarter, focusing on low-penetration customers in terms of revenues from services related to short-term financing, as well as on customers doing business abroad, seeking to earn a share of that business. Before the start of summer, a specific program was

2. A project launched at the beginning of 2008 that provided for the allocation of an additional cap, directed locally by trade associations and Confidi, in order to guarantee the inflow of resources at a time of crisis in market liquidity.
3. This initiative was started with an agreement signed in September 2009 with associations of artisans and merchants with the goal of saving structurally sound business going through a difficult period from a crisis using innovative financial instruments (e.g., extending repayment schedules or temporary suspension of installments, etc.).

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)

launched to improve the sales methodology employed by medium-sized business consultants and to support them in identifying customers' needs in every area of their business. The related tool was implemented and tested in a number of medium enterprises centers and is to be launched at the start of 2012. In November, in conjunction with the implementation of the new "**Hub&Spoke**" model of network organization, some fine tuning was done of the customer segmentation into small and medium enterprises, resulting in a recalibration of the medium enterprises channel, 140 centers and 600 dedicated consultants. The catalogue of products has been reinforced by the introduction of "**Credit Protection**" insurance, a new cap on interest rates to protect clients from rate increases, a set of loans specifically directed towards agriculture, and the "***Impresa Italia***" products to support the financing needs of these companies' own customers. Finally, the launch of the "**Camelot**" project marked an approach dedicated to managing the riskiest customer positions and those where there are clear signs of potential deterioration, with positive consequences for credit and loan adjustments. In September of 2011, a new unit was set up dedicated to the **internationalization** of small and medium enterprises, focused on products and services aimed at supporting clients' international business. This unit's first area of activity was to define a new service model for foreign business, introduce new commercial monitoring and design new products for launch in 2012.

In connection with "**Research and development**," three formal agreements were signed with foreign partners (universities) to provide technological and scientific evaluation of small and medium enterprises projects. This outside consulting forms part of a new process directed towards financing investments by small and medium enterprises in innovation, research and development through dedicated channels and processes: "***Innova***" financing, created to support the technological content of products, processes and services in order to improve their organization and business structure, and "***Ricerca***" financing, created to develop and support R&D projects to create technologically innovative new products, processes and services. In June, UniCredit won the two competitive tenders announced by the Ministry of Economic Development relating to the financing of small and medium enterprises, aimed at developing projects relating to patent development (an award in the amount of 75 million) and the development of designs and models (an award in the amount of 25 million). The financing has a "**Tranched Cover**" structure, meaning that the riskiest portion is guaranteed by the Italian government. At the end of June, another important agreement, "***Ripresa Cantieri Italia***", was launched with the Italian association of construction contractors ANCE.
This initiative aims to support the best residential projects via a dedicated credit amount capped at 2 billion, open to companies and projects presenting specific conditions for access to credit.
The agreement also includes roundtable discussions between the Bank and businesses focused on the sharing of credit policies, training and the carrying out of joint semi-annual monitoring.

Furthermore, to support small and medium enterprises in improving their competitiveness, UniCredit has defined a service model dedicated to "**Enterprise Networks**", which includes dedicated loan processes, dedicated financial consulting and the involvement of associations and government agencies, so as to provide the best expertise and support for businesses' investment plans. A variety of new Enterprise Networks (more than 170 registered at this point) have been assisted at their set-up stage. At the end of the year, UniCredit presented the eighth edition of the "**Small Business Report**," which in 2011 focused on different types of combination and collaboration between small and medium enterprises as leverage for overcoming the economic crisis and confronting the challenges of globalization.

In the **direct channels**, the latest innovations developed to best satisfy customers' needs obtained recognition through the award of first prize in the prestigious ***AIFIN 2011 - Cerchio d'Oro dell'Innovazione Finanziaria*** ("Golden Circle of Financial Innovation") competition, with a project centering around a multi-channel approach. Additional recognition, also in connection with the financial innovation promoted by AIFIN, was received for projects relating to distribution channels. In particular, a variety of new solutions were offered to increase the distinctiveness of multi-channel service and to simplify customers' operations. Developments are continuing on new functions in the self-service channels, in line with the needs of customers in terms of speed, timeliness and ease of use. Standing out among the new solutions are those dedicated to cell phones. iPhone applications have exceeded 150,000 downloads and will continue to evolve through the launch of new applications for trading as well as for small-business customers and Android phones. New credit card applications and applications for finding branch locations will be launched shortly. A function has been launched allowing Internet payments of most pre-printed postal payment forms (gas, water and electric bills, etc.) with a few simple keystrokes and a great savings in time.

This function has also been made available on all ATMs and in multi-function kiosks of the commercial network. In addition, new payment services have been launched, such as the ability to pay for taxi rides and the annual subscription price for local transportation in Emilia Romagna. In addition, the new functions "Reload Milan Public Transportation Passes" ("*Ricarica Abbonamenti Trasporti ATM Milano*") and "Payment of City of Rome Taxes" ("*Pagamento Tributi Roma Capitale*"), now available at our 7,800 ATM and 2,200 multi-function kiosks for customers and non-customers alike, will shortly also be included inside the Bank via the Internet.

In **Internet banking**, the "**Online Display Case**" section has been enhanced, allowing bank products to be obtained by digital signature directly over the computer, without stopping in at a branch. The new "**E-PRODUCT**" line has been expanded to include personal loans, with the launching of credit cards soon to follow. These products can be acquired by signing a contract online, using a "**Digital Signature**" issued through a simple, immediate process inside the Bank over the Internet. The digital signature is issued to the customer directly in Internet Banking by a Certification Authority authorized by the Ministry of Public Administration and Innovation.

The **ATM channel**, in turn, continued to attract customers with its self-service solutions for cash and check payments. In 2011, there were more than 170 million transfers since the service was launched. Above all, the transactional format of the network of UniCredit branches has continued to evolve: the number of "**cashless**" or "**cash-light**" branches - characterized by a revolutionary transactional format - now includes more than 700 branches. The contact center has been expanded in order to raise the level of customer service and to offer new services, such as chat and video calls. To offer our clients a Bank with strong local roots but accessible everywhere and at any time, the new structure **UniCredit Direct** was launched, completely revising the logic of the old call center. The new structure is presented as a competence service center where employees, thanks to a multichannel platform, are given the daily task of responding to customer request and providing commercial support to the network of nearly 4,000 branches. As a whole, the year ended with a major increase in the overall sales contribution made by the multi-channel approach, with a total of more than 300,000 sales.

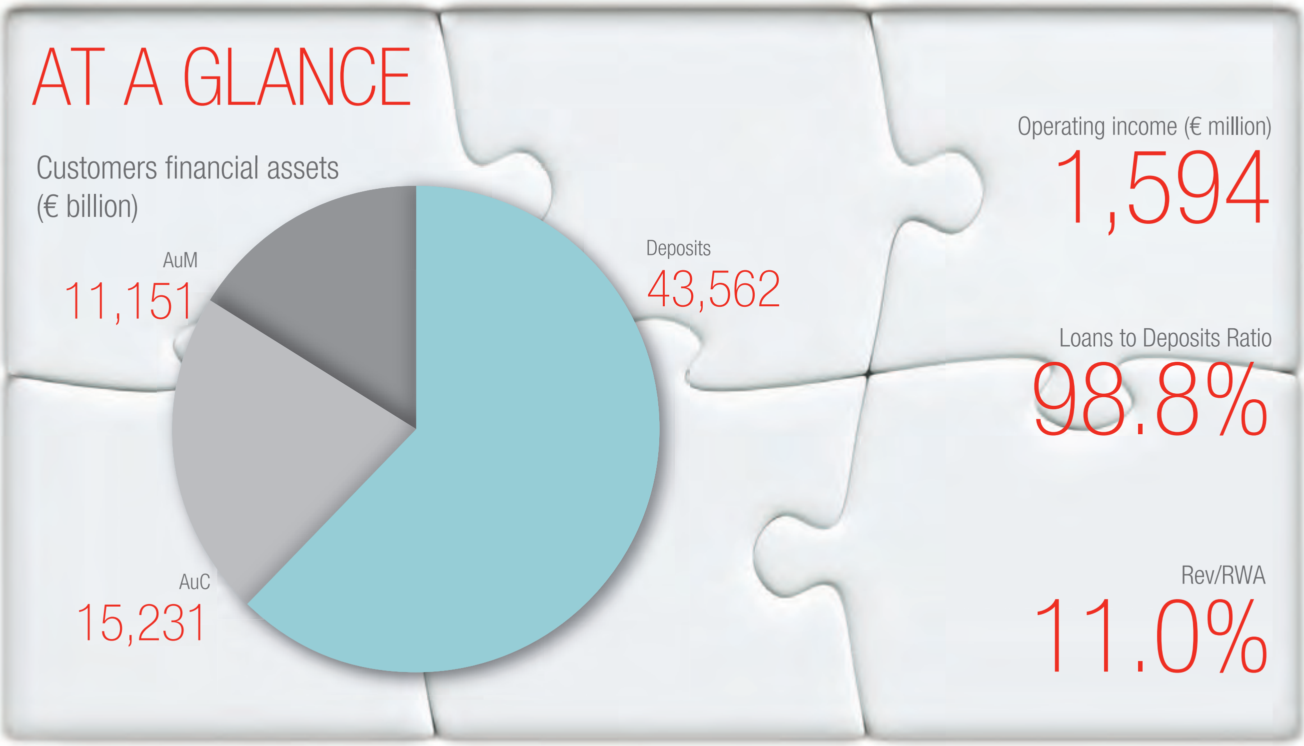
Outlook 2012

In 2012, greater attention will be paid to the loan terms applied to customers, and there will be a greater focus on the sale of loan-related bancassurance products and an increase in the volume of foreign services. Furthermore, great attention will continue to be given to cost containment, both on the human resource side and that of operating expenses, through the streamlining of teller windows and greater efficiency on the IT and real estate services. Finally, specialists will be identified to create network teams dedicated to the management of non-performing loans.

In the first part of 2012, the main projects in the private clients area will be focused on strengthening the range of deposit products so as to promote a broadening of the UniCredit client base and attract new assets. In particular, an on-line self-service certificate will be made available to clients, with the entire customer experience being redesigned so as to be truly "user friendly" and to make products accessible outside of branch business hours as well as for the opening of new accounts. Moreover, UniCredit will introduce a new structured product, "**UniCredit Valore Ripresa**." It is a modern solution, highly advisable for customers who believe in a strong market recovery in the next few years. The certificate provides a fixed annual return for the first four years, along with the option of a fixed return upon maturity, tied to the performance of the underlying funds. UniCredit, finally, will launch a new, unit-linked bancassurance product with a 6-year term and a coupon return up to the fifth year.

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)



F&SME Network Germany

The primary goal of the Family & SME Division is to allow individuals, households and small and medium enterprises to meet their financial needs by offering them a complete range of reliable, high-quality products and services at a competitive price. The Group's major strengths in retail banking are the experience of its employees and the central role played by customer satisfaction. UniCredit holds a strategic position in the retail banking segment in Germany thanks to its nearly 620 branches throughout the country.

Financial performance

In 2011, F&SME Network Germany posted **operating income** of 1,594 million, up +4.8% from 2010, mostly thanks to the positive performance of deposit spreads and the new method of calculating the replicating portfolio. The lending margin continued to decline as a result of reduced volumes. Commissions suffered a slight decline due to a more prudent approach to investing by customers, owing to the continuing uncertainty on the financial markets. This led to a reduction in up-front commissions on managed investment products, partly offset by bond placement commissions.

Operating costs came in at 1,449 million. Around half of the 3.5% increase in costs relative to 2010 is due to the consolidation of the UniCredit Direct Services GmbH[4] call center, which came within the F&SME scope of consolidation for the first time in the third quarter of 2011. The other half of the increase relates to new methods used to calculate costs allocated and to the marketing expenses for new media communication campaigns. Absent such items, operating expenses would have remained stable thanks to a strict efficiency plan still being implemented.

2011's growth in revenues was partly absorbed by the increase in operating expenses, which led to an improvement in the **cost/income ratio** (90.9%), which fell 115 basis points relative to the year before.

Net write-downs on loans (17 million) were lower compared to 2010, especially thanks to positive developments in the German economic environment. The reduction in net impairment losses was also favored by a reversal of existing impairments.
In addition, various initiatives implemented in the loan portfolio in 2011 (including re-calibration of the rating of private customers and their respective LGDs) led to a particularly sharp decrease in general impairment losses. The **cost of risk** at the end of

4. Call center of the UniCredit Group which supports retail activities in Germany.

December was confirmed at very low levels (4 bp), showing a further drop from the previous year (-10 bp).

F&SME Network Germany ended 2011 with a **gross profit** of 79 million, a marked improvement over a year ago.

At the end of 2011, F&SME Network Germany posted a volume of 43,040 million in **loans to customers**, down by 3,845 million (-8.2%) from the previous year. **Customer deposits** (including securities) rose to 44,284 million, a sharp increase over 2010 (+12.8%). **Risk- weighted assets** came in at 14,699 million, down 748 million (-4.8%).

Income Statement

(€ million)

F&SME NETWORK GERMANY	YEAR 2011	YEAR 2010	CHANGE %	2011 Q4	2011 Q3	CHANGE % ON Q3 2011	2010 Q4
Operating income	1,594	1,521	+ 4.8%	376	415	- 9.4%	385
Operating costs	(1,449)	(1,400)	+ 3.5%	(369)	(360)	+ 2.4%	(360)
Operating profit	146	122	+ 19.8%	8	56	- 85.9%	25
Net write-downs on loans	(17)	(64)	- 73.5%	11	(15)	- 172.6%	28
Profit before tax	79	52	+ 51.0%	(20)	41	- 148.2%	40

Balance Sheet

(€ million)

F&SME NETWORK GERMANY	AMOUNTS AS AT 12.31.2011	09.30.2011	12.31.2010	CHANGE ON DEC '10 AMOUNT	%
Loans to customers	43,040	44,274	46,885	- 3,845	- 8.2%
Customer deposits (incl. Securities in issue)	44,284	41,183	39,252	5,032	+ 12.8%
Total RWA	14,699	14,608	15,447	- 748	- 4.8%
RWA for Credit Risk	12,110	12,523	13,077	- 968	- 7.4%

Key Ratios and Indicators

F&SME NETWORK GERMANY	YEAR 2011	YEAR 2010	CHANGE AMOUNT	CHANGE %
EVA (€ million)	(35)	(45)	9	- 21.2%
Absorbed Capital (€ million)	1,051	925	126	+ 13.6%
RARORAC	- 3.35%	- 4.84%	148bp	
Operating Income/RWA (avg)	11.04%	10.54%	50bp	
Cost/Income	90.9%	92.0%	- 115bp	
Cost of Risk	0.04%	0.13%	- 10bp	

Staff Numbers

F&SME NETWORK GERMANY	AS AT 12.31.2011	09.30.2011	12.31.2010	CHANGE ON DEC '10 AMOUNT	%
Full Time Equivalent	7,521	7,485	7,511	10	+ 0.1%

Business lines

In 2011, a key objective in the **Mass Market segment** was continued growth in loan volumes. For consumer credit products, various commercial initiatives were conducted aimed at the acquisition of new customers. There was an increase in the loan approval index for new clients, lifting it to an average of 43%, as against an average of 23% at the start of the period. The rate of credit approvals for existing customers remained at the planned level of 80%. In order to increase the ability of the sales force to offer qualified levels of expertise on consumer loans, 350 sales managers and 600 sales representatives were given appropriate training thanks, *inter alia*, to the support of specialists from UniCredit Consumer Financing (UCFin). All of this made possible an 18% increase in new production volumes. In addition, a great deal of attention was given to increasing product penetration in client portfolios. Cross-selling activities were developed by relying on high quality and by putting the spotlight on the needs of clients relative to their specific economic and financial situations. Priority was given to actions to increase cross selling to new clients. To achieve this result, an innovative program for retaining new clients was successfully implemented. Known as "Onboarding," the program focuses on expanding relations with customers.

The **Personal Banking** segment concentrated its consulting activities on an increase in share of wallet, launching a campaign to attract new money backed by a 12-month bond with a 3%

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)

return as well as by an offer of 2.5 grams of gold for every €25,000 in investments transferred to UniCredit from other institutions. This campaign contributed to net positive sales results for the network in 2011 and significant progress in terms of customer satisfaction. The market volatility gave UniCredit Bank AG an opportunity to inform and advise its clients in a highly professional manner. This entailed the repetition of innovative training events taking place at 300 branches, dedicated to capital protection techniques. UniCredit Bank AG consultants mainly focused on portfolio sales of well-structured securities, including the offering by HVB VermögensDepot Privat.
This portfolio management methodology yielded excellent results, particularly in the second part of the year, when the markets were influenced by the strong turbulence that had a negative effect on the performance of similar products of competitors.
Additional progress was made in 2011 through a change from a service model of bancassurance sold by specialists towards sellers with more of a generalist outlook. There was, in particular, an important change in the mix of products, with increased focus on insurance policies with regular premium payments versus those with a single premium. There was also a strategic decision implemented to rapidly expand product offerings in the area of advisory services for inheritance management. Inheritance specialists were made available to all large branches in Germany right from the start of the year. The strong attention devoted to bank consulting services has already brought good results, not just with regard to the main products but also by obtaining financial planning assignments, which come with high payment commissions. Also to be noted was the positive contribution made by the new resources obtained in achieving the growth envisaged.
UniCredit Bank AG continued to provide its mass market, affluent and business segments with an extensive offering of capital for the suitable financing of investments. Working directly with UniCredit Bank AG, customers may make use of a wide range of market products, leveraging on the support of 40 bank partners.
2011 saw a significant increase in the volume of new production over the year before, strengthening activities via innovative sales campaigns.

In the **Small Business segment**, UniCredit Bank AG's key objective has been to support its customers by providing them with new financing. UniCredit Bank AG launched three large-scale campaigns featuring a proactive offer of new lending based on the customer's credit capacity. A direct mailing went out to more than 25,000 customers potentially interested in mortgages. In the payments area, sales seminars and campaigns were carried out to increase the market share of UniCredit Bank AG customers' payments.
As a result of the campaigns, the volume of transactions increased 9%. In the area of service models dedicated to specific groups of customers, the new model created for farmers and agriculturalists was activated in two of the five regions and will be extended to the remainder. The service model dedicated to the medical professions continues to be supported by dedicated advisors in all regions with special offers.

The **Medium Enterprises segment** within the Family & SME Division dates from 2010. Some 45,000 customers are now supported by 280 specialist advisors deployed across more than 100 locations in Germany. The first nine months were characterized by a favorable economic context in Germany.
Sales initiatives focused on growth in loan volumes, even though demand for credit went down slightly in the second half of 2011. Two commercial initiatives were launched to increase credit applications for working capital and investment financing.
New production of mortgage loans and facilitated lending grew overall by more than 5% y/y in 2011. Transaction volume was up approximately 9%. UniCredit Bank AG pays continual attention to facilitated loans. After analyzing all regional, national and international subsidized programs available to medium-sized enterprises, a shortlist was prepared of the top programs, broken down by region, so as to offer clients the best solution for their situation and objectives. Approved requests for facilitated loans increased by 10% from the year before, with leasing representing the solution chosen next most often. This business saw a 20% increase since the start of the year, after the decentralized network of specialists was relaunched.

UniCredit Bank AG's **Multi-Channel** structure continues to work on a multi-channel approach for the Retail Network Germany given its growing importance in terms of distinctiveness, customer relations and results. In this context, the growing use of Online Banking is particularly surprising: one third of the holders of current accounts make regular use of Online Banking services.
The major focus of the 2011 was on restructuring the UniCredit Bank AG web site to increase its ability to bring in new clients and provide greater ease of access to new products and information (e.g., Web site launched just for SMEs). Furthermore, a number of additional new features were made available on line to make things more convenient for customers: the new application "**HVB Mobile B@nking App**" facilitates customer current account transactions, searches for branch locations. In addition to applications for mobile telephones, a Web site dedicated to the

latter (http://m.hvb.de) was launched to provide Mobile Banking services on all of the platforms available (e.g., Apple, Android, Microsoft). UniCredit Bank AG also rolled out a new "**SMS alert service**" that lets customers choose different types of alert to be sent to a mobile device pertaining to their personal relationships. New online campaigns were launched, such as one for prepaid cards, in combination with attractive offers.

In 2011, the contact center continued to provide a high number of quality contacts and appointments for the network. The aim is to transform the direct channels from a simple support tool to a true sales and relationship channel. The first steps in this direction have been taken by the implementation of direct sales via the contact center: incoming calls are used to fill out documentation and to increase transaction close rates. Outgoing offers for prepaid cards are continuing, as do activities to reduce post-sale processing. The migration program, which aims to increase customers' use of self-service channels (ATMs, automated payment terminals and multi-media kiosks) has moved forward with success. In the last quarter of 2011, the first tests were run of "**Video Remote Interaction**" with customers and prospects: the multi-channel area working to define remote solutions that will permit specialists to be linked in to provide advice during customer-consultant video meetings. In addition, customers and prospects visiting the Web site "www.hvb.de" from their homes can use a video link-up service to request live support when exchanging documents and placing orders.

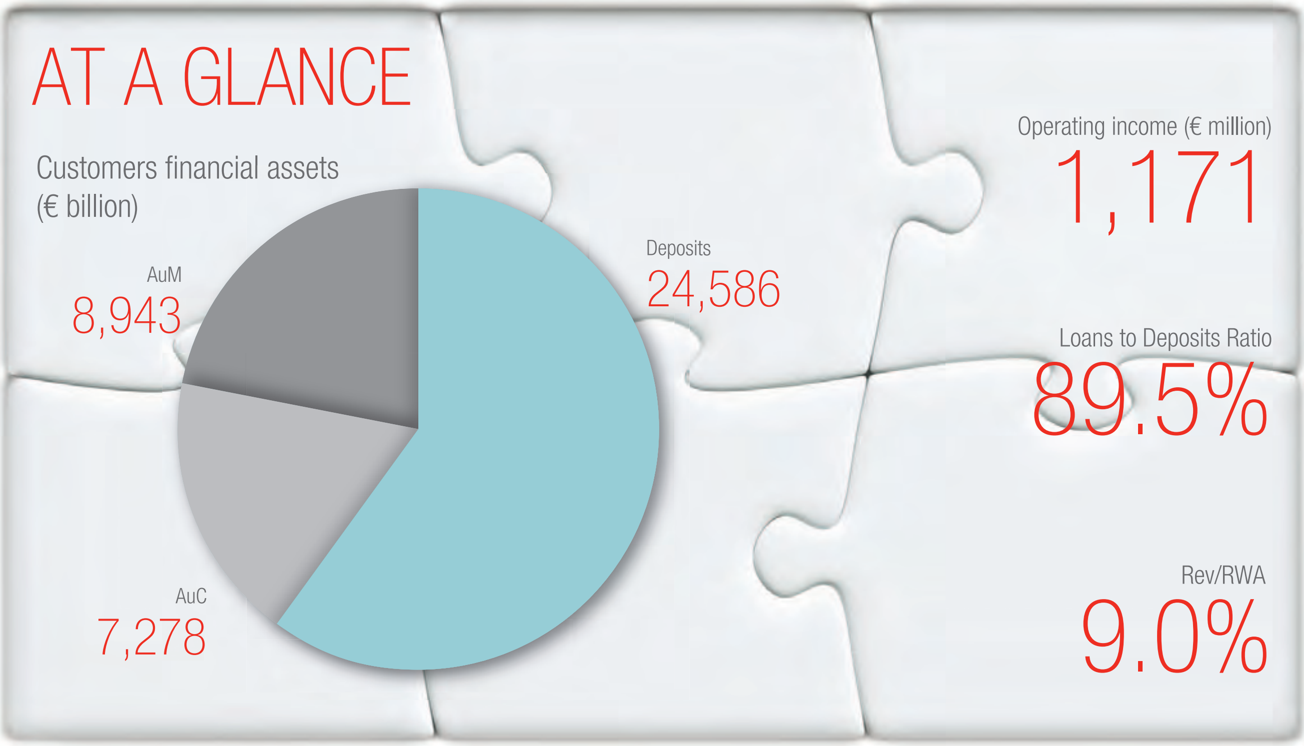
Outlook 2012

The service model in the private client area will be further improved in 2012 to increase cross selling and the ability to acquire market share, including by means of more efficient customer segmentation and a range of differentiated products and services. Also to be implemented are bank/customer interactive services such as the annual financial check-up and alert services. Multi-channel services will be further enhanced. Moreover, there will be a strong focus on acquiring market share in the small and medium enterprises area both by bringing in new clients and exploiting untapped potential in existing customers, through the implementation of new specialized financing solutions, improving the knowledge and expertise of the dedicated advisors, developing a new business model, and via the re-pricing of certain clusters of customers.

2012 will see further development of consultants' skills in providing advice and in acquiring new clients. Customer needs will be identified through dialogue, providing a basis for the specification of tailor-made solutions. There will be continued focus in 2012 on the improvement of sales processes, in particular with the new online account and the improvement of remote services. The objective is to develop even more of an online-services orientation, putting the spotlight on the needs of customers and prospects and serving them through an improved multi-channel organization.

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)



F&SME Network Austria

The primary goal of the Family & SME Division is to allow individuals, households and small enterprises to meet their financial needs by offering them a complete range of reliable, high-quality products and services at a competitive price. The Group's major strengths in retail banking are the experience of its employees and the central role played by customer satisfaction. UniCredit holds a strategic position in the retail banking segment in Austria thanks to its nearly 280 branches throughout the country.

Financial performance

In 2011, F&SME Network Austria reported **operating income** of 1,171 million, up slightly from 2010 (+2.3%). This increase was largely generated by an increase in the interest margin, partially offset by a contraction in commissions.

Operating expenses came in at 905 million, up +7.0% over 2010, with the increase being related mainly to indirect costs and personnel expenses.

2011's increase in expenses had a negative effect on the **cost/income ratio**, which was 77.3% at the end of December, up 339 basis points compared to the year before.

Net write-downs on loans came to 160 million, a sharp drop compared to 2010 (-39.6%), thanks to the good performance of mortgages and personal loans as well as to strategic measures aimed at minimizing the loan portfolio risks for loans denominated in Swiss francs (CHF). The cost of risk at the end of December was reported at 0.74%, down 47 basis points from 2010 due to a drop in impairment losses.

F&SME Network Austria closed out 2011 with a **gross profit** of 112 million, up sharply from 2010, thanks to the drop in loan impairment losses.

At 2011 year end, the volume of **loans to customers** came in at 21,130 million, down -4.5% from December 2010. **Customer deposits** reached 23,606 million, in line with 2010 (+0.4%). **Risk-weighted assets** were 11,531 million, showing a significant reduction of 4,794 million (-29.4%) compared to December 2010, above all due to the general reduction in credit volumes and to a number of adjustments in the PD/LGD parameters.

Income Statement

(€ million)

F&SME NETWORK AUSTRIA	YEAR 2011	YEAR 2010	CHANGE %	2011 Q4	2011 Q3	CHANGE % ON Q3 2011	2010 Q4
Operating income	1,171	1,145	+ 2.3%	297	291	+ 2.1%	280
Operating costs	(905)	(846)	+ 7.0%	(240)	(226)	+ 6.1%	(216)
Operating profit	266	299	- 10.9%	57	65	- 11.8%	64
Net write-downs on loans	(160)	(266)	- 39.6%	(3)	(55)	- 95.3%	(56)
Profit before tax	112	37	+ 206.0%	52	7	n.s.	2

Balance Sheet

(€ million)

F&SME NETWORK AUSTRIA	AMOUNTS AS AT 12.31.2011	09.30.2011	12.31.2010	CHANGE ON DEC '10 AMOUNT	%
Loans to customers	21,130	21,381	22,122	- 992	- 4.5%
Customer deposits (incl. Securities in issue)	23,606	23,219	23,516	90	+ 0.4%
Total RWA	11,531	13,305	16,325	- 4,794	- 29.4%
RWA for Credit Risk	9,283	11,114	14,144	- 4,861	- 34.4%

Key Ratios and Indicators

F&SME NETWORK AUSTRIA	YEAR 2011	YEAR 2010	CHANGE AMOUNT	%
EVA (€ million)	(20)	(89)	69	- 77.6%
Absorbed Capital (€ million)	1,016	1,156	- 140	- 12.1%
RARORAC	- 1.96%	- 7.69%	573bp	
Operating Income/RWA (avg)	9.01%	7.98%	103bp	
Cost/Income	77.3%	73.9%	339bp	
Cost of Risk	0.74%	1.21%	-47bp	

Staff Numbers

F&SME NETWORK AUSTRIA	AS AT 12.31.2011	09.30.2011	12.31.2010	CHANGE ON DEC '10 AMOUNT	%
Full Time Equivalent	3,937	3,916	3,748	188	+ 5.0%

Business lines

One of the main objectives of the **Mass Market segment** is further improvement of the needs-based consulting approach. A new structured consulting tool, the “**Annual check-up meeting**, *Erfolgskunden-Dialog*,” has been developed and implemented together with a new professional consulting service launched under the name “**Smart Banking**”, oriented towards clients who are managed remotely. The service provides for the entire customer relationship to be managed primarily in digital form, by telephone or through electronic media (such as online banking, SMS, etc.). A remote personal advisor, available 24 hours a day and using high-quality industry-standard processes, is at the core of the consulting service. September saw the launch, both for the mass market and the affluent segments, of the “**Neukunden-Dialog**,” a structured consulting service that supports customers during their first year with Bank Austria. In October, new CRM campaigns aimed at cross selling were developed and launched, directed at both mass-market and affluent clients. The campaigns, based on the logic of the cross-selling index, indicate the next products that are best for each customer. In the second part of the year, Bank Austria devoted great attention to acquisition of new clients. The “**A million Chances**” initiative, which includes the “*Neukunden-Dialog*,” offers a vast array of products focused on growing the client base. This initiative included various promotional offers such as a current account free for the first year, the “***Schöner Wohnen***” loan campaign and the “***Vorsorgekampagne***” insurance campaign. Initiatives dedicated to students, held in the fall at Austrian universities, rounded out the offering of free current accounts. In addition, Bank Austria carried out special initiatives for the young peoplÈs market, combining financial education with the acquisition of new customers thanks to the “**MegaCard**” current account. The traditional “**KünstlerSparbuch**,” a passbook savings account, created every year on the occasion of World Savings Day, has offered its holders a good yield. The pilot project “**Banking without Borders**,” launched at five Vienna branches for cross-border money transfers between UniCredit branches in Austria, Serbia, Croatia, Bosnia and Turkey, uses fixed commissions and is structured entirely in one’s native language. Rounding out the product line, finally, Bank Austria offered a variety of promotions for auto leasing.

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)

In the **Personal Banking segment**, Bank Austria continued to pursue the objective of becoming the first bank of reference for affluent customers in Austria. The "**Solutions 4 Affluents**" advisor training program was supplemented and replaced by the Eurosig training program. Bank Austria, in conjunction with the "**Frankfurt School of Finance and Management**," offers its personal banking advisors an opportunity to become qualified as "certified securities advisors" to ensure that they possess a high level of expertise relating to products and markets.
At the end of June, over 60% of personal banking advisors had obtained certification as securities specialists. The certification program has been suspended to make room for EuroSIG training. Campaigns and CRM reports dedicated to personal banking customers support sales by direct contact with each customer at least once a year. The "**Check-up meeting**" and the "**Feedback via e-mail**" on the customer's part are at the heart of the segment's value proposition. The annual check-up meeting continues to contribute to high customer satisfaction: 80% of the feedback received is positive. "**Solutions 4 Generations**" has been tested as a new model for advice and consulting in the area of check-up meetings. The families of affluent customers are being approached with the aim of creating financial solutions for funds intended for one's heirs, thereby acquiring new clients. With regard to investment products, sixteen "***ErfolgsAnleihen***" (Group bonds) were launched: simple, transparent, with maturities ranging from two to five years, and a total volume of 860 million. Bank Austria issued four covered bonds, four "**USD Libor**" bonds, and four structured bonds, two of which with guaranteed principal. All of these together recorded 155 million in sales.

As for managed savings, Bank Austria launched four Pioneer funds (PIA) with fixed maturities. PIA guarantee baskets offer a 100% principal guarantee and 80% of the maximum value recorded, guaranteed by Bank Austria upon maturity. Sales volumes of two PIA guarantee baskets come to 140 million. The other two significant products were two "**PIA Flex React**" funds, with no principal guarantee, with sales of 53 million. In addition, there was also strong demand for the "**Real Invest Austria**" fund (204 million), as well as for the "**PIA focus**" line of funds. The closed-end real estate fund "**Signa 13 - The Cube**," offered until June 2011, rounded out Bank Austriàs range of funds.

Bank Austria continued to offer the traditional ***"VorsorgePlus-Pensions,"*** a basic pension product with government benefits and guaranteed principal. Another supplementary pension product, the "**Pensions Management**" fund, was also offered. "**JuniorCare**," a new insurance product developed especially for parents and their children, offers a good starting point for the immediate future. Responding to clients' growing need for secure investment products, Bank Austria launched another four successful single-premium insurance products: "**Active Cash Fix 12/2026**", "**Active Capital Fix 12/2026**", "**Active Capital Duo 12/2026**" and "**Active Capital Inflation 12/2026**" which were offered starting in May. At the end of 2011, Bank Austria had achieved a sales volume of 57 million for these products.

Throughout 2011, in the **Small and Medium Enterprises segment**, Bank Austria continued to pursue the objective of becoming the primary bank of reference for the needs of business customers. In addition, some branches and advisors were selected to focus solely on members of the liberal professions, and tools were defined for providing advice on the needs of customers of this type. Specialists with extensive know-how in financing, factoring, leasing and treasury products ensure that the needs of business customers are served in a professional manner. Especially during the crisis, business customers require bank support to go beyond financial planning to areas like liquidity and risk management. The priority is on providing clients with support even in times of difficulty.
This aims at ensuring that Bank Austria remains competitive in that segment and is able to create sustainable revenues.
Bank Austria wishes to position itself as an advantageous choice relative to its competitors and to combine the strengths of geographical proximity to its customers with the benefits of being a multinational partner. The main objectives are to get back to discovering the value of customer service, to have a greater presence on the market and, finally, to win market share from other banks. With regard to access to credit, Bank Austria offers innovative financing solutions such as leasing (ranging from the automotive sector to real estate), factoring (Bank Austria offers custom-made solutions for small and medium-sized businesses in Austria), and export financing (interest rate hedging and currency risk management, as well as trade finance products with professional access to export financing using "**OeKB-coverage**"). In 2011, in addition, a new product was launched: "**Umbrella Facility**". This innovative cross-border financing solution offers quick access to short-term lines of credit for client subsidiaries in CEE countries. The product contains quick access to flexible credit, centrally coordinated for businesses that need cross-border financing. In reaction to the effects of the economic cycle, "**Financing Billion for SMEs** (*KMU-Milliarde*)" was rolled out, under which Bank Austria successfully guaranteed new financing in the amount of 1,160 million for small and medium enterprises in 2011. Linked to the launching of the "Umbrella Facility," the second half of 2011 also saw the start of the **Foreign Trade** initiative. It is an objective of Bank Austria to support its customers who are expanding abroad through its network of subsidiaries in Western and Eastern Europe. In every region, foreign trade specialists have been assigned to act as information facilitators on the network. They are the first point of contact for initiatives in managed segments and product lines and possess the knowledge needed to support relationship

managers, being familiar with the persons necessary for bringing in specialists at the consulting stage and supporting relationship managers in evaluating client needs. Two events, for clients as well as non-clients, were also organized: one in Vienna in collaboration with the Vienna Chamber of Commerce and one in Velden, in a forum dedicated to the CEE region.

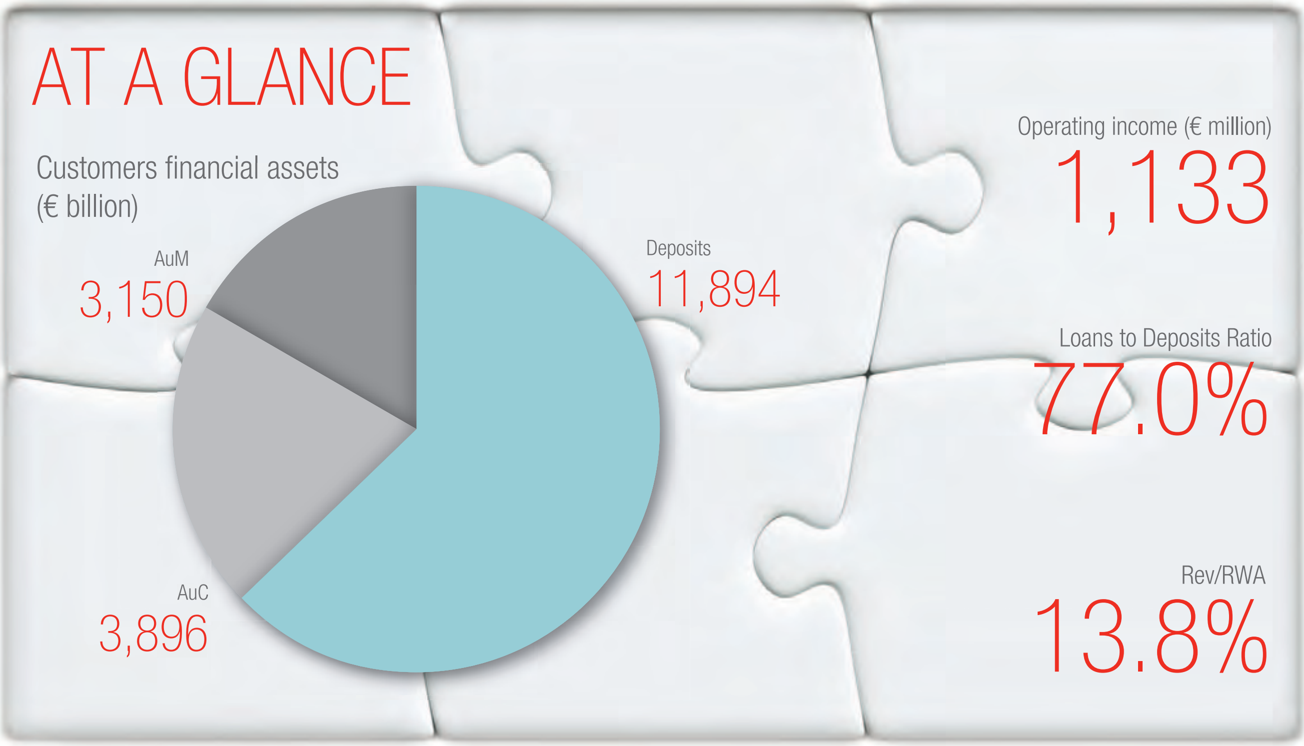
In 2011, Bank Austria continued its successful series of "**SmB & SME-Info-Days**" events (where a wide range of consulting services were offered), directed towards aiding small and medium business to obtain financing on facilitated terms. Each event was in collaboration with multiple partners, such as national and regional development agencies and chambers of commerce. Bank Austriàs position as the most customer-oriented bank was recognized by the presence of senior government and business representatives. "SmB & SME-Info-Days" are a platform for positioning Bank Austria among the most innovative and expert partners, the first point of reference for small and medium enterprises. They in fact serve to pave the way for the acquisition of new clients, in particular through cooperation with outside partners (municipalities, Austrian provinces), by offering an excellent opportunity to get in touch with clients, regional opinion leaders, institutions, etc. to strengthen and ensure existing connections.

Outlook 2012

The focus in 2012 will be on acquiring new clients through campaigns targeting specific customers such as members of the liberal professions, and via company credit card campaigns in collaboration with Diners' Club and special offers for private clients (such as a current account free for the first year).
The service model will be enhanced by the re-launch of remote service for small-business customers and joint initiatives with other segments. In the private client segment, there will be reliance on the sale of solutions based on the needs of affluent clients and on developing mass market clients with high potential. There will be continued focus on the young client segment. Major attention will be given to the re-pricing of loan products due to the increased cost of capital and funding in all segments.

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)



F&SME Network Poland

The primary goal of the Family & SME Division in Poland is to allow individuals, households, small and medium enterprises to satisfy their financial needs by offering them a complete range of reliable, high-quality products and services at a competitive price. The Group's major strengths in retail banking are the experience of its employees and the central role played by customer satisfaction. UniCredit holds a strategic position in the retail banking segment in Poland, thanks to its nearly 1,000 branches throughout the country.

Financial performance

In 2011, F&SME Network Poland recorded **operating income** of 1,133 million, up +5.0% from 2010. This growth was spurred by an increase in the interest margin due to the increased volume of loans and fund inflows.

Operating expenses came in at 685 million, a slight drop from 2010 (-2.4%), thanks to increases in efficiency and a reduction in administrative expenses (e.g., postal expenses). The increase in revenues and stringent cost controls had a positive effect on the **cost/income ratio**, which was 60.4% at the end of December, 458 basis points lower than in 2010.

Net write downs-on loans came to 86 million net, showing a trend of net improvement relative to the year before (-20.1%), thanks to an improvement in the default rates on the retail loan portfolio.
The cost of risk at the end of 2011, equal to 0.95%, shows a decline of 38 basis points compared to the value recorded at 2010 year end.

F&SME Network Poland closed out 2011 with a **gross profit** of 362 million, more than 34% higher than in 2010, primarily due to the positive performance of the interest margin and the drop in expenses.

At the end of 2011, the volume of **loans to customers** equaled 9,157 million, up 4.5% over December 2010. **Customer deposits** (including securities) were 12,321 million, 6.4% less than in December 2010 (drop due to the currency exchange rate, up net of the exchange rate). **Risk-weighted assets** came in at 8,192 million, up +3.6% over December 2010.

Income Statement

(€ million)

F&SME NETWORK POLAND	YEAR 2011	YEAR 2010	CHANGE %	2011 Q4	2011 Q3	CHANGE % ON Q3 2011	2010 Q4
Operating income	1,133	1,079	+ 5.0%	264	294	- 10.2%	277
Operating costs	(685)	(702)	- 2.4%	(157)	(172)	- 9.0%	(179)
Operating profit	449	378	+ 18.7%	107	122	- 11.8%	98
Net write-downs on loans	(86)	(108)	- 20.1%	(16)	(21)	- 23.5%	(21)
Profit before tax	362	270	+ 34.2%	91	101	- 9.5%	78

Balance Sheet

(€ million)

F&SME NETWORK POLAND	AMOUNTS AS AT 12.31.2011	09.30.2011	12.31.2010	CHANGE ON DEC '10 AMOUNT	%
Loans to customers	9,157	8,999	8,764	393	+ 4.5%
Customer deposits (incl. Securities in issue)	12,321	12,070	13,166	- 845	- 6.4%
Total RWA	8,192	8,183	7,905	287	+ 3.6%
RWA for Credit Risk	6,707	6,685	6,423	285	+ 4.4%

Key Ratios and Indicators

F&SME NETWORK POLAND	YEAR 2011	YEAR 2010	CHANGE AMOUNT	%
EVA (€ million)	131	89	42	+ 47.8%
Absorbed Capital (€ million)	388	368	21	+ 5.6%
RARORAC	33.77%	24.14%	n.m.	
Operating Income/RWA (avg)	13.84%	14.28%	- 44bp	
Cost/Income	60.4%	65.0%	- 458bp	
Cost of Risk	0.95%	1.33%	- 38bp	

Staff Numbers

F&SME NETWORK POLAND	AS AT 12.31.2011	09.30.2011	12.31.2010	CHANGE ON DEC '10 AMOUNT	%
Full Time Equivalent	13,988	14,101	14,260	- 271	- 1.9%

Business lines

In the **Mass Market segment**, Bank Pekao in 2011 continued to focus on growth in new customers, with a wide range of individual current accounts offered. In order to reinforce its positioning and the image of the bank as an innovative bank offering a wide range of functions on mobile telephones, Bank Pekao in the fourth quarter of 2011 implemented a new package of mobile solutions - "**Eurokonto Mobilne**" - which includes current accounts and transactional applications for most smart phones, equipped with an innovative application that searches nearby shops for the most attractive offers reserved for Bank Pekao customers. Bank Pekao successfully completed the process of migrating from traditional debit cards to those with EMV and PayPass technology. Currently, all cards issued or renewed by Bank Pekao can be used to make payments using pay-pass technology. Using cards to make cash payments was also promoted by the launch of an attractive cash-back program, supported by an improved, user-friendly Web site. In 2011, Bank Pekao rolled out local and national marketing campaigns to promote mortgages and cash loans. The Web site for smartphones and tablets, exclusively dedicated to such products, facilitates access to information and advice. All these actions led to growth in the volume of facilitated loans in 2011: mortgages grew by 27% and cash loans by 18% relative to 2010.

In the **Personal Banking** segment, implementation of the new service model has reached its final phase, with all of the advisors trained and certified to make effective use of the new approach to investment consulting meetings as well as of the new "**Investment Navigator**" support tool. The service model refers to clients' investment portfolios and consists of financial analyses personalized through the use of professional tools such as "Investment Navigator". At their meeting, the advisor helps the customer run through particular investment stages, starting with an analysis of the customer's financial situation and objectives and ending up with selecting the optimum product portfolio. The bank-client collaboration is based above all on the relationship with an advisor. Such an approach makes it possible to better recognize the client's needs and helps him select the best solutions from a wide range of offerings. In 2011, activity in the personal banking segment concentrated on relaunching

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)

the image of the personal banking advisor. This objective was achieved by facilitating access to advisors through the use of the electronic channel Pekao24 and by two training programs, "**Effective Advisor**" and "**Effective Manager**." Both programs are aimed at further improving the skill sets required from advisors and team managers to carry out effective work and providing high-quality services to the customers. As for profitability, in the first half of the year a pilot program was begun with a view to reactivating high-potential affluent customers (who previously had strong relationships in the Affluent segment). A special offer targeting these customers is in preparation and consists of a package of the main banking products offered at attractive prices. A new project has been launched in cooperation with the "**Brokerage House**." It is targeted at customers who do not have products of the bank's but who have significant operations with the Brokerage House or hold high levels of financial assets with the latter. A special offer based on a brokerage-linked current account was designed with such customers in mind. Bank Pekao launched a "**Regular Saving Program**," supported by online advertising and a print campaign. Two new "**CPPI strategy fund**" products (protected capital products) were launched in the first half of 2011: one of them focuses on emerging markets and the other on Eastern Europe. In September, Bank Pekao expanded its offerings with new types of funds: **Pioneer Elastycznego Inwestowania SFIO**. This is a type of fund that seeks to obtain positive results whatever the economic situation at the moment. Two Bank Pekao securities were issued in the form of certificates of deposit with 100% guaranteed invested capital and potential returns resulting from the exposure to capital markets. Bank Pekao issued a number of certificates based on the gold and metals markets, on agricultural product and on the EUR/PLN exchange rate. A new insurance product was launched, designed in collaboration with insurer Ergo Hestia, which covers credit card holders in the event of death, total and permanent disability, job loss, short-term disability or critical illness. Bank Pekao in 2011 introduced a new extended insurance package, offered free to clients holding platinum, gold and silver credit cards.

In the **Small Business** segment, Bank Pekao continued on its path of growth in the loan sector and continued to improve its service model. 2011 saw the launch of specialized Bank Pekao small business centers to improve the quality of service to the client, and implemented a training program to develop its advisors' business skills. The offering of small business loans was enhanced by the addition of new products for professionals, with complex solutions for refinancing of short-term loans by other banks. In 2011, Bank Pekao laid emphasis on streamlining its loan process and at the same time increasing transparency. Clients were given a new, simplified process for renewing short-term credit, automation and centralization of the "**Zaliczka Loan**" service, which seeks to finance invoices issued by companies.

The initiatives to improve loan processes, the commercial campaigns and the tools to support the granting of credit contributed to the 17% growth in the volume of facilitated loans relative to 2010. Bank Pekao began issuing loans guaranteed by the European Investment Bank and loans guaranteed by the European Investment Fund (EIF). With the support of both these European financial institutions, the bank has secured credit facilities for small and medium-sized businesses on attractive terms. In 2011, Bank Pekao guaranteed 1,040 loans earmarked for investments. In addition, as part of the guarantees by the European Investment Fund, approximately 460 start-up companies have received operating loans. Bank Pekao has also signed a guarantee agreement with the state-owned bank Gospodarstwa Krajowego, which provides easier access to capital for companies lacking sufficient collateral.

Companies can apply for technology loans, which after legislative amendments passed by the Parliament have become much more attractive (for example, the EU guarantee is paid directly after the investment is completed - previously, payment of the subsidy was linked to the volume of sales generated by the investments financed). Bank Pekao supports the project of the Innovation and Development Foundation, which promotes innovative initiatives conducive to the development of Polish companies. In the third quarter of 2011, Bank Pekao expanded its CPI offering with capital goods financing. This product was implemented in collaboration with TU Allianz Zycie Polska SA and covers debtors in the event of death, total and permanent disability, short-term disability or critical illness.

"**Pekao24**," the Internet banking system reserved for individual customers, was characterized by the implementation of applications for mobile telephones, extending the BankPekao services. Access to the application is possible from most smartphones and tablets (iOS, BlackBerry, Android, Windows, Symbian, Java, etc.). In 2011, Bank Pekao put in place a new authorization method - a hardware "**Token**" method - that continuously generates passwords for one-time use to authorize operations on "**PekaoInternet**" and the call center channel.
Also improved was the Pekao24 process for new client activations, thanks to optimization of the bank's internal procedures.
The name and personal details of advisors are shown in a box upon accessing the bank via "Pekaointernet," so as to facilitate possible contacts. The internet banking service was implemented by the introduction of a "**Summary of my finances**", which presents an overview of assets and liabilities. Also in 2011, "Pekao24," after the transition to SEPA standards, provided a new function allowing for money transfers to be sent and received via Western Union together with a loyalty program tied to the GOLD card. All these activities contributed to increasing the number of Internet users by 252,000 units in 2011, reaching a total of 1,963,000 clients. In response to client comments and

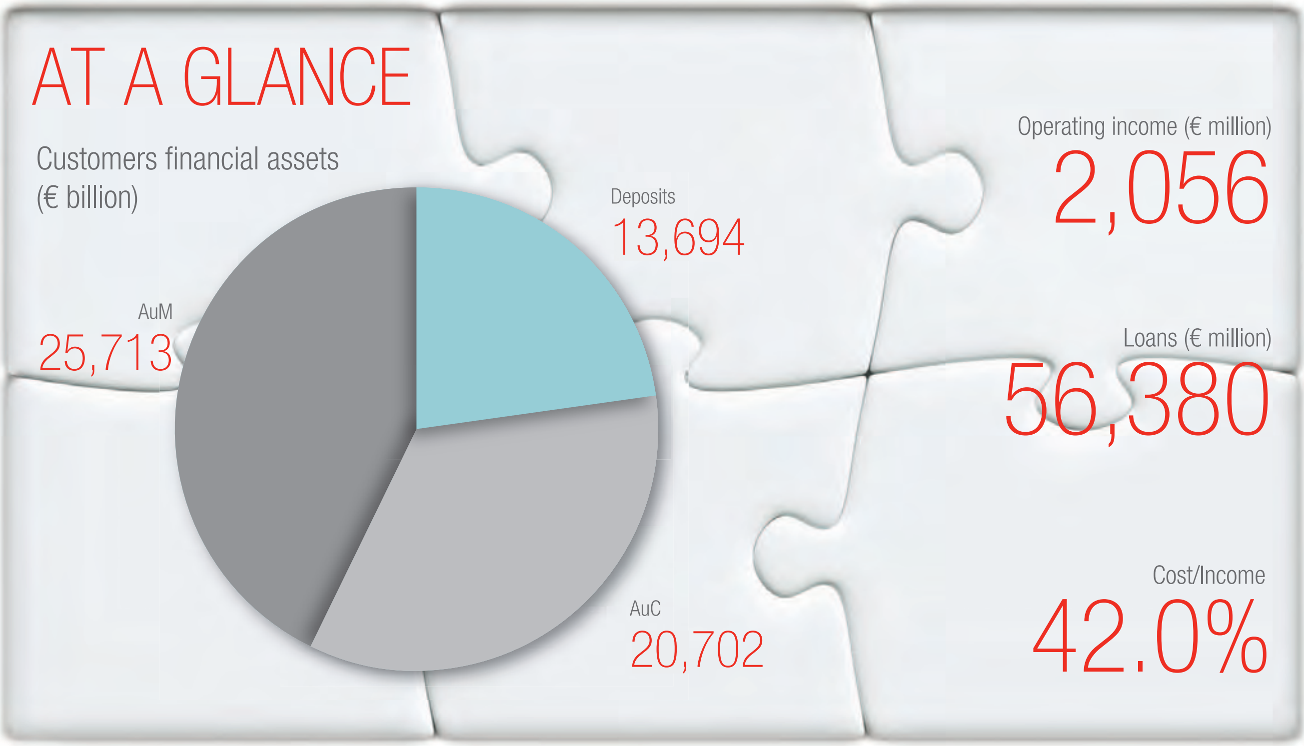
requests, a series of small improvements were introduced to "**PekaoFIRMA24**," the Internet banking system for businesses. The number of transactions was in excess of 23.9 billion, with 25.8% y/y growth. The total amount of transactions was greater than 28 billion, an increase of 37.7% y/y. Moreover, there was a significant reduction in the time needed for individual transactions, and clients were given the ability to transfer money in compliance with SEPA standards. In the third quarter of 2011, system functionality was expanded to cover autodealing applications for transactions in foreign currency. The fourth quarter's innovation was the implementation of the POS module in PekaoFIRMA24. In that module, customers using POS terminals can monitor and print out reports about transactions made using their terminal. All the improvements made to the system have contributed to bringing in 23,700 new clients in the last 12 months, resulting in a total of 179,300.

Outlook 2012

In 2012, F&SME Network Poland is betting on ambitious growth in managed financial assets and loans. These objectives will be pursued, *inter alia*, by reinforcement of the commercial network, improvement of loan process and a reduction in response times. The mass market segment will rely on extending its leadership in key consumer loan and mortgage products and on increasing its client base through the acquisition of new clients and reactivation of dormant ones (including with the help of innovative offerings and CRM initiatives). In addition, further strengthening of the commercial network is envisaged through the addition of approximately 650 FTEs, modernization of existing branches and the opening of select new branches. In the affluent segment, reliance will continue to be placed on a dedicated service model based on specialist advisors and on the financial planning tool "Financial Navigator." The small business segment will focus on expanding its ability to bring in new customers by the introduction of business developers and a selective campaign to attract loans away from competitor banks. Finally, BankPekao will also seek to reinforce its image as the first bank of reference for small businesses by an improvement of the loan process and a revision of the drawdown limit.

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)



F&SME Network Factories

In addition to the F&SME Networks in Italy, Germany, Austria and Poland, the F&SME Division includes the following product companies:

- **Asset Gathering: includes Group banks (FinecoBank in Italy, DAB Bank in Germany and DAT Bank in Austria) that offer the banking and investment services of traditional banks, differentiating themselves by specializing in online trading and a pronounced bent towards technological innovation;**
- **Consumer Finance: product line specializing in the consumer credit business, which supports the Networks with solutions capable of meeting families' multiple needs for consumer financing;**
- **Leasing: product line specializing in the leasing business, which supports the Networks with solutions capable of meeting the multiple financing needs of businesses;**
- **Factoring: product line specializing in the business of extending credit against commercial invoices assigned by customers. Through factoring, companies may obtain access to credit by assigning their invoices and benefitting from a series of additional services (management, collection and credit insurance).**

These companies seek to pursue excellence in terms of products and services and provide efficient sales and after-sales assistance by also supporting the Networks to improve the level of customer satisfaction.

Financial performance

In 2011, the F&SME Factories reported **operating income** of 2,056 million, which represents an increase over 2010 (+3.8%). This result is due to the improvement in Consumer Finance interest income, offsetting the drop in Asset Gathering's trading profits as well as in fees and commissions related to the sale of leasing products.

Operating costs totaled 863 million, slightly up compared to 2010 (+1.7%), due to higher payroll costs originated by new hires related to the companies' development plans.

The **cost/income** ratio for 2011 was 42.0%, which represents a decrease over 2010 (-87 bp) owing to a revenue growth which more than offset the increase in operating costs linked to a higher headcount. This figure remains particularly low when compared with average figures for the banking system.

Net write-downs on loans amounted to 634 million, significantly down compared to 2010 (-12.8%). The decline is the result of a generalized decrease in impairment losses among Group companies specializing in leasing and consumer credit. The **cost of risk** at the end of December came in at 1.17%, a 21 basis point drop compared to the year before, thanks to lower impairment losses on loans.

F&SME Factories ended 2011 with a volume of **loans to customers** equal to 56,380 million, which represents an increase over the end of December 2010 (+3.5%). This result is mainly due to an increase in factoring volumes, which are characterized by a high product seasonality (the volume of loans reaches its peak at year-end, as a result of significant loan sales by customers during such period, and then decreases in the following months).

Deposits from customers, represented by deposits and outstanding securities, were 19,749 million at the end of December 2011, 4 billion higher than at the end of December 2010 (+26.7%) owing to the positive performance of Asset Gathering.

Risk weighted assets at the end of 2011 were 48,571 million, up by 2.2 billion compared to the end of 2010 (+4.7%). The increase which is more than proportionate relative to the growth of loans, is mainly attributable to factoring and is due to the downgrading of the Italian State that led to an increase in the weighting of public sector entities.

The human resources trend, expressed in terms of **FTE**s (Full Time Equivalents), showed an increase of 349 units (+6.0%) linked to the product companies' development plans.

Income Statement

(€ million)

	YEAR		CHANGE	2011		CHANGE % ON Q3	2010
F&SME NETWORK FACTORIES	2011	2010	%	Q3	Q2	2011	Q4
Operating income	2,056	1,981	+ 3.8%	565	507	+ 11.4%	549
Operating costs	(863)	(848)	+ 1.7%	(212)	(212)	+ 0.2%	(220)
Operating profit	1,193	1,132	+ 5.4%	352	295	+ 19.4%	328
Net write-downs on loans	(634)	(727)	- 12.8%	(179)	(143)	+ 25.6%	(176)
Profit before tax	514	378	+ 36.1%	156	108	+ 44.2%	135

Balance Sheet

(€ million)

	AMOUNTS AS AT			CHANGE ON DEC '10	
F&SME NETWORK FACTORIES	09.30.2011	06.30.2011	12.31.2010	AMOUNT	%
Loans to customers	56,380	54,120	54,460	1,920	+ 3.5%
Customer deposits (incl. Securities in issue)	19,749	19,606	15,589	4,160	+ 26.7%
Total RWA	48,571	47,620	46,380	2,191	+ 4.7%
RWA for Credit Risk	45,663	44,809	43,606	2,057	+ 4.7%

Key Ratios and Indicators

	YEAR		CHANGE	
F&SME NETWORK FACTORIES	2011	2010	AMOUNT	%
EVA (€ million)	3	(63)	66	- 104.8%
Absorbed Capital (€ million)	3,246	2,880	367	+ 12.7%
RARORAC	0.09%	- 2.18%	228bp	
Operating Income/RWA (avg)	4.36%	4.59%	-22bp	
Cost/Income	42.0%	42.8%	-87bp	
Cost of Risk	1.17%	1.37%	-21bp	

Staff Numbers

	AS AT			CHANGE ON DEC '10	
F&SME NETWORK FACTORIES	12.31.2011	09.30.2011	12.31.2010	AMOUNT	%
Full Time Equivalent	6,199	6,192	5,850	349	+ 6.0%

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)

Business lines

Asset gathering

In terms of **commercial results**, in 2011, Asset Gathering generated net inflow of €4,728 million (+44% from 2010) and assets stood at €60,109 million (-3% compared to 2010) as a result of the -11% market downturn since 2010. Fineco stock was €35,024 million (in line with the previous year with a market effect of -8%) and net inflow of €2,829 million (+107% compared to 2010). Its network of financial advisors has earned Fineco second place[5] by net inflow and third[6] place in terms of stock, confirming the financial advisor unmatched productivity of net inflow on a pro capita basis.
Fineco Bank has confirmed its market leading position as a broker in Italy with 27.4 million transactions[7] (equities, derivatives, bonds and forex, funds and repos) and as the top European broker in terms of the number of executions and the range of products offered in a single account. With regard to online trading, Fineco is ranked first among brokers for third-party operations in major markets (MTA, TAH, futures and mini index-based futures). By total volume traded, it came in first place in the MTA and TAH segments. Even in number of transaction, it holds first place in the equities and index-based futures segment[8]. Customer satisfaction has jumped to 98%[9].
Dab Group has posted a 6% downturn in stock compared to the end of the previous year taking assets to €25,085 million (following the negative market effect of -13%). Overall net inflow was €1,899 million (in line with 2010). In terms of number of transactions, Dab Group reached 5.1 million transactions in 2011.

In terms of **activity**, FinecoBank in 2011 focused on service quality and innovation, with the aim of improving its performance in terms of efficiency and quality, achieved in part through greater investment in advertising and marketing than in the past, whilst achieving the highest possible level of customer satisfaction. In particular, marketing campaigns in 2011 were centered around two pillars: promotion of "**Title Transfer**" and the launch of the new "**Cash Park**" deposit account. With regard to acquisitions, the "Member gets member" campaign continued to demonstrate the extraordinary strength of word of mouth by satisfied customers.

In **trading**, FinecoBank consolidated its leadership position in the Italian online market, despite relatively poorer market conditions compared to 2010 in terms of volumes and restrictions on short selling activities. The decrease in commissions on equities was offset by the addition of more complex products such as futures, forex and bonds. These instruments, in addition to revenue generated by trading profit, partially offset the decrease in equity commissions. The developments in 2011 affected all operating platforms (PowerDesk2, the Fineco online site and mobile site) and impacted all target customers (investors, traders and active traders). The range was improved further by Fineco's new APP releases for the iPhone, the new application for the Android operating system, the relaunch of Chart Trading, with the margin trading service for bonds and the introduction of new margins on main futures contracts, the trading of commodities futures, and the online Government Bonds auction service. The new Logos platform was also launched to allow customers to operate new CFD products, once again initiating a completely innovative method with the capacity to open new market segments.

With regard to the financial advisor network in 2011, the activities devised to boost productivity and improve the quality of resources were completed. Investing offer and financial consultation services were the marketing focus of 2011. The availability of an improved multibrand platform for investment, competitive pricing and of professional, tailored planning are the selling points of the main campaign and commercial activity within the Personal Financial Advisor network. What is more, the new "**Apex**" package has been launched, dedicated to customers with consistent assets (with the new service, devised to reward the bank's top customers with the aim of increasing satisfaction and loyalty among this cluster, providing this customer group with access to advantageous conditions on a number of products). Fineco aims to become a pan-European model, striving to develop an advanced approach in its main trading activities throughout the Group's CEE target audience.

Dab Group, which operates through Dab Bank in Germany and Dat Bank in Austria, has expanded its trading and consulting activities, consolidating its position as a leading broker. Dab Bank has pursued the "**Dab One**" project, consolidating its successful strategy of focusing on the active-trader, investor and asset-management customer segments and guaranteeing customers a larger and more personalized range of products and services. Due to the range of investment products available and to lower commissions than its competitors, Dab Bank's customer satisfaction has brought Dab Bank recognition as the number one broker with the best offering of investment plans tied to stocks, ETFs, certificates and funds in 2011.

Thanks to its use of the Fineco platform, customers recognized Dab Bank as the number one broker in Germany just one year after beginning trading services in the forex market. In 2011, Dab Bank's customers benefitted from a variety of promotional campaigns which enabled them to trade in more complex products (derivatives, ETCs, ETFs and convertible bonds). In the last quarter of 2011, Dab Bank increased capital enabling it to reinforce the solidity of its assets

5. Source: Assoreti - "Periodic Assoreti Report - December 2011".
6. Source: Assoreti - "Periodic Assoreti Report - December 2011".
7. Source: Assosim - "Periodic report on trading data of ASSOSIM associates regarding volumes traded on markets managed by Borsa Italiana SPA and Eurotlx Sim SPA - H1 2011".
8. Source: Assosim - "Periodic report on trading data of ASSOSIM associates regarding volumes traded on markets managed by Borsa Italiana SPA and Eurotlx Sim SPA - 2011".
9. TNS Infratest Report, April 2011.

in accordance with the limitations set out in the Basel 3 directive. Lastly, Dab Bank sold its majority shareholding in SRQ aiming to focus on its two main business areas (B2B and B2C).

Dat Bank's mission is to offer a high-quality trading platform on the best possible terms. To that end, the Austrian broker is constantly fine-tuning its offerings with a view to optimizing the service it makes available to its customers. In 2011, Dat Bank had to deal with the effect of changes in the Austrian taxation of capital gains, offering its customers attractive financial terms on current accounts and on trading in financial instruments. Finally, the range of trading products and services was expanded, with the forex trading service launched at the end of 2010 as well as the launch of "**stock margin trading**." The launch of the new iPhone and iPad application also merits special mention, providing customers with access to all trading services and applications.

Consumer Finance

In 2011, the following products were launched to broaden the scope of personal loan services:

- **CreditExpress Special**, devised to meet every day minor and unexpected expenses;
- **CreditExpress Mini** is a small loan for any purpose: between €1,000 and €3,000, with a flexible term and repayment by small, monthly installments;
- **CreditMini Casa**, the new personal loan for low cost home improvements;
- **CreditMaxi Casa**, the new personal loan to purchase/renovate property for sums of up to €100,000;
- **CreditExpress Eko**, a new personal loan dedicated to *Officine Verdi*, a new UniCredit joint venture, which proposes energy-finance packages;
- **CrediExpress Top Full**, personal load dedicated to customers wanting the option of underwriting 2 CPI policies;
- **Prestito Abitare**, a new personal loan dedicated to financing expenses associated with the home.

In 2011, **the range of co-branded cards was streamlined**, enhancing the most productive partnerships. Moreover, in the context of the **Auchan/Nectar partnership**, two new credit cards were launched and the migration of *Oney* customers to UniCredit was completed: the acquisition of new customers was also pursued through the distribution of financial products, already initiated in the testing stages in four Auchan stores.
CRM activities were also launched to propose financial products for the Auchan/Nectar customer base: these initiatives will be developed further during 2012.

In relation to commercial initiatives in the **banking channel**, the **information platform "*Spazio Mutui e Prestiti*"** (Mortgage and Loan zone) was set up with a **new pre-lending model** for the purpose of increasing the average ticket sold and the number of customers on the contact list. In May, the new **CreditExpress Dynamic Fly** was also launched**,** the flexible personal loan that helps customers achieve their dreams, giving them a complimentary Volagratis coupon for a two-way flight in Europe for one person.
The product shares all the distinctive features of the CreditExpress Dynamic, namely the option to make changes during the repayment plan, activating any of the three options available: **Skip an installment, Change the installment and Loan reload**, with the additional offer of a **free two-way flight for one person anywhere in Europe.** The **One4Car Contest** was also launched**,** an initiative aimed at the Italian Retail/Corporate/Private network, to develop commercial synergies with car dealers with contracts already in place with the Consumer Finance Network Italy. **Bank@work** is a new national initiative, through which UniCredit offers a service and product package to all public/private entities and companies, guaranteeing service directly in the workplace for customers, through the presence of an internal UniCredit Agency and support activities from Consumer Finance Network Italy agents. The initiative was launched in the testing stage in the province of Turin with collaboration from the San Luigi Gonzaga Hospital: following the positive outcome of the test, the project will be broadened and expanded to other trade partners in 2012.

In the non-banking channel, the Selected Dealers Program was launched, a new project aimed at leading car dealers: an exclusive service program designed to place greater value on trade relations. Selected Dealers Program extends an offer to car dealers for UniCredit products and services, in line with the One-Stop-Shop-Offer logic, namely by offering car loans and current accounts to dealers. In 2011, 12 dealers participated in the Selected Dealers Program, selected based on their sales performance in the previous year. An e-learning platform dedicated to the Advisor and Agent network was launched to provide mandatory courses required by recent legislation. For the third consecutive year, UniCredit sponsored the Automotive Dealer Day, which was held in Verona from May 10-12.

In June, the Enhance Car Lending Italy initiative was launched: a pilot initiative in the areas of Val d'Aosta, Piedmont and Liguria, which will be extended to a national scale in 2012 following positive results. The initiative was developed in collaboration with the Italian Retail/Corporate/Private trade network, with the aim of developing synergies between the different managers who handle the portfolios of Car Dealer who are already Group clients.

This year the main co-branded credit card activities were:

- **Stampa and Kataweb Card**. Launch of a **card rewards program** which gives customers the option of receiving a complimentary wellness or adventure Smart Box upon activation of the card. The promotion was marketed through means made available by the partners;

Result by Business Segment (Continued)

Family & Small Medium Enterprise (F&SME) (Continued)

- **Lufthansa Card**. Launch of three **promotional campaigns (spring, summer and fall)** through mailings to Lufthansa customers and providing promotional material on Lufthansa Italia flights and in airports;
- **TrenitaliaCard**. Production of **paper marketing material** to be distributed and a **page of advertising in *La Freccia***, Trenitalia's monthly publication available on all Frecciarossa trains.

In terms of commercial results, in 2011, the consumer credit market in Italy recorded a slight decrease in new disbursements (-2.2% y/y). Specifically, the sharp contraction in the automotive sector and in payroll deduction loans was balanced out by a pickup in personal loans and in credit cards. Despite the market environment being one of the most adverse of recent years, commercial activities by the Consumer Finance product factory produced overall disbursements of 4.66 billion (+6.6% y/y) of which 3.81 billion was within Italy (+0.2% y/y) and 0.85 billion was on the International arena (+49.8% y/y).
These results created 10.0% growth in the market share in Italy (9.7% at end 2010).

Leasing

The 2010 figures, published by Leaseurope[10], confirmed the strong positioning of UniCredit Leasing, which firmly remains amongst the three leading European leasing companies in terms of volume and net income. On the Italian market, as confirmed by Assilea[11], UniCredit Leasing has maintained its firm positions of leadership, with a market share of 19%. In 2011, UniCredit Leasing pursued its strategy of streamlining its sales channels and simplifying its structure of governance, placing much attention on the internal control system. The **"New Business Model"** project was launched with the purpose of establishing the guidelines of the corporate business model, clearly delineating the service model for each sales channel. The new business model and improved governance will be supported by EuroLeasing 2.0, currently in the design and development stage, which is expected to be implemented in Italy in 2013. At the end of 2012 the "live" segment of subholding is expected to be launched, encompassing also the foreign leasing area. Priorities for 2011 have included a considerable reduction in customer response times, a focus on risk management by reinforcing monitoring processes and portfolio optimization, and the internal control system. Also, optimizing synergies with the bank channel through greater integration with the Group banks, from which synergies on the service platforms are anticipated, coordination of processes and sharing of managerial responsibilities remains at the centre of UniCredit Leasing's strategy. Such synergies also permit greater efficiency in containing operating costs and the cost of the risk for upcoming years.

With regard to **commercial initiatives**, in 2011, UniCredit Leasing further reinforced its leadership on managed markets providing, though in a non-favorable market environment, €8.2 billion in new customer financing, in line with 2010 loan volumes. The international initiatives undertaken in 2011 included, of note, further reinforcement of Vendor business which posted a pickup of 37% compared to 2010 in terms of broker volumes by:

- activating new agreements with Vendor Partners on an international scale in Russia, Slovenia and on other CEE markets with high growth potential;
- activating Vendor business in Germany, where in a single year the distribution channel brokered 9.5% of the total financing provided in the country;
- diversifying the partnership portfolio, which reduced the incidence of the car business to 55% (from 70% in 2009) in favor of Heavy and Instrumental vehicles;
- additional strengthening on CEE markets, where Vendors represent the main distribution channel, accounting for 32.9% of the total of volumes disbursed;
- launching the wholesale financing offer in Austria, the Czech Republic, Slovakia, Bulgaria and Romania (and soon in Slovenia);
- commercially developing agricultural business in the Czech Republic, Ukraine and Russia.

2011 also confirmed UniCredit Leasing special positioning with its ability to offer its more demanding customers "tailor made" solutions in relation to particularly complex assets (aviation, renewable energy, real estate, and rolling stocks): since the beginning of the year, more than 1,000 transactions were carried out for a total amount of €1.57 billion. UniCredit Leasing maintained its leadership position in the renewable energy sector in Italy, Austria and in CEE countries, characterized by a favorable regulation framework, and in the aeronautical leasing sector, with approximately €170 million in financing disbursed in 2011.
In addition, the International Leasing offer was clearly strengthened placing UniCredit Leasing as the key financial partner for the export business; in 2011 €480 million was disbursed in cross border loans up 47% since 2010. Of note, lastly, UniCredit Leasing has continued to place attention on the insurance business, an important source of profit for the company; during 2011 important actions were performed in Russia, Austria and in Italy where the Bank's sales of CPI (Credit Protection Insurance) was extended to the Leasing Agent network.
The **funding** diversification strategy is being continued in 2011, by resorting to supranational entities. Financing agreements have been signed with the European Investment Bank to be allocated to small and medium-sized enterprises by UniCredit Leasing and Fineco Leasing (400 million), Germany (50 million) Austria

10. Principal associations of leasing companies in Europe.
11. Source: Assilea - "General overview of progressive agreements concluded" - available on "www.assilea.it".

(250 million) and Slovenia (20 million). New EIB initiatives are planned for 2012, not only in Italy, but also for other foreign subsidiaries, in particular, Slovakia, the Czech Republic, Bosnia and Poland. Also, additional initiatives are planned with the Council of Europe Development Bank to be finalized by the end of the year in Slovakia, Czech Republic, Latvia, Serbia and Romania. In June, UniCredit Leasing Russia signed an important contract with European Bank for Reconstruction and Development.

Factoring

In terms of **commercial results**, in 2011, UniCredit Factoring increased revenues by 20.4% compared to the previous year, approaching second place in the market by revenues. There was also an improvement in portfolio rotation days, reducing them by over 12 days, in line with market fluctuations. In terms of outstandings UniCredit Factoring once again holds first place in sector ranking with total receivables nearing €12 billion.

In the context of **communication activities**, in the fourth quarter of 2011, the new advertising campaign process was completed, with publication of the concepts identified as being in line with Parent Company guidelines (Ups and Downs). Communication by Top Management was also concluded, with two meetings with the CEO dedicated to Governance structures which were not involved in the previous company Road Shows.

In terms of **product innovation**, the "***Fido Grande Debitore***" product project continued as did the launch of a series of developments associated with the company website, associated with both consultation and tools. Projects, on the other hand, concentrated on two initiatives, conducted in collaboration with the Parent Company:

- the study and definition, in collaboration with CIB structures, of the requirements and relative perimeters for the possible transfer of the management of invoice advances to the public administration by the Bank to UniCredit Factoring;
- the creation of an instrument and process in support of the "**Shared Goals**" project, launched by the Corporate & Investment Banking Division aimed at identifying shared development actions for major industrial Groups who are Group customers.

Outlook 2012

Asset Gathering will aim to consolidate its market position reinforcing existing customer relations and boosting inflow by acquiring new upper level customers, with high standing and significant assets. To achieve these objectives, it will focus in particular on investment in advertising and marketing, development and providing incentives for the commercial network and introducing new products.

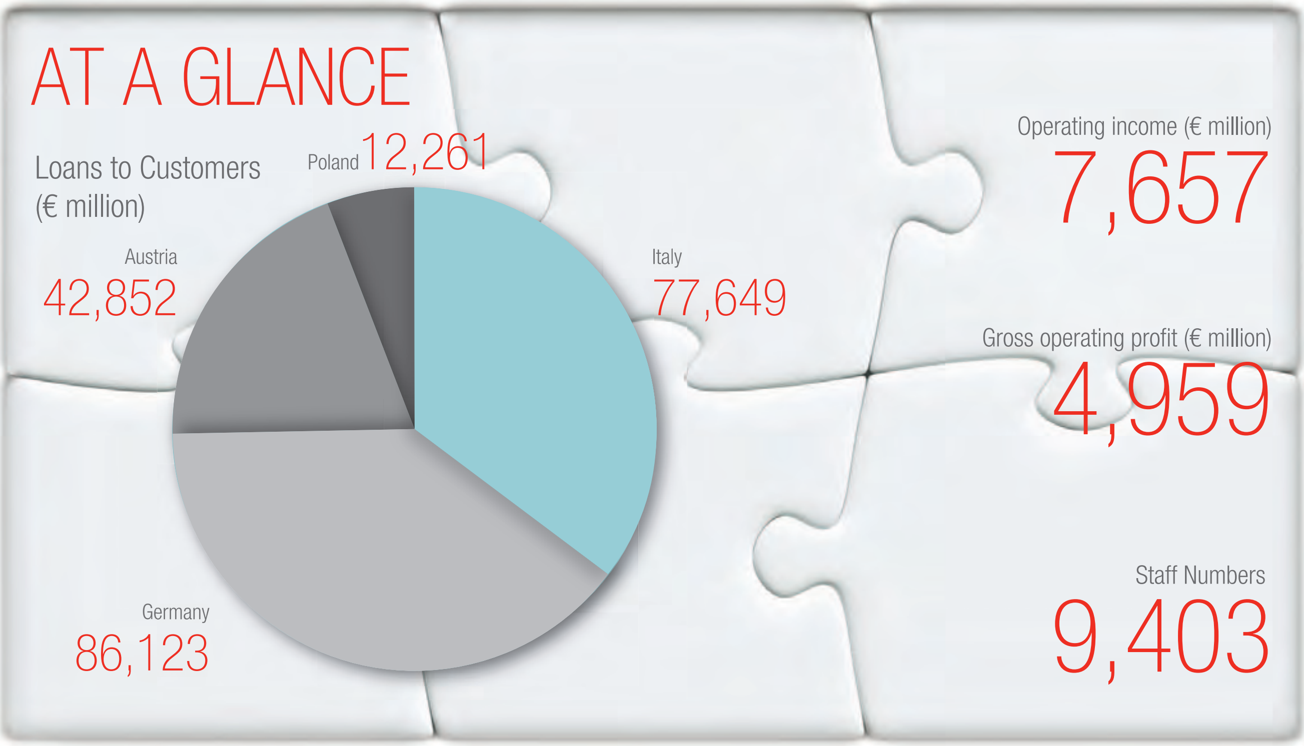
In **Consumer Finance**, particular emphasis will be placed on maintaining the profitability of products and the quality of commitments, despite the continued uncertainty surrounding the macroeconomic environment in Italy, from the standpoint of the trend in the cost of money and loan demand from households. New value management tools will be introduced for the dynamic and proactive management of financing pricing in line with the customer's risk profile, with the aim of continuing to guarantee a high capacity to generate new Group customers. Particular attention will be placed on maintaining a high level of customer service, by optimizing operating processes and delivering an increasingly efficient management of cost structure. Furthermore, the Group's presence in foreign countries where it already has business operations (Germany, Bulgaria, Romania) will be further strengthened, drawing on growth opportunities in new countries.

In line with the strategy plan, the focus of **Leasing** in 2012 will be to change the channel, product and country mix. The first aims to make the convergence with banks effective in every country where the "product factory" is present, to be achieved in part by placing a greater focus on bank customers. The second will lead to a greater focus on equipment and car leasing instead of on products with a longer life (such as real estate). The third objective, lastly, aims to promote growth in countries with greater potential (like Germany and Russia), while other countries will see a decrease in business.

Factoring will aim to shift financing from the technical self-liquidating format to Factoring, with a particular focus on customers who have relations with the Public Administration exerting leverage on certain success factors for factoring such as "title to property" on invoices and on the greater guarantee offered by certified credit, which will reduce RWA on a Group level.

Result by Business Segment (Continued)

Corporate & Investment Banking (CIB)



Introduction

The Corporate & Investment Banking (CIB) division is dedicated to corporate customers with revenues of over 50 million and institutional customers of the UniCredit group.

The business model adopted is focused on a clear distinction between coverage and local distribution (Network) areas, and those areas dedicated to centralized specialization of dedicated products or services, namely Financing & Advisory (F&A), Markets and Global Transaction Banking (GTB).

Financial Performance

The Corporate & Investment Banking division ended 2011 with a **net profit** of €1,649 million, slightly down from 2010 (-3.1% y/y), though an improvement on the third quarter of 2011 (+ €565 million q/q).

Operating income was €7,657 million, down by 2.6% y/y, reflecting the difficult macroeconomic environment especially in the second half of 2011. **Net interest income** at December 2011 was €5,145 million, down €132 million y/y driven primarily by the unfavorable rise in funding costs. **Dividends and other income from equity investments** also fell (-€31 million y/y) due primarily to the negative results reported in the last quarter in Italy for equity investments.

Net commission and fees on the other hand rose (+7.7% y/y) benefitting from an increase in Italy (+16.7% y/y) and in Germany (+7.4% y/y). **Trading income** at December 2011 was €688 million, down by -17.3% y/y, particularly following the negative results in the third quarter of 2011 when a great deal of volatility affected the markets.

The quarterly trend, on the other hand, showed growth in operating income of 7.3% q/q driven primarily by **trading income** (+€171 million q/q) and **net interest income** (+1.7% q/q).

Operating costs at December 2011 were €2,698 million, up (+1% y/y) compared to 2010 due primarily to the increase in **other administrative expenses** (+2.4% y/y).
Compared with the third quarter of 2011, on the other hand, **operating costs** decidedly improved (-4.8% q/q) due to the decrease in **payroll costs** (-18.8% q/q), particularly with respect to the variable component.

At December 2011, **net writedowns on loans and provisions** totaled €2,033 million, an improvement from 2010 levels (-4.2% y/y) due to a more favorable credit environment in Germany and Austria.
The quarterly trend was also very positive with net writedowns down 493 million q/q.

Net operating profit at December 2011 was €2,926 million, down compared to 2010 (-4.6% y/y), impacted by the negative performance in third quarter. Compared to the third quarter (€637 million q/q) the result was positive, followed by an improved performance for all components of operating profitability.

Profit before tax was €2,493 million, largely flat compared to 2010, as lower revenue generation was offset by significant decrease in **provisions for risks and charges** (+€316 million y/y) and net writedowns on loans (+€88 million y/y).
At December, **profit on investment** stood at -102 million (-€110 million y/y) following a weak performance in the third quarter of 2011.

As of December 31, 2011 **loans to customers** recorded volumes up by 2.7% compared to the end of the year 2010, with signs of growth in all countries of reference. The third quarter of 2011 trend was also positive (+0.9% q/q).

Deposits from customers (including securities) were down by 22.8% compared to December 2010, reflecting the change in the less favorable deposits market; there was also a decline compared to the third quarter of 2011 (-4.6%).

Risk weighted assets were down compared to 2010 levels (-0.9%) revealing, despite the increase in rising volumes, a clear optimization of the absorbed capital. This is also thanks to anticipation of the ring-fenced portfolio runoff. The quarterly trend, on the other hand, showed growth of +5.5% q/q following the implementation of the Basel 2.5 Directive.

EVA in 2011 was 57 million (-€33 million y/y) and, despite the profitability trends proved to be resilient compared to 2010 levels, it was negatively impacted by an increase in the cost of capital. The trend was positive, however, quarter-on-quarter (+€551 million q/q).

At December 2011, the **cost/income ratio** was 35.2% up from 2010 (+124 bp q/q), but a net improvement on the quarterly trend (-500 bp q/q).

The **cost of risk** for 2011 was 0.94%, down by 4 bp compared to 2010 and sharply down quarter-on-quarter (-91 bp q/q).

The **FTE** (Full Time Equivalent) trend fell by 2% compared to December 2010 following the exit of Medio Credito Centrale from the scope of consolidation; even the quarterly trend was down (-0.8% q/q) with FTE down in all key countries.

Income Statement

(€ million)

CORPORATE & INVESTMENT BANKING	YEAR 2011	YEAR 2010	CHANGE %	2011 Q4	2011 Q3	CHANGE % ON Q3 2011	2010 Q4
Operating income	7,657	7,858	- 2.6%	1,645	1,533	+ 7.3%	1,935
o/w:							
trading revenues	*688*	*832*	*- 17.3%*	*(5)*	*(177)*	*- 97.1%*	*55*
non-trading revenues	*6,968*	*7,026*	*- 0.8%*	*1,650*	*1,709*	*- 3.5%*	*1,880*
Operating costs	(2,698)	(2,672)	+ 1.0%	(648)	(680)	- 4.8%	(617)
Operating profit	4,959	5,187	- 4.4%	997	853	+ 16.9%	1,318
Net write-downs on loans	(2,033)	(2,121)	- 4.2%	(414)	(907)	- 54.4%	(396)
Profit before tax	2,493	2,489	+ 0.2%	443	(260)	- 270.2%	303

Balance Sheet

(€ million)

CORPORATE & INVESTMENT BANKING	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 09.30.2011	AMOUNTS AS AT 12.31.2010	CHANGE ON DEC '10 AMOUNT	CHANGE ON DEC '10 %
Loans to customers	218,551	216,658	212,826	5,725	+ 2.7%
Customer deposits (incl. Securities in issue)	101,295	106,133	131,245	- 29,949	- 22.8%
Total RWA	196,744	186,485	198,594	- 1,850	- 0.9%
RWA for Credit Risk	154,333	162,544	178,630	- 24,297	- 13.6%

Key Ratios and Indicators

CORPORATE & INVESTMENT BANKING	YEAR 2011	YEAR 2010	CHANGE AMOUNT	CHANGE %
EVA (€ million)	57	90	- 33	- 37.2%
Absorbed Capital (€ million)	13,920	14,702	- 781	- 5.3%
RARORAC	0.41%	0.61%	- 21bp	
Operating Income/RWA (avg)	4.02%	3.76%	26bp	
Cost/Income	35.2%	34.0%	124bp	
Cost of Risk	0.94%	0.98%	- 4bp	

Result by Business Segment (Continued)

Corporate & Investment Banking (CIB) (Continued)

Staff Numbers

CORPORATE & INVESTMENT BANKING	AS AT			CHANGE ON DEC '10	
	12.31.2011	09.30.2011	12.31.2010	AMOUNT	%
Full Time Equivalent 100%	9,403	9,474	9,599	- 196	- 2.0%
Full Time Equivalent proportional	9,382	9,453	9,578	- 196	- 2.0%

Breakdown by business, geographic area and company

The business model adopted by Corporate & Investment Banking is based on a matrix structure that provides, on the one hand, for a distribution network strongly rooted in the Group's key markets (Italy, Germany, Austria, and Poland) and, on the other, for the concentration of product-related capabilities in the three Product Lines (Financing & Advisory, Markets, and Global Transaction Banking). Moreover, thanks to wide international presence especially in CEE countries together with a big product and service catalogue, CIB division plays a key role among main European players.

Throughout 2011 CIB pursued its strategy aimed at:
- increasing the *cross-selling* of products and services not solely loan-related;
- optimizing capital allocation by improving risk-adjusted profitability;
- catching growth opportunities in CEE countries, Western countries and high-potential markets.

The CIB Product Lines, responsible for the whole range of products and services, are:

Financing & Advisory (F&A): this is the product line responsible for loan-related operations and advisory services provided to businesses and institutional customers. The range of offerings extends from plain vanilla to more sophisticated products such as Corporate Finance & Advisory, Syndications, Leveraged Buy-Out Finance, Project & Commodity Finance, Real Estate Finance, Shipping Finance and Principal Investments. To make optimum use of the platform shared by debt products and equity-related solutions, F&A also guarantees the UniCredit Group direct access to the capital market (Equity and Debt Capital Markets).

Markets: this is the center of competence for products and activities related to markets such as Rates, FX, Equity, and Credit and is also the channel that gives UniCredit preferential access to those markets.

Global Transaction Banking (GTB): this is the product line related to products such as Cash Management, Trade Finance, Structured Trade and Export Finance, and Global Securities Services.

Results and Initiatives by Geographic Area

Network Italy

For Network Italy, 2011 ended with revenues down compared to the previous year (-2.1% y/y). The decline, begun in the third quarter, continued into the last months of the year (-10.6% q/q).
The Financing & Advisory product line particularly affected the results of Network Italy and posted a 3.4% y/y (-14.9% q/q) decline in revenues. The fall in net interest income (-8.1% y/y), due primarily to interest rate tensions running high in Italy, was however partially offset by an increase in fee income (+19.6% y/y), also supported by the Structured Finance contribution.
Good results were also seen in revenues from Global Transaction Banking (+22.4% y/y), despite a slight fall in the last months of the year (-3.2% q/q), boosted by the rise in both net interest income (+43% y/y) mainly on sight deposits, and fee income (+13.6% a/a) for activity supporting companies primarily in foreign financing transactions.
Markets products activity was hit in 2011 by the financial crisis in the Eurozone, characterized by a highly volatility of rates and currencies. As a result, revenues in 2011 were significantly lower than the previous year, primarily due to the 2011 trading income and extraordinarily positive activity that characterized 2010.
The cost containment policy continues and, compared to the previous year, costs fell by 3.4% y/y and by 12.3% q/q with an improvement both in payroll costs (-4.5% y/y), due in part to a decrease in the size of the workforce, as well as other administrative costs (-1.3% y/y), despite the rise in inflation. Consequently the operating result fell by 1.6%.
In 2011, the net profit of Network Italy, despite a positive fourth quarter, was negative and down from the previous year in the amount of 152 million affected by the increase in net writedowns on loans (-98 million y/y) and the negative contribution of profit on investment (-69 million y/y), partially offset by the improvement in provisions for risk and charges (+21 million y/y).

Network Germany

In 2011, Network Germany showed a strong increase in revenues compared to the previous year (+1.6% y/y), reporting good performance both in terms of fee income and net interest income, reflecting the stronger capacity to provide solutions and products that are ever more tailored to customers' needs.

The performance of the F&A product line +1.9% y/y and GTB +11.8% y/y was also notable. In 2011, GTB again reflected the sustainability of its business model thanks to the good results of Cash Management and sight deposit activity.
For GTB the fourth quarter of 2011 remained stable at the

previous quarter's levels reflecting the strong position of the products also on Network Germany. The y/y comparison was significantly positive, especially in relation to Cash Management (+13.2% y/y) and Trade Finance (+4.4% y/y).
The trend of operating costs, though up compared to 2010 (+4.5% y/y), reflected a rather stable trend in payroll costs; in the quarterly trend the increase in costs was certainly more contained (+2.4% t/t).
Even the trend in net writedowns on loans, thanks to the releases in the first two quarters of 2011, contributed to improved profitability in 2011.

Network Austria

In 2011, the revenues generated by Network Austria amounted to €800 million, slightly down from 2010 (-2% y/y), maintaining a position of leadership in the Austrian market. In the y/y comparison the decline in revenues was determined by the change in accounting methods for the recognition of commission revenues (effective interest rate methodology). Among CIB product lines, performance of the Network was primarily driven by GTB.
GTB confirmed the growth trend (+1.3% q/q) thanks to the improved performance of net interest income on sight deposits and the growing contribution made by the activities of Trade Finance, for which CIB is a leader in the reference market.
The positive trend in the y/y comparison (+2.1% y/y) was driven by Cash Management and Trade Finance. F&A ended 2011 with results slightly down compared to 2010 (-2.1% y/y) as well as the previous quarter (-8% q/q) primarily in relation to fee income.
Markets showed a downturn in results compared to the previous quarter (-20% q/q) which benefitted from intense activity with core clients, but also compared to 2010 (-19.4% y/y) in the light of weaker derivative activity.
Monitoring of the credit quality of the portfolio also continued in the last quarter of the year, with net writedowns on loans down q/q (-48.1%) as well as y/y (-19%).

Network Poland

In 2011, Poland saw a decline in revenues compared to 2010 (-5.5% y/y) due primarily to net interest income and the lower trading income contribution. Operating costs posted a decline of 2.1% y/y driven by the containment of payroll costs. The increase in net writedowns on loans (+€17 million y/y), which accelerated in the last two quarters of the year, negatively impacted Network profits.

In terms of product line, the results were driven by the performance of F&A (-6.7% y/y) and Markets (-15.7% y/y) which were affected by the sharp drop in net interest income. The GTB trend, on the other hand, was particularly positive (+8.7% y/y) thanks to sight deposit activity.

Results and Initiatives by Business Area

Financing & Advisory (F&A)

F&A recorded a stable revenue generation compared to 2010 to 2011 (+0.4% y/y), particularly in regard to fee income contribution. The results were shored up by good performance in Germany, which also benefitted from the positive effect of an important transaction, and in Austria thanks in part to dividends from subsidiaries valued at equity, residential mortgage activity and Capital Markets business. As far as Italy is concerned (-3.4% y/y), on the other hand, performance was affected by the financial market crisis with a decline in trading income offset in part by the increase in commission contribution. The latter was supported by the full use of the cross-selling platform and the focus on structured products, as well as the development of the Principal Investment business.
In addition to revenue growth, the portfolio's risk component also contributed to the improved profitability of F&A, despite the increase in operating costs. The cost of risk, in fact, showed a clear improvement thanks to releases in net writedowns on loans in Germany.
Against a higher level of receivables from clients from 2010 (+2.1% y/y) total risk weighted assets fell (-12.2% y/y), permitting absorbed capital to be optimized.
In the fourth quarter of 2011 revenues fell by 11.4% q/q affected by the lower contribution from net interest income and dividends, offset in part by rising fee income.
Some of the main deals concluded were: Euromedic (CEE, FSS, €250 million senior facility), Kinetic (Germany, Principal Investment - €11 million), Prelios (Italy, Real Estate - €33 million), DMT TowerTel (Italy, CFA - €476 million), VoestAlpine (Austria, Synd RCF & Term Loan - €104 million).

Global Transaction Banking (GTB)

GTB ended 2011 recording a good performance shored up by higher revenues year-on-year (+12% y/y) backed by business characteristics with low absorption of capital and a focus on the client.
Performance was positive in all four key countries for the Group (Italy, Germany, Austria and Poland) and was guaranteed by the position of leadership in Trade Finance and Cash Management activities.

Investment in technology, primarily allocated to improving customer service in terms of the IT platform, and exploitation of the relations with corresponding banks meant GTB business grew considerably meeting the internationalization needs of clients and delivering the highest level of satisfaction in terms of services.
GTB received important international awards during 2011: "Best Overall Bank for Cash Management in CEE", "Best Cash Management House in Austria" (Euromoney), "Best Trade Finance Provider"; in fifth place on the global ranking and one of the

Result by Business Segment (Continued)

Corporate & Investment Banking (CIB) (Continued)

leading banks for excellent results achieved in Trade Finance and Supply Chain Finance and Export Finance.

Markets
Despite strong signs of instability surrounding most of 2011, the main global economic indicators consolidated prospects for an imminent stabilization in economic activity, especially impacting developing countries and the USA. This also appears to be the case in the Eurozone on the whole, despite the adverse situation in countries affected by the sovereign debt crisis. In light of these considerations, a turnaround in the trend should become apparent in early 2012, sustained among other things by lower inflationary pressure. Pressure on financial markets has fallen significantly thanks in part to the pro-active monetary approach taken by central banks. In particular, the three-year refinancing program by the ECB (LTRO) has helped to create a more favorable market environment. In addition, optimism for a global economic recovery has driven the Equity market. Despite commitments to implementing a second aid plan for Greece, a final solution to the problem of sustaining Greek debt remains remote. Moreover, the situation in other countries with high debt, like Portugal for example, remains heightened. However, the perception that a possible collapse in Greece will not in itself result in irreversible damage to the global economic system has provided some signs of relief.

In 2011, Markets revenues have felt the effects of the negative situation on financial markets during the third quarter, following excellent first-quarter results and a slight slowdown in the second quarter. At December 2011, Markets revenues were €2,107 million, down by 14.5% y/y but sharply up compared to the previous quarter (+€236 million q/q).

In terms of business lines:
- at December 2011, **Fixed Income and Currencies** posted revenues of €1,111 million, registering a -15.4% y/y, while the fourth quarter showed growth of +€113 million compared to previous quarter thanks to interest rate operations. It was the bond portfolio in particular driving this performance and which in December reaped the benefits of tighter spreads. Furthermore, the weakening Euro and growth in volumes contributed to the solid performance of interest-rate derivatives;
- **Credit** at December 2011 had reported revenues €123 million lower than in 2010. The performance of the business was strongly marked by high volatility tied to fears over sovereign debt and the credit markets' general aversion to risk;
- the growing turbulence on the equities markets has resulted in increased volatility for securities, leading to a significant pullback in the revenues of **Equities** (-7.9% y/y). This has significantly impacted Derivative Trading, stemming from further deterioration of the macro-economic environment in the third quarter and the consequent reduction in business with clients.

Outlook 2012

2012 is expected to be a year of extreme uncertainty.
After a very difficult second half of 2011, financial markets are now in recovery mode, and the latest indicators suggest that the low point in the world business cycle is probably behind us.
A global recession seems, therefore, to have been averted.

However, downside risks still prevail, in particular related to developments in the sovereign debt crisis in Europe.
More recently, also oil prices have emerged as a potential downside risk to economic activity, due to rising geo-political tensions in the Middle-East. In general, we expect the interconnection between financial markets and the real economy - which was very tight in the last few years - to remain strong also in the foreseeable future.

2012 should see ongoing significant growth divergence between emerging markets and developed economies.
This is a trend which will probably remain in place also in the coming years, reflecting the much better state of health of private and public sector balance sheets in developing nations. However, fast-growing countries are not immune from risks, and China deserves close monitoring, because it is still uncertain whether domestic authorities will be able to mastermind another boost to growth via public investment in infrastructure and housing as well as through state-owned enterprises.

Significant growth divergences, however, are going to be recorded also within the same geographic area. In the Eurozone, for example, Germany should continue to expand this year - although at a much slower pace than in 2011 - while Italy and Spain will be in recession. This heterogeneous growth pattern is for the most part attributable to the intensification of the debt crisis in the summer of 2011, which in vulnerable countries led to a remarkable increase in the cost of funding for both the public and private sector, and triggered a procyclical response of fiscal policy. Mirroring a mix of demand and supply-side effects, lending to non-financial companies in the Eurozone slowed substantially at the turn of the year, and additional weakness seems to be in the pipeline.

These divergences between core and periphery pose a significant challenge to the ECB, because they certify that the policy rate set by the central bank is not transmitted uniformly across the area. Hence, the need for the ECB to resort to unorthodox measures to re-establish a proper transmission mechanism of its monetary policy. In the last few months, the ECB significantly stepped up its unconventional measures by providing banks with unlimited liquidity up to three years.

These actions allowed neutralizing the refinancing risk for Eurozone banks, which in turn triggered a significant improvement in market mood and created the right conditions for banks to resume lending activity in line with demand. If financial markets remain well behaved and economic growth confirms recent signs of stabilization, the pace of weakening in the lending cycle will probably ease as the year progresses.

In such an economic framework, reducing pressure on financial markets triggered some relief in revenues generation in Corporate & Investment Banking industry notwithstanding a gradual normalization of the performance and declined net write downs on loans and optimization actions on capital and risk-weighted assets.

UniCredit is a highly capitalized European commercial bank with the largest network of banks in Western, Central and Eastern Europe. The territorial coverage by means of the commercial networks in the reference markets, the high specialization of product and service offerings and the increased focus on customers make it possible to reach excellent standards in terms of service delivery.

CIB industry will continue to be simpler, less leveraged with a strong focus on liquidity through flexible funding structure, management of capital, strict risk management, revenue mix to be rebalanced, focus on synergies and attention to cost containment. Our strategy is consistent with the future of the banking industry and based on three core client offer:

- **Corporate Banking and Transaction Services**: commercial banking is key for UniCredit and it is the first pillar of the CIB mission;
- **Structured Finance, Capital Markets and Investment Products** to enhance *cross-selling* effectiveness;
- **Access to Western, Central and Eastern Europe** thanks to the positioning as a European Commercial Bank, with an unrivalled presence in Europe.

Corporate & Investment Banking focus will continue to be on core regions, clients and products, with strong attention on careful risk management while increasing the capital and cross-selling efficiency through improvement of its capability to obtain a fair share of service business, to distribute credit and enhance strategic dialogue with clients.
Dedicated strategic projects will help the execution of such strategy aimed at strengthening and fully exploiting the client franchise, by reducing non core businesses.

Similarly to 2011, Corporate & Investment Banking activity in 2012 will be reflecting market uncertainties on economic growth in developed countries, possible outcomes of sovereign debt crisis in the Eurozone and geo-political tension in North Africa. These factors will likely have a significant impact on financial market volatility and, as a consequence, on the customer demand and conditions of trading operations. Together with this, the implementation of the new capital regulation (Basel 2.5 and Basel 3) will trigger a different mix in the operating income of different industry players. The financial performance of various product segments will, in fact, be dependent on the different capital absorption to be introduced by the new regulations.
At the same time, for some specific business areas, only those players capable of attracting and managing high transaction volumes will be able to outperform and deliver satisfactory returns on capital.

Markets is expected to keep on generating solid results for the Group also throughout 2012, based on the key client initiatives focusing on Institutional Distribution, Corporate Treasury Sales, Private Investment Products and Institutional Equity Derivatives and our home markets in Western Europe and CEE. These activities will be supported by a prudent utilization of Risk and RWAs, a sustainable usage of capital and a disciplined approach to cost savings.

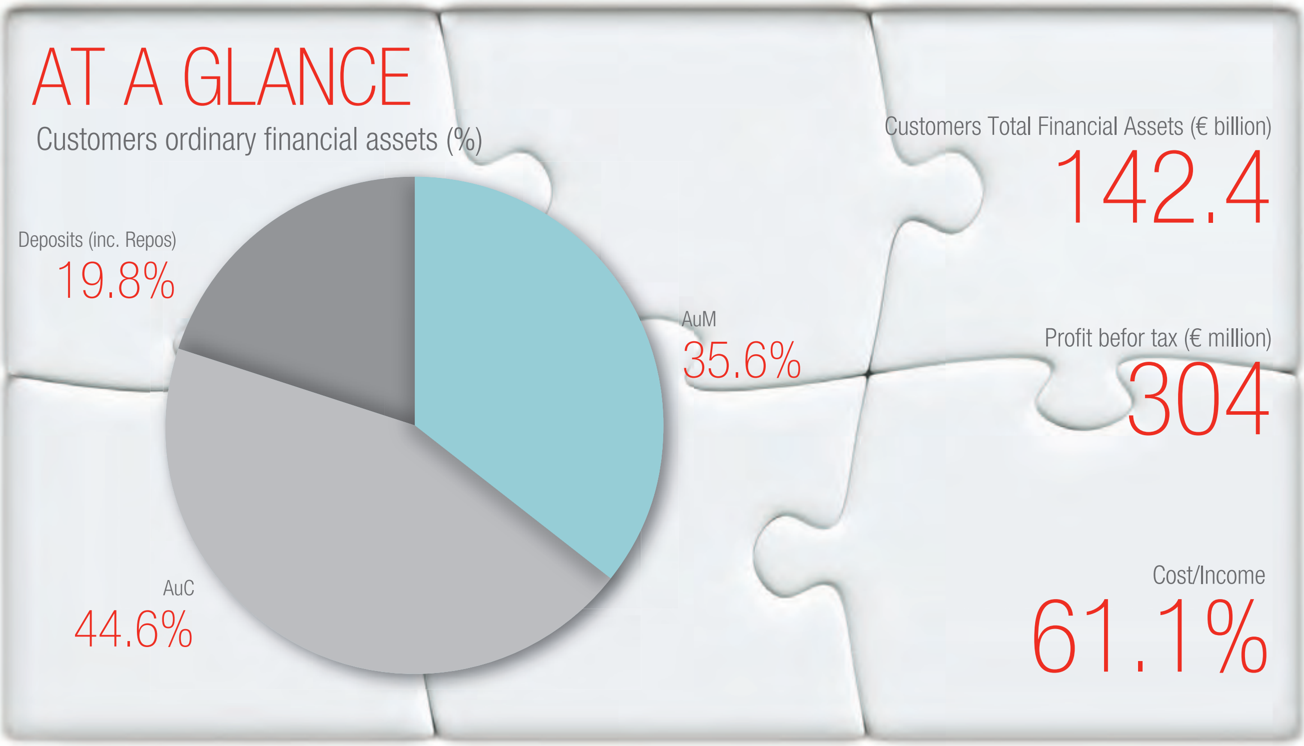
In 2012 **Financing & Advisory** will represent the core of UniCredit CIB offer throughout Capital Structure Advisory, Capital Markets, Financings and Derivatives. The main efforts will concentrate on building-up a global platform to develop a coordinated approach, boosting marketing intensity and promoting a risk culture. F&A strategy aims to increase the penetration while keeping the leadership in its core countries.

After the good performance in the last year, **GTB** in 2012 will face a slowing down scenario with some hints of uncertainty. In spite of this, GTB will keep on leverage on its strong capabilities and established experience - in a low capital absorption business - in order to better serve Group customers supporting them in their needs, mainly focused on Trade Finance and on Cash Management.
Following this mission, the center of attention will be in core Western countries and also in CEE, in Asia, where investments were done and now ready to be exploited. GTB will also intensify its activity on Middle East segment especially in Italy to allow the development of import/export business flows.

The funding diversification strategy will continue also in 2012, and specifically by applying to supranational entities.

Result by Business Segment (Continued)

Private Banking



Introduction

The activities of the Private Banking Division primarily target medium to high net worth private clients, providing advisory services and wealth management solutions. The Division operates in five countries (Italy, Germany, Austria, Luxembourg and Poland) through a network of more than 1,200 private bankers located in about 250 branch offices.

Financial Performance

2011 was marked by high volatility in the capital markets that sharply worsened beginning in the third quarter and was driven by economic tensions, particularly in Europe, later followed by heavy losses in the main European stock exchanges, in a climate of increasing political and financial uncertainty. In the Division's key countries stock exchange indices posted a sharp fall for the year: in Italy, FTSE MIB -25.2%, in Germany DAX -14.7% and in Austria ATX -34.9%.
In this environment, **total financial assets under management and administration** by the Division, totaling €142.4 billion as of December 31, 2011, posted an 8.6% decline compared to December 31, 2010.

Net of extraordinary items[1] at December 31, 2011 financial assets were slightly above €115 billion, down (-5.6%) compared to the beginning of the year.

The growth of assets was heavily affected by conditions in the capital markets with a negative performance effect of €6.7 billion for 2011, which was almost entirely recorded in the second half of the year. Net inflows[2] for the period were essentially close to zero (-€0.1 billion), with net outflows of asset management products (-€1.1 billion) and deposits (-€0.5 billion), that were not fully offset by the good performance of assets under administration (€1.4 billion, of which over €1 billion recorded in Italy on Group bonds).

The composition of **financial assets**[2] as of December 31, 2011 compared to the beginning of the year was as follows:
- assets under management remained substantially stable at 35.6% of total assets[2];
- the weight of assets under administration declined (44.6% compared to 46.2% as of December 31, 2010);
- the percentage of deposits increased from 18.2% to 19.8%.

In terms of economic performance, **operating profit** for the Private Banking Division as of December 31, 2011 was €358 million, up by 13.2% compared to the previous year, as it benefited mainly from a rise in operating income.

1. Extraordinary transactions are those that, because of their nature, large size and low or non-existent earning potential, are not attributable to any ordinary company assets (primarily assets of institutional clients and business client shareholding).
2. Excluding extraordinary transactions.

Total Financial Assets

(€ billion)

PRIVATE BANKING	AMOUNTS AS AT 12.31.2011	09.30.2011	12.31.2010	CHANGE ON DEC '10 AMOUNT	%
Total Assets	**142.4**	**144.6**	**155.8**	**- 13.4**	**- 8.6%**
Ordinary Assets	**115.1**	**116.7**	**121.9**	**- 6.8**	**- 5.6%**
AuM	*41.0*	*41.8*	*43.1*	*- 2.1*	*- 4.9%*
AuC	*51.4*	*52.1*	*55.8*	*- 4.5*	*- 8.1%*
Deposits (inc. Repos)	*22.8*	*22.8*	*23.0*	*- 0.2*	*- 0.9%*

Income Statement

(€ million)

PRIVATE BANKING	YEAR 2011	YEAR 2010	CHANGE %	2011 Q4	2011 Q3	CHANGE % ON Q3 2011	2010 Q4
Operating income	921	881	+ 4.5%	239	208	+ 15.1%	217
Operating costs	(563)	(565)	- 0.4%	(138)	(141)	- 2.4%	(140)
Operating profit	358	316	+ 13.2%	101	66	+ 52.4%	78
Profit before tax	304	283	+ 7.6%	69	54	+ 27.6%	54

Key Ratios and Indicators

PRIVATE BANKING	YEAR 2011	YEAR 2010	CHANGE AMOUNT	%
EVA (€ million)	164	172	- 8	- 4.7%
Absorbed Capital (€ million)	389	324	65	+ 20.1%
RARORAC	42.0%	53.0%	n.m.	
ROA, bp (*)	77bp	72bp	5bp	
Cost/Income	61.1%	64.1%	- 299bp	
Operating costs/Total Financial Assets (**)	47bp	46bp	1bp	

(*) Operating income on Total Financial Assets (average) net of extraordinary assets.
(**) Total cost on total Financial Assets (average) net of extraordinary assets.

Staff Numbers

PRIVATE BANKING	AS AT 12.31.2011	09.30.2011	12.31.2010	CHANGE ON DEC '10 AMOUNT	%
Full Time Equivalent	3,038	3,034	3,018	19	+ 0.6%

Revenues of €921 million were up by 4.5% over 2010, with a trend marked by the following:

- a sharp increase in **net interest** (+21.3% y/y), driven by deposits margins (particularly in Italy), which was positively affected by a rising trend in market rates. The impact was only partially eroded by a slight fall in volumes of customer deposits from €25 billion as of December 31, 2010 to €24.5 billion as of December 31, 2011 (data include securities issued);
- a slight decline in **net commissions** (-1% y/y), though in line with the previous year, net of non-recurring fees and commissions relating to the tax amnesty in Italy, that were recorded in the first half of 2010 (approximately €6 million). Actually, the decline in upfront fees on asset management products was offset by higher revenues from the placement of Group bonds.

Return on ordinary financial assets (ROA), as of December 31, 2011, was equal to 77 bp, an increase compared to the 72 bp in the same period of 2010.

Operating costs amounted to €563 million, slightly down (-0.4% y/y) compared to December 31, 2010. Payroll costs showed a moderate rise (+0.8% y/y) due to the combined effect of an increase in the staff of the Division (+19 FTE) and salary and contractual adjustments that were not fully offset by savings from the review of contractual regulations in Italy during the last quarter of the year. In terms of other administrative expenses, the increase (+2.1% y/y) was attributable to higher tax charges on deposits of securities that were offset by a recovery of expenses. Actually, total operating costs excluding payroll costs fell by 1.7% y/y, as a result of effective action taken to contain expenses.

There was a marked improvement in the cost/income ratio that as of December 31, 2011 stood at 61.1% compared to 64.1% in the same period of 2010.

Profit before tax of €304 million was higher by 7.6% from December 31, 2010. The increase was partly affected by higher loan loss provisions in Austria and Germany, but most of all by provisions for risks and charges in Germany and Italy due to claims and lawsuits.

Result by Business Segment (Continued)

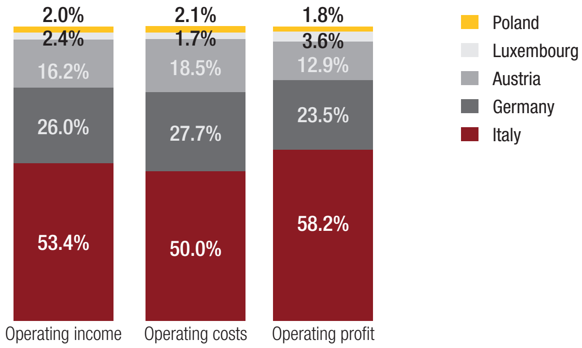
Private Banking (Continued)

Breakdown by business, geographic area and company

The Private Banking Division has 5 business lines, corresponding to the countries in which it operates: PB Italy, PB Germany, PB Austria, PB Luxembourg, and PB Poland.

The following are the principal data for each of them.

Contribution by country as of December 31, 2011[3] (%)



3. Excluding the costs of the governance bodies.

Financial assets for Private Banking **Italy** totaled €86 billion. Ordinary assets amounting to €72.4 billion as of December 31, 2011 were down from the figure recorded at the start of the year (-6.7%) due to the negative market effect (-€5.6 billion). The satisfactory business results in terms of assets under administration (+€2 billion) more than offset assets under management (-€1 billion) and deposit outflows (-€0.5 billion), bringing the overall net inflow of ordinary assets to €0.5 billion. Operating profit as of December 31, 2011 was €220 million, up by 18.9% from the same period a year ago thanks to the combined effect of an increase in revenues and a decline in operating costs. Revenue growth (+7% y/y) was driven by a strongly positive trend in net interest (+25.4% y/y), which benefited from a solid increase in the spread on deposits despite a decline in relative volumes. The rise in net commissions (+2.4% y/y) was more tempered, due to a slowdown in the placement of asset management products that was more than offset by a healthy performance in terms of assets under administration.

Attention is drawn to the existence of non-recurring fees in the first half of 2010 amounting to approximately €6 million related to the tax amnesty, net of which the change would have been +4.1% y/y. Operating costs were down (-1% y/y), thanks to the strict control maintained over other administrative expenses (-2% y/y net of recovery of expenses) and lower payroll costs (-0.7% y/y), which were positively affected by the renewal of the national collective labor agreement and the lower percentage of the variable component. The cost/income ratio was 55.3%, down sharply from 59.8% over the same period in the previous year.

Private Banking **Germany** reported €27 billion of total financial assets as of December 31, 2011, of which €24.3 billion in ordinary assets. The latter figure was down by 8.3% from December 31, 2010. The net outflow of ordinary assets amounted to -€1.1 billion for the period, due to outflows in the assets under administration (-€0.6 billion) and deposits (-€0.5 billion) segment. As for income, operating profit totaled €89 million, a decrease of 10.9% y/y that was attributable to a slight decline in revenues (-1.4% y/y) and an increase in operating costs (+5.2% y/y) occurring at the same time. The rise in net interest (+11.8% y/y), which was positively affected by the healthy trend of spreads on deposits, offset almost entirely the decline in net commissions (-5.2% y/y), particularly in terms of lower investments in the assets under management and assets under administration segment. As for operating costs, the increase was mainly attributable to higher payroll costs (+4.1% y/y), also as a result of the higher headcount and to higher information technology costs. The cost/income ratio was 62.9% compared to 58.9% as of December 31, 2010.

As of December 31, 2011 Private Banking **Austria** had financial assets totaling €17 billion; ordinary assets, equal to €15.2 billion, rose by 3.8% from the beginning of the year, thanks to a net inflow of €0.3 billion, driven by deposits and by the transfer from another Division of the customer segment *"Private Foundations"* (+€0.3 billion).
Operating profit was €49 million, up by 25.3% compared to December 31, 2010, driven by a healthy trend of revenues (+6.7% y/y). The decline in net commissions (-7.3% y/y), mainly because of lower upfront fees on asset management products, was amply offset by the sharp increase in net interest (+36.9% y/y), which was due to higher spreads on deposits. Operating costs were slightly down (-0.5% y/y), despite an increase in payroll costs (+2.4% y/y), in this case also due to the higher headcount over the comparable period.

The cost/income ratio was 67.4%, sharply down from 72.3% in the same period of the previous year.

As of December 31, 2011, Private Banking **Luxembourg** had financial assets totaling €10 billion, of which €1.7 billion were ordinary assets. Compared to the beginning of the year, the latter experienced a growth trend of 11%, which was generated by a net inflow of ordinary assets of €0.3 billion attributable to assets under administration (+€0.2 billion) and assets under management (+€0.1 billion). As of December 31, 2011, operating profit was 13 million, which marked an increase compared to December 31, 2010, thanks to a decline in operating costs

(-50.9% y/y). This is attributable to synergies deriving from a reorganization of company business (particularly in terms of other administrative expenses) and rising revenues (+1.6% y/y) that were driven by net interest (+6.1% y/y).
The cost/income ratio was 40.6%, down by more than half compared to same figure as of December 31, 2010 (84%).

Finally, in **Poland** financial assets at the end of December 2011 amounted to €1.7 billion, slightly down (-2.6%[4]) compared to December 31, 2010. Net ordinary assets in 2011 were slightly negative (-€48 million), due to outflows in assets under management. As for income, operating profit, equal to €7 million, was up by 27.6% y/y[4], driven by the healthy trend of revenues (+10.4% y/y[4]) both in terms of net interest (+19.2% y/y[4]) and net commissions (+2.6% y/y[4]).
The cost/income ratio was 62.7%, an improvement over the 67.7% in the same period of the previous year.

Outlook 2012

Despite a market environment that is far from being favorable, the Private Banking Division's goals for 2012, in line with those outlined in the Strategic Plan submitted last November, are for a significant business and income growth to be accompanied by an ongoing, strict containment of costs.

In terms of business growth, the goal is to achieve an increase in assets under management and under administration, above all by exploiting the development of high-potential, cross-divisional synergies.
The two main courses of action are:
- the definite relaunching of the *"Cross-Referral"* model with the CIB and Family & SME Divisions in order to develop the entrepreneur and top manager segment of the companies that are the Group's customers;
- full operation of the project launched during 2011, relating to the provision of private services to top customers of the Group banks in Eastern Europe through the high-expertise center set up in our Schoellerbank subsidiary in Austria, a bank that can boast of a strongly recognized brand.

These actions are supported by the development of a specific service model designed for the more upscale private customers ("Ultra High Net Worth Individuals") by offering solutions that are highly personalized and custom-made to meet the customer's individual and family needs. The project will launch in 2012 in Germany and will of course make use of the expertise of the entire Division's centers of excellence ("multi-shoring approach").

With reference to the products development, the key initiatives are:
- "*Preferred partners*" model extension, promoting the cooperation with asset managers partners, best-in-class funds providers, and renovating guided investments service across countries;
- further enlargement of the offer of fee-based advisory services (MyGlobe concept), launching it in Austria and Germany and optimizing processes in Italy.

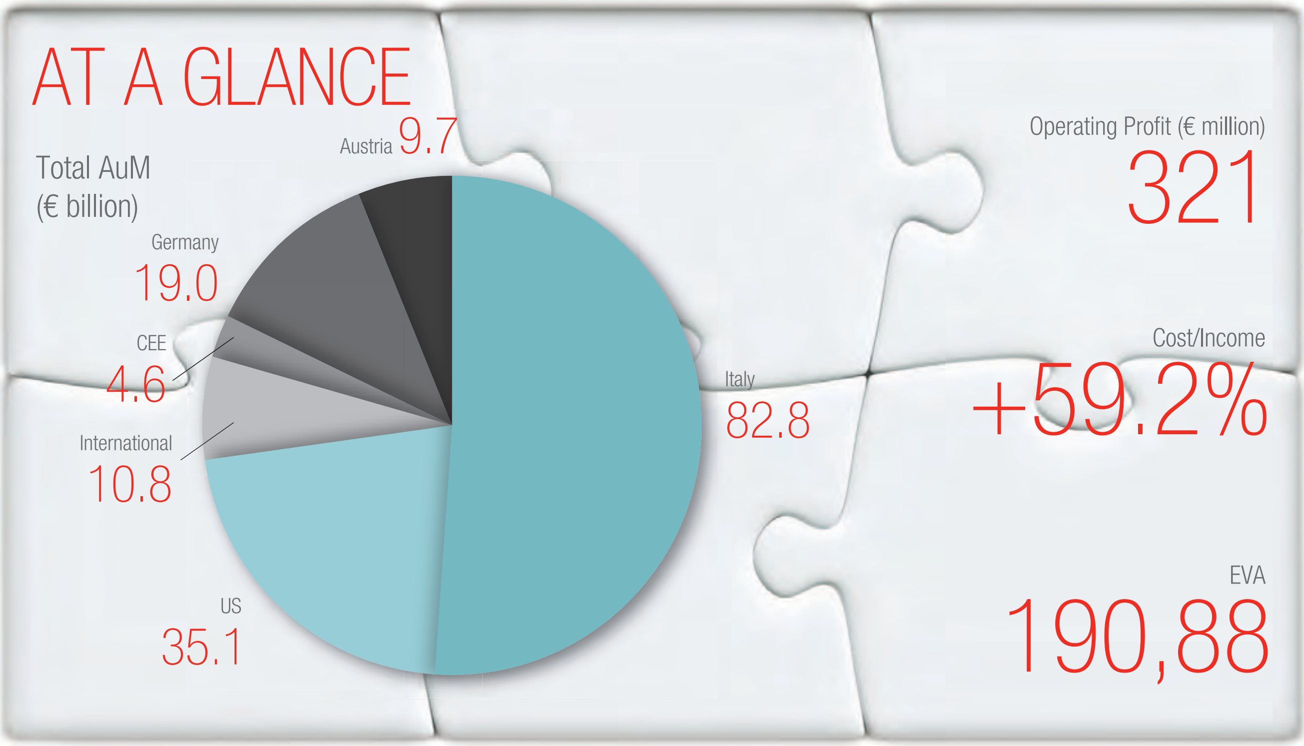
As for improving profitability and efficiency of asset management products, starting on January 1, 2012 all the front and back office operations relating to the private customers' segregated accounts that were previously carried out by Pioneer have been concentrated within the Private Banking Division.
Thus the Division has within itself the entire value chain of this key product for the specific customer segment: the investment and product development process, the establishment of the asset allocation strategy, the selection of financial instruments and the performance of related administrative duties.

Thanks also to contributions from the actions mentioned above, the Division expects a further growth of revenues and operating results.
Altogether Private Banking is confirmed as a core business of the Group, supporting its Top clients to grow their wealth by providing clear, independent advisory and financial services.

4.% expressed at constant exchange rates.

Result by Business Segment (Continued)

Asset Management



Introduction

Asset Management operates under the Pioneer Investments brand, the asset management company within the UniCredit group specializing in the management of customer investments worldwide.
The Business Line, a partner of many leading international financial institutions, offers investors a broad range of financial solutions, including mutual funds, assets under administration and portfolios for institutional investors.
Pioneer Investments started an organic growth strategic plan which will further enhance the quality of Pioneer Investments' product offering while maintaining focus on delivering an outstanding level of client service.
Furthermore, its relationship with UniCredit was reviewed through a distribution agreement that sets specific requirements in terms of performance and quality of service provided by Pioneer.

Financial Performance

In 2011 Asset Management reported operating profit of €321 million, down 7.4% over 2010.

Operating income stood at €787 million, down €47 million (-5.6%) compared to the previous year.

Such a decrease is primarily attributable to lower net commissions (-€58 million) as a result of negative net sales (-€17.5 billion) and unfavorable market conditions.
The above decrease in net commissions was partially offset by an extraordinary positive component represented by insurance reimbursements (totaling €12 million) for legal expenses related to the Madoff case and by lower amortizations (€5 million) relating to commissions credited to customers.
In 2011 operating costs fell compared to the previous year by €21 million (equal to 4.4%), of which €7 million due to lower payroll costs (mainly related to previous year bonus reversal and to lower costs for long term incentive plans), €11 million for lower administrative expenses (related to the reclassification of costs incurred for depositary bank services within net commissions, whereas a uniform accounting treatment was applied within the Business Line) and €4 million related to lower amortization resulting from deferment of some investments.

Compared to the data for the immediately preceding quarter, operating profit for the fourth quarter of 2011 was down €8 million. Such a decrease is essentially attributable to higher payroll costs in the fourth quarter (€6 million) due to higher variable costs.

Moreover, in the fourth quarter the shareholdings of Pioneer Investment Management Sgr in Torre Sgr and of Pioneer Institutional Asset Management Inc. in OAK Ridge were written down (€3.6 and €3.9 million, respectively), and a provision of €10 million was made for costs related to restructuring plans.

Because of the above factors, in the fourth quarter profit before tax totaled €45 million, down €22 million (-32.7%) compared to the third quarter 2011.

The Business Line's results are reflected in the following value indicators: EVA was €191 million in 2011 compared to €218 million the previous year (-12.3%); the cost/income ratio stood at 59.2% in 2011, having worsened relative to 2010 because of falling revenues, although cost containment initiatives were implemented in the current year.

At the end of December 2011, Asset Management had 1,975 employees, an increase of 98 "Full Time Equivalent" (FTE) units compared to the end of December 2010, almost entirely due to reorganization plans implemented in the current year aimed at converting not-employed or temporary staff steadily employed in business management into permanent employees.

Income Statement

(€ million)

	YEAR		CHANGE	2011		CHANGE	2010
ASSET MANAGEMENT	2011	2010	%	Q4	Q3	% ON Q3 2011	Q4
Operating income	787	834	- 5.6%	184	183	+ 0.2%	220
Operating costs	(466)	(487)	- 4.4%	(119)	(112)	+ 6.8%	(132)
Operating profit	321	347	- 7.4%	64	72	- 9.9%	89
Profit before tax	297	330	- 10.1%	45	67	- 32.7%	82

Key Ratios and Indicators

	YEAR		CHANGE	
ASSET MANAGEMENT	2011	2010	AMOUNT	%
EVA (€ million)	191	218	- 27	- 12.3%
Absorbed Capital (€ million)	305	290	15	+ 5.1%
RARORAC	62.52%	74.92%	n.s.	
ROA, bp (*)	43bp	44bp	- 1bp	
Cost/Income	59.2%	58.4%	79bp	
Operating costs/Total Financial Assets, bp (**)	26bp	25bp	1bp	

(*) Operating income on Total Financial Assets (average) net of extraordinary assets.
(**) Total cost on total Financial Assets (average) net of extraordinary assets.

Staff Numbers

	AS AT			CHANGE ON DEC '10	
ASSET MANAGEMENT	12.31.2011	09.30.2011	12.31.2010	AMOUNT	%
Full Time Equivalent	1,975	1,959	1,877	98	+ 5.2%

Result by Business Segment (Continued)

Asset Management (Continued)

Breakdown by business, geographic area and company

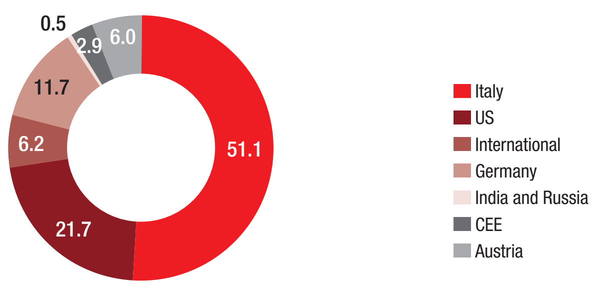
Assets under management as of December 31, 2011 totaled €162 billion, down 13.18% since the beginning of the year due to negative net sales of €17.5 billion (-9.36%) and negative market performance (-4.35%), slightly offset by positive exchange rate effect (+0.53%).

Total Financial Assets

(€ billion)

	AMOUNT AS AT		CHANGE ON SEP '11		AMOUNT AS AT	CHANGE ON DEC '10	
ASSET MANAGEMENT	12.31.2011	09.30.2011	AMOUNT	%	12.31.2010	AMOUNT	%
Total Financial Assets	**167.9**	**171.3**	**- 3.3**	**- 2.0%**	**193.0**	**- 25.0**	**- 13.0%**
Asset under management	**162.1**	**164.9**	**- 2.9**	**- 1.7%**	**186.7**	**- 24.6**	**- 13.2%**
- Italy	82.8	86.9	- 4.0	- 4.6%	97.1	- 14.3	- 14.7%
- US	35.1	32.2	2.9	+ 9.0%	36.7	- 1.6	- 4.3%
- International	10.1	9.7	0.3	+ 3.4%	11.0	- 0.9	- 7.9%
- India and Russia	0.7	0.5	0.2	+ 46.9%	0.5	0.3	+ 54.3%
- Germany	19.0	20.6	- 1.6	- 7.9%	23.5	- 4.5	- 19.2%
- CEE	4.6	5.0	- 0.4	- 7.6%	6.8	- 2.1	- 31.7%
- Austria	9.7	10.0	- 0.3	- 3.0%	11.2	- 1.5	- 13.5%
Asset under administration	**5.9**	**6.3**	**- 0.5**	**- 7.3%**	**6.3**	**- 0.4**	**- 6.4%**

AuM by Distribution Area (%)



USA

The business unit ended the year with net outflows of €933 million and assets equal to €35.1 billion ($45.4 billion), a drop of 4.25% since the beginning of the year, primarily the result of market effects (-4.41%).
Net of Vanderbilt, net sales were negative by €551 million, while period-end assets came to €31.5 billion ($40.8 billion), down 2.78% compared to the previous year.

Italy

The business unit's assets totaled €82.8 billion, a decrease of 14.69% since the beginning of the year, as a result of a negative market effect of €4.2 billion (-4.33%) and net outflows equal to -€10.1 billion (-10.36%).
Net sales were negative, mainly in the Retail distribution channel (-€6.7 billion).

Germany

At €19 billion, assets were down 19.22% since the beginning of the year, mainly due to negative net sales (-16.63%, primarily in the Institutional distribution channel) in addition to the negative market effect (-2.59%).
Besides the assets under management mentioned above, the business unit includes assets under administration totaling €63 million.

International

During 2011 the business unit posted negative net sales of €0.6 billion. Assets, at €10.1 billion, were thus 7.91% lower compared to the beginning of the year, also attributable to the negative market effect (-2.74%).

CEE

The business unit ended the year with negative net sales of -€1 billion mostly concentrated in Hungary (-€418 million) and Poland (-€498 million).
Assets under management, equal to €4.6 billion, were down 31.75% since the beginning of the year.

Austria

At the end of December 2011 assets amounted to €9.7 billion showing a decrease since the beginning of the year due to negative net sales (-€1.1 billion) and also to the negative market impact (-3.99%).

In addition to the assets under management mentioned above, the business unit includes assets under administration totaling €5.8 billion.

India

At the end of December 2011 assets amounted to €686 million recording a 63.12% increase since the beginning of the year primarily thanks to the positive market effect.

Russia

Assets at the end of 2011 amounted to €50 million representing a decrease since the beginning of the year, mainly due to the market effect (-11.7%).

Alternative Investments

Total assets in Hedge Funds, equal to €1.4 billion, were down 36.21% since the beginning of the year.
The Alternative Investments business unit reported in fact negative net sales (-€489 million) and also negative market effect (-€308 million).
The flows and AuM data are already included in the other business units's figures.

Outlook 2012

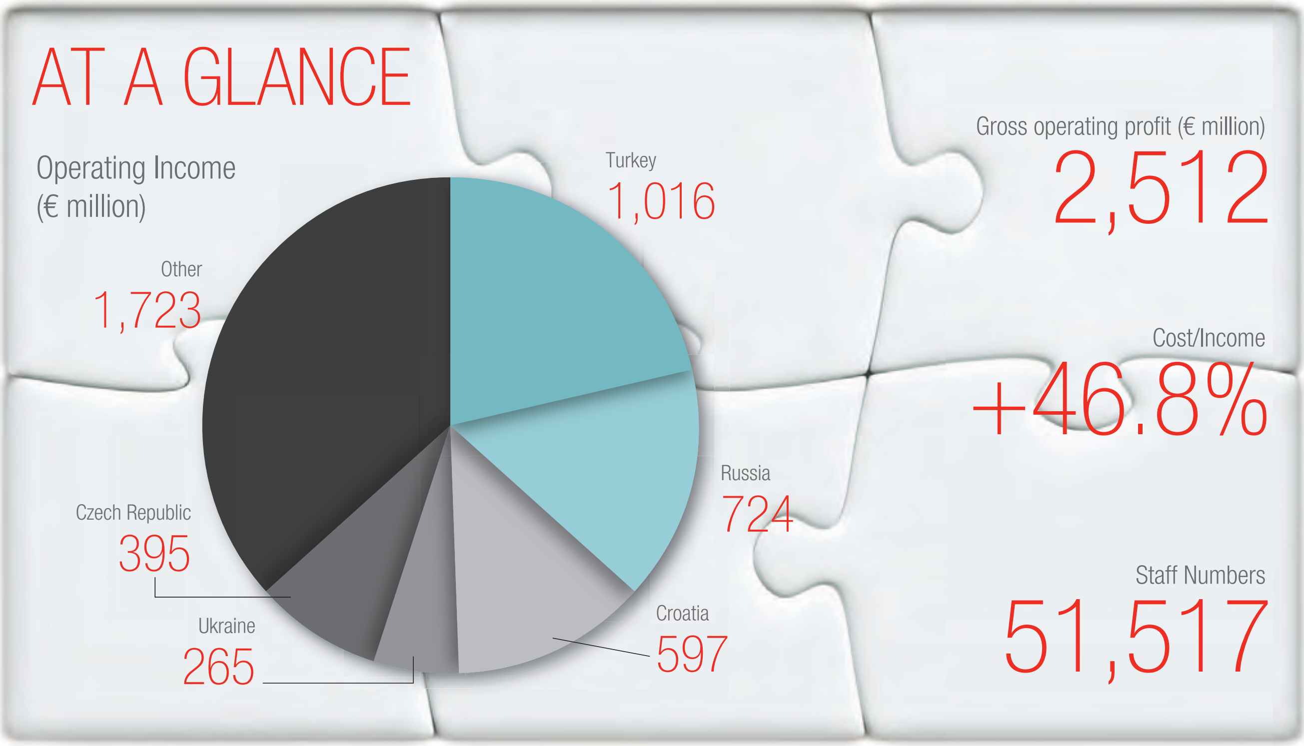
In 2012 attention will be focused on the organic growth plan designed to further enhance the quality of Pioneer Investments' product offering while maintaining focus on delivering an outstanding level of client service.

Consequently, some key initiatives will be developed with an impact also on business in future years:

- establishing a geographical presence in areas with interesting business opportunities (Korea, Taiwan, Mexico);
- restructuring investment centers and establishing a new hub in London specializing on Emerging Markets;
- increasing the range of US mutual funds in order to widen the product offering in the region;
- boosting the non-captive business through an increase in Third Parties and Institutional distribution channels;
- streamlining the Operations and ICT functions, with a view to reducing operational complexities and achieving greater efficiencies.

Result by Business Segment (Continued)

Central Eastern Europe (CEE)



Introduction

The CEE region closed 2011 on a good note, with gains in industrial production continuing to materialise (and even accelerate in some of the countries). Consumer demand in the region remains more linked to real wage growth and availability of credit, which explains some lack of dynamics here and greater divergence among the economies.
The pace of economic growth however slowed down in 4Q 2011, something that will likely show up in lower GDP gains for the quarter, but all countries in the region should have posted gains in real terms in 2011. The issue of confidence remains high on the agenda, with countries less exposed to the European sovereign problems showing more resilience (CIS and core CE economies), while those with more exposure having greater headwinds (SEE).

In terms of lending activity, recovery remained rather uneven among countries and segments. Corporate lending had a good year in 2011, while growth in retails loans remained weaker. Mortgage lending continues to remain promising in the region, and was already growing twice as fast as consumer lending last year. In terms of country dynamics, stronger lending dynamics were observed in Turkey, Russia, Kazakhstan and Ukraine and Slovakia, while somewhat lacklustre dynamics was in the Baltics, Hungary and Slovenia.

UniCredit's CEE banks, leveraging on their strong presence and market share in 18 countries of the CEE region (excluding Poland which is included in the figures of the other business areas) again showed a strong operative performance.

Financial Performance

With a net profit of €1.227 million in 2011, the CEE Division again contributed significantly to the Group's **net profit (loss)**. This result represents an increase of 35% over 2010 which, net of the change in the value of the reporting currencies of the CEE banks, even increases to 43%. It was supported by a good performance of loan loss provisions, a growing development of revenues and was achieved despite significant provisions for Greek bonds and the forced conversion of foreign-currency denominated mortgage loans in Hungary.

Revenues continued their stable, positive development, increasing by 5% at constant rates over the previous year to €4.719 million (+0.5% at current rates). **Net interest** reached €3,219 million in 2011, representing a 2.2% increase over the preceding year at constant rates, but was slightly reduced at current rates. A healthy growth in most of the countries, supported by the increase of the lending and deposit volumes and the strengthening of margins was partially off-set in other countries by increased reserve requirements, other regulatory measures and the effects of a lower interest rate environment. **Net fee & commission income** improved by close to 7% y/y at constant exchange rates, to €1,211 million (+0.9% at current rates). The **trading result** of €199 million improved by 42% over the previous year (+38% at current rates), being largely influenced by the mark-to-market valuation of funding derivatives and FX-trading positions.

Operating costs grew by 7% (at constant rates) to €2,206 million despite the opening of 163 new branch offices in 2011.

The cost-income ratio thus remained at a healthy level of 46.8% slightly higher than 2010.

Compared to the previous year, the **net write-downs on loans** decreased by 24% at constant rates in 2011 to €1,055 million (-26% at current rates). The reduction of the cost of risk ratio (in percent of the average loan volume) was characterized by a similar evolution of the net write-downs on loans to 1.57% versus 2.26% in 2010. This was supported by a very good collections result, reflecting both the Group's concerted strengthening of its active portfolio management and the onset of a more benign development in many economies.

Income Statement

(€ million)

	YEAR		CHANGE %		2011		CHANGE % ON Q3 2011		2010
CENTRAL EASTERN EUROPE	2011	2010	ACTUAL	NORMALIZED [1]	Q4	Q3	ACTUAL	NORMALIZED [1]	Q4
Operating income	4,719	4,694	+ 0.5%	+ 4.9%	1,190	1,197	- 0.6%	+ 0.7%	1,224
Operating costs	(2,206)	(2,141)	+ 3.1%	+ 7.4%	(571)	(544)	+ 5.0%	+ 6.0%	(564)
Operating profit	2,512	2,553	- 1.6%	+ 2.8%	619	654	- 5.3%	- 3.8%	660
Net write-downs on loans	(1,055)	(1,426)	- 26.0%	- 23.9%	(296)	(238)	+ 24.3%	+ 23.7%	(449)
Profit before tax	1,447	1,133	+ 27.7%	+ 35.6%	325	369	- 12.2%	- 9.3%	211
Profit (Loss) for the period	1,227	909	+ 34.9%	+ 42.6%	263	307	- 14.5%	- 12.0%	174

1. At constant exchange rates.

Balance Sheet

(€ million)

	AMOUNTS AS AT			CHANGE ON DEC '10	
CENTRAL EASTERN EUROPE	12.31.2011	09.30.2011	12.31.2010	AMOUNT	%
Total Loans	85,339	83,518	77,964	7,375	+ 9.5%
o/w with customers	*70,352*	*67,632*	*66,308*	*4,044*	*+ 6.1%*
Customer deposits (incl. Securities in issue)	61,010	59,599	56,902	4,108	+ 7.2%
Total RWA	84,246	82,034	79,178	5,068	+ 6.4%
RWA for Credit Risk	72,928	73,134	68,957	3,972	+ 5.8%

Key Ratios and Indicators

	YEAR		CHANGE	
CENTRAL EASTERN EUROPE	2011	2010	AMOUNT	%
EVA (€ million)	246	33	213	n.s.
Absorbed Capital (€ million)	6,702	7,033	- 331	- 4.7%
RARORAC	3.66%	0.46%	320bp	
Operating Income/RWA (avg)	5.80%	6.26%	- 47bp	
Cost/Income	46.8%	45.6%	115bp	
Cost of Risk	1.57%	2.26%	- 69bp	
Tax rate	15.2%	19.8%	- 454bp	

Staff Numbers

	AS AT			CHANGE ON DEC '10	
CENTRAL EASTERN EUROPE	12.31.2011	09.30.2011	12.31.2010	AMOUNT	%
Full Time Equivalent (KFS group 100%)	51,517	51,466	51,608	- 91	- 0.2%
Full Time Equivalent (KFS Group proportional)	41,418	41,473	41,803	- 384	- 0.9%

Result by Business Segment (Continued)

Central Eastern Europe (CEE) (Continued)

Breakdown by business, geographic area and company

Turkey

In 2011, Turkey positively differentiated by maintaining solid macroeconomic fundamentals. Domestic demand continued to be strong leading to 8%[1] GDP growth in 2011, one of the highest in the world. On the inflation front, following historically low single-digit levels in the first half of the year, inflation increased in the last few months and reached 10.4% as of the end of 2011, impacted by currency depreciation as well as increased prices and taxes on certain consumption goods. Throughout 2011, the Central Bank of Turkey adopted an unconventional monetary policy with significant differentiation among quarters to manage current account deficit, inflation, currency depreciation and growth. As of the end of 2011, the policy rate was maintained at its low level of 5.75%.

Koç Financial Services (KFS), the financial holding company controlling 81.8% of Yapı Kredi, achieved healthy growth and sustained profitability in 2011 through proactive management of the changing and complex operating environment. In 2011, KFS recorded 1,960 million Turkish lira consolidated net profit (after minority interests) (8% y/y) confirming continuous customer business focus, healthy core revenue growth, disciplined cost control and positive asset quality. Return on Equity was at 21%, a leading level among private banks in Turkey.

Revenues were recorded at 5,802 million Turkish lira (5% y/y) driven by sustained net interest income, solid fee performance (11% y/y) and positive trading results. Continuation of tight cost management and efficiency initiatives resulted in a cost/income ratio of 45%.

In terms of lending, the Group recorded 27% loan growth driven by a strong emphasis on high margin local currency retail loans including general purpose (62% y/y) and SME loans (50% y/y). Yapı Kredi increased its support to the economy through project finance lending, especially in the energy sector, reaching a total volume of $5.8 billion in 2011 (vs $3.6 billion in 2010). In credit cards, Yapı Kredi continued its leadership with an 18.3%[2] market share in outstanding volume and a 13.6% market share in number of credit cardholders. As of the end of December 2011, the Bank had a market share of 10.3% in total loans and ranks fifth in the sector.

In terms of asset gathering, the Group recorded above-sector deposit growth of 20%. The Bank improved its deposit mix through increasing its share of retail deposits and lengthening maturity. As of the end of 2011, the Group increased its market share in total deposits up to 9.2% and ranks sixth in the sector. Diversification of funding sources remained a key focus area in 2011. In terms of international funding, the Bank successfully renewed its syndications totalling $2.7 billion with improved pricing and obtained a new long-term securitisation of $510 million. In terms of domestic funding, the Bank issued a total of 1.2 billion Turkish lira bonds.

The Group maintained a positive asset quality trend driven by decelerating inflows of Non-Performing Loans (NPL), solid collections, credit infrastructure improvements and dynamic portfolio management including NPL sale of a 290 million Turkish lira credit card and individual portfolio. As a result, Yapı Kredi's NPL ratio declined to 3.0% (vs 3.4% at YE10).

As of the end of 2011, Yapı Kredi had the fifth-largest branch network in Turkey with 907 branches (+39 net new branches vs 868 at YE10) and a 9.2% market share. In addition, Yapı Kredi has strong non-branch channels including the fifth-largest ATM network (2,697 ATMs), award-winning internet banking customised for retail and corporate clients and 2 call centers. In mobile banking, an area which is becoming an integral part of the service network, Yapı Kredi launched new initiatives in 2011 and became a leading player in this sector with a 15.3% market share. As of the end of 2011, 78% of total banking transactions were realised through non-branch channels.

In 2011, Yapı Kredi received many awards including "Bank of the Year in Turkey" (The Banker) and "Turkey's Best Bank" (World Finance).

Russia

The Russian economy showed a positive economic development during 2011. GDP increased by 4.3% y/y and inflation decelerated to 6.1% y/y. All this led to a growth of the banking sector, especially in H2 of the year. The volume of total assets grew by 8.3% in Q4 2011 (vs. 0.6% in Q1 2011, 3.6% in Q2 2011 and 9.1% in Q3 2011). Hence, total assets increased in 2011 by 23% y/y, with lending growth to individuals at 36% y/y, while volume of corporate loans increased by 26% y/y.

The banking sector's profit before tax reached 848 billion Russian rubles, exceeding 2010 by 48%.

ZAO UniCredit Bank (UCBR) showed a significant y/y increase in total assets of more than 34% and registered the highest net profit in its history, reaching RUR 15.8 billion Russian rubles. Therefore,

1. Yapı Kredi Economic Research estimate
2. All market shares are sourced from Turkish financial authorities.

the bank improved its positioning within the top 10-banks ranked by profit before tax according to local accounting standards (from 8th position as per end of 2010 to the 5th position as per end of 2011). The Bank presented a continuous revenue increase during the year, finally reaching a total amount of 29.5 billion Russian rubles for the full year.
With 21.8 billion Russian rubles, net interest income remained the main source of bank's revenues - being driven by a high increase of business volumes: more than 20% y/y growth in loans and about 40% y/y increase in deposits contributed to a significant improvement in the loan-to-deposit ratio down to 102% at per year-end. Operating expenses amounted to 10.4 billion Russian rubles and continued to be under strict monitoring, leading to a very efficient cost-income ratio of 35%. This excellent 2011 result, impacted also by a one-off effect from the restructuring of investments in CJSC "MICEX" (Moscow Interbank Currency Exchange), generated a strong return on equity of about 20%.

In 2011, the CIB division maintained its position as the leading business line in UCBR in terms of revenue generation and net profit contribution. Customer satisfaction could be even further improved versus 2010. CIB managed to reach a well balanced development underlined by sustained loan growth and improvement in the loan-to-deposit ratio. In order to strengthen the historical leadership in cash management services the bank developed several high tech solution for international clients looking to meet highest standards of European and Global markets and two new liquidity management products allowing greater flexibility to customers. Furthermore, the CIB division intensified the promotion of investment banking services, enlarged the product ranged and arranged and participated in a significant number of landmark deals.

The Retail business division as well demonstrated considerable growth of sales figures, supported by a co-branded credit card with S7 Airlines, a special program with Mitsubishi Motor Finance and the launch of regular cross-selling activities.
As a consequence, the total retail loan portfolio rose by 32% y/y, while deposits volumes also signifiantly increased by almost 28% y/y.

Also the Private Banking business reports a very good performance and was able to increase its customer base by 8%. In 2011, Private Banking launched the "Strategy of Capital Diversification" initiative that allows clients to invest in various currencies and to access the international investment arena. Furthermore, new insurance and card products were implemented.

Croatia

Zagrebačka banka group (Group) achieved a solid consolidated net profit of more than 1.1 billion Croatian kuna, outperforming 2010 by about 90 million Croatian kuna (+8.8%). Such performance was driven by lending to corporate and public sector, higher operating efficiency and moderately decreased provisions. Total revenues reached more than 4.4 billion Croatian kuna -exceeding 2010 by 135 million Croatian kuna (+3.1%)- as a result of solid net interest income growth (+8.1%) while non-interest income declined by 6.6% as a consequence of challenging market conditions. Efficiency steadily improved, resulting in a C/I ratio of 45,7%, a notable improvement compared to 47,1% reported in 2010. Despite the unfavourable economic environment, the Group reaffirmed its leading position in retail, private, small business and CIB area with leading market share in all segments.
The Bank is pursuing innovative solutions to intensify lending and provide high quality service to its clients:
- commercial activities aimed to support real estate market and housing lending have been well accepted by the customers: special offers referred to as "Green Loans" grew by 348% in 2011; furthermore, the Group took a 51% participation in subsidized housing loans program initiated by the State;
- "Craftsmen&Partner" program was launched in May in cooperation with Croatian Chamber of Trades and Crafts and partners to support growth in SME. Since summer, when program was activated, sale of giro accounts and account packages recorded strong growth of 43% and 63%, respectively;
- loyalty program "Multiplus", launched in cooperation with the largest local retailer and telecom company recorded remarkable growth - more than 215,000 individual customers joined, contributing significantly to the increase of credit card usage.
- "Duo Protekt", a term deposit with accident insurance launched in Q4, has excellent acceptance by customers;
- number of direct channel customers has recorded strong growth and sale through internet banking almost doubled; moreover, the bank launched the new "m-zaba mobile banking" application for Android users, first in the market.

Total loans to individuals and small businesses stand at the level of 34 billion Croatian kuna at YE2011, while deposits amount to 42,7 billion Croatian kuna. Market share in Individual's loans and deposits remains stable at 25%. Small business confirmed its leading market position with 24% market share in the number of customers.

Result by Business Segment (Continued)

Central Eastern Europe (CEE) (Continued)

Total loans to corporate clients grew from 35 billion Croatian kuna at YE2010 to 41 billion Croatian kuna by YE2011. The market share in corporate loans remains stable at 26%, pointing to the strong market position despite fierce competition. Corporate client deposits amount to 14,8 billion Croatian kuna, while the market share increased to 25.5% at YE2011 from 24.7% at the end of the previous year.

In 2011, Zagrebačka banka received the EMEA Finance Award as Best Investment Bank in Croatia. In Capital Markets segment the Bank acted as Joint Lead Manager in Government of Croatia Eurobond issue in the amount of €750 million, domestic Government of Croatia bond issue in the amount of €600 million and Agrokor Eurobond tap issue in the amount of €150 million. The Bank also acted as a Joint Lead Manager and underwriter of the Government of Croatia bond issue in amount of 1.5 billion Croatian kuna.

Corporate Finance was mandated for virtually all significant Corporate Finance Advisory transactions in Croatia, Bosnia and Herzegovina, Montenegro, Kosovo, Albania and Macedonia. Structured Finance arranged a number of deals in 2011 out of which the debt restructuring for Droga-Kolinska, a Slovenian food producer, is of particular importance.

Markets successfully concluded an outstanding benchmark transaction with Croatian Ministry of Finance, closing the 9-Year Cross Currency EUR/USD Swap of $500 million, the first of such kind executed by a domestic bank. Brokerage, rewarded by EMEA Finance as “Best Broker in Croatia” for 2011, kept its strong market position on the Zagreb Stock Exchange with an 11% market share in total turnover.

Other countries

Despite an overall slowdown in the economic activity in the Czech Republic with a historic low interest rate environment, UniCredit Bank **Czech Republic** reports in Q4 higher revenues by 5.8% compared to Q3 with similar dynamics on a y/y basis. The bank leverages both on the enlarged proprietary Retail branch network as well as the newly established Franchising outlets which both show already good revenue contributions. Q4 revenues were also positively influenced from trading activities with the trading result being up by more than 100% on a quarterly basis. The bank completed in Q4 its head office relocation with overall positive result contribution from the sales of the old main building, however had to further impair the Greek bond portfolio given the market price developments. The full year net profit is down 62% y/y, though, excluding the Greek bond impairment, up by almost 12%. Positive development is noticed in the volumes with customer loans net are up by 5.6% y/y whereas customer deposits grew by 2.5% in the same period.

Relatively strong growth of **Slovak** economy created a favourable environment for growth of the banking sector, mainly in the first three quarters of 2011 with some slow-down transpired only towards the end of the year. The Total Assets of the banking sector grew up by 2% y/y, driven mainly by both gross customers’ loans and deposits. Increasing volume of assets fuelled profitability of the banking sector. Net profit after tax recorded double digit growth, being driven by net revenues growth (by 9% y/y) and limited growth of costs (ca. 1% y/y).
UniCredit Bank **Slovakia** achieved a strong y/y growth dynamics of net profit throughout 2011, almost tripling its result. The notable profit performance comes from upwarding revenues (+11% y/y) boosted by the net interest income contribution of all customer business lines. The bank managed to keep operating expenses at the level of 2010, improving efficiency (C/I ratio down to 60% from 66% in 2010) despite negative effects of significant inflation environment. The improved quality of the credit portfolio reflected in a significant contraction of loan loss provisions (-47% y/y) underpinning outstanding bank result.

UniCredit Bank **Hungary** was successful in handling the challenging regulatory (ERP - early repayment program of FX mortgages) and economic (weak domestic demand) environment thus confirming its high profitability. Total interest revenues increased by 6.3% y/y, whilst fee income rose by 5.3% y/y. Other operating result is negatively affected by the actual loss from the ERP, which amounts to 7.16 billion Hungarian forint in 2011. This loss is however partly counterbalanced by a 30% reduction from the special bank tax on the cost side, thus operating expenses decreased by 3.5% y/y. As a result C/I ratio remained below 50%. Provisioning significantly strengthened in H2 2011 due to the booking of the expected remaining loss from the ERP, however excluding this effect, LLP on regular business showed a drop by more than 14% y/y. YTD net profit in 2011 reached 14.5 billion Hungarian forint, whilst excluding the effect of ERP, the increase of profit after tax exceeded 30% y/y. Lending activity was strongly shaped by FX movements and the ERP in the last quarter: Despite the net repayments in December, net customer loans rose by 4.9% y/y mainly driven by the depreciation of the Hungarian forint. Deposits also showed an upward trend by 8.4% y/y supported by retail campaigns. Net L/D ratio on the whole dropped to 108.5% in 2011.

The Slovenian economy is adversely impacted by the deteriorating external environment, which in addition resulted in early elections at the end of the year. Despite the difficult market conditions, UniCredit Bank **Slovenia** could maintain its revenues in Q4 2011 at about the same level as in Q3 2011 (€21 million). On a y/y comparison, this allowed the bank to outperform last year's revenues by almost 12%. The main driver of such development was the strong growth in net interest income, which y/y increased by more than 12%. Operating expenses increased by 9% q/q mainly as a result of new employments due to branch openings and are partly also driven by the accruals for the new bank levy, which was introduced in Slovenia in August 2011 and which amounts to €0.8 million. The Bank's Gross Operating Profit in 2011 reached a level of more than €40 million (+16% compared to 2010). Such better operating performance was partly compensated by higher risk and impairment costs, still allowing however to show a profit before taxes at about the level of last year (€15.3 million versus €15.6 million in 2010). Among others, business focus in Q4 was put on marketing activities to attract new client deposits. Moreover, the Bank has successfully implemented a POS acquiring framework providing increased cross selling opportunities. The Retail business continued its expansion of the branch network by opening 8 (+40%) additional branches since the beginning of 2011. As an employer, the Bank received a prominent award indicating the bank's position as one of the best socially responsible employer in the category of large companies.

In **Bosnia and Herzegovina (B&H),** the economic environment showed more severe signs of deterioration during the final quarter of 2011, mainly caused by a stronger development of external constraints (such as reduced external demand leading to deceleration of export activities) accompanied with internal structural weaknesses. The Group continued to operate by two banks (UniCredit d.d. Mostar and UniCredit a.d. Banja Luka) with the widest bank network of 134 branches, 278 ATMs and 5,858 POS devices, servicing more than 1.2 million customers all around the country. In spite of the numerous economic challenges, UniCredit Group B&H successfully maintained its leading position in total assets and deposits. With a net profit of close to 60 million BAM in 2011 (+75.6% y/y), the Group is also the country's most profitable banking institution. Such financial performance is the result of a strong growth in revenues (+11.2% y/y) as compared to an essentially only slight increase in total costs (+1.7% y/y), especially when taking into account the inflationary pressure of close to 4%. Furthermore, the y/y reduction in loan loss provisions by about 17.8% contributed significantly to the overall profitability of the Group in B&H. Total loans increased by more than 8.7% y/y. As per end of the year, the loan-to-deposit ratio stood at 96.2%. For UniCredit Group in B&H, the year 2011 was marked by a series of successful commercial campaigns on loans and deposits, an additional step in improving mobile banking and internet banking services, the implementation of new products in the card business domain, the introduction of the first cash/check deposit ATM in B&H, several promotions of projects on environmental protection and climate change as well as other cooperation projects with the community in which the two banks operate. All this led again to an exceptional customer satisfaction index score for 2011, with results being better than last year and being better than market.

Serbia's GDP increased moderately in Q4 2011 (estimated at +0.8% compared to Q4 2010 and +0.3% relative to Q3 2011) and is expected to slow down in 2012 to around 0.5%, mainly due to the impact of the adverse international environment. After peaking at 14.7% in April 2011 inflation has been falling since then and settled at 7% in December 2011 (versus a target range of 3% to 6%). It is expected that inflation will return into the target corridor already in Q1 2012. The National Bank of Serbia has reduced the reference rate over the last nine months by 3% pp to the current level of 9.5%. Future movements of the reference rate will depend on inflation development, international economic environment and fiscal prudency at home. In such business environment, UniCredit Bank Serbia outperformed last year's net result by more than 30%. Strong revenue growth accompanied with improved revenue quality and supported by more efficient cost management resulted in a clear confirmation of the leading market position in terms of both profitability and efficiency. Gross operating profit growth of 48% relative to 2010 and an even further improved cost to income ratio of 33% (down from last year's 40%) allowed to compensate higher risk costs and brings the bank's net profit after tax to the level of more than 4.5 billion Serbian dinars. Total balance sheet assets amounted to almost 200 billion Serbian dinars, reflecting a growth of 19% relative to the end of last year. Such growth was primarily driven by an enlarged client loan portfolio. The client deposit base increased by 12% y/y, implying a rather stable commercial loan-deposit ratio, which in turn was further supported by additional supranational financings and a capital increase of 5.75 billion Serbian dinars. During Q4 2011, the Bank opened two new branches (totaling 5 new branches in year 2011) and further enlarged its client base. As of now, the bank provides products and services to around 188,000 clients via its network of 75 branches.

Result by Business Segment (Continued)

Central Eastern Europe (CEE) (Continued)

The **Romanian** economy grew by estimated 2.6% in 2011, domestic demand contributing to a pickup in growth in H2 2011 following bumper crops (+13% y/y for agriculture) and rebounding construction works (2.4% y/y). Unemployment fell to 7% (seasonally adjusted data) and wages grew 7.3% y/y at the end of December, boosting demand. Industrial production slowed down because of weakening EU economies but contributed 1.5 pp to annual growth. Budget deficit ended at 4.35%, below Government target.

In 2011 UniCredit Tiriac Bank (UCT) recorded a relatively good performance in the market context. The bank reports a gross operating profit of 619 mn of Romanian leu, being one of the most profitable banks in Romanian market.

Balance sheet total of UCT increased by 10% y/y to 22.9 billion Romanian leu. Total gross loans grew by 16% compared to year end 2010, almost 3 times faster than the system, to 15.8 billion Romanian leu. A significant boost in year-to-year gross loans was registered in Corporate (20%) and Retail (13%), while Private banking dropped (-7%). Customer deposits grew faster than the market, targeting mainly the stable part of the portfolio - SMEs, private individuals and medium size companies. Deposits increased y/y by 2% in Corporate, 12% in Retail and decreased by 6% in Private Banking, leading to a 5% growth at total bank level. Compared to the previous quarter deposits registered a 16% increase in Q4 2011. In term of commercial strategy main emphasis was laid on mortgage backed lending, corporate lending, large based deposits, small business model and risk free transactional business.
Revenues dropped 8% y/y mainly due to statutory regulation impact and commercial spread compression. In 2011 the bank continued its strict cost control achieving a Cost-to-Income ratio slightly below 50%. Cost of risk dropped by more than 100 bp y/y as a percentage of total net average loans. Staff dropped slightly to 2,983 employees whereas in 2011 UCT enlarged its distribution network by 10 branches.

The **Bulgarian** economy performed fairly well in 2011, considering the proximity to the Eurozone most problematic member states and the intensification of the European debt crisis in the second half of the year. GDP growth reached 2.0%, up from 0.2% in 2010, although economic growth decelerated constantly throughout 2011 as the positive contribution of export as a key economic driver waned while domestic recovery progressed, but at a lower rate.

Given the challenging economic environment, UniCredit **Bulbank** maintained a vigorous financial profile, building on its leading market position, conservative risk profile and efficient business and operational model.
Total assets reached 11.9 billion Bulgarian leva, up by 5.7% y/y. Gross loans grew up by 5.4% y/y, to 8.6 billion Bulgarian leva, with a growth rate of 3.5% y/y in retail and 6.6% y/y in corporate, reflecting the UniCredit's commitment to support the real economy. The focused commercial efforts in deposit attraction resulted in a growth rate of 11% y/y, up to 7.3 billion Bulgarian leva in total customer deposits. Descriptive of its strong balance sheet, the bank improved its net loans-to-deposits ratio to 108%, thus being well-positioned for the post-recession business growth. Shareholders' equity was further strengthened, increasing by 14% y/y to 2.0 billion Bulgarian leva.
Total revenues reached 632 million Bulgarian leva, increased by 6.3% y/y, with the Net interest income growing by 3.9% y/y, due to increased loan portfolio volume and the Net fee and commission income growing by 7.5% y/y, originating from the focus on fee generating products. Operating costs reached 245 million Bulgarian leva, growing marginally by +1.2% y/y.
The continuing cost containment measures and process adjustments counterbalanced the costs for implementation of the strategic projects (CRM, multichannel approach, etc.). Trends in both revenues and costs positively impacted operative performance, with the gross operating income growing by 9.7% y/y to 388 million Bulgarian leva and the cost/income ratio down to 38.7%, improving by 1.9 pp y/y.
Given the still unfavourable economic environment, the NPL ratio pointed at 14% at year-end, however supported by the decelerating trend in portfolio deterioration and by the implementation of advanced risk measurement techniques with net loan loss provisions reaching 137 million Bulgarian leva, down by 27% y/y.
As a result of the above, the Net Profit grew significantly by 44% y/y, and reached 233 million Bulgarian leva, which represents more than 30% of the system's profit.

The bank's increased profitability and strong market positioning is supported and reinforced by implementation of numerous innovative products and projects, aiming at customer centricity, increase in customer satisfaction and efficiency in operations. In synergy with its well-developed and optimized branch network, the bank continued to invest in integrated multichannel offer. A major innovation in 2011 was the launch of the mobile banking service, which is unique for the Bulgarian market and quickly reaped success. Other accomplishments in the alternative channels were the enlarged services offered by the customer contact centre as well as introduction of second generation ATMs. Corporate service model was reinforced by the opening of two

new Corporate Service Centres, specialised for Corporate clients only, thus bringing up their number to eight.
In markets and investment banking, the bank kept its leading position in money market, capital market, brokerage and treasury sales.

Ukraine's real GDP grew by an estimated 5.0-5.2% y/y in 2011, outperforming many regional peers, while inflation decelerated to an eight-year low of 4.6% y-o-y. The low inflation was mostly a result of a record high harvest and further delay in gas tariff hikes. Ukraine's general government deficit contracted to 2.7% of GDP last year, from 5.7% in 2010. Challenging external environment, domestic concerns over hryvnia stability and tight liquidity conditions were main features describing the operational framework for the Ukrainian banking system in 2011.
The Banking System's full year net loss declined to 8 billion Ukrainian hryvnias also on the back of total assets that grew by 12% due to resumed lending mostly to corporate customers. Deposit inflow in late 2011 increased by 19% y/y thus improving the system's loan to deposit ratio by 12 pps down to 127%.
For Ukrsotsbank it was a year of hard team work and significant achievements.
Joining the UniCredit brand along with UEFA Euro-2012 sponsorship boosted vast promotion campaigns all over the country and increased the brand awareness and customer loyalty to UniCredit brand. Retail Division resumed mortgage and car lending granting a significantly higher number of new loans compared to 2010. The number of new loans to SME customers tripled y/y, with half of the new loans being dedicated to investments. The development of alternative sales channels led to an increase in the customer base of Internet and mobile banking users of 48% and non-branches transactions via ATM network grew by 21% and via POS terminals by 69% y/y.

Corporate Division in 2011 introduced a number of initiatives, developing personalized products for the clients. The largest deals out of a series of Ukrainian transactions, which UniCredit has successfully brought to the market, were highly evaluated by the world financial society. UniCredit refinanced a pre-export volume worth $1 billion that was awarded "The Best Deal of 2011" by Global Trade Review. Ukrsotsbank was also recognized by the Global Finance magazine as the best trade finance bank in Ukraine with the biggest volume of trade finance transactions, wide number of services and innovative approach to financing.
A dedicated agricultural unit was created with the specific purpose of serving agriculture companies and had its debut in 2011 as lead manager of an international Syndicated Commodity Facility in pre-export financing provided for a major Ukrainian agroholding. The deal became a key milestone in successful business strategy implementation. Ukrsotsbank maintained its position as the third largest private bank by total assets of 40 billion Ukrainian hryvnias. In terms of lending, business with Corporate clients increased 4% y/y and reached 16 billion Ukrainian hryvnias, while loans to Retail customers shrank 6% y/y due to the repayment of loans.

The Bank improved its loan to deposit ratio significantly by 38 percentage points down to 164%. The significant increase in total deposits from customers of 17% y/y was especially driven by Corporate clients which increased their deposit base with the Bank by 85%. In 2011 operating expenses could be contained at a level of 1,354 million Ukrainian hryvnias, allowing to achieve a low cost to income ratio of only 46%. Together with significantly lower loan loss provisions and a positive one-time tax effect, Ukrsotsbank generated 784 million Ukrainian hryvnias of net profit for the full year 2011.

Kazakhstan's real GDP growth is forecast at 6.8% in 2011, mainly thanks to favourable oil prices and despite of moderate slowdown in industrial growth in Q3 2011. Industries such as agriculture, construction and communication contributed the most to the overall growth. In November 2011, S&P raised the country rating of Kazakhstan to BBB+ stating positive effects of rising commodities exports on fiscal and current account balance surpluses. The gross loan portfolio of ATF bank has shown stable growth in Q4 2011 in all segments and gradual decrease of the impaired portion of the portfolio. The disbursement in Q4 2011 mainly came from sectors as wholesales trade, agriculture and transport industries. There was a seasonal outflow of big ticket deposits in 4Q 2011 by large corporates mainly related to annual tax and dividend payments. In turn, the retail segment has shown significant increase in the deposit base by almost 10% in Q4 2011. Overall the bank was able to increase y/y his customer deposits by ca. 9%. Net interest income grew by 13% vs. 3Q 2011 and 12% y/y thanks to increase in the loan books as well as continued optimization of funding base. Increase in F&C income in 4Q 2011 came mainly in Retail and Private segments thanks to enlarged client base and improved product offer. Compared to previous year, the bank shows an increase in the revenues by more than 50% and a decrease of cost of risk thanks to the improvement of the asset quality.

In Q4 2011, the 3 **Baltic countries (Estonia, Lithuania and Latvia)**, observed further continued signs of economic recovery in the Baltic states especially in Estonia where GDP growth is being one of the fastest in Europe mainly driven by vigorous exports.

Result by Business Segment (Continued)

Central Eastern Europe (CEE) (Continued)

At present Estonia was rated second highest by Standard & Poor (AA-) in Eastern Europe. Lithuania was on track to post a strong and sustainable recovery in 2011 with an impressive GDP growth in excess of 5%. Despite some slowdown in Q4 2011 main indicators for consumption continue to show strong gains. Latvia's GDP growth lags behind other Baltic states but is nonetheless strong and catching up. Inflation as everywhere in the Baltics remains elevated y/y on the back of energy and food prices.

In UniCredit Bank Net Interest Income remained also in Q4 2011 at a high level thus contributing strongly to the full year result; fee and commission income also contributed significantly to total revenues in Q4 2011 and also throughout 2011.
At the same time, the bank is continuing to pursue its tight cost discipline having positive impact for the C/I ratio. The bank's gross operating profit turned positively and improved significantly in 2011. UniCredit Bank is well capitalized maintaining a capital adequacy ratio close to 13%. External funding was taken up from institutions such as the European Investment Bank and the Nordic Investment Bank to diversify the funding sources.

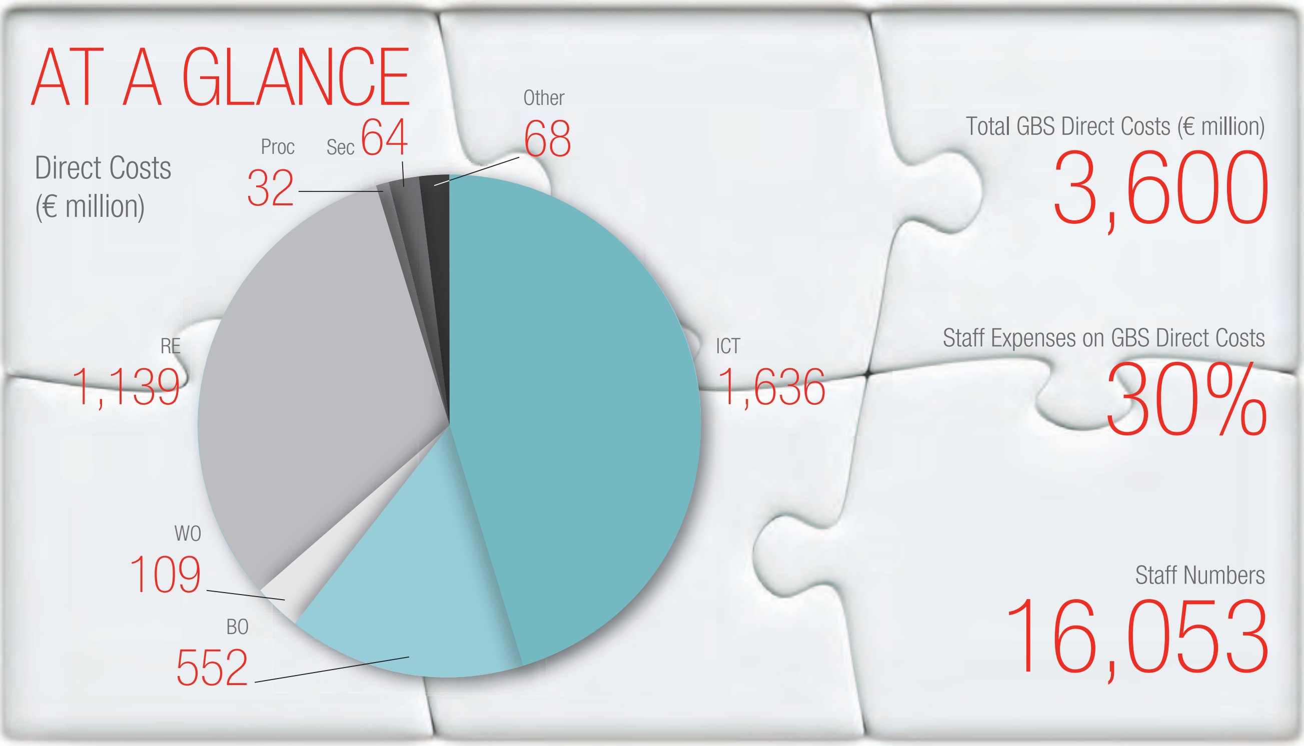
Outlook 2012

Over the medium to long term there is still potential for the CEE banking sector to generate above-EU average growth in banking volumes and profitability, as the financial penetration gap still exists and economic convergence prospects remain broadly intact, with a loans to GDP ratio still less than half of the comparable value in the Euro area. Market potential remains in place in particular for corporate loans and mortgage financing.

In this environment, UniCredit's focus is maintained on those countries where the group enjoys a strong market position and is well positioned in a risk / return matrix (i.e. Turkey, Russia and Czech Republic).

With a view on maximizing the value of UniCredit's CEE operations, the approach will furthermore be on a CEE cost optimization program with focus on operational, IT, Real Estate and purchasing efficiencies, on the development of new sales channels including internet and mobile banking and on CRM strenghtening as a backbone of customer relationship strategy and commercial efficiency. Branch openings will be streamlined, limited to highly attractive countries.

Global Banking Services (GBS)



Introduction

The Global Banking Services division, whose mission is to optimize costs and internal processes to deliver operating excellence and support sustainable growth for the Business Lines, comes within the scope of competence of the COO, whose main areas of responsibility are: ICT, Operations, Workout, Organization, Real Estate, Global Sourcing, Security, HR Management and Identity & Communications.

The division underwent a streamlining process in 2011, effective as of January 1, 2012, consolidating companies and entities dedicated to providing Information & Communication Technology (ICT), Operations, Real Estate, Security and Procurement services.

The aim of the streamlining process, called All4Quality, is to ensure a better quality of service provided with an end-to-end approach to various Businesses. The new global service provider, called UniCredit Business Integrated Solutions, organizes its work through operating units called Business Lines and Service Lines, and has a workforce of approximately 11,000 in 11 countries.

Financial performance

In 2011, GBS continued to operate in full accordance with its mission, providing solid support for each Service Line for their business needs while streamlining the costs of the Global Banking Services Division.

(€ million)

	2011	2010	DELTA ABS	DELTA %
Direct Costs	3,600.4	3,602.9	- 2.5	- 0.07%
	2010	**2009**	**DELTA ABS**	**DELTA %**
FTE number	16,053	16,134	- 81	- 0.50%

Direct costs were stable y/y, though 2011 was characterized by significant IT investments in support of the various business areas of the bank. On a like-for-like basis and at constant exchange rates, considering among other things the newly-consolidated companies, there was however a 1% decline in direct costs, which confirmed for 2011 as well the downward trend experienced in the area and the ongoing ability to implement cost cutting actions, create value for the Group and achieve operating excellence in services extended to internal and external clients. The Division continued to centralize the activities of all Business Lines, now directly managing 23% of the Group's total direct costs.
On a like-for-like basis, the number of staff declined by 407 (-2.4%).

Result by Business Segment (Continued)

Global Banking Services (GBS) (Continued)

The final balance was determined by the synergies deriving from the reorganization plans in Italy as well as outsourcing some activities in ICT.

ICT

Direct ICT costs rose 2% compared to 2010. After aligning 2010 scope with the impact of the new activities in addition to synergies implemented during the year, the increase was approximately 0.5%.

2011 was characterized both by the launch of the All4Quality program which came into fruition in 2012 and the completion and development of some more detailed, ensuing projects which boosted productivity in respective businesses for which the program is intended.

Global Operations Services

Global Operations Services showed a decline in direct costs of 6 million (-1%).
Back Office entities in 2011 continued the centralization and specialization process that began last year and which fully came to fruition through the All4Quality project. In particular, international competence centers were created which enabled adequate economics of training to be achieved, and whose best practices enabled the Group's internal processes to be optimized.

Real Estate

In 2011, a 33 million (-3%) decrease in direct costs of Real Estate was recorded.
During the year, major initiatives for the assessment of Group-owned real estate assets were undertaken as well as projects to sell property with value deemed non-strategic. Work also continued to adapt entities to the latest quality standards in order to afford adequate comfort and a lower environmental impact.

Workout

Direct costs for Workout fell by 24 million (-18%).
The objective in 2011 was to notably optimize the recovery times of problematic receivables and notably reduce legal costs for the Group. This was achieved thanks in part to out-of-court settlement of legal disputes becoming available in this segment. Receivables recovery capacity has been excellent, despite the negative economic environment, and that made it possible to achieve the same results as the previous year.

Breakdown by business, geographic area and company

ICT

For the ICT business, 2011 was a year of major changes.
On March 14, the Board of Directors of UGIS S.C.p.A. approved the execution and start-up of a streamlining project for entities and companies instrumental to GBS on a Group level, formally implementing the All4Quality program.

UniCredit Global Information Services (UGIS)

In 2011 UGIS S.C.p.A. carried previously planned "ordinary" projects forward, including:
- activities associated with the extension of the EuroSIG IT system, the Group platform for Commercial Banking and Global Business of mature markets (Italy, Germany and the Czech Republic) already used by more than 60,000 colleagues, will also be implemented in Austria in 2012. The introduction of EuroSIG as the sole platform for Core Group Banking will allow cost reduction objectives and the adoption of a shared business model to be achieved;
- the Global Enterprise Services (GES) program which includes the redefinition of global Finance/Risks information;
- the EuroMIB program, which aims to create a single global platform for the Markets business, by grouping different local systems. In 2009 and 2010, the foundations were laid to introduce the target platform by integrating the UCB AG Vienna branch with UCB AG Munich and finalizing implementation of the same target platform at the UCB AG branch in Milan. In the first half year of 2011, the systems migration was completed for Munich;
- activities aimed at unifying architecture from an application and structural standpoint for companies located in the CEE area. In 2012, consolidation of the two main IT platforms in the CEE area will be completed, namely FlexiCube for countries using the Cyrillic alphabet (Russia, Bulgaria, the Ukraine and the Baltic countries) and new locations (e.g. China), and EzyCORE used at medium-sized banks (e.g. Romania, Slovakia and Serbia).

During 2011, a series of extraordinary transactions were completed, including:
- in the month of May, UniCredit Bank Austria AG purchased a special purpose entity, later called UGIS Austria GmbH; and on June 1, 2011, the activities performed by the UGIS branch in Austria were transferred to UGIS Austria GmbH, with accounting and fiscal effect as of January 1, 2011. During the second half year, the new Legal Entity was involved in the operation called BlueIT, which led to the sale of IT activity no longer deemed as

"core" following the gradual and ongoing implementation of the Banking EuroSIG commercial platform;
- on June 1, 2011, with accounting and fiscal effect as of January 1, 2011, the subsidiary Quercia Software was merged with UGIS a transaction following which UGIS expanded its business to the non-captive market;
- on June 16, 2011 UGIS also acquired BAGIS GmbH from UniCredit Bank Austria AG and on July 1, 2011 BAGIS GmbH was merged with UGIS Austria GmbH increasing its shareholding.

Global Operations Services

The Operations area coordinates the Group establishments dedicated to Back Office and Middle Office services, promoting centralization and the ongoing development of processes through research into innovative models oriented to maximizing effectiveness and efficiency, containing costs and boosting quality.

UniCredit Business Partner (UCBP)

In 2011, in line with a predefined strategic direction, UniCredit Business Partner continued the process of harmonizing and developing its operating model by reorganizing processes and activities and unifying best practices in the different countries.

In support of the strategy it adopted, during the year the Company focused on its internal measurement instruments and improving performance.

In particular, the Balanced Scorecard was developed further which, together with the Integrated Management System, promoted monitoring of operations and became one of the most suitable tools for defining a clear strategy and verifying its implementation, enabling the transformation of the UCBP strategy into measurable objectives. It includes specific major indicators for the Global Operations Line and for Countries, thereby providing information on the completion of UCBP's main strategic objectives.

In 2011, UCBP pursued numerous projects, including:
- Global Operations Line Strategy, namely the creation of specialist international centers specializing in operations through re-engineering, automation and consolidation of volumes based on end to end management of processes and redistributing activities in CEE countries.

Workout

This area delivers global coordination of Group companies and entities dedicated to recovering receivables, promoting centralization and the ongoing development of processes by maximizing effectiveness and efficiency, within the confines of convenience of containing recovery times and costs as well as potential losses.

UniCredit Credit Management Bank (UCCMB)

In 2011, the process of centralized portfolio management of debts in Italy was advanced further by the extraordinary merger Aspra Finance SpA with and into UniCredit Credit Management Bank SpA (UCCMB) - with effect as of January 1, 2011 - which has enabled UCCMB to self-manage more than 3 billion in New Portfolio Value in addition to approximately 14 billion of other Non-Performing Loans assets (Problematic receivables) belonging to the Group (non-performing loans, overdue loans, mortgages, etc.). This has also benefitted certain process synergy that has translated, for example, in saving about 25% of legal fees year on year.

At the end of the year, UCCMB has increased its portfolio under management compared to 2010, both in the number of positions, exceeding 1 million units (+1%), as well as in gross book value (GBV), more than €49 billion (+4%). In 2011 UCCMB offset the negative market situation achieving important objectives, including:
- overall income of more than €1.7 billion, an amount corresponding to the 2010 figure;
- stable quality in collections on Group positions maintaining the average percentage value of recovery compared to net book value (NBV) at over 114% on closed positions;
- double the results achieved by the Munich Branch which, compared to the previous year, achieved in 2011 more than 2 million in collections;
- reaching and exceeding 3 out of 4 targets regarding the recovery writebacks of own portfolio receipts (139 million vs. 120 million), the recovery writebacks of UniCredit portfolio receipts (68 million vs. 60 million), the reclassification of non-performing UniCredit mortgages to performing loans (194 million vs. 175 million). Only the recovery writebacks for the Trevi portfolio receipts were slightly lower than the projected target (46 million vs. 48 million);
- during 2011, despite the unfavorable macroeconomic environment, problematic receivables recovered by UCCMB, belonging to the UniCredit Group, were 1.5 billion, in line with the previous year's figures.

In the context of operating processes, work started in 2011 on the preparation of the analytical Business Plans for the Trevi portfolio positions for which UCCMB acted as sub-servicer (the Servicer is UniCredit S.p.A.).

Result by Business Segment (Continued)

Global Banking Services (GBS) (Continued)

The bank raised its collaboration with the company UniCredit Credit Management Immobiliare (UCCMI), a wholly-owned subsidiary of UCCMB, which led to identifying and promoting a series of innovative real-estate products (e.g. *Reposses puro, Reposses parziale,*etc.) with the aim of optimizing work to recover mortgages and at the same time support families in difficulty.

UCCMB also entered the service sector to handle out-of-court of civil and commercial disputes through its subsidiary Esperti in Mediazione Srl and its non-autonomous mediation organization, authorized since December 22, 2001 to conduct mediation services pursuant to Legislative Decree 28/2010. The work of the subsidiary also includes arbitration services and handling matters of overindebtedness.

With regard to the Group's external mandates, UCCMB has continued with the development in that direction on the domestic market with commercial companies and multi-utilities as well as the courts with the aim of maximizing and speeding recovery of respective credits and liquidations. With reference to UCCMB's direct commitment to disseminating telematic processing, among activities and services extended to Receivers and Courts, the memorandum of understanding signed in June with the Ministry of Justice to experiment telematic payments of judicial fees should be noted.

UCCMB has also increased the number of securitization companies (SPV) for which it acts as Corporate Provider. At the end of the year, there were more than 20 securitized portfolios.

Global Sourcing

Global Sourcing's mission is to optimize Group costs through leverage of volumes of scale, exploiting the best local and global market opportunities and guaranteeing transparency in procurement activities.

During the year it focused on integrating Procurement activities in the IT area, homogenizing processes and widening the scope of cost control in previously unmanaged categories, reaching 70% coverage of all external costs.
Particular attention was given to investment in technical training for buyers in all nations, further raising levels of expertise.
Thus over 7% of cost optimization was achieved net of inflation, corresponding to 154 million including investment in expertise.
During the year, a three-year 2012-2014 project was launched to structurally reduce costs affecting all Group companies, also providing centralized management of the top 100 Group suppliers in the context of developing partnerships able to generate value for shareholders.

i-Faber

The mission of i-Faber is to provide solutions and services in support of procurement processes, including management of electronic markets which provide a platform for both private and public companies to organize their commercial relations.

Through the e-procurement platforms, i-Faber boosts efficiency and reduces supply chain management costs, covering all stages of the procurement process: from cost analysis to invoicing and payments in order to optimize business processes and broaden its customer and supplier base. i-Faber also offers consultation services such as sector benchmarks, scouting services, assistance in drawing up procurement conditions and mapping of internal processes. The company, one of the world leaders in services and solutions for procurement management, currently has operations in 20 European countries.

Revenues of approximately 18 million were in line with 2010 values; the fact that the non-captive market exceeded 50% of the value of overall company revenues was significant. In particular, the areas that have reported the most significant growth were Public Administration services and consulting in the context of Category Management.

Group Real Estate

In the year, optimization projects were launched in central headquarters in the cities of Munich, Moscow and Hamburg, and the consolidation project in Prague was successfully completed.
A new Work Place Policy was also adopted for all central Group offices in order to ensure maximum efficiency and quality of property and consequent cost containment for the future.
Non-capital property was sold for an overall sum of 400 million (Italy, Germany, the United States, the Czech Republic and Bulgaria).
Strategic planning of the Real Estate portfolio was concentrated on financial and risk management.

UniCredit Real Estate (URE)

Continuing from 2010, the 2011 strategy was based on the efficient use of space, both at the headquarters and at the branches. In parallel, the entity was highly committed to researching cost containment actions for Real Estate in Italy.
Action to increase the Group's real estate assets has continued, in part through launching projects to sell some major assets in Rome ("Project 7RE") and generate income from sizeable property. Lastly, additional initiatives regarded the development of the operating structure put in place to provide real estate services (administrative and facility), also in light of company transactions that led to the incorporation in UBIS of the Real Estate operating structure.

Again this year, the Company and Group achieved important results in regards to reducing training costs by €24.6 million, corresponding to -3.3% compared to 2010.
The initiative to streamline the Group's operating spaces in Italy (Project Piani Città), launched in 2011, involved downsizing by approximately 36,000 sq. meters (50,000 gross of new tenures), achieving annual savings in the region of €3 million.
The internal design of the new buildings in Porta Nuova-Garibaldi in Milan has continued, which will become the new Group Headquarters. The project is part of a broader project, called "Piani Città", or City Plans, to consolidate management offices not only in Milan, but also in Rome, Bologna, Turin, Verona and Palermo. The plan will enable the Group to downsize an additional 45,000 sq. meters by 2015.

In the context of cost containment initiatives, the "Kill the Rent" project, launched in 2008, achieved another important goal in 2011, adding an additional million euro to the €6 million in savings obtained through renegotiating rental contracts at the end of last year, thus reaching the savings target of €7 million.
As far as increasing value and streamlining property assets are concerned, in 2011 UniCredit Real Estate completed its plan to increase the value of properties in Rome by completing the "Project 7RE", a project that has resulted in a cash-in of approximately €110 million for the Group and leasing two additional major Roman properties.
Gross capital gains in the year amounted to more than €34.5 million, 4 million of which is attributable to the release of outstanding gains from the Omicron fund following the partial reimbursement of the shares by the fund.

In 2011, careful analysis of energy consumption anomalies continued for Group properties, a project launched in 2010; this analysis identified about 150 properties and in 2012 more in-depth studies will continue to identify causes and research solutions aimed at reducing energy consumption.
A number of energy efficiency measures in addition to reducing property area have led to the reduction in energy consumption measured in TOE (ton of oil equivalent) by 12.2%, falling from a total of 118,949 TOE in 2010 to 104,439 TOE in 2011.

Outlook 2012

UniCredit Business Integrated Solutions, the new global company dedicated to the provision of services associated with Information Communication & Technology (ICT), Operations, Real Estate, Security and Procurement, in 2012 will be committed to implementing and finalizing the new organization model matrix which will involve close interaction between the Business Lines and Service Lines, in order to integrate processes and services produced and provided to Customers according to an "end-to-end" logic. Acting as a Sub-Holding for instrumental services, UniCredit Business Integrated Solution may issue policies, guidelines and standards on a Group level and will also be responsible for executing "Service Level Agreement" analysis and benchmarking, by sharing best practices in terms of processes and instruments.

Starting in 2012, UBIS will be focused on a series of multi-annual strategic projects, including:
- the finalization of implementation of the EuroSIG platform for commercial Banking in Austria;
- the implementation of EuroMIB, the global platform for business Markets, which will be extended to branches in New York, Singapore, Austria and CEE countries;
- the launch of EuroSIG 2.0, the new IT System generation for Commercial Banking and Global Business;
- finalization of "Global Operations Lines (GOL) Strategy" (development and consolidation of international competence centers, re-engineering and automation of activities, redistribution of activities among CEE countries, optimization of efficiencies though leverage on local expertise);
- in the context of Real Estate, reorganization and redesign of spaces at the current "headquarters" (consolidating and reducing the current properties located in many cities and rigorously applying a new "workplace policy"); and reorganization of the Offices Network (implementation of the Hub & Spoke model, activation of selective closing programs, reuse of spaces, etc.).

In the **Workout** area, as 2012 unfolds, the decision to implement a more closely aggregated and better defined concentration of responsibility merits special mention. It regards problematic receivables and high risk area with the objective of streamlining and simplifying "end-to-end" processes for problematic receivables, at the same time promoting the drive for a more integrated management.

As regards **i-Faber**, according to 2011-2015 Industrial Plan, a valuation of further growth opportunities in both domestic, also through acquisitions, and foreign markets is foreseen.
i-Faber evolution will be even more focused on the development of the market not dealing with main Partners. Main increases are expected on the non-captive market as well as on new cost items in the captive market (e.g. ICT).
Furthermore, synergies within the Group will be considered on the procurement side and related activities.

Other Information

Report on corporate governance and proprietary structures

Within the meaning of Art. 123-bis par. 3 of Legislative Decree no. 58 dated February 24, 1998, the "Report on Corporate Governance and Proprietary Structures" is available in the "Governance" section of the UniCredit website (http://www.unicreditgroup.eu/it/Governance/corporate_governance_report.htm).

An explanatory chapter on the Corporate Governance structure is likewise included below in this document.

Report on remuneration

Pursuant to Art. 84-quater, paragraph 1, of the Issuers' Regulations implementing the Legislative Decree no. 58 of February 24, 1998, the "Report on remuneration" is available on UniCredit's website (http://www.unicreditgroup.eu).

Rationalization of Group operations and other corporate transactions

In keeping with its organizational and business model, the Group has completed several projects to rationalize and reorganize the operations of certain internal units and subsidiaries in and with the aim of achieving greater synergies and cost reductions.

Rationalization of the support units and companies of the Group's Global Banking Services

Establishment of UniCredit Business Integrated Solutions

At the end of 2010, the Group approved the launch of the project to rationalize the support units and companies of the Group's Global Banking Services.
This process was designed to meet the need to respond more quickly and uniformly and with greater consistency to the requests of internal and external customers, and it was aimed at:
- simplifying governance and ensuring the cost efficiency of management by rationalizing the operations and units responsible for all services offered by reducing the number of legal entities, maximizing economies of scale and simplifying procedures for internal customers to request and use services;
- increasing transparency in terms of services offered and costs incurred;
- improving service in terms of innovation, quality and risk management by setting up integrated operational units that use an end-to-end approach and maximize economies of scope.

In this context, plans have been made to establish a single company - UniCredit Global Information Services (UGIS) - in which to centralize the provision of services needed by the banking business and by the Group both in Italy and abroad, also through branches and operational companies.
In this role, the company will provide a global perspective of the priorities and opportunities inherent in the requests of external and internal clients, maximizing the efficacy of investments by bringing the technologies and instruments used under a common factor.

The organizational and operational implementation was carried out through a gradual reorganization of support areas and companies. This project was done in two phases:
- the first (completed at the end of 2011) was dedicated to consolidating operational areas and companies in Italy, and rationalizing and ensuring consistency to Information and Communication Technology (ICT), Back Office and Middle Office, Real Estate, Security and Global Sourcing activities in Germany and Austria;
- the second (which is expected to be completed by the end of H1 2012) is dedicated to the final consolidation of other operations carried out abroad. As for the operating plan of the project, which was authorized by Banca d'Italia, the first phase related to the merger of the support units and companies in Italy entailed the following:
- the repurchase (which took place last May) by UniCredit of the shares held by UniCredit Bank Austria AG and UniCredit Bank AG (the latter still holds a marginal stake in consideration of its branch operating in Italy) in UniCredit Business Partner (UCBP) (28.8% and 18.1% respectively) and in UGIS (10% and 24.7% respectively);
- the incorporation into UGIS of Quercia Software (as from June 1, 2011).

The following operations, effective from January 1, 2012, were also completed:
- the purchase by UniCredit of the activities concerning regular reporting to the local Supervisors ("Supervisory reporting Division"), carried out by UCBP;
- the purchase by UCBP of the Operations activities, with regard to back-office administration and accounting, related to consumer credit products and personal loans secured on one-fifth of net income ("Operations Division"), carried out by UniCredit S.p.A.;
- the incorporation of UCBP into UGIS, which has been renamed UniCredit Business Integrated Solutions (UBIS), consistent with the new assigned mission;
- the incorporation in UniCredit of UniCredit Real Estate (URE);
- the transfer to UGIS - subsequent to the completion of the above-mentioned incorporations - of the company branches of UniCredit S.p.A. designated "ICT, Security, Global Sourcing and Operations" and "Servizi generali immobiliari" (General Real Estate Services).

With regard to the alignment of operations in Germany and in Austria, the project calls for the use by UGIS of two operating companies, one for each country, within which to gradually incorporate the activities of the GBS area (ICT, Back Office and Middle Office, Real Estate, Security and Global Sourcing) carried out by the banks and the subsidiaries operating there.

In particular in Austria, the rationalization of activities was carried out through the incorporation - effective February 1, 2012 - of UniCredit Business Partner GmbH (a back-office company controlled by UBIS) into UniCredit Integrated Business Solutions Austria GmbH (an IT company whose control was acquired by UBIS from UniCredit Bank Austria AG).

Other Information (Continued)

Rationalization of Group operations and other corporate transactions (Continued)

Concentration in UniCredit of the activities related to the management of the portfolios of Private customers

The developments in the private banking market, particularly in light of the recent market crisis, has underscored the increasing interest of clients in independent investment solutions that guarantee access to an open platform of product providers. From this perspective, UniCredit's decision to internalize the portfolio management process by basing it on its own research will increase the commercial effectiveness of UniCredit operations on the Private Banking market segment.

In the light of the changed market scenario and as a consequence of the new organizational model resulting from the implementation of the One4C project, UniCredit, in order to guarantee more timely and effective solutions and thereby increase the commercial efficacy of the relationship with so-called "Private" clients, for whom wealth management represents one of the services of major interest, deemed it appropriate to handle all the activities regarding portfolio management and the services at present provided by Pioneer Investment Management SGR (PIM), from the selection of the financial instruments for investment of the managed portfolios to providing clients with the periodic statements of account for the management service delivered.

In order to achieve this goal, with regard to the operational aspect, a partial spin off in favour of UniCredit of the going concern related to the segregate accounts for private banking clients of PIM was carried out.

The spin off, authorized by Banca d'Italia and approved by PIM's and UniCredit's competent Bodies in July and August 2011, became effective from January 1, 2012.

The Family Office project: establishment of a dedicated consultancy

The "Private - Ultra High Net Worth Individuals" (individuals with a disposable income of more than €10 million) market segment is strategic for the Group in terms of highest profitability and asset growth rates. In this context, UniCredit decided to launch the Family Office project, which provides for the establishment of a consultancy dedicated to the needs of the "business families" belonging to the above-mentioned segment.
The new consultancy (called Cordusio Sim Advisory & Family Office), after receiving CONSOB's authorization to operate (expected to be issued by the first semester of 2012) will be the entity within the Group dedicated to the offering of consultancy services focusing on investment and integrated financial solutions (e.g. account aggregation/consolidation services, integrated planning, business advisory & governance of business families), i.e. advice on how to manage the portfolios of clients of the Group's entities and of third-party intermediaries, and on the asset protection.

The consultancy (which in the meantime has been established) is wholly owned by Cordusio Fiduciaria in order to capitalize on both the synergies resulting from decades of expertise and the well-established brand as well as to optimize processes, reduce costs and improve the effectiveness of the activity.

Reorganization of the operations in Russia

Lastly, it should be noted that operations in Russia were rationalized through the transfer of 100% of **CJSC Bank Sibir** from JSC ATF Bank (Kazakhstan) to ZAO UniCredit Bank Russia.

The price of the transaction, which involved only counterparties within the Group, was €20 million, corresponding to the value of net equity of Bank Sibir as at December 31, 2010.

Merger of Pioneer Alternative Investment Management SGRpA and Pioneer Investment Management SGRpA

In order to rationalize and simplify the corporate structure of the conglomerate Pioneer Investments Italia, in January 2012 UniCredit launched a project involving the merger of Pioneer Alternative Investment Management SGRpA (PAIM - a company responsible for the promotion and management of hedge funds) into Pioneer Investment Management SGRpA (PIM - a company responsible for the management of mutual funds and asset management services), companies with very similar organizational and operational characteristics.

The merger, subject to the approval by Banca d'Italia, should be concluded by the third quarter of 2012.

Other transactions involving the Group

The rationalization of the Group's investments was carried on through the sale of subsidiaries and/or companies in which the Group has a minority interest operating in business segments that are not strategic anymore, in particular:

Transfer of controlling interest to Banca Agricola Commerciale della Repubblica di San Marino ("BAC")

On March 31, 2011, UniCredit signed an agreement for the sale of its 85% stake in the share capital of BAC to Demas SA, a Luxembourg-law company which holds 77% of the share capital of Istituto Bancario Sammarinese.

The price was €62.2 million. Before closing BAC distributed dividends and reserves amounting to €40.6 million (of which €34.6 million to UniCredit); this values UniCredit's stake in BAC at €96.8 million.

Following approval of the banking supervisor of San Marino (Banca Centrale della Repubblica di San Marino), the transaction was completed on July 21, 2011.

Reorganisation and subsequent transfer of IRFIS - Finanziaria per lo Sviluppo della Sicilia S.p.A. (formerly, IRFIS - Mediocredito della Sicilia S.p.A.) ("IRFIS")

In 2011 the reorganization of IRFIS - in which UniCredit has a 76.26% controlling interest and the Region of Sicily a stake of 21%, the remainder (2.47%) being held by other minority shareholders - was completed; the project aims at transforming IRFIS into a financial firm and transferring UniCredit's controlling interest in it to the Region of Sicily.

Specifically, after obtaining the respective authorisations of Banca d'Italia and of the Region of Sicily, issued respectively in April and in May 2011:

- with effect June 1, 2011 UniCredit purchased IRFIS's banking business (assets amounting to a total of €536 million, of which €531 million being credits);
- on the same date, IRFIS was transformed into a financial firm pursuant to art. 107 T.U.B. (consolidated banking act) specializing in subsidized lending and loans financed by the Region, implying the change of the company name in IRFIS - Finanziaria per lo Sviluppo della Sicilia S.p.A. (in short, IRFIS - FinSicilia S.p.A.) and, consequently, of the corporate purpose.

Subsequently, last October IRFIS reduced its share capital as it was in excess of the company's new purpose and carried out an extraordinary distribution of reserves. Using a special distributable reserve, the company also repurchased the unsubscribed shares of minority shareholders who exercised their right of withdrawal.

The sale of the controlling interest held by UniCredit in IRFIS to the Region of Sicily took place on January 10, 2012.

Transfer of the subsidiary UniCredit Mediocredito Centrale S.p.A. ("MCC")

On August 1, 2011, according to the agreement signed in December 2010 between UniCredit and Poste Italiane S.p.A. ("Poste"), the sale of 100% of MCC to Poste become effective.

This transaction is part of the project promoted by the Ministero dell'Economia e delle Finanze, pursuant to which MCC will become, after the sale, the vehicle for the creation of Banca del Mezzogiorno.

Transfer of the investment in Metis

The equity investment of 22.7% held in Metis was sold in March 2011.

Transfer of the investment in Colony Sardegna

In May 2011 UniCredit Merchant sold its entire stake (13.2% of share capital) held in Colony Sardegna SARL for a total price of €14.5 million.

Transfer of a 11.84% interest in Net Insurance S.p.A.

On June 13, 2011, UniCredit signed an agreement for the sale of part of its 12.84% stake in Net Insurance Capital S.p.A., a company that offers insurance products, in particular personal loans, mortgage loans, lease rents and real estate trading. The stake sold is equal to 11.84% and the price was set at approximately €13.5 million.

UniCredit has therefore remained a shareholder of Net Insurance with a 1% interest, retaining the right to designate a director on the Board of Directors of the company.

The transfer took place in July 2011.

Tikehau Capital Advisors

In the second half of 2011, UniCredit S.p.A. made an investment of €19 million in FCT UCG Tikehau, a mutual fund specifically established as part of a strategic agreement with a time horizon of eight years signed with Tikehau Capital Advisors, a French asset management group founded in 2004.

Other Information (Continued)

Rationalization of Group operations and other corporate transactions (Continued)

The UniCredit group, retaining all the risks and rewards connected with the operations carried out by FCT Tikehau as the sole investor in the fund, consolidated the latter in its 2011 financial statements.

Transfer of the stake in Cassa Compensazione e Garanzia

In November 2011, the 13.7% stake held in the share capital of Cassa Compensazione e Garanzia S.p.A. was sold for €62 million.

In 2011 UniCredit completed, directly, certain equity investment operations aimed at specific initiatives and in the interests of the bank.

Agreement between UniCredit and Premafin Finanziaria S.p.A.

On March 22, 2011 UniCredit S.p.A. and Premafin Finanziaria S.p.A. - Holding di Partecipazioni announced that an agreement has been reached, instrumental to the already announced recapitalization of Fondiaria SAI and of its group.

Also in light of the long-standing relationship between the Bank and Fondiaria-SAI, the aim of the agreement is to allow Premafin to proceed with the capital strengthening of its subsidiary and the Bank to acquire a stable qualified minority stake with the possibility of benefiting from growth in the value of its investment in the medium-long term.

The agreement was subject to the confirmation of Consob, by June 30, 2011, that there are no obligations on Fondiaria-SAI to make an offer to purchase on performance of the agreement and to receipt by the same date of the waivers required by the loan agreement underwritten between Premafin, UniCredit and the other syndicate banks on December 22, 2004, as amended on December 22, 2010. It should be noted that these changes to the agreement were finalized on May 10 last year, while on May 13 Consob authorized exemption from the obligation of a mandatory public offer. On June 22 last year ISVAP allowed UniCredit to acquire a 6.6% stake in Fondiaria-SAI.
In July - as part of the planned capital strengthening and after obtaining the necessary authorizations (ISVAP and AGCM) - UniCredit, exercising the rights of option acquired from Premafin Finanziaria, bought new shares of Fondiaria SAI, corresponding to a stake, post capital increase, of 6.6% of the ordinary share capital, for €170 million, underwriting with Premafin Finanziaria shareholder agreements in line with Article 122 of the Single Finance Act. As at December 31, 2011 the conditions provided for by the above-mentioned shareholder agreements still existed.

Agreement to purchase a controlling interest in AS Roma S.p.A. by Di Benedetto AS Roma LLC

On April 15, 2011, Di Benedetto AS Roma LLC signed an agreement with UniCredit which provided for: the purchase of around 67% of the shares in AS Roma S.p.A. and 100% of ASR Real Estate S.r.l. and Brand Management S.r.l., which are companies respectively responsible for the management of the Trigoria sports centre and marketing activity, from Roma 2000 S.r.l. (part of the Compagnia Italpetroli group). The price agreed for the purchase of these three interests totals €70.3 million, of which €60.3 million for the AS Roma S.p.A. shares, i.e. a price of 67.81 euro cents per share; the subsequent launch of a public offer to purchase the AS Roma shares at a unit price of 67.81 euro cents, i.e. the price paid by the buyer to Roma 2000 S.r.l., for a maximum expense of €29.6 million.

On August 18, 2011, after receiving authorization from the Antitrust Authority, Neep Roma Holding S.p.A. ("Holding") (a company established on April 27, 2011, in which Di Benedetto AS Roma LLC holds 60% and UniCredit S.p.A. 40%) completed the purchase from Roma 2000 S.r.l. of the shares in AS Roma, ASR Real Estate S.r.l. and and Brand Management S.r.l..
The agreements between Di Benedetto AS Roma LLC and UniCredit S.p.A., signed in April 2011 and subsequently amended in August (in light of the necessity to redefine AS Roma's financial and economic needs in the next three years), include a shareholders' agreement governing *inter alia:*
- the appointment of the Directors and Statutory Auditors of the Holding company, AS Roma and the other entities purchased and the corporate governance rules of these entities, so that management will be entrusted to Di Benedetto and the bank will enjoy significant minority rights;
- pre-emption rights and joint sale rights and obligations in respect of the interests held in the holding company in the medium-long term, subject to the bank's option to sell part of its interest in the first quarter of 2012 to one or more suitable Italian investors;
- an undertaking by the shareholders to provide the Holding *pro rata* resources as needed (totaling a maximum of €130 million) to fund expenses related to the public offering and the planned recapitalization of AS Roma (totaling a maximum of €100 million), divided into several phases.

These agreements have been communicated to the market within the term prescribed by §122 TUF.
After receiving the necessary authorizations last October, Neep furthered the announced full public offer for the remaining shares in AS Roma at a price of 67.81 euro cents per share; by November 3, 2011 (last day of the offer) the number of shares subscribed to represented 10.94% of share capital and the total disbursement amounted to €9.8 million.

Compagnia Italpetroli

By virtue of the agreement signed in July 2010 with the Sensi family, last August UniCredit S.p.A. acquired 51% of Compagnia Italpetroli S.p.A. for €30 million, and owns now 100% of the company, which heads up a group, now in the process of being reorganized, operating mainly in the oil and real estate sectors. For more details please see the Condensed Interim Consolidated Financial Statements - Part G - Business Combinations.

Certifications and other communications

With reference to the "Rules of Markets organized and managed by Borsa Italiana S.p.A." dated October 3, 2011 (Title 2.6 "Obligations of issuers", Section 2.6.2. "Disclosure requirements", paragraph 10) the satisfaction of conditions provided by Section 36 of Consob Regulation No. 16191/2007, letters a), b) and c) is hereby certified.

With reference to paragraph 8 of Art. 5 - "Public information on transactions with related parties" of Consob Regulation containing provisions relating to transactions with related parties (adopted by Consob with Resolution No. 17221 of March 12, 2010, as subsequently amended by Resolution No. 17389 of June 23, 2010), it should be noted that:

a) according to the "Procedures for transactions with related parties", adopted by UniCredit S.p.A.'s Board of Directors on November 9, 2010 and published on the website www.unicreditgroup.eu, in 2011 the Bank's *Presidio Unico* received no reports of transactions of greater significance;
b) in 2011, no transactions with related parties as defined by Article 2427, paragraph 22-bis of the Civil Code were conducted, under different conditions from normal market conditions materially affecting the Group's financial and economic situation;
c) in 2011, there were no changes or developments in the individual transactions with related parties already described in the latest annual report that had a material effect on the Group's financial position or results during the reference period.

For more information on related-party transactions please refer to the Consolidated Financial Statements - Notes to the consolidated accounts - Part H.

Other Information (Continued)

Capital Strengthening

UniCredit S.p.A.'s Extraordinary Shareholders' Meeting, held in Rome on December 15, 2011, approved the capital strengthening measures announced to the market on November 14, 2011.

More specifically, the Shareholders' Meeting approved:
- the capitalization of the share premium reserve originated by the CASHES shares through a free capital increase, pursuant to Article 2442 of the Italian Civil Code;
- the cancellation of the nominal value of UniCredit ordinary and savings shares;
- a share capital increase by way of a rights issue for a total maximum amount of €7.5 billion to be carried out through the issuance of new ordinary shares with regular beneficial ownership rights to be offered on a pre-emptive basis to existing holders of UniCredit ordinary and savings shares, pursuant to Article 2441, first, second and third paragraph of the Italian Civil Code;
- a reverse stock split of ordinary and savings shares based on a ratio of 1 new ordinary or savings share for every 10 existing ordinary or savings shares;
- an amendment to UniCredit's Articles of Association enabling the Board of Directors to offer shareholders the chance to receive dividends either in cash or UniCredit ordinary shares (scrip dividend) or a mix of cash and ordinary shares.

UniCredit S.p.A.'s Board of Directors has also announced its intention not to submit to the Shareholders' Meeting, in 2012, any proposals for the payment of dividends with respect to its 2011 financial results, as per Bank of Italy's paper dated March 2, 2012.

Therefore, in 2011 the following steps were taken:
- the €2,499,217,969.50 free capital increase, through the allocation to capital of an equivalent amount transferred from the "Issue-premium reserve";
- the cancellation of the nominal value of UniCredit S.p.A. ordinary and savings shares;
- the reverse stock split of ordinary and savings shares based on the ratio approved by the Extraordinary Shareholders' Meeting on December 15, 2011. As a result of this initiative, the number of ordinary and savings shares has decreased from 19,274,251,710 to 1,927,425,171 and from 24,238,980 to 2,423,898 respectively.

On January 4, 2012 the Board of Directors of UniCredit S.p.A. approved the terms and the timetable of the pre-emptive offer of ordinary shares to existing shareholders based on the resolution of the Extraordinary Shareholders' Meeting of December 15, 2011:
- the new ordinary shares, with no par value, have been offered on a pre-emptive basis to existing holders of ordinary and savings shares of the Company at the price of €1.943 per share, at the subscription ratio of 2 new ordinary shares for every 1 ordinary and/or savings share held;
- a maximum of 3,859,602,938 new ordinary shares will be issued, increasing the Company's share capital by, and for an aggregate amount of, €7,499,208,508.53.

During the subscription period (January 9, 2012 - January 27, 2012 in Italy, Germany and Austria and January 12, 2012 - January 27, 2012 in Poland), 1,925,199,755 subscription rights were exercised and, thus, 3,850,399,510 shares were subscribed representing 99.8% of the total shares offered, for an aggregate amount of €7,481,326,247.93.

The unexercised rights, relating to the subscription of 9,203,428 UniCredit S.p.A. ordinary shares, have been offered by UniCredit, through UniCredit Bank AG, Milan Branch, on the Stock Exchange, pursuant to Article 2441, paragraph 3, of the Italian Civil Code. All the rights were sold during the first trading session on February 1, 2012 and the new shares were subsequently subscribed.
The capital increase was therefore fully subscribed.

Furthermore, on March 22, 2011 the Board of Directors approved the issue of the performance shares promised under the 2007 UniCredit Group Long Term Incentive Plan, following the verification of the achievement of the performance targets set in the Plan. To this end, the Board of Directors approved a free increase in share capital for an amount of nominal € 454,385 corresponding to 908,770 ordinary shares.

Subsequent Events and Outlook

Subsequent Events

It should be noted that on February 1, 2012 the operations related to the share capital increase approved by the Extraordinary Shareholders' Meeting on December 15, 2011 were completed. See the previous paragraph "Capital strengthening" for further details.

With reference to the **Treuhandanstalt-BvS** lawsuit, on November 30, 2011, the Court of Cassation, granting the appeal of UniCredit Bank Austria (BA), quashed the decision of the Court of Appeal of Zurich (Obergericht) of March 25, 2010 and remitted the matter back to the latter for a new decision.

On March 20, 2012 (the decision was served on March 23, 2012) the Court of Appeal again granted the appeal of BvS and ordered BA's former subsidiary - which Bank Austria is obliged to indemnify - to pay approx. €247 million (including accrued interest and costs calculated as at March 23, 2012). BA is appealing against this judgment before the Swiss Federal Court. A provision has been made for an amount consistent with the currently estimated risk of the lawsuit.
Please refer to the Consolidated Accounts - Notes to the Consolidated Accounts - Part E for further information.

Outlook

For the advanced economies - especially those of the euro zone - 2011 was a year of severe tension in the sovereign debt market and a slowdown of growth in the last quarter. In 2012 the Italian economy is expected to contract, under the effects *inter alia* of the austerity measures taken in recent months. These measures should however lay the foundations for economic recovery and above all help to restore international investors' confidence in the country and its economy. In Austria and Germany, where our Group has strong roots, growth rates will continue to be positive.

The agreement reached on Greek debt, the creation of the EFSF and the recent Fiscal Compact have helped to alleviate the tension in the financial markets and have created a renewed climate of trust, which will benefit both government securities and the banking industry in general.

In addition, the ECB, by means of two LTROs, has significantly attenuated the pressure on funding that arose in the second half of 2011 by guaranteeing the banking system sufficient liquidity. These recent long-term refinancing operations, in conjunction with the strengthening of banks' capital, should facilitate the normalisation of credit intermediation in the system as a whole.

The UniCredit group, after a year in which its results were significantly penalised by large extraordinary items relating to goodwill impairment and writedowns of other intangibles, is fully focused on the Strategic Plan 2010-15, of which our successful €7.5 billion rights issue is one of the main pillars.

Developments in the macroeconomic scenario and diminishing tension in the financial markets will be key aspects in 2012. On the basis of current assumptions, revenue will still be under pressure in Western Europe, partly offset by patchy growth in the CEE countries, where the economic outlook is more favourable. The measures designed to procure efficiency gains and rationalisation contained in the Strategic Plan will begin to produce effects on operating costs, while the cost of credit will continue to be affected by the difficult macroeconomic environment, though mitigated by our Group's geographical and business diversification.

Milan - March 27, 2012

THE BOARD OF DIRECTORS

Chaiman
DIETER RAMPL

CEO
FEDERICO GHIZZONI

Building a camp for socially impaired children.

In Debeli rtič on the Slovenian coast, a new summer camp for socially impaired children was restored, equipped and decorated by UniCredit Bank Slovenija d.d.employees. Petra Majdič, the famous cross-country skier, joined the bank's volunteers after hearing about the initiative. Completing this camp required more than funding, which is why bank employees and managers volunteered their time, taking action that provided a concrete solution to a real need.
A practical solution that combines the efforts of the Group and individuals to improve kids lives.

Camp for socially impaired children, Debeli rtič, Slovenia. Painting people: Petra Majdič famous cross-country skier and France Arhar, CEO of UniCredit Bank in Slovenia

Corporate Governance

Governance organizational structure

Introduction

UniCredit's overall corporate governance framework, i.e. the system of rules and procedures that its corporate bodies refer to steer their principles of behaviour and fulfil the various responsibilities towards the Group's stakeholders, has been defined in the light of current provisions and the recommendations contained in the Corporate Governance Code originally issued by Borsa Italiana S.p.A. (the "Code"). The Code, according to the major international markets experience, identifies the corporate governance best practices for listed companies recommended by the Corporate Governance Committee, to be applied according to the "comply or explain" principle that requires the explanation of the reasons of failure to comply with one or more recommendations contained in its principles or criteria. Moreover, as a bank, UniCredit, is subject to the Supervisory Provisions issued by Banca d'Italia and, with regards to the corporate governance issues, into the specific rules prescribed by "Supervisory Regulations on banks organization and corporate governance" issued on 2008 and by the later application of the Supervisory Regulations on banks organization and corporate governance issued on January 2012.

Since 2001 UniCredit has annually drawn up and submitted a "Corporate Governance Report" to its shareholders, by drafting a special report for distribution to its shareholders, institutional and non-institutional investors and Borsa Italiana. The report supplies suitable information on UniCredit's own Corporate Governance system.

Due to continuing changes to the regulatory scenario both at the European and Italian level, and to international best practices in general, Borsa Italiana decided to revise the corporate governance principles; accordingly, on March 2006 it issued a new version of the Corporate Governance Code.

On March 2010, the Corporate Governance Committee, brought about by Borsa Italiana, approved a new text of the recommendations of the Code concerning the remuneration of the directors and executives with strategic responsibilities, in order to implement the recommendations issued by the EU Commission in 2009.

On December 2011, the Corporate Governance Committee introduced significant changes to the wording of the Code in order to take into account the several legislative interventions that had made certain of its recommendations out-of-date and in order to conform it to the development of the national and international best practice. In particular, in such a context, from a "subjective" point of view, the Code has taken into account the need to further graduate its enforcement in relation to the size of the listed companies, and, from an "objective" point a view, the aim of strengthening the centrality of the role of the Board of Directors and of its independent members, as well as rationalizing the control system. The issuers were invited to implement such amendments by the end of the fiscal year beginning in 2012, providing information in the Corporate Governance Report to be published in the following fiscal year.

In light of the provisions contained in the version of the Code issued on March 2006 as updated on March 2010 as well as based on the last format of "Corporate Governance Report" supplied by Borsa Italiana, UniCredit drafted its Report on corporate governance and ownership structures pursuant to Section 123/bis of Legislative Decree nr. 58 dated February 24, 1998 (the "TUF").
The "Report on corporate governance and ownership structures" approved by the Board of Directors (on March 27, 2012) is published at the same time with the Report on Operations on the website of the Issuer (http://www.unicreditgroup.eu/en/Governance/corporate_governance_report.htm).

UniCredit is an issuer of stocks listed on the regulated markets of Milan, Frankfurt and Warsaw, and therefore fulfils the legal and regulatory obligations related to listings on these markets.

The information provided, unless otherwise specified, refers to the financial year from January 1, 2011 to December 31, 2011.

Since its establishment, UniCredit has adopted the so-called traditional management and control system.

The distinctive feature of this model is that the management of the company, the supervision on its management and the statutory accounting supervision are separated. The Board of Directors is solely responsible for the strategic supervision and management of the enterprise, while the Board of Statutory Auditors is entrusted with supervising its management. The statutory supervision on the company's accounts is entrusted to an external audit firm by the Shareholders' Meeting on the basis of a proposal from the Board of Statutory Auditors.

This governance model was chosen because it has been proven, over time, to make it possible to manage the business efficiently, while ensuring effective controls. That is, it creates the necessary conditions for the Holding Company to be able to guarantee the sound and prudent management of a complex and global banking group, namely the UniCredit group.

In the traditional system certain aspects are the sole competence of the Shareholders' Meeting: this creates an effective opportunity for dialogue and debate between management and the shareholders about various elements of governance, including the appointment and dismissal of directors, the appointment of members of the board of statutory auditors, the related remuneration, the appointment of the external auditing firm, as well as the approval of the financial statements, the allocation of profits, the compensation policies for management.

Shareholders' Meeting

A General Shareholders' Meeting is convened at least once a year within 180 days of the end of the financial year, in order to resolve upon the issues that the prevailing laws and the Articles of Association make it responsible for. An Extraordinary Shareholders' Meeting is convened whenever it is necessary to resolve upon any of the matters that are exclusively attributed to it by prevailing laws.

The Agenda of the Shareholders' Meeting is established pursuant to legal requirements and the UniCredit's Articles of Association by whoever exercises the power to call a meeting.

The Ordinary Shareholders' Meeting has adopted the Regulations governing General and Extraordinary Meetings in a functional and regular way. The Regulations is available on the Governance/Shareholders Meeting section of UniCredit website.

Board of Directors

The Board of Directors of UniCredit may be comprised of between a minimum of 9 up to a maximum of 24 members. As at March 27, 2012 UniCredit has 20 directors.

Their term in office is three financial years, unless a shorter term is established at the time they are appointed, and ends on the date of the Shareholders' Meeting called to approve the financial statements relating to the last year in which they were in office.

The term in office of the current Board of Directors, which was appointed by the Shareholders' Meeting of April 29, 2009, will expire on the date of the next Shareholders' Meeting called to approve the 2011 financial statements, to be held on May 11, 2012 in single call.

Directors shall be elected on the basis of a slate mechanism pursuant to the procedures specified in Clause 20 of UniCredit's Articles of Association.

The Board of Directors has adopted its own Regulations governing its powers, functioning and jurisdiction. These Regulations include, inter alia, the decisions made by the Board of Directors concerning the number of offices in supervisory, managerial and controlling bodies that UniCredit Directors can hold in companies not belonging to UniCredit Group as well as the procedure to be followed whenever the threshold is exceeded. On March 20, 2012 the Board also established its qualitative and quantitative composition deemed to be optimal for fulfilling the correct performance of the Board of Directors' functions, according to the current provisions of laws and regulations.

Independence of Directors

According to the Criteria envisaged by the Code and pursuant to Section 148 of TUF, the Directors' independence shall be assessed by the Board of Directors after their appointment and, subsequently, every year, on the basis of the information provided by the same director or, however, available to the Issuer. The results of the assessments of the Board shall be communicated to the market.

On March 27, 2012 the Company's Board of Directors - also on the basis of the information provided by the interested party - assessed the independence requirements of all its members. The result of such evaluation notified to the market was the following:
- Independent directors pursuant to Section 3 of the Code: Mr. Castelletti, Mr. Bengdara, Mr. Belluzzi, Mr. Bischoff, Mr. Fontanesi, Mr. Kadrnoska, Ms. Li Calzi, Mr. Maramotti, Mr. Marocco, Ms. Reichlin, Mr. Schinzler, Mr. Waigel, Mr. Wyand and Mr. Zwickl;
- Non-independent directors pursuant to Section 3 of the Code: Mr. Rampl, Mr. Calandra Buonaura, Mr. Palenzona, Mr. Ghizzoni, Mr. Giacomin and Ms. Jung;
- Independent directors pursuant to Section 148 of the TUF: Mr. Rampl, Mr. Castelletti, Mr. Bengdara, Mr. Calandra Buonaura, Mr. Palenzona, Mr. Belluzzi, Mr. Bischoff, Mr. Fontanesi, Mr. Giacomin, Mr. Kadrnoska, Ms. Li Calzi, Mr. Maramotti, Mr. Marocco, Ms. Reichlin, Mr. Schinzler, Mr. Waigel, Mr. Wyand and Mr. Zwickl;
- Non-independent directors pursuant to Section 148 of the TUF: Mr. Ghizzoni and Ms. Jung.

On March 27, 2012 the Board of Statutory Auditors verified, with a positive outcome, the proper application of the assessment criteria and procedures adopted by the Board of Directors to evaluate the independence of its own members.

Governance organizational structure (Continued)

Committees appointed by the Board of Directors

In order to support the Directors with an efficient information and consultancy system, able to assure the capability of the Board of Directors to properly assess all the specific matters falling within its jurisdiction, in accordance with the provisions of the Code four committees have been created with the power to provide advice and make proposals; the committees feature limited membership and focus on separate issues: Permanent Strategic Committee; Internal Controls & Risks Committee; Corporate Governance, HR and Nomination Committee and Remuneration Committee. Such Committees may operate according to procedures considered appropriate and may inter alia split into Sub-Committees.

Permanent Strategic Committee

The Permanent Strategic Committee is comprised of 10 directors, the majority of whom shall be non-executive. The Chairman of the Board and Chief Executive Officer are members by right.
The other members shall be chosen based upon their expertise and willingness to accept the office. The Chairman of the Committee is the Chairman of the Board. In principle, the meetings of the Permanent Strategic Committee shall be scheduled on a monthly basis but could be convened whenever necessary to discuss a topic that fall within the scope of the Committee's duties. The meetings will normally be called by the Chairman; however, any two or more Members or two Statutory Auditors can also call a meeting. In this latter case, all the Statutory Auditors are entitled to attend.

In 2011, the Permanent Strategic Committee held nr. 13 meetings.

Duties

The Committee's role is to provide advice and make proposals. The main task of the Permanent Strategic Committee is to provide the Board of Directors with opinions concerning proposals formulated by the CEO to the Board concerning:

a) the Group 3 Year Plan;
b) Group yearly budget;
c) Group yearly capital allocation;
d) Group yearly strategy related to transactions involving shareholdings (M&A/reorganizations);
e) approval of transactions on shareholdings above a certain limit (€300 million for transactions in high-risk countries, and €500 million for transactions in low-risk countries);
f) extraordinary capital allocations and dividend policy, both for the Holding Company and the Group Companies, unless already included in the annual general Capital Allocation guidelines indicated under para. c) above;
g) other transactions/initiatives of strategic relevance to the Group, such as: decisions to enter new geographical and business markets, high-profile joint ventures with industrial and/or financial Groups.

Internal Controls & Risks Committee

The Internal Controls & Risks Committee consists of 9 non-executive directors, who are all independent pursuant to Sect. 148, paragraph 3, of TUF. Moreover, the majority of the members (7 out of 9) meet the independence requirements prescribed by the Code. The Chairman and Deputy Vice Chairman of the Board of Directors are members by right. At least one member of the Committee shall be chosen from directors that were candidates on minority slates - if presented - in order to ensure greater transparency, responsibility and participation by the various components of the corporate structure. Committee members shall be chosen on the basis of their expertise and willingness to accept the office and some of them having specific experience in accounting, fiscal, financial and risk-related areas. The Chairman of the Internal Controls & Risks Committee shall be elected from among the members other than those that are members by right.

The Committee, which has consultative and proposal-making functions, carries out its duties at a plenary session or with a limited membership in three Sub-Committees:

- the Internal Controls Sub-Committee;
- the Risks Sub-Committee; and
- the Related-Parties Transactions Sub-Committee.

On September 30, 2010 UniCredit S.p.A.'s Board of Directors resolved to set up a Related-Parties Transactions Sub-Committee, within the Internal Controls & Risks Committee, in order to monitor related-party transactions and related matters, within the limits of the role attributed to it under current rules and regulations.

The Internal Controls Sub-Committee and the Risks Sub-Committee shall each comprise 6 directors and shall be chaired by the Internal Controls & Risks Committee Chairman, who shall be a member by right of each Sub-Committee together with the Chairman of the Board of Directors and the Deputy Vice Chairman. The Related-Parties Transactions Sub-Committee shall comprise 3 directors, all independent under the Code, and shall appoint a Chairman from among them.

The current composition of the above Sub-Committees is the following:

- Internal Controls Sub-Committee: Mr. Anthony Wyand (Chairman), Mr. Dieter Rampl, Mr. Luigi Castelletti, Mr. Giovanni Belluzzi, Ms. Marianna Li Calzi and Mr. Luigi Maramotti;
- Risks Sub-Committee: Mr. Anthony Wyand (Chairman), Mr. Dieter Rampl, Mr. Luigi Castelletti, Mr. Francesco Giacomin, Ms. Lucrezia Reichlin and Mr. Franz Zwickl;

- Related-Parties Transactions Sub-Committee: Mr. Luigi Castelletti (Chairman), Mr. Giovanni Belluzzi and Ms. Marianna Li Calzi.

Meetings of the Internal Controls and Risks Committee are usually called monthly based on the following schedule:
- at least twice annually in plenary session; and
- normally every other month with limited membership for the Internal Controls Sub-Committee and Risk Sub-Committee.

However meetings are called whenever deemed necessary to discuss on relevant topics.
On the other hand, the Related-Parties Transactions Sub-Committee meets whenever it is necessary.

In any event meetings - whether plenary or of the Internal Controls and the Risks Sub-Committees - shall normally be called by the Internal Controls & Risks Committee Chairman; however, any 2 or more Members or 2 Statutory Auditors may also call a meeting. In this latter case, all the Statutory Auditors are entitled to attend. The Related-Parties Transactions Sub-Committee shall be called by its Chairman.

The Chairman of the Board of Statutory Auditors or another Statutory Auditor designated by the Chairman of the Board of Statutory Auditors shall attend the meetings of the Internal Controls & Risks Committee and the Internal Controls and the Risks Sub-Committees. Other Statutory Auditors may be invited to attend, along with members of the external auditing firm.

Committee meetings, whether plenary or of the Internal Controls and the Risks Sub-Committees, shall be attended by the CEO, the General Manager, the Head of Internal Audit and the General Counsel & Group Compliance Officer, the Group Chief Risk Officer and the Chief Financial Officer, as standing invitees.

In 2011, the Internal Controls & Risks Committee held nr. 6 plenary sessions, 3 meetings of its Internal Controls Sub-Committee and 3 meetings of its Risks Sub-Committee. Moreover, the Related-Parties Transactions Sub-Committee held nr. 7 meetings.

Duties
The duties of the Internal Controls & Risks Committee shall in any case cover all the risk and control matters within the competence of the Board of Directors.

1. Plenary meetings: Duties of the Committee
The Internal Controls & Risks Committee shall, in its plenary meetings:
a) support the Board of Directors in defining the guidelines for the internal control system and at least twice a year in assessing the adequacy, efficiency and effectiveness of the system, by ensuring that all the main corporate risks are being correctly identified and adequately measured, managed and monitored;
b) examine the half-yearly situations and the annual accounts (both of UniCredit S.p.A. stand-alone and consolidated), based on the reports received from the Manager in charge of drafting the corporate and financial statements, also to verify the proper application and consistency of accounting standards for the purposes of the consolidated financial statements;
c) examine the guidelines for drawing up the annual budget prepared by the competent function;
d) support the Board of Directors in determining criteria for ensuring the compatibility of corporate risks with sound and proper management of the Company (risk appetite);
e) support the Board of Directors in formalising policies for the management of the risks to which the Group is exposed and periodically reviewing them to ensure their long-term effectiveness;
f) analyse periodical reports prepared by control functions in respect of compliance with regulatory and legal requirements;
g) assess the work carried out by the Group's external auditing firm(s) and the results set out in their report(s) and Management letter(s);
h) analyse the reports on their activities made by the management control coordination committees;
i) establish functional links with similar committees Groupwide.

The Internal Controls & Risks Committee shall report on its activities to the Board after each meeting, and at least every six months, when it meets to approve the financial statements and the interim reports, on the adequacy of the internal control system.

2.1 Duties of the Internal Controls Sub-Committee
The Internal Controls Sub-Committee shall cover all control matters, by:
j) overseeing the Compliance function to ensure that it implements the compliance risk management policies defined by the Board, and that the Internal Audit function implements the Board's guidelines in respect of conducting third level controls;
k) assessing any remarks contained in the reports received from the Internal Audit and Compliance functions, or from the Board of Statutory Auditors of the companies belonging to the Group, or from third party investigations and/or analyses;
l) analysing Group guidelines for Audit activity, assessing the adequacy of the annual audit plan prepared by the Head of Internal Audit and, where necessary, requesting that specific audits be performed;
m) analysing Group guidelines on the matters within the competence of Compliance and monitoring their adoption and implementation;
n) analysing the periodical reports produced by the control functions Internal Audit and Compliance, however not with reference to legal and regulatory requirements;

Governance organizational structure (Continued)

o) assessing the qualitative and quantitative adequacy of the organizational structure of the Compliance and Internal Audit functions and requesting the head of each function to propose changes to their respective organizations, to be implemented, for Compliance, by the CEO and for Internal Audit by the Head of Internal Audit, the latter's proposals to be accompanied by a non-binding opinion of the CEO;
p) advising on the proposals made by the Chairman of the Board of Directors on the appointment or replacement of the heads of the Internal Audit and Compliance, as well as the variable component of their compensation;
q) examine the quarterly situations.

2.2 Duties of the Risks Sub-Committee

The Risks Sub-Committee shall cover all risk matters, by:
r) examining the Group risk assessment;
s) supporting the Board of Directors in its oversight of the actual functioning of the risk management and control processes (in respect of credit risk, market risk, liquidity risk and operational risk) in compliance with legal and regulatory requirements; and, with regard to credit risk, assisting the Board of Directors in monitoring concentration risk, by industry and individual names;
t) analysing the periodical reports produced by the Risk Management function, however not with reference to legal and regulatory requirements.

2.3 Duties of the Related-Parties Transactions Sub-Committee

The Related-Parties Transactions Sub-Committee shall cover all related-parties transaction matters within the role prescribed by legal and regulatory rules, by:
- providing opinions on procedures and procedural changes whereby related-parties transactions are identified and managed in UniCredit and Groupwide;
- providing grounded opinions in respect of related-parties transactions in UniCredit and Groupwide as to the interest of the company that such transaction be completed and the correctness of their terms and conditions;
- being obligatorily involved in large transactions - through the representation of one or more members appointed for this task - during negotiation and origination, obtaining complete and timely information, as well as the option to request information and convey its observations to the delegated bodies and the persons charged with negotiating or originating the transaction.

Temporary replacement in case of conflict of interest

In respect of each individual transaction, Sub-Committee members shall not be related either to the counterparty or to the related parties involved.

If one Sub-Committee member is the counterparty (or related to the counterparty), he/she shall promptly inform the Chairman of the Board of Directors and the Sub-Committee Chairman and refrain from taking part in the further business of the Sub-Committee in respect of the relevant transaction. In this event the Chairman of the Board of Directors, having gathered the opinion of the Sub-Committee Chairman, shall replace the member who is in conflict of interest without delay indicating, after having contacted him/her, another member of the Internal Controls & Risks Committee having the requirements of independence as defined by the Code, such that the Related-Parties Transactions Sub-Committee shall comprise three non-related members having the requirements of independence. Should such substitute member not be available within the Internal Controls & Risks Committee, the Chairman of the Board of Directors, having gathered the opinion of the Sub-Committee Chairman, may nominate the substitute from among other independent and unrelated Directors.

Temporary replacement, for unavailability of Related-Parties Transactions Sub-Committee members, in case of urgent transactions

In case of transactions whose execution is urgent and for which the intervention of the Related-Parties Transactions Sub-Committee in the negotiation phase and the initial inquiry as well as in the granting of the opinion is required, the Sub-Committee Chairman takes note of the urgency status of the transaction, takes note of the unavailability of the majority or all the members of the Sub-Committee to meet or, anyhow, to carry out the activity required in time for the clinching of the operation and promptly gives notice to the Chairman of the Board of Directors of said unavailability.

In any case, the notification to the Chairman of the Board of Directors must be made no later than the day following that on which the Sub-Committee Chairman has received notice of the unavailability of all or the majority of the members.

The Chairman of the Board of Directors - after having heard the opinion of the Chief Executive Officer about the urgency status of the transaction - acts immediately to reintroduce in the Sub- Committee the presence of three independent Directors, following the same procedure established with reference to temporary replacement in case of a conflict of interest (appointment singling out of the substitute/s among the members of the Internal Controls & Risks Committee or among the independent Directors of the Board of Directors).

***

The substitutes shall receive all the information available in time ahead of the meeting called to express the opinion on the transaction in question.

The decisions taken by the Related-Parties Transactions Sub-Committee shall be attributable solely to its members (or their substitutes).

The substitutes perform the duties assigned to them until the approval procedure of the transaction in which they involved is completed.

Corporate Governance, HR and Nomination Committee

The Corporate Governance, HR and Nomination Committee consists of 7 directors, the majority of whom shall be non-executive and independent. The Chairman of the Board and Chief Executive Officer are members by right. The other members shall be chosen based upon their expertise and willingness to accept the office. The Chairman of the Committee is the Chairman of the Board. In principle, Committee meetings shall be scheduled on a monthly basis but may be called whenever it is necessary to discuss a topic that falls within the scope of the Committee's duties. Committee meetings shall be called by the Chairman.

In 2011, the Corporate Governance, HR and Nomination Committee held nr.12 meetings.

Duties

The Committee's role is to provide advice and make proposals. In particular, the Committee shall provide the Board of Directors with opinions concerning proposals formulated by the Chairman/CEO to the Board concerning:

a) the definition of UniCredit's corporate governance system, the corporate structure and governance models/guidelines of the Group;
b) the definition of policies for appointing UniCredit Directors and policies for evaluating the Board of Directors;
c) the appointment of the Chief Executive Officer, General Manager, Deputy General Managers and other Directors holding strategic responsibilities, Senior Executive Vice Presidents, as well as other Heads of Department reporting directly to the Chief Executive Officer;
d) the definition of policies concerning the appointment and succession planning of the Chief Executive Officer, General Manager, Deputy General Managers and other Directors holding strategic responsibilities, Senior Executive Vice Presidents, Group Management Team (Executive Vice Presidents) and Leadership Team (Senior Vice Presidents);
e) the definition of policies for appointing corporate officers (members of the Board of Directors, Board of Statutory Auditors, and Supervisory Board of Group Companies);
f) the appointment of corporate officers (members of the Board of Directors, Board of Statutory Auditors, and Supervisory Board) of the Main Group Companies (Pioneer Global Asset Management, UniCredit Leasing, UniCredit Bank AG (former "HVB"), UniCredit Bank Austria, FinecoBank, Koc Financial Hizmetler AS, Bank Pekao, UniCredit Credit Management Bank, UniCredit Business Integrated Solutions, Mediobanca, Associazione Bancaria Italiana, UniCredit Factoring, Yapi Kredi, UniCredit Foundation and UniCredit & Universities);
g) the designation of candidates to the position of director of UniCredit in the event of cooptation, and of candidates to the position of independent director to be submitted to the approval of the UniCredit shareholders' meeting, based also on recommendations received from shareholders;
h) the appointment of members of the UniCredit Board Committees, upon the proposal of the Chairman.

The Corporate Governance, HR and Nomination Committee shall also provide its advice on the compatibility of an appointment of a Director of UniCredit as director, manager or member of controlling bodies in a banking, insurance or financial company (outside UniCredit Group) with his/her office held in UniCredit, also when the fix threshold to the maximum number of office determined by the Board of Directors is exceeded.

Remuneration Committee

The Remuneration Committee consists of 7 non-executive directors, the majority of whom shall be independent. The Chairman and Deputy Vice Chairman of the Board of Directors are members by right. The other members shall be chosen based upon their expertise and willingness to accept the office. The Chairman of the Committee is the Chairman of the Board. In principle, Committee meetings shall be scheduled on a quarterly basis, but may be called whenever it is necessary to discuss a topic that falls within the scope of the Committee's duties. Committee meetings shall be called by the Chairman.

In 2011, the Remuneration Committee held nr. 8 meetings.

Duties

The Committee's role is to provide advice and make proposals. The main task of the Remuneration Committee is to provide the Board of Directors with opinions concerning proposals formulated by the CEO to the Board concerning:

a) the remuneration of UniCredit Directors who hold specific duties, and especially the remuneration of the CEO;
b) the remuneration of UniCredit's Managing Director, in the event that the Managing Director is also the CEO;
c) the remuneration structure of the CEO, General Manager and Deputy General Managers;
d) the remuneration policy for the Senior Executive Vice Presidents, Group Management Team (Executive Vice Presidents), Leadership Team (Senior Vice Presidents) and Heads of Department reporting directly to the Chief Executive Officer;
e) approval of Group incentive plans based on financial instruments;
f) the remuneration policy for corporate officers (members of the Board of Directors, Board of Statutory Auditors, and Supervisory Board of Group Companies);

The proposals concerning the Chief Executive Officer that the Committee will be called upon to express its opinion on will be formulated by the Chairman.

The Committee members about whose remuneration the Chairman must express his opinion in respect of their specific positions, shall not attend meetings scheduled to discuss the proposal concerning the aforesaid remuneration.

Governance organizational structure (Continued)

Status and activities of Directors

Board of Directors

POSITION	MEMBERS	IN OFFICE SINCE	IN OFFICE UNTIL	SLATE SM	SLATE Sm	EXEC.
Chairman	Rampl Dieter	04.29.2009	05.11.2012 (1)	X		
Deputy Vice Chairman	Castelletti Luigi	04.29.2009	05.11.2012	X		
Vice Chairman	Bengdara Farhat Omar	04.29.2009	05.11.2012	X		
Vice Chairman	Calandra Buonaura Vincenzo	04.29.2009	05.11.2012	X		
Vice Chairman	Palenzona Fabrizio	04.29.2009	05.11.2012	X		
CEO	Ghizzoni Federico	09.30.2010 (4)	05.11.2012	--		X
Director	Belluzzi Giovanni	04.29.2009	05.11.2012	X		
Director	Bischoff Manfred	04.29.2009	05.11.2012	X		
Director	Fontanesi Donato	04.29.2009	05.11.2012	X		
Director	Giacomin Francesco	04.29.2009	05.11.2012	X		
Director	Jung Helga	31.01.2012 (5)	05.11.2012	--		
Director	Kadrnoska Friedrich	04.29.2009	05.11.2012	X		
Director	Li Calzi Marianna	04.29.2009	05.11.2012	X		
Director	Maramotti Luigi	04.29.2009	05.11.2012	X		
Director	Marocco Antonio Maria	04.29.2009	05.11.2012	X		
Director	Reichlin Lucrezia	04.29.2009	05.11.2012		X	
Director	Schinzler Hans Jürgen	04.29.2009	05.11.2012	X		
Director	Waigel Theodor	04.29.2009	05.11.2012 (1)		X	
Director	Wyand Anthony	04.29.2009	05.11.2012	X		
Director	Zwickl Franz	04.29.2009	05.11.2012	X		
Directors who stepped down during the Period and after the closing of the Period						
Director	Cucchiani Enrico Tommaso	04.29.2009	12.16.2011 (6)	X		
Director	Gnudi Piero	04.29.2009	11.16.2011 (8)	X		
Director	Ligresti Salvatore	04.29.2009	03.22.2011 (10)	X		
Director	Pesenti Carlo	04.29.2009	01.31.2012 (11)	X		
Indicate quorum required for the presentation of the slates in the last appointment: 0.5%						
Nr. of meetings held during the Period		**BoD: 14**	**IC&RC: 19◊**	**RC: 8**	**CGHNC: 12**	**PSC: 13**

Notes:
◊ The Internal Controls & Risks Committee carries out its duties either in plenary session or through (i) its Internal Controls Sub-Committee, (ii) its Risks Sub-Committee or (iii) its Related-Parties Transactions Sub-Committee. The Committee held no. 6 plenary sessions, 3 meetings of its Internal Controls Sub-Committee and 3 meetings of its Risks Sub-Committee. Moreover, the Related-Parties Transactions Sub-Committee held no. 7 meetings.
(°) The percentage of the Director's participation in the meetings of the Internal Controls and Risks Sub-Committees during the Period was the follows:
- Internal Controls Sub-Committee: Mr. Wyand (C) 100%, Mr. Rampl 100%, Mr. Castelletti 100%, Mr. Belluzzi 100%, Ms. Li Calzi 100%, Mr. Maramotti 66.67%;
- Risks Sub-Committee: Mr. Wyand (C) 100%; Mr. Rampl 100%; Mr. Castelletti 100%; Mr. Giacomin 100%; Ms. Reichlin 100%, Mr. Zwickl 100%.
* In this column an "X" shows the independence of the Director.
** This column shows the percentage of the Director's participation in the meetings of the Board of Directors and Committees respectively (number of attendances / number of meetings held by the interested party during the term of office with regard to the Period).
*** This column shows the number of positions as director or auditor held by the interested party in other companies listed on regulated markets (both in Italy and abroad), including financial services companies, banks, insurance companies or other large companies. There is a list of such companies for each director attached to the Report on Corporate Governance and ownership structures, specifying whether the company that the position is held in belongs to the group that the Issuer is related to.
**** A "C" (Chairman) or a "M" (Member) in this column shows that the member of the Board of Directors belongs to the Committee and also indicates his/her position.

(1) resigned on April 19, 2012 (such date being after the date of approval of this document).
(2) position held until April 19, 2012 (such date being after the date of approval of this document).
(3) position held since January 31, 2012.
(4) co-opted and appointed as CEO on September 30, 2010 in place of Mr. Alessandro Profumo resigning as from September 21, 2010; confirmed by the Shareholders' Meeting on April 29, 2011.
(5) co-opted on January 31, 2012.
(6) resigned on December 16, 2011.
(7) position held until December 16, 2011.
(8) terminated on November 16, 2011 to take up Government duties.
(9) position held until November 16, 2011.
(10) resigned on March 22, 2011.
(11) resigned on January 31, 2012.
(12) position held until January 31, 2012.

Legend
SM Member of the Board of Directors elected from the slate that has obtained the relative majority of the Shareholders' votes.
Sm Member of the Board of Directors elected form the slate voted by the minority.

NON EXEC.	INDEPENDENT. AS PER* CODE	TUF	%**	NUMBER OTHER POSITIONS ***	INTERNAL CONTROLS & RISKS COMMITTEE ◊ ICRC (°) ****	**	RELATED-PARTIES TRANSACTIONS SUB-COMMITTEE ****	**	REMUN. COMMITTEE ****	**	CGHRN COMMITTEE ****	**	PERMANENT STRATEGIC COMMITTEE ****	**
X		X	100%	3	M (2)	100%	--		C (2)	100%	C (2)	100%	C (2)	100%
X	X	X	100%	6	M	100%	M	100%	M	100%	M	100%	M	100%
X	X	X	71.43%	--	--		--		--		--		M	30.77%
X		X	100%	1	--		--		M (3)	--	M	100%	M	100%
X		X	100%	12	--		--		--		M	100%	M	100%
			100%	2	--		--		--		M	100%	M	100%
X	X	X	100%	8	M	88.89%	M	100%	--		--		--	
X	X	X	78.57%	5	--		--		--		--		M	84.62%
X	X	X	78.57%	1	--		--		--		--		--	
X		X	100%	--	M	100%	--		--		M	100%	--	
X			--	1	--		--		--		--		--	
X	X	X	100%	6	--		--		M	87.50%	--		--	
X	X	X	92.86%	--	M	88.89%	M	100%	--		--		--	
X	X	X	92.86%	7	M	77.78%	--		--		M	91.67%	M	92.31%
X	X	X	85.71%	4	--		--		--		--		--	
X	X	X	92.86%	--	M	100%	M	100%	--		--		--	
X	X	X	71.43%	2	--		--		M	87.50%	--		M	84.62%
X	X	X	57.14%	8	--		--		--		--		--	
X	X	X	100%	3	C	100%	C	100%	M (3)	--	--		M	92.31%
X	X	X	100%	8	M	88.89%	M	100%	--		--		--	
X			69.23%	11	--		--		M (7)	50%	--		--	
X	X	X	100%	4	--		--		M (9)	71.43%	--		--	
X	--	--	25.00%	4	--		--		--		--		--	
X	X	X	78.57%	6	--		--		M (12)	87.50%	--		--	

Governance organizational structure (Continued)

Board of Statutory Auditors

The Ordinary Shareholders' Meeting appoints 5 Statutory Auditors and 2 stand-in Statutory Auditors. Both the Statutory Auditors and stand-in Statutory Auditors may be re-elected.

Effective and stand-in members of the Board of Statutory Auditors are appointed on the basis of slates in compliance with the UniCredit's Articles of Association, and pursuant to current legal provisions.
The Chairman of the Board of Statutory Auditors is appointed by the Shareholders' Meeting among the Auditors elected from the slate submitted by minority shareholders that obtained the highest number of votes.

The duration of their mandate is three financial years and the mandate expires on the date of the Shareholders' Meeting called to approve the financial statements for the third year of office.

Members of the Board of Statutory Auditors shall meet the experience, integrity and independence requirements laid down by law and they can held administrative and control appointments with other companies within the limits set by current laws and regulations.

The Board of Statutory Auditors appointed by the Shareholders' Meeting on April 22, 2010 and in office until the Shareholders' Meeting called to approve the 2012 financial statements consists of Mr. Maurizio Lauri (Chairman), Cesare Bisoni, Vincenzo Nicastro, Michele Rutigliano and Marco Ventoruzzo (Statutory Auditors). Paolo Domenico Sfameni and Mr. Massimo Livatino are stand-in Statutory Auditors.

Board of Statutory Auditors

POSITION	MEMBERS	IN OFFICE SINCE	IN OFFICE UNTIL	SLATE SM	SLATE Sm	INDEPENDENT AS PER CODE*	%**	NUMBER OTHER POSITIONS
Chairman	Lauri Maurizio	April 22, 2010	Approval of 2012 financial statements		X	X	100%	9
Statutory Auditor	Bisoni Cesare	April 22, 2010	Approval of 2012 financial statements	X		X	100%	2
Statutory Auditor	Nicastro Vincenzo	April 22, 2010	Approval of 2012 financial statements	X		X	97,67%	9
Statutory Auditor	Rutigliano Michele	April 22, 2010	Approval of 2012 financial statements	X		X	97,67%	7
Statutory Auditor	Ventoruzzo Marco	April 22, 2010	Approval of 2012 financial statements		X	X	74,42%	1
Stand-in Statutory Auditor	Sfameni Paolo Domenico	April 22, 2010	Approval of 2012 financial statements	X		--		
Stand-in Statutory Auditor	Livatino Massimo	April 22, 2010	Approval of 2012 financial statements		X	--		
-------------Auditors who stepped down during the Period-------------								

Indicate quorum required for the presentation of the slates in the last appointment: 0.5%								
Number of meetings held during the Period: 43								

NOTE

* In this column an "X" shows the independence of the Auditor.

** This column shows the percentage of the Auditors' participation in the meetings of the Board of Statutory Auditors (number of attendances / number of meetings held during the term of office with regard to the Period).

*** This column shows the number of positions as director or auditor held by the interested party pursuant to Sect. 148/bis of TUF. A complete list of such positions is published by CONSOB on its website pursuant to Sect. 144/quinquiesdecies of CONSOB Issuers Rules.

LEGEND

SM Member of the Board of Statutory Auditors elected from the slate voted by the majority

Sm Member of the Board of Statutory Auditors elected from the slate voted by a minority

Major Shareholders

On the basis of the results from Shareholders Register, updated to December 31, 2011, UniCredit's major shareholders (shareholders owning more than 2%) were as follows:

DECLARANT	DIRECT SHAREHOLDER	% OF ORDINARY CAPITAL	% OF VOTING CAPITAL
Mediobanca S.p.A. [1]	Mediobanca S.p.A.	**5.247%**	**5.247%**
International Petroleum Investment Company	Aabar Luxembourg S.A.R.L.	**4.991%**	**4.991%**
Central Bank of Libya		**4.988%**	**4.988%**
	Central Bank of Libya	*4.460%*	*4.460%*
	Libyan Foreign Bank	*0.528%*	*0.528%*
Fondazione Cassa di Risparmio Verona, Vicenza, Belluno e Ancona	Fondazione Cassa di Risparmio Verona, Vicenza, Belluno e Ancona	**4.211%**	**4.211%**

Continued: Major Shareholders

DECLARANT	DIRECT SHAREHOLDER	% OF ORDINARY CAPITAL	% OF VOTING CAPITAL
Fondazione Cassa di Risparmio di Torino	Fondazione Cassa di Risparmio di Torino	**3.319%**	**3.319%**
BlackRock Investment Management (UK) Limited		**3.107%**	**3.107%**
	BlackRock Institutional Trust Company, N.A.	*1.151%*	*1.151%*
	BlackRock Advisors (UK) Limited	*0.491%*	*0.491%*
	BlackRock Fund Advisors	*0.368%*	*0.368%*
	BlackRock Asset Management Ireland Limited	*0.355%*	*0.355%*
	BlackRock A.M. Deutschland AG	*0.288%*	*0.288%*
	BlackRock Investment Management LLC	*0.140%*	*0.140%*
	BlackRock Asset Management Japan Limited	*0.131%*	*0.131%*
	BlackRock Investment Management (UK) Limited	*0.071%*	*0.071%*
	BlackRock Financial Management, INC	*0.023%*	*0.023%*
	BlackRock Fund Managers Limited	*0.022%*	*0.022%*
	BlackRock Asset Management Canada Limited	*0.022%*	*0.022%*
	BlackRock Asset Management Australia Limited	*0.019%*	*0.019%*
	BlackRock (Netherlands) B.V.	*0.014%*	*0.014%*
	BlackRock Advisors, LLC	*0.006%*	*0.006%*
	BlackRock Investment Management (Australia) Limited	*0.005%*	*0.005%*
	BlackRock International Limited	*0.001%*	*0.001%*
Carimonte Holding S.p.A.	Carimonte Holding S.p.A.	**2.910%**	**2.910%**
Libyan Investment Authority	Libyan Investment Authority	**2.594%**	**2.594%**
Allianz SE		**2.034%**	**2.034%**
	Allianz S.p.A.	*1.193%*	*1.193%*
	Allianz Finance IV Luxembourg SARL	*0.729%*	*0.729%*
	Allianz VIE SA	*0.036%*	*0.036%*
	RB Vita S.p.A.	*0.029%*	*0.029%*
	Allianz IARD SA	*0.016%*	*0.016%*
	Antoniana Veneta Popolare Vita S.p.A.	*0.009%*	*0.009%*
	Darta Saving Life Assurance Limited	*0.007%*	*0.007%*
	Allianz VIE Ancre	*0.006%*	*0.006%*
	Allianz VIE Prefon	*0.004%*	*0.004%*
	Allianz Belgium SA	*0.003%*	*0.003%*
	Arcalis SA	*0.002%*	*0.002%*

1. Ordinary Shares of which UniCredit S.p.A. holds the right of usufruct: 96,756,406; 5.020% owned. The relative voting rights cannot be exercised.

SHARE CAPITAL (AS AT DECEMBER 31, 2011)	AZIONI	EURO
Total shares	1,929,849,069	12,148,463,316.00
Ordinary shares	1,927,425,171	12,133,204,798.43
Savings shares	2,423,898	15,258,517.57

Participation Rights

It is the holders of voting rights, including via proxy, for whom notification has been received by the Company from the broker holding their accounts, within the time period established under prevailing laws, who are entitled to attend the Shareholders' Meeting.

Those entitled to attend the Meeting may arrange to be represented, in compliance with the UniCredit's Articles of Association and current laws.

Shareholders' rights are clearly defined by Italian law and Articles of Association.

UniCredit has always encouraged its shareholders to exercise their participation and voting rights at shareholders' meetings; for this reason, it has adopted the Regulations governing shareholders' meetings to ensure their regular conduct.

Executive Management Committee

FEDERICO GHIZZONI
Chief Executive Officer

ROBERTO NICASTRO
General Manager

PAOLO CORNETTA
Group Head of HR

NADINE FARUQUE
General Counsel & Group Compliance Officer

PAOLO FIORENTINO
Deputy General Manager - COO

JEAN-PIERRE MUSTIER
Deputy General Manager -
Head of CIB Division

KARL GUHA
Chief Risk Officer

MARINA NATALE
Chief Financial Officer

Group Management Team

List of other members of the Group Management Team*

SENIOR EXECUTIVE VICE PRESIDENT

Helmet Bernkopf
Head of Private Banking Division

Willibald Cernko
Country Chairman Austria

Ranieri de Marchis
Head of Internal Audit

Alessandro Decio
Head of F&SME Division

Frederik Geertman
Head of F&SME Italy Network

Luigi Lovaglio
Country Chairman Poland

Maria Antonella Massari
Head of Group Stakeholder & Service Intelligence

Vittorio Ogliengo
Co-Head of Global Financing & Advisory and Head of Investment Banking Italy Network

Gianni Franco Papa
Head of CEE Division

Gabriele Piccini
Country Chairman Italy

Theodor Weimer
Country Chairman Germany

Roger Yates
Head of Asset Management

EXECUTIVE VICE PRESIDENT

FAMILIES & SMALL AND MEDIUM SIZED ENTERPRISES

Peter Buschbeck
Head of F&SME Division UniCredit Bank AG

Alessandro Foti
Head of Asset Gathering and Chief Executive Officer - Finecobank

Rainer Hauser
Head of F&SME Division - UniCredit Bank Austria

Carlo Marini
Head of International Market - UniCredit Leasing

Massimiliano Moi
Chief Executive Officer - UniCredit Leasing

Sebastiano Musso
Head of Italian Market - UniCredit Leasing

Grzegorz Piwowar
Head of Retail Banking Division - Bank Pekao

Franco Ravaglia
General Manager - Finecobank

Niccolò Ubertalli
Head of Consumer Finance

COUNTRY ITALY

Roberto Bertola
Head of Territory Sicilia

Giovanni Buson
Head of Organization Italy

Monica Cellerino
Head of Territory Lombardia

Giovanni Chelo
Head of Family Network Management

Felice Delle Femine
Head of Territory Sud and Territory Centro

Giuseppe Di Sisto
Italy Turnaround Project

Giovanni Forestiero
Head of Network F&SME Piemonte, Liguria, Valle d'Aosta

Alessandro La Porta
Head of Territorial Relations

Luca Lorenzi
Head of Territory Centro Nord

Rodolfo Ortolani
Head of Identity & Communications Italy

Vladimiro Rambaldi
Head of Territory Nord Ovest

Claudio Aldo Rigo
Head of Territory Nord Est

PRIVATE BANKING

Juergen Danzmayr
Head of Private Banking Division - UniCredit Bank AG

Dario Prunotto
Head of Private Banking Italy Network

Robert Zadrazil
Head of Private Banking Division - UniCredit Bank Austria

CORPORATE & INVESTMENT BANKING

Marco Bolgiani
Head of Global Transaction Banking (GTB)

Bernhard Brinker
Head of Financial Institutions Groups (FIG)

Alessandro Cataldo
Head of Corporate Banking Italy Network

Lutz Diederichs
Head of CIB Germany Network and Head of CIB Division UniCredit Bank AG

Dieter Hengl
Head of CIB Austria Network and Head of CIB Division UniCredit Bank Austria

Olivier Khayat
Deputy Head of CIB Division and Co-Head of Global Financing Advisory

Andrzej Kopyrski
Head of Corporate Banking and MIB Division Bank Pekao

Thiam J Lim
Head of Markets

ASSET MANAGEMENT

Daniel Kingsbury
Chief Executive Officer Pioneer Investment Management USA

Werner Kretschmer
Chief Executive Officer Pioneer Investment Austria

Giordano Lombardo
Global Chief Investment Officer Pioneer Global Asset Management

Sandro Pierri
Head of Western Europe & International Distribution - Chief Executive Officer PIM sgr

CENTRAL EASTERN EUROPE

Mikhail Alekseev
Chief Executive Officer - Russia

Jozef Barta
Chief Executive Officer - Slovakia

Graziano Cameli
General Manager - Ukraine

Andrea Casini
Chief Operating Officer - Bulgaria

Romeo Collina
Chief Executive Officer - Kazakhstan

Pasquale Giamboi
Head of F&SME Division Bulgaria

Levon Hampartzoumian
Chief Executive Officer - Bulgaria

Paolo Iannone
Chief Operating Officer - Czech Republic

Jiri Kunert
Chief Executive Officer - Czech Republic

Franjo Lukovic
Chief Executive Officer - Croatia

Mihaly Patai
Chief Executive Officer - Hungary

Klaus Priverschek
Chief Executive Officer - Serbia

Rasvan Radu
Chief Executive Officer - Romania

Borys Tymonkin
Chief Executive Officer - Ukraine

Carlo Vivaldi
Deputy Chief Executive Officer - Turkey

Tomica Pustisek
Head of CEE Retail UniCredit Bank Austria

COMPETENCE LINES

AUDIT
Giuseppe Aquaro
Head of Internal Audit UniCredit Bank Austria

Jurgen Dennert
Head of Audit Advisory,
Quality Assurance & Operations

CFO
Mirko Davide Georg Bianchi
Head of Group Finance

Patrizio Braccioni
Head of Tax Affairs

Simone Mario Concetti
Head of Group Investor Relations

Joachim Dobrikat
Head of Accounting, Tax & Shareholdings
UniCredit Bank AG

Francesco Giordano
Chief Financial Officer - UniCredit Bank Austria

Peter Hofbauer
Chief Financial Officer - UniCredit Bank AG

Marco Iannaccone
Chief Financial Officer - Bank Pekao

Oreste Massolini
Head of Planning, Finance & Administration
(CFO) - UBIS

Arcangelo M. Vassallo
Head of Accounting

Guglielmo Zadra
Head of Planning, Strategy and Capital
Management

CRO
Giovanni Albanese
Head of CRO Italy

Erik Banks
Head of Risk Culture

Diego Biondo
Chief Risk Officer - Bank Pekao

Massimiliano Fossati
Chief Risk Officer - UniCredit Bank Austria and
CEE Risks Officer

Maurizio Maria Francescatti
Group Risk Management Operating Officer

Juergen Kullnigg
Head of Credit Operations Italy

Dante Pasqualini
Head of Special Credit Operations Italy

John Spillane
Head of Group Trading Risks

Andrea Varese
Chief Risk Officer - UniCredit Bank AG

GROUP IDENTITY & COMMUNICATIONS
Maurizio Beretta
Head of Group Identity & Communications

Silvio Santini
Head of Brand Management

HUMAN RESOURCES
Marco Berini
Head of HR Governance and Service Functions

Tiziana Bernardi
Head of Lifelong Learning Center

Michael Hinssen
Head of HR Cib Division and Head of HR
Germany - UniCredit Bank AG

Luigi Luciani
Head of Executive Development and
Compensation

Anna Simioni
Head of Corporate Learning

Doris Tomanek
Head of HR Austria & CEE
- UniCredit Bank Austria

Pier Vaisitti
Head of HR Division - Bank Pekao

LEGAL & COMPLIANCE
Mark Bailham
Head of Global Compliance

Andreas Frueh
Head of Legal, Corporate Affairs &
Documentation - UniCredit Bank AG

Carlo Kostka
Head of Global Legal

Secondino Natale
Head of Group Corporate Bodies

HEAD OFFICE FUNCTIONS
Laura Stefania Penna
Head of Management Consultancy

Giuseppe Scognamiglio
Head of Public Affairs

COO AREA
Paolo Cederle
Chief Executive Officer
- UniCredit Business Integrated Solutions (UBIS)

Dino Crivellari
Chief Executive Officer
- UniCredit Credit Management Bank

Lissimahos Hatzidimoulas
Head of UBIS Branch Germany and General
Manager UGBS Gmbh

Heinz Laber
Head of Human Resources Management (GBS)
- UniCredit Bank AG

Giandomenico Miceli
Head of Group CLs Organization

Massimo Milanta
General Manager - UniCredit Business
Integrated Solutions (UBIS)

Alberto Naef
General Manager - UniCredit Credit
Management Bank

Massimo Schiattarella
General Manager - UniCredit Business
Integrated Solutions (UBIS)

Paolo Tripodi
Head of Group Organization and Logistics

Andreas Wagner
Head of CIB Organization
and Head of Organization
Department - UniCredit Bank AG

Marian Wazynski
Head of Logistics & Procurement - Bank Pekao

* data as at March 14, 2012

Helping homeowners save energy. And money.

Heating homes is a major factor of energy consumption. Making heating efficiency is essential to energy saving. The Federal Republic of Germany has made it compulsory for all homeowners to provide buyers and tenants with energy passes, which are valid for 10 years and forecast energy costs. The passes provide homeowners access to specialized financial products. Thanks to the *"HVB Energieausweis service"*, customers are provided with the opportunity to secure public financing and modernize their heating reduction costs. This shows how UniCredit provides customers concrete solutions to real challenges.

Consolidated Financial Statements

In addition to what has already been specified in the Notes at the bottom of the Contents, please note that:

- "X" indicates an item not to be completed (under Banca d'Italia instructions);
- unless otherwise indicated, all amounts are in **thousands of euros**.

Consolidated Accounts

Consolidated Balance Sheet

Consolidated Balance Sheet

(€ '000)

BALANCE SHEET - ASSETS	AMOUNTS AS AT 12.31.2011	12.31.2010
10. Cash and cash balances	9,728,137	6,414,097
20. Financial assets held for trading	130,985,409	122,551,402
30. Financial assets at fair value throgh profit or loss	28,624,394	27,077,856
40. Available-for-sale financial assets	57,919,008	55,103,190
50. Held-to-maturity investments	9,265,450	10,003,718
60. Loans and receivables with banks	56,364,996	70,215,452
70. Loans and receivables with customers	559,553,003	555,653,360
80. Hedging derivatives	16,241,206	11,368,199
90. Changes in fair value of portfolio heged items (+/-)	1,827,857	2,248,056
100. Investments in associates and joint ventures	3,554,675	3,963,087
110. Insurance reserves attributable to reinsures	928	352
120. Property, plant and equipment	12,198,058	12,611,297
130. Intangible assets	15,685,444	25,592,159
of which: - goodwill	*11,567,192*	*20,428,073*
140. Tax assets	14,346,042	12,961,052
a) current tax assets	*1,685,303*	*1,674,735*
b) deferred tax assets	*12,660,739*	*11,286,317*
150. Non-current assets and disposal groups classified as held for sale	345,161	776,014
160. Other assets	10,128,976	12,948,264
Total assets	**926,768,744**	**929,487,555**

Continued: Consolidated Balance Sheet (€ '000)

BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 12.31.2011	12.31.2010
10. Deposits from banks	131,806,952	111,735,094
20. Deposits from customers	398,379,282	402,248,191
30. Debt securities in issue	162,990,254	180,990,328
40. Financial liabilities held for trading	123,285,765	114,099,136
50. Financial liabilities at fair value through profit or loss	785,966	1,267,889
60. Hedging derivatives	13,208,746	9,680,850
70. Changes in fair value of portfolio hedged items (+/-)	4,840,832	2,798,376
80. Tax liabilities	6,209,785	5,836,890
a) current tax liabilities	*1,504,846*	*1,464,819*
b) deferred tax libilities	*4,704,939*	*4,372,071*
90. Liabilities included in disposal groups classified as held for sale	252,164	1,394,769
100.Other liabilities	20,416,128	22,224,352
110. Provision for employee severance pay	1,089,409	1,201,833
120. Provisions for risks and charges	8,496,169	8,087,978
a) post retirement benefit obligations	*4,509,105*	*4,515,173*
b) other reserves	*3,987,064*	*3,572,805*
130. Insurance reserves	209,714	218,644
140. Revaluation reserves	(3,843,089)	(1,252,787)
170. Reserves	15,564,529	15,186,462
180. Share premium	36,823,215	39,322,433
190. Issued capital	12,148,463	9,648,791
200. Treasury shares (-)	(7,337)	(4,197)
210. Minorities (+/-)	3,318,245	3,479,180
220. Net Profit (Loss) for the year (+/-)	(9,206,448)	1,323,343
Total liabilities and Shareholders' Equity	**926,768,744**	**929,487,555**

Consolidated Income Statement

Consolidated Income Statement

(€ '000)

ITEM	YEAR 2011	YEAR 2010
10. Interest income and similar revenues	29,671,745	28,641,891
20. Interest expenses and similar charges	(14,184,168)	(12,885,464)
30. Net interest margin	**15,487,577**	**15,756,427**
40. Fee and commision income	10,062,375	10,209,704
50. Fee and commission expense	(1,754,904)	(1,754,234)
60. Net fee and commissions	**8,307,471**	**8,455,470**
70. Dividend income and similar revenue	740,881	718,314
80. Gains and losses on financial assets and liabilities held for trading	228,841	343,169
90. Fair value adjustments in hedge accounting	105,797	52,139
100. Gains and losses on disposal of:	**313,809**	**311,636**
a) loans	*(21,920)*	*7,340*
b) available-for-sale financial assets	*302,771*	*120,238*
c) held-to-maturity investments	*(3,281)*	*(590)*
d) financial liabilities	*36,239*	*184,648*
110. Gains and losses on financial assets/liabilities at fair value through profit or loss	23,693	(28,733)
120. Operating income	**25,208,069**	**25,608,422**
130. Impairment losses on:	(6,642,734)	(7,006,651)
a) loans	*(5,864,882)*	*(6,708,268)*
b) available-for-sale financial assets	*(471,769)*	*(141,779)*
c) held-to-maturity investments	*(152,373)*	*(2)*
d) other financial assets	*(153,710)*	*(156,602)*
140. Net profit from financial activities	**18,565,335**	**18,601,771**
150. Premiums earned (net)	125,688	118,176
160. Other income (net) from insurance activities	(98,814)	(94,904)
170. Net profit from financial and insurance activities	**18,592,209**	**18,625,043**
180. Administrative costs:	(15,096,252)	(14,971,556)
a) staff expense	*(9,441,047)*	*(9,477,728)*
b) other administrative expense	*(5,655,205)*	*(5,493,828)*
190. Net provision for risks and charges	(740,229)	(764,887)
200. Impairment/write-backs on property, plant and equipment	(841,347)	(996,668)
210. Impairment/write-backs on intangible assets	(1,608,442)	(674,998)
220. Other net operating income	794,229	952,019
230. Operating costs	**(17,492,041)**	**(16,456,090)**
240. Profit (loss) of associates	(323,249)	209,083
250. Gains and losses on tangible and intangible assets measured at fair value	(6,846)	152
260. Impairment of goodwill	(8,677,456)	(361,500)
270. Gains and losses on disposal of investments	180,327	158,001
280. Total profit or loss before tax from continuing operations	**(7,727,056)**	**2,174,689**
290. Tax expense (income) related to profit or loss from continuing operations	(1,114,626)	(530,120)
300. Total profit or loss after tax from continuing operations	**(8,841,682)**	**1,644,569**
310. Total profit or loss after tax from discontinued operations	-	-
320. Net Profit or Loss for the year	**(8,841,682)**	**1,644,569**
330. Minorities	(364,766)	(321,226)
340. Holdings Income (Loss) of the year	**(9,206,448)**	**1,323,343**

Earnings per share (€)	(5.12)	0.64
Diluted earnings per share (€)	(5.11)	0.64

Notes:

For further information on **earnings per share** and **diluted earnings per share** please see Notes to the Accounts- Part C - Information on the Income Statement - Section 24.

2010 earnings per share and diluted earnings per share were recalculated to allow comparison following the reverse stock split which took place on December 27, 2011.

Consolidated Statement of Comprehensive Income

Consolidated Statement of Comprehensive Income

(€ ‘000)

ITEMS	YEAR 2011	YEAR 2010
10. Net Profit (Loss) for the year	**(8,841,682)**	**1,644,569**
Other comprehensive income after tax		
20. Available-for-sale financial assets	(1,755,674)	(565,189)
30. Property plant and equipment	-	-
40. Intangible assets	-	-
50. Hedges of foreign investments	-	-
60. Cash flow hedges	348,584	(56,278)
70. Exchange differences	(1,196,909)	716,219
80. Non current assets classified as held for sale	(2,449)	(6,075)
90. Actuarial gains (losses) on defined benefits plans	-	-
100. Valuation reserves from investments accounted for using the equity method	(206,925)	31,411
110. Total of other comprehensive income after tax	**(2,813,373)**	**120,088**
120. Comprehensive income after taxes (10+110)	**(11,655,055)**	**1,764,657**
130. Consolidated comprehensive income attributable to minorities	(147,462)	(445,295)
140. Consolidated comprehensive income attributable to Parent Company	**(11,802,517)**	**1,319,362**

Statement of Changes in Shareholders' Equity

Statement of Changes in Shareholders' Equity include Group portion and minorities:

Statement of changes in Shareholders' Equity as at December 31, 2011

(€ '000)

				ALLOCATION OF PROFIT FROM PREVIOUS YEAR		CHANGES DURING THE YEAR										
							SHAREHOLDERS' EQUITY TRANSACTIONS									
	BALANCE AS AT 12.31.2010	CHANGE IN OPENING BALANCE	BALANCE AS AT 01.01.2011	RESERVES	DIVIDENS	CHANGES IN RESERVES	ISSUE OF NEW SHARES	ACQUISITION OF TREASURY SHARES	DISTRIBUTION OF EXTRAORDINARY DIVIDENDS	CHANGE IN EQUITY INSTRUMENTS	OWN SHARE DERIVATIVES	STOCK OPTIONS	COMPREHENSIVE INCOME 2011	TOTAL SHAREHOLDERS' EQUITY AS AT 12.31.2011	SHAREHOLDERS' EQUITY GROUP AS AT 12.31.2011	SHAREHOLDERS' EQUITY MINORITIES AS AT 12.31.2011
Issued capital:																
a) ordinary shares	10,012,413		10,012,413			91,570	2,496,533							12,600,516	12,133,204	467,312
b) othe shares	12,120		12,120				3,139							15,259	15,259	-
Share premiums	41,091,961		41,091,961			(1,427)	(2,499,218)							38,591,316	36,823,215	1,768,101
Reserves:																
a) from profits	12,570,882		12,570,882	835,274		(414,499)	(454)							12,991,203	12,191,009	800,194
b) other	3,612,656		3,612,656			(174,118)	(3,706)					57,429		3,492,261	3,373,520	118,741
Revaluation reserves	(1,237,158)		(1,237,158)			7,196							(2,813,373)	(4,043,335)	(3,843,089)	(200,246)
Treasury shares	(4,218)		(4,218)			(3,742)								(7,960)	(7,337)	(623)
Net profit or Loss for the period	1,644,569		1,644,569	(835,274)	(809,295)								(8,841,682)	(8,841,682)	(9,206,448)	364,766
Total Shareholders' Equity	**67,703,225**	**-**	**67,703,225**	**-**	**(809,295)**	**(495,020)**	**(3,706)**	**-**	**-**	**-**	**-**	**57,429**	**(11,655,055)**	**54,797,578**	51,479,333	3,318,245
Shareholders' Equity Group	64,224,045	-	64,224,045	-	(560,025)	(435,893)	(3,706)	-	-	-	-	57,429	(11,802,517)	51,479,333		
Shareholders' Equity minorities	3,479,180		3,479,180		(249,270)	(59,127)							147,462	3,318,245		

The amounts reported in column "Stock options" represent the effects relating to the delivery of shares (Stock Options, Performance Shares, Discount and Matching Shares connected with the ESOP Plans and other Group Executive Incentive Plans).

The changes reported in column 'Issue of new shares' conventionally include those relating to the free capital increase approved by the Extraordinary Shareholders' Meeting on December 15, 2011, carried out by way of an increase in the nominal value of ordinary and savings shares, with transfer from the Share premium reserve, without the issue of new shares.

The item "Reserves from profits - Changes in reserves" includes the changes brought about by the revision of the criteria used by the Group to classify amounts collected from investee companies. The revision aims at better recording their economic effects.

Statement of changes in Shareholders' Equity as at December 31, 2010

(€ '000)

				ALLOCATION OF PROFIT FROM PREVIOUS YEAR		CHANGES DURING THE YEAR	SHAREHOLDERS' EQUITY TRANSACTIONS									
	BALANCE AS AT 12.31.2009	CHANGE IN OPENING BALANCE	BALANCE AS AT 01.01.2010	RESERVES	DIVIDENS	CHANGES IN RESERVES	ISSUE OF NEW SHARES	ACQUISITION OF TREASURY SHARES	DISTRIBUTION OF EXTRAORDINARY DIVIDENDS	CHANGE IN EQUITY INSTRUMENTS	OWN SHARE DERIVATIVES	STOCK OPTIONS	COMPREHENSIVE INCOME 2010	TOTAL SHAREHOLDERS' EQUITY AS AT 12.31.2010	SHAREHOLDERS' EQUITY GROUP AS AT 12.31.2010	SHAREHOLDERS' EQUITY MINORITIES AS AT 12.31.2010
Issued capital:																
a) ordinary shares	8,753,723		8,753,723			(231)	1,258,921							10,012,413	9,636,671	375,742
b) othe shares	12,120		12,120											12,120	12,120	-
Share premiums	38,344,175		38,344,175			6,893	2,740,893							41,091,961	39,322,433	1,769,528
Reserves:																
a) from profits	11,268,580		11,268,580	1,304,787		(2,008)	(477)							12,570,882	11,692,547	878,335
b) other	3,842,792		3,842,792			(146,421)	(84,418)					703		3,612,656	3,493,915	118,741
Revaluation reserves	(1,358,079)		(1,358,079)			833							120,088	(1,237,158)	(1,252,787)	15,629
Treasury shares	(6,019)		(6,019)			1,801								(4,218)	(4,197)	(21)
Net profit or Loss for the period	2,034,620		2,034,620	(1,304,787)	(729,833)								1,644,569	1,644,569	1,323,343	321,226
Total Shareholders' Equity	**62,891,912**	**-**	**62,891,912**	**-**	**(729,833)**	**(139,133)**	**3,914,919**	**-**	**-**	**-**	**-**	**703**	**1,764,657**	**67,703,225**	64,224,045	3,479,180
Shareholders' Equity Group	59,689,672	-	59,689,672	-	(561,768)	(138,843)	3,914,919	-	-	-	-	703	1,319,362	64,224,045		
Shareholders' Equity minorities	3,202,240		3,202,240		(168,065)	(290)							445,295	3,479,180		

The amounts reported in column "Stock options" represent the effects relating to the delivery of shares (Stock Options, Performance Shares, Discount and Matching Shares connected with the ESOP Plans and other Group Executive Incentive Plans).

Consolidated Cash Flow Statement

Consolidated Cash Flow Statement (indirect method)

(€ '000)

	YEAR 2011	YEAR 2010
A. OPERATING ACTIVITIES		
1. Operations	13,754,994	11,380,983
- profit and loss of the period (+/-)	(9,206,448)	1,323,343
- capital gains/losses on financial assets/liabilities held for trading and on assets/liabilities designated at fair value through profit and loss (+/-)	378,993	1,281,334
- capital gains/losses on hedging operations (+/-)	(105,797)	(52,139)
- net write-offs/write-backs due to impairment (+/-)	17,129,248	5,636,506
- net write-offs/write-backs on tangible and intangible assets (+/-)	2,456,635	1,671,514
- provisions and other incomes/expenses (+/-)	1,453,834	1,340,323
- not cashed net premiums (-)	11,457	11,068
- other not collected incomes and expenses from insurance activities	396	(4,789)
- not paied tax (+)	777,229	(61,737)
- other adjustments (+)	859,447	235,560
2. Liquidity generated/absorbed by financial assets	(18,996,824)	(11,725,602)
- financial assets held for trading	(8,942,765)	10,324,001
- financial assets at fair value	(1,868,159)	(12,178,504)
- available-for-sale financial assets	(6,415,637)	(20,909,019)
- loans and receivables with banks	12,825,101	8,091,693
- loans and receivables with customers	(18,156,841)	5,999,159
- other assets	3,561,477	(3,052,932)
3. Liquidity generated/absorbed by financial liabilities	10,170,593	(7,921,106)
- deposits from banks	20,426,553	4,410,623
- deposits from customers	2,120,760	19,635,434
- debt certificates including bonds	(16,568,178)	(33,331,247)
- financial liabilities held for trading	9,300,786	27,223
- financial liabilities designated at fair value	(481,923)	(344,437)
- other liabilities	(4,627,405)	1,681,298
Net liquidity generated/absorbed by operating activities	4,928,763	(8,265,725)
B. INVESTMENT ACTIVITIES		
1. Liquidity generated by:	10,981,248	8,389,102
- sales of equity investments	60,332	81,464
- collected dividends on equity investments	73,227	118,640
- sales of financial assets held to maturity	9,918,625	7,760,890
- sales of tangible assets	594,453	288,211
- sales of intangible assets	13,736	12,800
- sales of subsidiaries and divisions	320,875	127,097
2. Liquidity absorbed by:	(11,448,664)	(8,830,998)
- purchases of equity investments	(306,221)	(188,918)
- purchases of financial assets held to maturity	(9,517,281)	(6,754,691)
- purchases of tangible assets	(974,214)	(1,401,103)
- purchases of intangible assets	(620,948)	(486,286)
- purchases of sales/purchases of subsidiaries and divisions	(30,000)	-
Net liquidity generated/absorbed by investment activities	(467,416)	(441,896)
C. FUNDING ACTIVITIES		
- issue/purchase of treasury shares	(3,706)	3,914,919
- distribution of dividends and other scopes	(983,413)	(875,959)
Net liquidity generated/absorbed by funding activities	(987,119)	3,038,960
NET LIQUIDITY GENERATED / ABSORBED DURING THE PERIOD	3,474,228	(5,668,661)

Continued: Consolidated Cash Flow Statement (indirect method)

Reconciliation

(€ '000)

	YEAR 2011	YEAR 2010
Cash and cash equivalents at the beginning of the period	**6,414,097**	**11,986,797**
Net liquidity generated/absorbed during the period	3,474,228	(5,668,661)
Cash and cash equivalents: effect of exchange rate variations	(160,188)	95,961
Cash and cash equivalents at the end of the period	**9,728,137**	**6,414,097**

Key:
(+) generated;
(-) absorbed.

Notes to the Consolidated Accounts

Part A - Accounting Policies

Part A - Accounting Policies

A.1 - General

Section 1 - Statement of Compliance with IFRSs

These consolidated accounts have been prepared in accordance with the IFRS issued by the International Accounting Standards Board (IASB), including the interpretation documents issued by the SIC and the IFRIC, and endorsed by the European Commission up to December 31, 2011, pursuant to EU Regulation 1606/2002 which was incorporated into Italy's legislation through the Legislative Decree no. 38 dated February 28, 2005 (see Section 5 - Other matters).

This report is an integral part of the Annual Financial Statements as required by §. 154-ter 1,of the Single Finance Act (TUF Leg. Decree no. 58 dated February 24, 1998).

In its circular 262 dated December 22, 2005 (first amendment dated November 18, 2009) Banca d'Italia, whose powers as per LD 87/92 in relation to banks' and regulated financial companies' Accounts were confirmed in the above-mentioned LD, laid down the formats for the Accounts and the Notes to the Accounts used to draft these financial statements.

Section 2 - Preparation Criteria

As mentioned above, these Accounts have been prepared in accordance with the IFRS endorsed by the European Commission. The following documents were used to interpret and support the application of IFRS (albeit not all endorsed by the EC):
- Framework for the Preparation and Presentation of Financial Statements issued by the IASB in 2001;
- Implementation Guidance, Basis for Conclusions, IFRICs and any other documents prepared by the IASB or IFRIC (International Financial Reporting Interpretations Committee) supplementing the IFRS;
- Interpretative documents on the application of IFRS in Italy prepared by the Organismo Italiano di Contabilità (OIC) and Associazione Bancaria Italiana (ABI).

The consolidated accounts comprise the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Cash Flow Statement (compiled using the indirect method) and the Notes to the Accounts, together with the Directors' Report on Operations and Annexes.

As noted in the Report on Operations, the Report on Corporate Governance and Proprietary Structures is available in the "Governance" section of the UniCredit website (http://www.unicreditgroup.eu/it/Governance/corporate_governance_report.htm - Italian version and http://www.unicreditgroup.eu/en/Governance/corporate_governance_report.htm - English version).

Figures in the schedules and explanatory notes are given in **thousands of euros**, if not otherwise specified.

These accounts were compiled on the assumption that they should present a continuing business. Losses recognized during the period, even if amounting to significant sums, are related mainly to the impairment of intangible assets (goodwill) as a result of the approval of the new strategic plans. Moreover, these strategic plans do not give rise to uncertainty about the assumption that they should present a continuing business. There is no uncertainty as to the Company's ability to continue its business operations as envisaged by IAS 1. Measurement criteria are therefore in accordance with this assumption and with the principles of competence, relevance and materiality in financial statements and the priority of economic substance over juridical form. These principles are unchanged from 2010.

Risk and uncertainty due to use of estimated figures

The IFRSs require that management provide valuations, estimates and projections with a bearing on the application of accounting principles, on the carrying amount of assets, liabilities, expenses and revenue, and on the disclosure of information about potential assets and liabilities. Estimates and related projections based on experience and other factors judged to be reasonably included were used to estimate the carrying value of assets and liabilities not readily obtainable from other sources.

Estimated figures have been used for the recognition of some of the largest value-based items in the consolidated Accounts at December 31, 2011, as required by the accounting standards and regulations above detailed. These estimates are largely based on calculations of future recoverability of the values recognized in the Accounts under the rules contained in current legislation and were made assuming the continuity of the business, i.e. without considering the possibility of the forced sale of the items so valued.

The processes adopted support the values recognized at December 31, 2011. Valuation was particularly complex given the continuing uncertainty of the macro-economic and market situation which was characterized by significant volatility of financial indicators used in the valuation process and by still high levels of credit impairment.

The parameters and information used to check the mentioned values were therefore significantly affected by the above factors, which could change rapidly in ways that cannot currently be foreseen, such that further effects on future balance-sheet values cannot be ruled out.

Estimates and projections are regularly reviewed. Any changes arising from these reviews are recognized in the period in which they are carried out, provided that the change concerns that period. If the reappraisal concerns both current and future periods it is recognized in both current and future periods as appropriate.

Uncertainty affecting estimates is generally inherent in the measurement of:
• fair value of financial instruments not listed in active markets;
• loans and receivables, investments and, in general, financial assets;
• severance pay (Italy) and other employee benefits;
• provisions for risks and charges;
• goodwill and other intangible assets;
• assets and liabilities related to insurance contracts;
• deferred tax assets;
since quantifying all these items is mainly dependent both on the evolution of domestic and international socio-economic conditions and on the performance of the financial markets and its effect on interest rates, stock prices, actuarial assumptions and more generally the creditworthiness of borrowers and counterparties.

Specifically referring to future cash flow projections used in the valuation of goodwill and other intangible assets, it should be noted that the parameters and the information used are significantly influenced by the macroeconomic market situation, which could change in unpredictable ways. For further information please refer to Part B - Consolidated Balance Sheet - Section 13 - Intangible assets.

Section 3 - Consolidation Procedures and Scope

The following were the consolidation criteriasand principles used to prepare the consolidated accounts as at December 31, 2011 are as follows:

Consolidated Accounts

For the preparation of the consolidated accounts the following sources were used:
• UniCredit S.p.A. Accounts (draft) as at 31 December 2011;
• the draft Accounts as at 31 December 2011 of other fully consolidated subsidiaries (excluding those indicated in the next bullet point) duly condensed and adjusted in order to take account of consolidation needs and, where necessary, to align them to the Group accounting principle. If the drafts had not been approved yet at the date of preparation of the Accounts, the Q4 results authorized by the appropriate corporate bodies were used;
• for the companies belonging to the Leasing Sub-Group and reporting to UniCredit Leasing S.p.A.:
  - the draft financial statements of UniCredit Leasing S.p.A.;
  - the draft accounts as at December 31, 2011 of companies recognized using proportionate consolidation in 2011;
  - the sub-consolidated accounts of Austrian subsidiaries, i.e. UniCredit Leasing (Austria) GMBH and its subsidiaries;
  - the sub-consolidated accounts of the CEE subsidiaries, i.e. all direct and indirect subsidiaries of the Parent Company UniCredit Leasing S.p.A. located in CEE countries;
• the sub-consolidated Accounts of Compagnia Italpetroli Group including Compagnia Italpetroli S.p.A. and its direct and indirect subsidiaries, as at December 31, 2011. The business combination finalized on August 18, 2011 involved absorption of the balances of balance-sheet and the profit and loss figures starting from the acquisition date.

Balance Sheet items in foreign currencies are converted at closing exchange rates; the average exchange rate for the year is used for the profit and loss account, which is considered a valid approximation of the rate of exchange at the date of the transaction.

The accounts and explanatory notes of the main fully consolidated subsidiaries prepared under IFRS are subject to audit by leading audit companies.

Subsidiaries

Subsidiaries are entities of which:
• the Parent owns, directly or indirectly through subsidiaries, more than half of the voting power unless, in exceptional circumstances, it can be clearly demonstrated that such ownership does not constitute control;
• the Parent owns half or less of the voting power and has:
  - power over more than half of the voting rights by virtue of an agreement with other investors;
  - power to govern the financial and operating policies of the entity under a statute or an agreement;
  - power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the entity is by that board or body; or

Part A - Accounting Policies (Continued)

- power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body.

The existence and effect of potential voting rights that are currently exercisable or convertible, are considered when assessing whether an entity has the power to govern the financial and operating policies of another entity.

The list of subsidiaries also includes any special purpose entities as required by SIC 12.
SIC 12 requires UniCredit to consolidate special purpose entities, provided that, in substance, the majority of the risks and rewards incident to the activities of these special purpose entities is attributable to the Bank or, in substance, the Bank controls the special purpose entities. An interest in the equity capital of the special purpose entities is immaterial in this regard.

Thus the consolidation of special purpose entities in accordance with SIC 12 has the same effect as full consolidation. Equity interests held by third parties in a special purpose entity consolidated by the Bank in accordance with SIC 12 are recognized under minority interest.

The carrying amount of an investment in a fully or proportionately consolidated entity held by the Parent or another Group company is eliminated against the recognition of the subsidiary's assets and liabilities as well as the Group's portion of equity of the subsidiary.

Intragroup balances, off-balance sheet transactions, income and expenses and gain/losses between consolidated companies are eliminated in full or proportionately, in accordance with the consolidation procedures adopted.

A subsidiary's income and expenses are included in consolidation from the date the Parent acquires control. On disposal of a subsidiary, its income and expenses are consolidated up to the date of disposal, i.e., when the Parent ceases to control the subsidiary. The difference between the proceeds from the disposal of the subsidiary and the carrying amount of its net assets is recognized in item 270 "Gains (Losses) on disposal of investments" in profit and loss.

Minority interests are recognized in the consolidated balance sheet item 210 "Minorities" separately from liabilities and Parent shareholders' equity. Minority interests in the profit or loss of the Group are separately disclosed under item 330 of the consolidated profit and loss account.

On first-time consolidation, subsidiaries are measured at fair value as at the acquisition date, i.e. at the consideration transferred to obtain control of the subsidiary.

Associates
These are entities over which an investor has significant influence, and which is neither a subsidiary nor an interest in a joint venture. It is presumed that:
- the investor has significant influence if the investor holds, directly or indirectly, at least 20 per cent of the voting power of an investee;
- is able to exercise significant influence through:
  - representation on the board of directors or equivalent governing body of the investee;
  - participation in policy-making process, including participation in decisions about dividends or other distributions;
  - material transactions between the investor and the investee;
  - interchange of managerial personnel;
  - provision of essential technical information.

Investments in associates are recognized using the equity method. The carrying amount includes goodwill (less any impairment loss). The investor's share of the profit and loss of the investee after the date of acquisition is recognized in item 240 "Profit (Loss) of associates" in profit or loss. Distributions received from an investee reduce the carrying amount of the investment.

If the investor's share of an associate's losses is equal to or more than its carrying amount, no further losses are recognized, unless the investor has incurred legal or constructive obligations or made payments on behalf of the associate.

Unrealized profits on transactions with associates are eliminated to the extent of the Group's interest. Unrealized losses are likewise eliminated, unless the transactions show evidence of impairment of the assets exchanged.

The changes in the revaluation reserves of associates, which are recorded as a contra item to changes in value of items that are relevant for this purpose, are reported separately in the Statement of Comprehensive Income.

Joint ventures

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control exists only when financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control.

Interests in joint ventures are recognized using proportionate consolidation.

The following table shows the companies included in the scope of consolidation, as well as those valued by using the equity method.

Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP[1]	OWNERSHIP RELATIONSHIP HELD BY	OWNERSHIP RELATIONSHIP HOLDING %	VOTING RIGHTS [2]
	A.COMPANY					
	A.1 LINE BY LINE METHOD					
1	**UNICREDIT SPA**	**ROME**		**HOLDING**		
2	A&T-PROJEKTENTWICKLUNGS GMBH & CO. POTSDAMER PLATZ BERLIN KG	MUNICH	1	GRUNDSTUCKSAKTIENGESELLSCHAFT AM POTSDAMER PLATZ (HAUS VATERLAND)	66.67	
3	ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. OBERBAUM CITY KG	GRUNWALD	1	SIRIUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	100.00	98.11
4	ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. PARKKOLONNADEN KG	GRUNWALD	1	A&T-PROJEKTENTWICKLUNGS GMBH & CO. POTSDAMER PLATZ BERLIN KG	100.00	98.11
5	ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. STUTTGART KRONPRINZSTRASSE KG	GRUNWALD	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	100.00	98.11
6	ACTIVE ASSET MANAGEMENT GMBH	GRUNWALD	1	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
7	AGROB IMMOBILIEN AG	ISMANING	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	52.72	75.02
8	AI BETEILIGUNGS GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
9	ALINT 458 GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	BAD HOMBURG	1	UNICREDIT LEASING S.P.A.	100.00	
10	ALLEGRO LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
11	ALLIB LEASING S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
12	ALLIB NEKRETNINE D.O.O. ZA POSLOVANJE NEKRETNINAMA	ZAGREB	1	UNICREDIT LEASING S.P.A.	100.00	
13	ALLIB ROM S.R.L.	BUCHAREST	1	UNICREDIT LEASING S.P.A.	100.00	
14	ALMS LEASING GMBH.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
15	ALPINE CAYMAN ISLANDS LTD.	GEORGE TOWN	1	UNICREDIT BANK AUSTRIA AG	100.00	
16	ALTUS ALPHA PLC	DUBLIN	4	UNICREDIT BANK AG	..	[3]
17	ALV IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
18	ANI LEASING IFN S.A.	BUCHAREST	1	UNICREDIT GLOBAL LEASING EXPORT GMBH	10.01	
				UNICREDIT LEASING S.P.A.	89.99	
19	ANTARES IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
20	ANTUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	MUNICH	1	HVB PROJEKT GMBH	90.00	
21	ARABELLA FINANCE LTD.	DUBLIN	4	UNICREDIT BANK AG	..	[3] [4]
22	ARANY PENZUEGYI LIZING ZRT.	BUDAPEST	1	UNICREDIT BANK HUNGARY ZRT.	100.00	
23	ARGENTAURUS IMMOBILIEN-VERMIETUNGS- UND VERWALTUNGS GMBH	MUNICH	1	HVB PROJEKT GMBH	100.00	
24	ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT M.B.H.	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
25	ARRONDA IMMOBILIENVERWALTUNGS GMBH	MUNICH	1	HVB PROJEKT GMBH	100.00	
26	ARTIST MARKETING ENTERTAINMENT GMBH	VIENNA	1	MY BETEILIGUNGS GMBH	100.00	
27	AS UNICREDIT BANK, LATVIA	RIGA	1	UNICREDIT BANK AUSTRIA AG	100.00	
28	ATF CAPITAL B.V.	ROTTERDAM	1	JSC ATF BANK	100.00	
29	ATF FINANCE JSC	ALMATY CITY	1	JSC ATF BANK	100.00	
30	ATF INKASSATSIYA LTD	ALMATY CITY	1	JSC ATF BANK	100.00	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
31 ATLANTERRA IMMOBILIENVERWALTUNGS GMBH	MUNICH	1	HVB PROJEKT GMBH	90.00	
32 AUFBAU DRESDEN GMBH	MUNICH	1	HVB PROJEKT GMBH	100.00	
33 AUSTRIA LEASING GMBH	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	0.40	
			GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.40	99.60
34 AUTOGYOR INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
35 AWT HANDELS GESELLSCHAFT M.B.H.	VIENNA	1	AWT INTERNATIONAL TRADE GMBH	100.00	
36 AWT INTERNATIONAL TRADE GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
37 B.I. INTERNATIONAL LIMITED	GEORGE TOWN	1	TRINITRADE VERMOGENSVERWALTUNGS-GESELLSCHAFT MIT BESCHRANKTER HAFTUNG	100.00	
38 BA BETRIEBSOBJEKTE GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
39 BA BETRIEBSOBJEKTE GMBH & CO BETA VERMIETUNGS OG	VIENNA	1	BA BETRIEBSOBJEKTE GMBH	99.90	
40 BA BETRIEBSOBJEKTE PRAHA, SPOL.S.R.O.	PRAGUE	1	BA BETRIEBSOBJEKTE GMBH	100.00	
41 BA CA LEASING (DEUTSCHLAND) GMBH	BAD HOMBURG	1	UNICREDIT LEASING S.P.A.	94.90	
42 BA CA SECUND LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
43 BA CREDITANSTALT BULUS EOOD	SOFIA	1	HVB LEASING OOD	100.00	
44 BA EUROLEASE BETEILIGUNGSGESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
45 BA GVG-HOLDING GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
46 BA IMMO GEWINNSCHEIN FONDS	VIENNA	4	UNICREDIT BANK AUSTRIA AG	..	(3)
47 BA PRIVATE EQUITY GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
48 BA ALPINE HOLDINGS, INC.	WILMINGTON	1	UNICREDIT BANK AUSTRIA AG	100.00	
49 BA-CA ANDANTE LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
50 BA-CA FINANCE (CAYMAN) II LIMITED	GEORGE TOWN	1	ALPINE CAYMAN ISLANDS LTD.	100.00	
51 BA-CA FINANCE (CAYMAN) LIMITED	GEORGE TOWN	1	ALPINE CAYMAN ISLANDS LTD.	100.00	
52 BA-CA INFRASTRUCTURE FINANCE ADVISORY GMBH	VIENNA	1	ZETA FUENF HANDELS GMBH	100.00	
53 BA-CA LEASING DREI GARAGEN GMBH	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.80	100.00
54 BA-CA LEASING MAR IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
55 BA-CA LEASING MODERATO D.O.O.	LUBIANA	1	UNICREDIT LEASING S.P.A.	100.00	
56 BA-CA LEASING VERSICHERUNGSSERVICE GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
57 BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.M.B.H.	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
58 BA-CA PRESTO LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
59 BA-CA WIEN MITTE HOLDING GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
60 BA-CREDITANSTALT LEASING ANGLA SP. Z O.O.	WARSAW	1	UNICREDIT LEASING S.P.A.	100.00	
61 BA/CA-LEASING BETEILIGUNGEN GMBH	VIENNA	1	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	99.80	100.00
62 BA/CA-LEASING FINANZIERUNG GMBH	VIENNA	1	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT M.B.H.	100.00	
63 BACA CENA IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
64 BACA CHEOPS LEASING GMBH	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
65 BACA HYDRA LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
66 BACA KOMMUNALLEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
67 BACA LEASING ALFA S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
68 BACA LEASING CARMEN GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
69 BACA LEASING GAMA S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
70 BACA LEASING UND BETEILGUNGSMANAGEMENT GMBH	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	98.80	99.00
			UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
71 BACA NEKRETNINE DOO	BANJA LUKA	1	UNICREDIT LEASING S.P.A.	100.00	
72 BACA ROMUS IFN S.A.	BUCHAREST	1	UNICREDIT GLOBAL LEASING EXPORT GMBH	10.01	
			UNICREDIT LEASING S.P.A.	89.99	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP[1]	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS [2]
73	BACA-LEASING AQUILA INGATLANHASNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
74	BACA-LEASING GEMINI INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
75	BACA-LEASING NERO INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
76	BACA-LEASING OMIKRON INGATLANHASZNOSTO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
77	BACA-LEASING URSUS INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
78	BACAL ALPHA DOO ZA POSLOVANJE NEKRETNINAMA	ZAGREB	1	UNICREDIT LEASING S.P.A.	100.00	
79	BACAL BETA NEKRETNINE D.O.O. ZA POSLOVANJE NEKRETNINAMA	ZAGREB	1	UNICREDIT LEASING S.P.A.	100.00	
80	BAL CARINA IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
81	BAL DEMETER IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
82	BAL HESTIA IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
83	BAL HORUS IMMOBILIEN LEASING GMBH	VIENNA	1	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	99.80	100.00
84	BAL HYPNOS IMMOBILIEN LEASING GMBH	VIENNA	1	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	99.80	100.00
85	BAL LETO IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
86	BAL OSIRIS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
87	BAL PAN IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
88	BAL SOBEK IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
89	BALEA SOFT GMBH & CO. KG	HAMBURG	1	UNICREDIT LEASING GMBH	100.00	
90	BALEA SOFT VERWALTUNGSGESELLSCHAFT MBH	HAMBURG	1	UNICREDIT LEASING GMBH	100.00	
91	BANDON LEASING LTD.	DUBLIN	4	UNICREDIT BANK AG	..	(3)
92	BANK AUSTRIA CREDITANSTALT LEASING IMMOBILIENANLAGEN GMBH	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
93	BANK AUSTRIA FINANZSERVICE GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
94	BANK AUSTRIA HUNGARIA BETA LEASING KORLATOLT FELELOSSEGU TSRSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
95	BANK AUSTRIA IMMOBILIENSERVICE GMBH	VIENNA	1	PLANETHOME AG	100.00	
96	BANK AUSTRIA LEASING ARGO IMMOBILIEN LEASING GMBH	VIENNA	1	RONDO LEASING GMBH	99.80	100.00
97	BANK AUSTRIA LEASING HERA IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
98	BANK AUSTRIA LEASING IKARUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
99	BANK AUSTRIA LEASING MEDEA IMMOBILIEN LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
100	BANK AUSTRIA REAL INVEST CLIENT INVESTMENT GMBH	VIENNA	1	BANK AUSTRIA REAL INVEST GMBH	100.00	
101	BANK AUSTRIA REAL INVEST GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	94.95	
102	BANK AUSTRIA REAL INVEST IMMOBILIEN-KAPITALANLAGE GMBH	VIENNA	1	BANK AUSTRIA REAL INVEST GMBH	100.00	
103	BANK AUSTRIA WOHNBAUBANK AG	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
104	BANK PEKAO SA	WARSAW	1	UNICREDIT SPA	59.24	
105	BANKHAUS NEELMEYER AG	BREMEN	1	UNICREDIT BANK AG	100.00	
106	BARODA PIONEER ASSET MANAGEMENT COMPANY LTD	MUMBAI	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	51.00	
107	BAULANDENTWICKLUNG GDST 1682/8 GMBH & CO OEG	VIENNA	1	CALG ANLAGEN LEASING GMBH	1.00	
				CALG IMMOBILIEN LEASING GMBH	99.00	
108	BDK CONSULTING	LUCK	1	PUBLIC JOINT STOCK COMPANY UNICREDIT BANK	100.00	
109	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP[1]	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS [2]
110	BIL IMMOBILIEN FONDS GMBH & CO OBJEKT PERLACH KG	MUNICH	1	BIL V & V VERMIETUNGS GMBH	5.22	5.14
				ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	94.78	93.87
111	BIL LEASING-FONDS GMBH & CO VELUM KG	MUNICH	1	UNICREDIT BANK AG	100.00	33.33
112	BIL LEASING-FONDS VERWALTUNGS-GMBH	MUNICH	1	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
113	BIL V & V VERMIETUNGS GMBH	MUNICH	1	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
114	BLACK FOREST FUNDING LLC	DELAWARE	4	UNICREDIT BANK AG	..	[3]
115	BLUE CAPITAL EQUITY GMBH	HAMBURG	1	WEALTHCAP INITIATOREN GMBH	100.00	
116	BLUE CAPITAL EQUITY MANAGEMENT GMBH	HAMBURG	1	BLUE CAPITAL EQUITY GMBH	100.00	
117	BLUE CAPITAL EUROPA IMMOBILIEN GMBH & CO. ACHTE OBJEKTE GROBRITANNIEN KG	HAMBURG	1	WEALTHCAP FONDS GMBH	90.91	
				WEALTHCAP INVESTORENBETREUUNG GMBH	9.09	
118	BLUE CAPITAL USA IMMOBILIEN VERWALTUNGS GMBH	HAMBURG	1	WEALTHCAP FONDS GMBH	100.00	
119	BORGO DI PEROLLA SRL	MASSA MARITTIMA (GROSSETO)	1	FONDIARIA LASA SPA	100.00	
120	BREWO GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
121	BULBANK AUTO LEASING EOOD	SOFIA	1	BULBANK LEASING EAD	100.00	
122	BULBANK LEASING EAD	SOFIA	1	UNICREDIT LEASING AD	100.00	
123	BV GRUNDSTUCKSENTWICKLUNGS-GMBH	MUNICH	1	HVB IMMOBILIEN AG	100.00	
124	BV GRUNDSTUCKSENTWICKLUNGS-GMBH & CO. VERWALTUNGS-KG	MUNICH	1	UNICREDIT BANK AG	100.00	
125	CA-LEASING ALPHA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
126	CA-LEASING BETA 2 INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
127	CA-LEASING DELTA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
128	CA-LEASING EPSILON INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
129	CA-LEASING EURO, S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
130	CA-LEASING KAPPA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
131	CA-LEASING LAMBDA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
132	CA-LEASING OMEGA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
133	CA-LEASING OVUS S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
134	CA-LEASING PRAHA S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
135	CA-LEASING SENIOREN PARK GMBH	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.80	100.00
136	CA-LEASING TERRA POSLOVANJE Z NEPREMICNINAMI D.O.O.	LUBIANA	1	UNICREDIT LEASING S.P.A.	100.00	
137	CA-LEASING YPSILON INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
138	CA-LEASING ZETA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
139	CABET-HOLDING-AKTIENGESELLSCHAFT	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
140	CABO BETEILIGUNGSGESELLSCHAFT M.B.H.	VIENNA	1	CABET-HOLDING-AKTIENGESELLSCHAFT	100.00	
141	CAC REAL ESTATE, S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
142	CAC-IMMO SRO	CESKE BUDEJOVICE	1	UNICREDIT LEASING S.P.A.	100.00	
143	CAFU VERMOEGENSVERWALTUNG GMBH & CO OG	VIENNA	1	SCHOELLERBANK AKTIENGESELLSCHAFT	100.00	
144	CAL-PAPIER INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME		MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
145	CALG 307 MOBILIEN LEASING GMBH	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	98.80	99.00
				UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
146	CALG 443 GRUNDSTUCKVERWALTUNG GMBH	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	98.80	99.00
				CALG IMMOBILIEN LEASING GMBH	1.00	
147	CALG 445 GRUNDSTUCKVERWALTUNG GMBH	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
148	CALG 451 GRUNDSTUCKVERWALTUNG GMBH	VIENNA	1	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	99.80	100.00
149	CALG ALPHA GRUNDSTUCKVERWALTUNG GMBH	VIENNA	1	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	99.80	100.00
150	CALG ANLAGEN LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
151	CALG ANLAGEN LEASING GMBH & CO GRUNDSTUCKVERMIETUNG UND -VERWALTUNG KG	MUNICH	1	CALG ANLAGEN LEASING GMBH	99.90	100.00
152	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	VIENNA	1	CALG ANLAGEN LEASING GMBH	99.80	100.00
153	CALG GAMMA GRUNDSTUCKVERWALTUNG GMBH	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
154	CALG GRUNDSTUCKVERWALTUNG GMBH	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
155	CALG IMMOBILIEN LEASING GMBH	VIENNA	1	CALG ANLAGEN LEASING GMBH	99.80	100.00
156	CALG IMMOBILIEN LEASING GMBH & CO 1050 WIEN, SIEBENBRUNNENGASSE 10-21 OG	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
157	CALG IMMOBILIEN LEASING GMBH & CO 1120 WIEN, SCHONBRUNNER SCHLOSS-STRASSE 38-42 OG	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
158	CALG IMMOBILIEN LEASING GMBH & CO PROJEKT ACHT OG	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
159	CALG IMMOBILIEN LEASING GMBH & CO PROJEKT FUNF OG	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
160	CALG IMMOBILIEN LEASING GMBH & CO PROJEKT VIER OG	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
161	CALG IMMOBILIEN LEASING GMBH & CO PROJEKT ZEHN OG	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
162	CALG MINAL GRUNDSTUCKVERWALTUNG GMBH	VIENNA	1	CALG ANLAGEN LEASING GMBH	99.80	100.00
163	CAMERON GRANVILLE 2 ASSET MANAGEMENT INC	TAGUIG	1	CAMERON GRANVILLE ASSET MANAGEMENT (SPV-AMC) , INC	100.00	
164	CAMERON GRANVILLE 3 ASSET MANAGEMENT INC.	TAGUIG	1	CAMERON GRANVILLE ASSET MANAGEMENT (SPV-AMC) , INC	100.00	
165	CAMERON GRANVILLE ASSET MANAGEMENT (SPV-AMC) , INC	TAGUIG	1	HVB ASIA LIMITED	100.00	
166	CAMPO DI FIORI SAS	ROME	1	IMMOBILIARE PATETTA SRL	96.67	
167	CARD COMPLETE SERVICE BANK AG	VIENNA	1	UNICREDIT BANK AUSTRIA AG	50.10	
168	CARDS & SYSTEMS EDV-DIENSTLEISTUNGS GMBH	VIENNA	1	CARD COMPLETE SERVICE BANK AG	5.00	
				DINERS CLUB CEE HOLDING AG	1.00	
				UNICREDIT BANK AUSTRIA AG	52.00	
169	CBD INTERNATIONAL SP.ZO.O.	WARSAW	1	ISB UNIVERSALE BAU GMBH	100.00	
170	CDM CENTRALNY DOM MAKLERSKI PEKAO SA	WARSAW	1	BANK PEKAO SA	100.00	
171	CEAKSCH VERWALTUNGS G.M.B.H.	VIENNA	1	BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.M.B.H.	100.00	
172	CENTAR KAPTOL DOO	ZAGREB	1	ZAGREBACKA BANKA D.D.	100.00	
173	CENTER HEINRICH-COLLIN-STRASSE1 VERMIETUNGS GMBH U.CO KG	VIENNA	4	BA IMMO GEWINNSCHEIN FONDS	..	(3)
174	CENTRUM BANKOWOSCI BEZPOSREDNIEJ SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSC	KRAKOW	1	BANK PEKAO SA	100.00	
175	CENTRUM KART SA	WARSAW	1	BANK PEKAO SA	100.00	
176	CHARADE LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
177	CHEFREN LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
178	CHRISTOPH REISEGGER GESELLSCHAFT M.B.H.	VIENNA	1	LASSALLESTRASSE BAU-, PLANUNGS-, ERRICHTUNGS- UND VERWERTUNGSGESELLSCHAFT M.B.H.	100.00	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
179 CIVITAS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
180 CJSC BANK SIBIR	OMSK CITY	1	ZAO UNICREDIT BANK	100.00	
181 CLOSED JOINT-STOCK COMPANY UNICREDIT SECURITIES	MOSCOW	1	AI BETEILIGUNGS GMBH	99.50	
			UNICREDIT SECURITIES INTERNATIONAL LIMITED	0.50	
182 CO.RI.T. S.P.A. IN LIQUIDAZIONE	ROME	1	UNICREDIT CREDIT MANAGEMENT BANK SPA	60.00	
183 COFIRI S.P.A. IN LIQUIDAZIONE	ROME	1	UNICREDIT CREDIT MANAGEMENT BANK SPA	100.00	
184 COM.P.I.S. - COMPAGNIA PETROLIFERA ITALIA SUD SOCIETÀ A RESPONSABILITÀ LIMITATA	ROME	1	SOCIETÀ DEPOSITI COSTIERI - SO.DE.CO. SRL	100.00	
185 COMMUNA - LEASING GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT M.B.H.	VIENNA	1	REAL-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	99.80	100.00
186 COMPAGNIA FONDIARIA ROMENA (C.F.R.) SRL	ROME	1	IMMOBILIARE PATETTA SRL	72.50	
			INFISSER SRL	15.00	
			SOCIETÀ VERONESE GESTIONE COMPRAVENDITA IMMOBILI A R.L.	12.50	
187 COMPAGNIA ITALPETROLI S.P.A.	ROME	1	UNICREDIT SPA	100.00	
188 CONTRA LEASING-GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	75.00
			JAUSERN-LEASING GESELLSCHAFT M.B.H.	25.00	
189 CORDUSIO SOCIETÀ FIDUCIARIA PER AZIONI	MILAN	1	UNICREDIT SPA	100.00	
190 CRIVELLI SRL	MILAN	1	UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	100.00	
191 CUMTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	1	HVB IMMOBILIEN AG	93.85	
			UNICREDIT BANK AG	6.15	
192 DAB BANK AG	MUNICH	1	UNICREDIT BANK AG	79.53	
193 DBC SP.Z O.O.	WARSAW	1	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	
194 DC ELEKTRONISCHE ZAHLUNGSSYSTEME GMBH	VIENNA	1	KSG KARTEN-VERRECHNUNGS- UND SERVICEGESELLSCHAFT M.B.H.	100.00	
195 DEBO LEASING IFN S.A.	BUCHAREST	1	UNICREDIT GLOBAL LEASING EXPORT GMBH	10.01	
			UNICREDIT LEASING S.P.A.	89.99	
196 DELPHA IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. GROSSKUGEL BAUABSCHNITT ALPHA MANAGEMENT KG	MUNICH	1	HVB PROJEKT GMBH	100.00	
197 DELPHA IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. GROSSKUGEL BAUABSCHNITT BETA MANAGEMENT KG	MUNICH	1	HVB PROJEKT GMBH	100.00	
198 DELPHA IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. GROSSKUGEL BAUABSCHNITT GAMMA MANAGEMENT KG	MUNICH	1	HVB PROJEKT GMBH	100.00	
199 DINERS CLUB CEE HOLDING AG	VIENNA	1	UNICREDIT BANK AUSTRIA AG	99.80	
200 DINERS CLUB CS S.R.O.	BRATISLAVA	1	DINERS CLUB CEE HOLDING AG	100.00	
201 DINERS CLUB POLSKA SP.Z.O.O.	WARSAW	1	DINERS CLUB CEE HOLDING AG	100.00	
202 DIRANA LIEGENSCHAFTSVERWERTUNGSGESELLSCHAFT M.B.H.	VIENNA	1	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	
203 DIREKTANLAGE.AT AG	SALZBURG	1	DAB BANK AG	100.00	
204 DLV IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
205 DOMUS CLEAN REINIGUNGS GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
206 DOMUS FACILITY MANAGEMENT GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
207 DUODEC Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
208 EK MITTELSTANDSFINANZIERUNGS AG	VIENNA	1	UNICREDIT BANK AUSTRIA AG	98.00	
209 ENDERLEIN & CO. GMBH	BIELEFELD	1	PLANETHOME AG	100.00	
210 ENTASI SRL	ROME	1	UNICREDIT SPA	100.00	
211 ERSTE ONSHORE WINDKRAFT BETEILIGUNGSGESELLSCHAFT MBH & CO. WINDPARK GREFRATH KG	OLDENBURG	1	WEALTHCAP INVESTORENBETREUUNG GMBH	0.07	
			WEALTHCAP PEIA MANAGEMENT GMBH	68.45	68.20

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME		MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
212	ERSTE ONSHORE WINDKRAFT BETEILIGUNGSGESELLSCHAFT MBH & CO. WINDPARK KRAHENBERG KG	OLDENBURG	1	WEALTHCAP INVESTORENBETREUUNG GMBH	0.05	
				WEALTHCAP PEIA MANAGEMENT GMBH	68.49	68.24
213	ERSTE ONSHORE WINDKRAFT BETEILIGUNGSGESELLSCHAFT MBH & CO. WINDPARK MOSE KG	OLDENBURG	1	WEALTHCAP INVESTORENBETREUUNG GMBH	0.05	0.06
				WEALTHCAP PEIA MANAGEMENT GMBH	68.48	68.23
214	ESPERTI IN MEDIAZIONE SRL	VERONA	1	UNICREDIT CREDIT MANAGEMENT BANK SPA	100.00	
215	EUROFINANCE 2000 SRL	ROME	1	UNICREDIT SPA	100.00	
216	EUROLEASE AMUN IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
217	EUROLEASE ANUBIS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
218	EUROLEASE ISIS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
219	EUROLEASE MARDUK IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
220	EUROLEASE RA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
221	EUROLEASE RAMSES IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
222	EUROPA FACILITY MANAGEMENT LTD.	BUDAPEST	1	PIONEER INVESTMENT FUND MANAGEMENT LIMITED	100.00	
223	EUROPA BEFEKTETESI ALAPKEZELOE ZRT (EUROPA INVESTMENT FUND MANAGEMENT LTD.)	BUDAPEST	1	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	100.00	
224	EUROPE REAL-ESTATE INVESTMENT FUND	HUNGARY	4	UNICREDIT BANK HUNGARY ZRT.	..	(3)
225	EUROPEAN-OFFICE-FONDS	MUNICH	4	UNICREDIT BANK AG	..	(3)
226	EUROVENTURES-AUSTRIA-CA-MANAGEMENT GESMBH	VIENNA	1	CABET-HOLDING-AKTIENGESELLSCHAFT	100.00	
227	EXPANDA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
228	FACTORBANK AKTIENGESELLSCHAFT	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
229	FAMILY CREDIT NETWORK SPA	MILAN	1	UNICREDIT SPA	100.00	
230	FCT UCG TIKEHAU	PARIS	4	UNICREDIT SPA	..	(3)
231	FINECO LEASING S.P.A.	BRESCIA	1	UNICREDIT SPA	100.00	
232	FINECO VERWALTUNG AG	MUNICH	1	UNICREDIT SPA	100.00	
233	FINECOBANK SPA	MILAN	1	UNICREDIT SPA	100.00	
234	FMC LEASING INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
235	FMZ SAVARIA SZOLGALTATO KFT	BUDAPEST	1	UNICREDIT LEASING KFT	75.00	
236	FMZ SIGMA PROJEKTENTWICKLUNGS GMBH	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
237	FOLIA LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.80	100.00
238	FONDIARIA LASA SPA	ROME	1	IMMOBILIARE PATETTA SRL	100.00	
239	FONDO SIGMA	ROME	4	UNICREDIT SPA	..	(3)
240	FOOD & MORE GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
241	FORUM POLSKIEGO BIZNESU MEDIA SP.Z O.O.	WARSAW	1	PROPERTY SP. Z.O.O. (IN LIQUIDAZIONE)	100.00	
242	FUGATO LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	100.00	
243	G.N.E. GLOBAL GRUNDSTUCKSVERWERTUNG GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
244	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
245	GBS GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT M.B.H.	VIENNA	1	CALG ANLAGEN LEASING GMBH	99.00	100.00
246	GEBAUDELEASING GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	98.80	99.00
				UNICREDIT LEASING (AUSTRIA) GMBH	1.00	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP[1]	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS [2]
247	GELDILUX-PP-2011 S.A.	LUXEMBOURG	4	UNICREDIT LUXEMBOURG S.A.	..	[3]
248	GELDILUX-TS-2007 S.A.	LUXEMBOURG	4	UNICREDIT LUXEMBOURG S.A.	..	[3]
249	GELDILUX-TS-2010 S.A.	LUXEMBOURG	4	UNICREDIT LUXEMBOURG S.A.	..	[3]
250	GELDILUX-TS-2011 S.A.	LUXEMBOURG	4	UNICREDIT LUXEMBOURG S.A.	..	[3]
251	GEMEINDELEASING GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	37.30	37.50
				CALG IMMOBILIEN LEASING GMBH	37.50	
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
252	GEMMA VERWALTUNGSGESELLSCHAFT MBH & CO. VERMIETUNGS KG	PULLACH	4	ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	6.09	[3]
253	GIMMO IMMOBILIEN-VERMIETUNGS- UND VERWALTUNGS GMBH	MUNICH	1	TERRENO GRUNDSTUCKSVERWALTUNG GMBH & CO. ENTWICKLUNGS- UND FINANZIERUNGSVERMITTLUNGS-KG	100.00	
254	GOLF- UND COUNTRY CLUB SEDDINER SEE IMMOBILIEN GMBH	MUNICH	1	ANTUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	6.00	
				HVB PROJEKT GMBH	94.00	
255	GRAND CENTRAL FUNDING CORPORATION	NEW YORK	4	UNICREDIT BANK AG	..	[3]
256	GRAND CENTRAL RE LIMITED	HAMILTON	1	UNICREDIT BANK AG	92.50	
257	GRUNDSTUCKSAKTIENGESELLSCHAFT AM POTSDAMER PLATZ (HAUS VATERLAND)	MUNICH	1	TERRENO GRUNDSTUCKSVERWALTUNG GMBH & CO. ENTWICKLUNGS- UND FINANZIERUNGSVERMITTLUNGS-KG	98.24	
258	GRUNDSTUCKSGESELLSCHAFT SIMON BESCHRANKT HAFTENDE KOMMANDITGESELLSCHAF	MUNICH	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	100.00	
259	GRUNDSTUCKSVERWALTUNG LINZ-MITTE GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
260	GUS CONSULTING GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
261	GYOR BEVASARLOKOZPONT INGATLANBERUHAZO ES UZEMELTETO KORLATOLT FELELOSSEGU TAESASAG	BUDAPEST	1	UNICREDIT GLOBAL LEASING EXPORT GMBH	5.00	
				UNICREDIT-LEASING MIDAS INGATLANHASZNOSITO KARLATOLT FELELOSSEGU TARSASAG	95.00	
262	H & B IMMOBILIEN GMBH & CO. OBJEKTE KG	MUNICH	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	100.00	
263	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	MUNICH	1	UNICREDIT BANK AG	10.00	
				WEALTH MANAGEMENT CAPITAL HOLDING GMBH	90.00	
264	H.F.S. IMMOBILIENFONDS GMBH	EBERSBERG	1	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	100.00	
265	H.F.S. LEASINGFONDS DEUTSCHLAND 1 GMBH & CO. KG (IMMOBILIENLEASING)	MUNICH	4	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	0.08	[3]
266	H.F.S. LEASINGFONDS DEUTSCHLAND 7 GMBH & CO. KG	MUNICH	4	HVB PROJEKT GMBH	0.02	[3]
				WEALTHCAP REAL ESTATE MANAGEMENT GMBH	0.08	
267	HAWA GRUNDSTUCKS GMBH & CO. OHG HOTELVERWALTUNG	MUNICH	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	99.50	
				TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	0.50	
268	HAWA GRUNDSTUCKS GMBH & CO. OHG IMMOBILIENVERWALTUNG	MUNICH	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	99.50	
				TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	0.50	
269	HERKU LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
270	HOKA LEASING-GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
				WOM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	74.80	75.00
271	HOLDING SP. Z.O.O. (IN LIQUIDATION)	WARSAW	1	BANK PEKAO SA	100.00	
272	HONEU LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
273	HUMAN RESOURCES SERVICE AND DEVELOPMENT GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
274	HVB - LEASING PLUTO KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
275	HVB ALTERNATIVE ADVISORS LLC	WILMINGTON	1	UNICREDIT BANK AG	100.00	
276	HVB ASIA LIMITED	SINGAPORE	1	UNICREDIT BANK AG	100.00	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME	MAIN OFFICE	TYPE OF RELATIONSHIP[1]	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS [2]
277 HVB ASSET LEASING LIMITED	LONDON	1	HVB LONDON INVESTMENTS (CAM) LIMITED	100.00	
278 HVB ASSET MANAGEMENT HOLDING GMBH	MUNICH	1	HVB VERWA 4 GMBH	100.00	
279 HVB AUTO LEASING EOOD	SOFIA	1	HVB LEASING OOD	100.00	
280 HVB CAPITAL LLC	WILMINGTON	1	UNICREDIT BANK AG	100.00	
281 HVB CAPITAL LLC II	WILMINGTON	1	UNICREDIT BANK AG	100.00	
282 HVB CAPITAL LLC III	WILMINGTON	1	UNICREDIT BANK AG	100.00	
283 HVB CAPITAL LLC VI	WILMINGTON	1	UNICREDIT BANK AG	100.00	
284 HVB CAPITAL LLC VIII	WILMINGTON	1	UNICREDIT BANK AG	100.00	
285 HVB CAPITAL PARTNERS AG	MUNICH	1	UNICREDIT BANK AG	100.00	
286 HVB EXPERTISE GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
287 HVB EXPORT LEASING GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
288 HVB FIERO LEASING EOOD	SOFIA	1	UNICREDIT LEASING S.P.A.	100.00	
289 HVB FINANCE LONDON LIMITED	LONDON	1	UNICREDIT BANK AG	100.00	
290 HVB FUNDING TRUST	WILMINGTON	4	UNICREDIT BANK AG	..	[3]
291 HVB FUNDING TRUST II	WILMINGTON	1	UNICREDIT BANK AG	100.00	
292 HVB FUNDING TRUST III	WILMINGTON	4	UNICREDIT BANK AG	..	[3]
293 HVB FUNDING TRUST VIII	WILMINGTON	1	UNICREDIT BANK AG	100.00	
294 HVB GESELLSCHAFT FUR GEBAUDE BETEILIGUNGS GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
295 HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	MUNICH	1	UNICREDIT BANK AG	100.00	
296 HVB GLOBAL ASSETS COMPANY (GP), LLC	DOVER	1	UNICREDIT BANK AG	100.00	
297 HVB GLOBAL ASSETS COMPANY L.P.	DOVER	1	HVB GLOBAL ASSETS COMPANY (GP), LLC	0.01	
			UNICREDIT BANK AG	4.99	
298 HVB HONG KONG LIMITED	HONG KONG	1	UNICREDIT BANK AG	100.00	
299 HVB IMMOBILIEN AG	MUNICH	1	UNICREDIT BANK AG	100.00	
300 HVB INTERNATIONAL ASSET LEASING GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
301 HVB INVESTMENTS (UK) LIMITED	GEORGE TOWN	1	UNICREDIT BANK AG	100.00	
302 HVB LEASING CZECH REPUBLIC S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
303 HVB LEASING MAX INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
304 HVB LEASING OOD	SOFIA	1	UNICREDIT BULBANK AD	2.39	
			UNICREDIT LEASING (AUSTRIA) GMBH	21.47	
			UNICREDIT LEASING S.P.A.	76.14	
305 HVB LIFE SCIENCE GMBH & CO. BETEILIGUNGS-KG	MUNICH	1	UNICREDIT BANK AG	100.00	
306 HVB LONDON INVESTMENTS (AVON) LIMITED	LONDON	1	UNICREDIT BANK AG	100.00	
307 HVB LONDON INVESTMENTS (CAM) LIMITED	LONDON	1	UNICREDIT BANK AG	100.00	
308 HVB PRINCIPAL EQUITY GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
309 HVB PROFIL GESELLSCHAFT FUR PERSONALMANAGEMENT MBH	MUNICH	1	UNICREDIT BANK AG	100.00	
310 HVB PROJEKT GMBH	MUNICH	1	HVB IMMOBILIEN AG	94.00	
			UNICREDIT BANK AG	6.00	
311 HVB REALTY CAPITAL INC.	NEW YORK	1	UNICREDIT U.S. FINANCE LLC	100.00	
312 HVB SECUR GMBH	MUNICH	1	UNICREDIT GLOBAL BUSINESS SERVICES GMBH	100.00	
313 HVB SUPER LEASING EOOD	SOFIA	1	UNICREDIT LEASING S.P.A.	100.00	
314 HVB TECTA GMBH	MUNICH	1	HVB IMMOBILIEN AG	94.00	
			UNICREDIT BANK AG	6.00	
315 HVB VERWA 1 GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
316	HVB VERWA 4 GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
317	HVB VERWA 4.4 GMBH	MUNICH	1	HVB VERWA 4 GMBH	100.00	
318	HVB-LEASING AIDA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
319	HVB-LEASING ATLANTIS INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
320	HVB-LEASING DANTE INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
321	HVB-LEASING FIDELIO INGATLANHASNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
322	HVB-LEASING FORTE INGATLANHASNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
323	HVB-LEASING GARO KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
324	HVB-LEASING HAMLET INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
325	HVB-LEASING JUPITER KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
326	HVB-LEASING LAMOND INGATLANHASZNOSITO KFT.	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
327	HVB-LEASING MAESTOSO INGATLANHASZNOSITO KFT.	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
328	HVB-LEASING NANO KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
329	HVB-LEASING OTHELLO INGATLANHASNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
330	HVB-LEASING ROCCA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
331	HVB-LEASING RUBIN KFT.	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
332	HVB-LEASING SMARAGD KFT.	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
333	HVB-LEASING SPORT INGATLANHASZNOSITO KOLATPOT FEOEOASSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
334	HVB-LEASING ZAFIR KFT.	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
335	HVBFF INTERNATIONAL GREECE GMBH	MUNICH	1	HVBFF INTERNATIONALE LEASING GMBH	100.00	
336	HVBFF INTERNATIONALE LEASING GMBH	MUNICH	1	HVBFF OBJEKT BETEILIGUNGS GMBH	10.00	
				WEALTHCAP PEIA MANAGEMENT GMBH	90.00	
337	HVBFF OBJEKT BETEILIGUNGS GMBH	MUNICH	1	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
338	HVBFF PRODUKTIONSHALLE GMBH I.L.	MUNICH	1	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
339	HVZ GMBH & CO. OBJEKT KG	MUNICH	1	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	100.00	
340	HYPO-BANK VERWALTUNGSZENTRUM GMBH	MUNICH	1	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	100.00	
341	HYPO-BANK VERWALTUNGSZENTRUM GMBH & CO. KG OBJEKT ARABELLASTRASSE	MUNICH	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	100.00	
342	HYPO-REAL HAUS- UND GRUNDBESITZ GESELLSCHAFT MBH & CO. IMMOBILIEN-VERMIETUNGS KG	MUNICH	1	HVB PROJEKT GMBH	80.00	
343	HYPOVEREINS IMMOBILIEN EOOD	SOFIA	1	UNICREDIT BULBANK AD	100.00	
344	HYPOVEREINSFINANCE N.V.	AMSTERDAM	1	UNICREDIT BANK AG	100.00	
345	I-FABER SPA	MILAN	1	UNICREDIT SPA	65.32	
346	IMMOBILIARE PATETTA SRL	ROME	1	COMPAGNIA ITALPETROLI S.P.A.	100.00	
347	IMMOBILIARE TABACCAIA SRL	MASSA MARITTIMA (GROSSETO)	1	BORGO DI PEROLLA SRL	100.00	
348	IMMOBILIEN RATING GMBH	VIENNA	1	BANK AUSTRIA REAL INVEST GMBH	61.00	
				UNICREDIT BANK AUSTRIA AG	19.00	
				UNICREDIT LEASING (AUSTRIA) GMBH	19.00	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
349 IMMOBILIENLEASING GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT M.B.H.	74.80	75.00
			UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
350 INFISSER SRL	ROME	1	IMMOBILIARE PATETTA SRL	100.00	
351 INPROX CHOMUTOV, S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
352 INPROX KLADNO, S.R.O.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
353 INPROX POPRAD, SPOL. S.R.O.	BRATISLAVA	1	UNICREDIT LEASING S.P.A.	100.00	
354 INPROX SR I., SPOL. S R.O.	BRATISLAVA	1	UNICREDIT LEASING S.P.A.	100.00	
355 INTERKONZUM DOO SARAJEVO	SARAJEVO	1	UNICREDIT LEASING S.P.A.	100.00	
356 INTERNATIONALES IMMOBILIEN-INSTITUT GMBH	MUNICH	1	UNICREDIT BANK AG	94.00	
357 INTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	1	HVB IMMOBILIEN AG	93.85	
			UNICREDIT BANK AG	6.15	
358 INTRO LEASING GESELLSCHAFT M.B.H.	VIENNA	1	PROJEKT-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	100.00	
359 IPSE 2000 S.P.A. (IN LIQUIDAZIONE)	ROME	1	UNICREDIT SPA	50.00	
360 IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA S.P.A.	PALERMO	1	UNICREDIT SPA	76.26	
361 ISB UNIVERSALE BAU GMBH	BRANDEBURGO	1	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	
362 ISTRA D.M.C. DOO	UMAG	1	ISTRATURIST UMAG, HOTELIJERSTVO TURIZAM I TURISTICKA AGENCIJA DD	100.00	
363 ISTRATURIST UMAG, HOTELIJERSTVO TURIZAM I TURISTICKA AGENCIJA DD	UMAG	1	ZAGREBACKA BANKA D.D.	71.80	
364 IVONA BETEILIGUNGSVERWALTUNG GMBH	VIENNA	1	BA IMMO GEWINNSCHEIN FONDS	100.00	
365 JANA KAZIMIERZA DEVELOPMENT SP.Z.O.O.	WARSAW	1	PEKAO PROPERTY SA	100.00	
366 JAUSERN-LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
367 JOHA GEBAEUDE- ERRICHTUNGS- UND VERMIETUNGS-GESELLSCHAFT M.B.H.	LEONDING	1	TREUCONSULT BETEILIGUNGSGESELLSCHAFT M.B.H.	99.03	
368 JSC ATF BANK	ALMATY CITY	1	UNICREDIT BANK AUSTRIA AG	99.67	99.74
369 KAISERWASSER BAU- UND ERRICHTUNGS GMBH UND CO OG	VIENNA	1	UNICREDIT BANK AUSTRIA AG	99.80	0.00
			RAMSES-IMMOBILIENHOLDING GMBH	0.00	100.00
370 KELLER CROSSING L.P.	WILMINGTON	1	US PROPERTY INVESTMENTS INC.	100.00	
371 KINABALU FINANCIAL PRODUCTS LLP	LONDON	1	UNICREDIT BANK AG	100.00	99.90
372 KINABALU FINANCIAL SOLUTIONS LTD	LONDON	1	UNICREDIT BANK AG	100.00	
373 KLEA ZS-IMMOBILIENVERMIETUNG G.M.B.H.	VIENNA	1	UNICREDIT BANK AUSTRIA AG	99.80	100.00
374 KLEA ZS-LIEGENSCHAFTSVERMIETUNG G.M.B.H.	VIENNA	1	UNICREDIT BANK AUSTRIA AG	99.80	100.00
375 KSG KARTEN-VERRECHNUNGS- UND SERVICEGESELLSCHAFT M.B.H.	VIENNA	1	CARD COMPLETE SERVICE BANK AG	100.00	
376 KUNSTHAUS LEASING GMBH	VIENNA	1	KUTRA GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	5.00	
			UNICREDIT LEASING (AUSTRIA) GMBH	95.00	
377 KUTRA GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	99.80	100.00
378 LAGERMAX LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
379 LAGEV IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
380 LARGO LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
			VAPE COMMUNA LEASINGGESELLSCHAFT M.B.H.	98.80	99.00
381 LASSALLESTRASSE BAU-, PLANUNGS-, ERRICHTUNGS- UND VERWERTUNGSGESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT BANK AUSTRIA AG	99.00	100.00
382 LEASFINANZ BANK GMBH	VIENNA	1	BACA LEASING UND BETEILGUNGSMANAGEMENT GMBH	100.00	
383 LEASFINANZ GMBH	VIENNA	1	LF BETEILIGUNGEN GMBH	100.00	
384 LEGATO LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	75.00
			UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
385 LELEV IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
386 LF BETEILIGUNGEN GMBH	VIENNA	1	BACA LEASING UND BETEILGUNGSMANAGEMENT GMBH	100.00	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
387	LIFE MANAGEMENT ERSTE GMBH	MUNICH	1	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
388	LIFE MANAGEMENT ZWEITE GMBH	GRUNWALD	1	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
389	LIFE SCIENCE I BETEILIGUNGS GMBH	MUNICH	1	HVB LIFE SCIENCE GMBH & CO. BETEILIGUNGS-KG	100.00	
390	LINO HOTEL-LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
391	LIPARK LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
392	LIVA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
393	LIMITED LIABILITY COMPANY AI LINE	MOSCOW	1	UNICREDIT SECURITIES INTERNATIONAL LIMITED	99.90	
394	LLC UKROTSBUD	KIEV	1	PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	99.00	
395	LOCALMIND SPA	MILAN	1	UNICREDIT SPA	95.76	
396	LOCAT CROATIA DOO	ZAGREB	1	UNICREDIT LEASING S.P.A.	100.00	
397	LOWES LIMITED	NICOSIA	1	AI BETEILIGUNGS GMBH	100.00	
398	LTD SI&C AMC UKRSOTS REAL ESTATE	KIEV	1	PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	100.00	
399	M. A. V. 7., BANK AUSTRIA LEASING BAUTRAGER GMBH & CO.OHG.	VIENNA	1	UNICREDIT MOBILIEN LEASING GMBH	98.04	100.00
400	M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT M.B. H. & CO. MCLTHETA KG	VIENNA	1	M.A.I.L. FINANZBERATUNG GESELLSCHAFT M.B.H.	100.00	
401	M.A.I.L. FINANZBERATUNG GESELLSCHAFT M.B.H.	VIENNA	1	BANK AUSTRIA REAL INVEST GMBH	99.95	
				TREUCONSULT BETEILIGUNGSGESELLSCHAFT M.B.H.	0.05	
402	MARKETING ZAGREBACKE BANKE, ZA PROPAGANDU, TRZISNAISTRAZIVANJAI IZDVASTVO,D.O.O	ZAGREB	1	ZAGREBACKA BANKA D.D.	100.00	
403	MARTIANEZ COMERCIAL, SOCIEDAD ANONIMA	PUERTO DE LA CRUZ	1	UNICREDIT PEGASUS LEASING GMBH	99.96	100.00
404	MBC IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
405	MC MARKETING GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
406	MC RETAIL GMBH	VIENNA	1	MC MARKETING GMBH	100.00	
407	MENUETT GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
408	MERIDIONALE PETROLI SRL	VIBO VALENTIA	1	COM.P.I.S. - COMPAGNIA PETROLIFERA ITALIA SUD SOCIETÀ A RESPONSABILITÀ LIMITATA	98.66	
409	MERKURHOF GRUNDSTUCKSGESELLSCHAFT MIT BESCHRANKTER HAFTUNG	MUNICH	1	UNICREDIT BANK AG	100.00	
410	METROPOLIS SP. ZO.O.	WARSAW	1	PEKAO PROPERTY SA	100.00	
411	MEZZANIN FINANZIERUNGS AG	VIENNA	1	UNICREDIT BANK AUSTRIA AG	56.67	
412	MIK BETA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
413	MIK INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
414	MILLETERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	1	HVB IMMOBILIEN AG	100.00	
415	MM OMEGA PROJEKTENTWICKLUNGS GMBH	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
416	MOBILITY CONCEPT GMBH	OBERHACHING	1	UNICREDIT LEASING GMBH	60.00	
417	MOC VERWALTUNGS GMBH & CO. IMMOBILIEN KG	MUNICH	4	HVB PROJEKT GMBH	23.00	(3)
418	MOGRA LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
419	MOVIE MARKET BETEILIGUNGS GMBH	MUNICH	1	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
420	MY BETEILIGUNGS GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
421	NAGE LOKALVERMIETUNGSGESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
422	NATA IMMOBILIEN-LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	51.50	
				UNICREDIT LEASING (AUSTRIA) GMBH	6.00	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
423 NF OBJEKT FFM GMBH	MUNICH	1	HVB IMMOBILIEN AG	100.00	
424 NF OBJEKT MUNCHEN GMBH	MUNICH	1	HVB IMMOBILIEN AG	100.00	
425 NF OBJEKTE BERLIN GMBH	MUNICH	1	HVB IMMOBILIEN AG	100.00	
426 NO. HYPO LEASING ASTRICTA GRUNDSTUCKVERMIETUNGS GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	95.00	
427 NXP CO-INVESTMENT PARTNERS VIII L.P.	LONDON	1	HVB CAPITAL PARTNERS AG	85.00	
428 OCEAN BREEZE ENERGY GMBH & CO. KG	MUNICH	4	OCEAN BREEZE FINANCE S.A. - COMPARTMENT 1	..	(3)
429 OCEAN BREEZE FINANCE S.A. - COMPARTMENT 1	LUXEMBOURG	4	UNICREDIT BANK AG	..	(3)
430 OCT Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
431 OLG HANDELS- UND BETEILIGUNGSVERWALTUNGSGESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	100.00	
432 OMNIA GRUNDSTUCKS-GMBH & CO. OBJEKT EGGENFELDENER STRASSE KG	MUNICH	1	HVB IMMOBILIEN AG	94.00	
			UNICREDIT BANK AG	6.00	
433 OMNIA GRUNDSTUCKS-GMBH & CO. OBJEKT HAIDENAUPLATZ KG	MUNICH	1	HVB IMMOBILIEN AG	94.00	
			UNICREDIT BANK AG	6.00	
434 OOO UNICREDIT LEASING	MOSCOW	1	UNICREDIT LEASING S.P.A.	60.00	
			ZAO UNICREDIT BANK	40.00	
435 ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	MUNICH	1	HVB PROJEKT GMBH	100.00	
436 OTHMARSCHEN PARK HAMBURG GMBH & CO. CENTERPARK KG	MUNICH	1	HVB PROJEKT GMBH	10.00	
			T & P FRANKFURT DEVELOPMENT B.V.	30.00	
			T & P VASTGOED STUTTGART B.V.	60.00	
437 OTHMARSCHEN PARK HAMBURG GMBH & CO. GEWERBEPARK KG	MUNICH	1	HVB PROJEKT GMBH	10.00	
			T & P FRANKFURT DEVELOPMENT B.V.	30.00	
			T & P VASTGOED STUTTGART B.V.	60.00	
438 PALAIS ROTHSCHILD VERMIETUNGS GMBH & CO OG	VIENNA	1	SCHOELLERBANK AKTIENGESELLSCHAFT	100.00	
439 PARZHOF-ERRICHTUNGS- UND VERWERTUNGSGESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.60	99.80
			UNICREDIT LEASING (AUSTRIA) GMBH	0.20	
440 PAZONYI'98 INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
441 PEKAO BANK HIPOTECZNY S.A.	WARSAW	1	BANK PEKAO SA	100.00	
442 PEKAO FAKTORING SP. ZOO	LUBLIN	1	BANK PEKAO SA	100.00	
443 PEKAO FINANCIAL SERVICES SP. ZOO	WARSAW	1	BANK PEKAO SA	100.00	
444 PEKAO FUNDUSZ KAPITALOWY SP. ZOO	WARSAW	1	BANK PEKAO SA	100.00	
445 PEKAO LEASING HOLDING S.A.	WARSAW	1	BANK PEKAO SA	80.10	
			UNICREDIT LEASING S.P.A.	19.90	
446 PEKAO LEASING SP ZO.O.	WARSAW	1	BANK PEKAO SA	36.49	
			PEKAO LEASING HOLDING S.A.	63.51	
447 PEKAO PIONEER P.T.E. SA	WARSAW	1	BANK PEKAO SA	65.00	
			PIONEER GLOBAL ASSET MANAGEMENT SPA	35.00	
448 PEKAO PROPERTY SA	WARSAW	1	BANK PEKAO SA	100.00	
449 PEKAO TELECENTRUM SP. ZOO	KRAKOW	1	BANK PEKAO SA	100.00	
450 PELOPS LEASING GESELLSCHAFT M.B.H.	VIENNA	1	EUROLEASE RAMSES IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	99.80	100.00
451 PENSIONSKASSE DER HYPO VEREINSBANK VVAG	MUNICH	4	UNICREDIT BANK AG	..	(3)
452 PESTSZENTIMREI SZAKORVOSI RENDELO KFT.	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
453 PETROLI INVESTIMENTI SPA	CIVITAVECCHIA	1	COMPAGNIA ITALPETROLI S.P.A.	100.00	
454 PIANA LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
455 PIONEER ALTERNATIVE INVESTMENT MANAGEMENT (BERMUDA) LIMITED	HAMILTON	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
456 PIONEER ALTERNATIVE INVESTMENT MANAGEMENT LTD	DUBLIN	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME		MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
457	PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	MILAN	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
458	PIONEER ALTERNATIVE INVESTMENTS (ISRAEL) LTD	RAMAT GAN.	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
459	PIONEER ALTERNATIVE INVESTMENTS (NEW YORK) LTD	DOVER	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
460	PIONEER ASSET MANAGEMENT AS	PRAGUE	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
461	PIONEER ASSET MANAGEMENT S.A.I. S.A.	BUCHAREST	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	97.43	
				UNICREDIT TIRIAC BANK S.A.	2.58	
462	PIONEER ASSET MANAGEMENT SA	LUXEMBOURG	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
463	PIONEER FUNDS DISTRIBUTOR INC	BOSTON	1	PIONEER INVESTMENT MANAGEMENT INC	100.00	
464	PIONEER GLOBAL ASSET MANAGEMENT SPA	MILAN	1	UNICREDIT SPA	100.00	
465	PIONEER GLOBAL FUNDS DISTRIBUTOR LTD	HAMILTON	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
466	PIONEER GLOBAL INVESTMENTS (AUSTRALIA) PTY LIMITED	SYDNEY	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
467	PIONEER GLOBAL INVESTMENTS (TAIWAN) LTD.	TAIPEI	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
468	PIONEER GLOBAL INVESTMENTS LIMITED	DUBLIN	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
469	PIONEER INSTITUTIONAL ASSET MANAGEMENT INC	WILMINGTON	1	PIONEER INVESTMENT MANAGEMENT USA INC.	100.00	
470	PIONEER INVESTMENT COMPANY AS	PRAGUE	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
471	PIONEER INVESTMENT FUND MANAGEMENT LIMITED	BUDAPEST	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
472	PIONEER INVESTMENT MANAGEMENT INC	WILMINGTON	1	PIONEER INVESTMENT MANAGEMENT USA INC.	100.00	
473	PIONEER INVESTMENT MANAGEMENT LIMITED	DUBLIN	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
474	PIONEER INVESTMENT MANAGEMENT LLC	MOSCOW	1	PIONEER ASSET MANAGEMENT AS	1.00	
				PIONEER GLOBAL ASSET MANAGEMENT SPA	99.00	
475	PIONEER INVESTMENT MANAGEMENT SHAREHOLDER SERVICES INC.	BOSTON	1	PIONEER INVESTMENT MANAGEMENT USA INC.	100.00	
476	PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	MILAN	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
477	PIONEER INVESTMENT MANAGEMENT USA INC.	WILMINGTON	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
478	PIONEER INVESTMENTS AG	BERNA	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
479	PIONEER INVESTMENTS AUSTRIA GMBH	VIENNA	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
480	PIONEER INVESTMENTS KAPITALANLAGEGESELLSCHAFT MBH	MUNICH	1	PIONEER GLOBAL ASSET MANAGEMENT SPA	100.00	
481	PIONEER PEKAO INVESTMENT FUND COMPANY SA (POLISH NAME: PIONEER PEKAO TFI SA)	WARSAW	1	PIONEER PEKAO INVESTMENT MANAGEMENT SA	100.00	
482	PIONEER PEKAO INVESTMENT MANAGEMENT SA	WARSAW	1	BANK PEKAO SA	49.00	
				PIONEER GLOBAL ASSET MANAGEMENT SPA	51.00	
483	PLANETHOME AG	UNTERFOHRING	1	UNICREDIT BANK AG	100.00	
484	PLANETHOME GMBH	MANNHEIM	1	PLANETHOME AG	100.00	
485	POLLUX IMMOBILIEN GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	99.80	
486	POMINVEST DD	SPLIT	1	ZAGREBACKA BANKA D.D.	88.66	88.95
487	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	MUNICH	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	100.00	
488	PORTIA GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MIT BESCHRANKTER HAFTUNG	MUNICH	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	100.00	
489	POSATO LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
490	PRELUDE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	98.80	99.00
				UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
491	PRIM Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
492	PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL	KIEV	1	UNICREDIT BANK AUSTRIA AG	100.00	
493	PROJEKT-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT M.B.H.	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
494	PROPERTY SP. Z.O.O. (IN LIQUIDAZIONE)	WARSAW	1	BANK PEKAO SA	100.00	
495	PRVA STAMBENA STEDIONICA DD ZAGREB	ZAGREB	1	ZAGREBACKA BANKA D.D.	100.00	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
496	PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	KIEV	1	PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL	69.15	69.16
				UNICREDIT BANK AUSTRIA AG	26.19	26.20
497	PUBLIC JOINT STOCK COMPANY UNICREDIT BANK	KIEV	1	BANK PEKAO SA	100.00	
498	QUADEC Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
499	QUART Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	CALG ANLAGEN LEASING GMBH	99.80	100.00
500	QUINT Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
501	RAMSES IMMOBILIEN GESELLSCHAFT M.B.H. & CO OG	VIENNA	1	UNICREDIT BANK AUSTRIA AG	99.30	
502	RANA-LIEGENSCHAFTSVERWERTUNG GMBH	VIENNA	1	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	99.90	
503	REAL ESTATE MANAGEMENT POLAND SP. Z O.O.	WARSAW	1	UNICREDIT LEASING S.P.A.	100.00	
504	REAL INVEST IMMOBILIEN GMBH	VIENNA	1	M.A.I.L. FINANZBERATUNG GESELLSCHAFT M.B.H.	100.00	
505	REAL-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
506	REAL-RENT LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
507	REDSTONE MORTGAGES LIMITED	LONDON	1	UNICREDIT BANK AG	100.00	
508	REGEV REALITATENVERWERTUNGSGESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
509	RHOTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	1	HVB IMMOBILIEN AG	93.85	
				UNICREDIT BANK AG	6.15	
510	RIGEL IMMOBILIEN GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	99.80	
511	ROME 2000 SRL	ROME	1	COMPAGNIA ITALPETROLI S.P.A.	100.00	
512	RONCASA IMMOBILIEN-VERWALTUNGS GMBH	MUNICH	1	HVB PROJEKT GMBH	90.00	
513	RONDO LEASING GMBH	VIENNA	1	WOM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	100.00	
514	ROSENKAVALIER 2008 GMBH	FRANKFURT	4	UNICREDIT BANK AG	..	(3)
515	ROYSTON LEASING LIMITED	GRAND CAYMAN	4	UNICREDIT BANK AG	..	(3)
516	RSB ANLAGENVERMIETUNG GESELLSCHAFT M.B.H.	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	99.80	100.00
517	S.I.P.I.C. - SOCIETÀ INDUSTRIALE PETROLIFERA ITALIA CENTRALE SRL	ROME	1	COMPAGNIA ITALPETROLI S.P.A.	100.00	
518	SALOME FUNDING PLC	DUBLIN	4	UNICREDIT BANK AG	..	(3) (5)
519	SALVATORPLATZ-GRUNDSTUCKSGESELLSCHAFT MBH	MUNICH	1	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	100.00	
520	SALVATORPLATZ-GRUNDSTUCKSGESELLSCHAFT MBH & CO. OHG SAARLAND	MUNICH	1	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	100.00	
521	SALVATORPLATZ-GRUNDSTUCKSGESELLSCHAFT MBH & CO. OHG VERWALTUNGSZENTRUM	MUNICH	1	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	97.78	
				TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	2.22	
522	SANITÀ - S.R.L. IN LIQUIDAZIONE	ROME	1	UNICREDIT CREDIT MANAGEMENT BANK SPA	99.60	
523	SANTA ROSA SAS	ROME	1	IMMOBILIARE PATETTA SRL	99.42	
524	SAS-REAL INGATLANUEZEMELTETO ES KEZELO KFT.	BUDAPEST	1	UNICREDIT BANK HUNGARY ZRT.	100.00	
525	SCHOELLERBANK AKTIENGESELLSCHAFT	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
526	SCHOELLERBANK INVEST AG	SALZBURG	1	SCHOELLERBANK AKTIENGESELLSCHAFT	100.00	
527	SECA-LEASING GESELLSCHAFT M.B.H.	VIENNA	1	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
528	SEDEC Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
529	SELFOSS BETEILIGUNGSGESELLSCHAFT MBH	GRUNWALD	1	HVB PROJEKT GMBH	100.00	
530	SEXT Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H	VIENNA	1	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	99.80	100.00
531	SHS LEASING GMBH	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	98.80	99.00
				UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
532	SIA UNICREDIT INSURANCE BROKER	RIGA	1	SIA UNICREDIT LEASING	100.00	
533	SIA UNICREDIT LEASING	RIGA	1	AS UNICREDIT BANK, LATVIA	5.01	
				UNICREDIT LEASING S.P.A.	94.99	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP[1]	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS [2]
534	SIGMA LEASING GMBH	VIENNA	1	CALG ANLAGEN LEASING GMBH	99.40	99.60
				UNICREDIT LEASING (AUSTRIA) GMBH	0.40	
535	SIMON VERWALTUNGS-AKTIENGESELLSCHAFT I.L.	MUNICH	1	UNICREDIT BANK AG	99.98	
536	SIRIUS IMMOBILIEN GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	99.80	
537	SIRIUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	MUNICH	1	HVB PROJEKT GMBH	5.00	
				SOLOS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. SIRIUS BETEILIGUNGS KG	95.00	
538	SOCIETÀ SPORTIVA TORREVECCHIA SRL	ROME	1	COMPAGNIA FONDIARIA ROMENA (C.F.R.) SRL	100.00	
539	SOCIETÀ BENI CULTURALI A R.L.	ROME	1	FONDIARIA LASA SPA	5.00	
				IMMOBILIARE PATETTA SRL	95.00	
540	SOCIETÀ DEPOSITI COSTIERI - SO.DE.CO. SRL	ROME	1	COMPAGNIA ITALPETROLI S.P.A.	100.00	
541	SOCIETÀ DI GESTIONI ESATTORIALI IN SICILIA SO.G.E.SI. S.P.A. IN LIQ.	PALERMO	1	UNICREDIT CREDIT MANAGEMENT BANK SPA	80.00	
542	SOCIETÀ ITALIANA GESTIONE ED INCASSO CREDITI S.P.A. IN LIQUIDAZIONE	ROME	1	UNICREDIT CREDIT MANAGEMENT BANK SPA	100.00	
543	SOCIETÀ PETROLIFERA GIOIA TAURO SRL	REGGIO CALABRIA	1	MERIDIONALE PETROLI SRL	49.00	
				SOCIETÀ DEPOSITI COSTIERI - SO.DE.CO. SRL	51.00	
544	SOCIETÀ VERONESE GESTIONE COMPRAVENDITA IMMOBILI A R.L.	ROME	1	IMMOBILIARE PATETTA SRL	100.00	
545	SOCIETÀ VISSANA INDUSTRIA LAVORAZIONE ALIMENTARE S.V.I.L.A. A RESPONSABILITÀ LIMITATA	VISSO (MACERATA)	1	COMPAGNIA ITALPETROLI S.P.A.	100.00	
546	SOFIGERE SOCIETE PAR ACTIONS SIMPLIFIEE	PARIS	1	UNICREDIT SPA	100.00	
547	SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) S.P.A.	ROME	1	UNICREDIT SPA	100.00	
548	SOLARIS VERWALTUNGSGESELLSCHAFT MBH & CO. VERMIETUNGS KG	MUNICH	1	ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	94.90	
549	SOLOS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. SIRIUS BETEILIGUNGS KG	MUNICH	1	HVB PROJEKT GMBH	100.00	
550	SONATA LEASING-GESELLSCHAFT M.B.H.	VIENNA	1	ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT M.B.H.	1.00	
				UNICREDIT LEASING (AUSTRIA) GMBH	98.80	99.00
551	SPECTRUM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	WOM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	100.00	
552	SPREE GALERIE HOTELBETRIEBSGESELLSCHAFT MBH	MUNICH	1	ARGENTAURUS IMMOBILIEN-VERMIETUNGS- UND VERWALTUNGS GMBH	100.00	
553	STATUS VERMOGENSVERWALTUNG GMBH	SCHWERIN	1	UNICREDIT BANK AG	100.00	
554	STEWE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	PROJEKT-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	24.00	
				UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	75.80	76.00
555	STRUCTURED INVEST SOCIETE ANONYME	LUXEMBOURG	1	UNICREDIT BANK AG	100.00	
556	STRUCTURED LEASE GMBH	HAMBURG	1	UNICREDIT LEASING GMBH	100.00	
557	SVIF UKRSOTSBUD	KIEV	4	PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	..	[3]
558	T & P FRANKFURT DEVELOPMENT B.V.	AMSTERDAM	1	HVB PROJEKT GMBH	100.00	
559	T & P VASTGOED STUTTGART B.V.	AMSTERDAM	1	HVB PROJEKT GMBH	87.50	
560	TERRENO GRUNDSTUCKSVERWALTUNG GMBH & CO. ENTWICKLUNGS- UND FINANZIERUNGSVERMITTLUNGS-KG	MUNICH	1	HVB TECTA GMBH	75.00	
561	TERRONDA DEVELOPMENT B.V.	AMSTERDAM	1	HVB PROJEKT GMBH	100.00	
562	TERZ Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
563	THE TRANS VALUE TRUST COMPANY LTD	TOKYO	4	UNICREDIT BANK AG	..	[3]
564	TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	MUNICH	1	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	99.67	
565	TRANSTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	1	HVB IMMOBILIEN AG	93.85	
				UNICREDIT BANK AG	6.15	
566	TREDEC Z IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
567	TREUCONSULT BETEILIGUNGSGESELLSCHAFT M.B.H.	VIENNA	1	BANK AUSTRIA REAL INVEST GMBH	100.00	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
568 TREVI FINANCE N. 2 S.P.A.	CONEGLIANO (TREVISO)	1	UNICREDIT SPA	60.00	
569 TREVI FINANCE N. 3 S.R.L.	CONEGLIANO (TREVISO)	1	UNICREDIT SPA	60.00	
570 TREVI FINANCE S.P.A.	CONEGLIANO (TREVISO)	1	UNICREDIT SPA	60.00	
571 TRICASA GRUNDBESITZ GESELLSCHAFT MBH & CO. 1. VERMIETUNGS KG	MUNICH	1	ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	100.00	
572 TRICASA GRUNDBESITZGESELLSCHAFT DES BURGERLICHEN RECHTS NR. 1	MUNICH	1	ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	100.00	
573 TRIESTE ADRIATIC MARITIME INITIATIVES SRL	TRIESTE	3	UNICREDIT SPA	34.04	
574 TRINITRADE VERMOGENSVERWALTUNGS-GESELLSCHAFT MIT BESCHRANKTER HAFTUNG	MUNICH	1	UNICREDIT BANK AG	100.00	
575 UCL NEKRETNINE D.O.O.	SARAJEVO	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	30.00	
			UNICREDIT LEASING (AUSTRIA) GMBH	70.00	
576 UCTAM BALTICS SIA	RIGA	1	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	100.00	
577 UCTAM D.O.O. BEOGRAD	BELGRADE	1	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	100.00	
578 UCTAM RK LIMITED LIABILITY COMPANY	ALMATY CITY	1	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	100.00	
579 UCTAM RO S.R.L.	BUCHAREST	1	UCTAM BALTICS SIA	0.02	
			UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	99.98	
580 UCTAM RU LIMITED LIABILITY COMPANY	MOSCOW	1	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	100.00	
			ZAO UNICREDIT BANK	..	
581 UCTAM UKRAINE LLC	KIEV	1	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	99.90	
582 UCTAM UPRAVLJANJE D.O.O.	LUBIANA	1	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	100.00	
583 UFFICIUM IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	KUTRA GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	5.00	
			UNICREDIT LEASING (AUSTRIA) GMBH	95.00	
584 UGIS AUSTRIA GMBH	VIENNA	1	UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI	100.00	
585 UNI IT SRL	TRENTO	1	UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	51.00	
586 UNICOM IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
587 UNICREDIT (CHINA) ADVISORY LIMITED	PECHINO	1	UNICREDIT BANK AG	100.00	
588 UNICREDIT AUDIT SOCIETÀ CONSORTILE PER AZIONI	MILAN	1	FAMILY CREDIT NETWORK SPA	0.02	
			FINECOBANK SPA	0.01	
			IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA S.P.A.	0.01	
			PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	0.01	
			PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	0.01	
			SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) S.P.A.	0.02	
			UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	0.01	
			UNICREDIT FACTORING SPA	0.01	
			UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI	0.01	
			UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	0.01	
			UNICREDIT SPA	99.88	
589 UNICREDIT AURORA LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	

Part A - Accounting Policies (CONTINUED)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME	MAIN OFFICE	TYPE OF RELATIONSHIP[1]	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS [2]
590 UNICREDIT AUTO LEASING E.O.O.D.	SOFIA	1	UNICREDIT LEASING AD	100.00	
591 UNICREDIT BANK A.D. BANJA LUKA	BANJA LUKA	1	UNICREDIT BANK AUSTRIA AG	92.92	
592 UNICREDIT BANK AG	MUNICH	1	UNICREDIT SPA	100.00	(6)
593 UNICREDIT BANK AUSTRIA AG	VIENNA	1	UNICREDIT SPA	99.99	
594 UNICREDIT BANK CZECH REPUBLIC A.S.	PRAGUE	1	UNICREDIT BANK AUSTRIA AG	100.00	
595 UNICREDIT BANK D.D.	MOSTAR	1	UNICREDIT BANK AUSTRIA AG	24.40	24.29
			UNICREDIT SPA	3.27	3.28
			ZAGREBACKA BANKA D.D.	65.59	65.69
596 UNICREDIT BANK HUNGARY ZRT.	BUDAPEST	1	UNICREDIT BANK AUSTRIA AG	100.00	
597 UNICREDIT BANK IRELAND PLC	DUBLIN	1	UNICREDIT SPA	100.00	
598 UNICREDIT BANK OJSC	BISHKEK	1	JSC ATF BANK	97.14	
599 UNICREDIT BANK SERBIA JSC	BELGRADE	1	UNICREDIT BANK AUSTRIA AG	100.00	
600 UNICREDIT BANK SLOVAKIA A.S.	BRATISLAVA	1	UNICREDIT BANK AUSTRIA AG	99.03	
601 UNICREDIT BANKA SLOVENIJA D.D.	LUBIANA	1	UNICREDIT BANK AUSTRIA AG	99.99	
602 UNICREDIT BETEILIGUNGS GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
603 UNICREDIT BPC MORTGAGE S.R.L.	VERONA	1	UNICREDIT SPA	60.00	
604 UNICREDIT BROKER DOO SARAJEVO ZA BROKERSKE POSLOVE U OSIGURANJU	SARAJEVO	1	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	100.00	
605 UNICREDIT BROKER S.R.O.	BRATISLAVA	1	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	19.68	
			UNICREDIT LEASING SLOVAKIA A.S.	80.32	
606 UNICREDIT BULBANK AD	SOFIA	1	UNICREDIT BANK AUSTRIA AG	96.46	
			UNICREDIT S.P.A.	..	
607 UNICREDIT BUSINESS PARTNER GMBH	VIENNA	1	UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	100.00	
608 UNICREDIT BUSINESS PARTNER S.R.O.	PRAGUE	1	UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	100.00	
609 UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	COLOGNO MONZESE (MILAN)	1	FINECOBANK SPA	..	
			PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	..	
			PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	..	
			SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) S.P.A.	..	
			UNICREDIT BANK AG	..	
			UNICREDIT FACTORING S.P.A.	..	
			UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	..	
			UNICREDIT S.P.A.	100.00	
			UNIMANAGEMENT SCRL	..	
610 UNICREDIT CAIB ROMENIA SRL	BUCHAREST	1	UNICREDIT BANK AUSTRIA AG	99.99	100.00
			UNICREDIT CAIB SLOVAKIA A.S.	0.01	
611 UNICREDIT CAIB SECURITIES ROMENIA SA	BUCHAREST	1	BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.M.B.H.	80.02	
			UNICREDIT TIRIAC BANK S.A.	19.98	
612 UNICREDIT CAIB CZECH REPUBLIC A.S.	PRAGUE	1	UNICREDIT BANK AUSTRIA AG	100.00	
613 UNICREDIT CAIB HUNGARY LTD	BUDAPEST	1	UNICREDIT BANK AUSTRIA AG	100.00	
614 UNICREDIT CAIB POLAND S.A.	WARSAW	1	UNICREDIT BANK AUSTRIA AG	100.00	
615 UNICREDIT CAIB SECURITIES UK LTD.	LONDON	1	UNICREDIT BANK AG	100.00	
616 UNICREDIT CAIB SERBIA LTD. BELGRADE	BELGRADE	1	UNICREDIT BANK AUSTRIA AG	100.00	
617 UNICREDIT CAIB SLOVAKIA A.S.	BRATISLAVA	1	UNICREDIT BANK AUSTRIA AG	100.00	
618 UNICREDIT CAIB SLOVENIJA, D.O.O.	LUBIANA	1	UNICREDIT BANK AUSTRIA AG	100.00	
619 UNICREDIT CAPITAL MARKETS LLC	NEW YORK	1	UNICREDIT U.S. FINANCE LLC	100.00	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
620	UNICREDIT CONSUMER FINANCING AD	SOFIA	1	UNICREDIT BULBANK AD	49.90	
				UNICREDIT SPA	50.10	
621	UNICREDIT CONSUMER FINANCING IFN S.A.	BUCHAREST	1	UNICREDIT SPA	53.94	
				UNICREDIT TIRIAC BANK S.A.	46.06	
622	UNICREDIT CREDIT MANAGEMENT BANK SPA	VERONA	1	UNICREDIT SPA	100.00	
623	UNICREDIT CREDIT MANAGEMENT IMMOBILIARE S.P.A.	VERONA	1	UNICREDIT CREDIT MANAGEMENT BANK SPA	100.00	
624	UNICREDIT DELAWARE INC	DOVER	1	UNICREDIT SPA	100.00	
625	UNICREDIT DIRECT SERVICES GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
626	UNICREDIT FACTORING EAD	SOFIA	1	UNICREDIT BULBANK AD	100.00	
627	UNICREDIT FACTORING SPA	MILAN	1	UNICREDIT SPA	100.00	
628	UNICREDIT FLEET MANAGEMENT S.R.O.	PRAGUE	1	UNICREDIT LEASING CZ, A.S.	100.00	
629	UNICREDIT FLEET MANAGEMENT S.R.O.	BRATISLAVA	1	UNICREDIT LEASING SLOVAKIA A.S.	100.00	
630	UNICREDIT FUGGETLEN BIZTOSITASKOZVETITO KFT	BUDAPEST	1	UNICREDIT BANK HUNGARY ZRT.	25.20	
				UNICREDIT LEASING KFT	74.80	
631	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	VIENNA	1	EUROLEASE RAMSES IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	99.80	100.00
632	UNICREDIT GLOBAL BUSINESS SERVICES GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	
633	UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI	MILAN	1	FAMILY CREDIT NETWORK SPA	..	
				FINECOBANK S.P.A.	..	
				PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	..	
				PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	..	
				SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) S.P.A.	..	
				UNICREDIT AUDIT SOCIETÀ CONSORTILE PER AZIONI	..	
				UNICREDIT BANK AG	..	
				UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	..	
				UNICREDIT FACTORING SPA	..	
				UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	..	
				UNICREDIT SPA	100.00	
				UNIMANAGEMENT SCRL	..	
634	UNICREDIT GLOBAL LEASING EXPORT GMBH	VIENNA	1	UNICREDIT GLOBAL LEASING PARTICIPATION MANAGEMENT GMBH	100.00	
635	UNICREDIT GLOBAL LEASING PARTICIPATION MANAGEMENT GMBH	VIENNA	1	UNICREDIT LEASING S.P.A.	100.00	
636	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	VIENNA	1	UNICREDIT LEASING S.P.A.	100.00	
637	UNICREDIT INGATLANLIZING ZRT	BUDAPEST	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
638	UNICREDIT INSURANCE BROKER EOOD	SOFIA	1	UNICREDIT LEASING AD	100.00	
639	UNICREDIT INSURANCE BROKER SRL	BUCHAREST	1	BA-CA LEASING VERSICHERUNGSSERVICE GMBH	99.80	
640	UNICREDIT INTERNATIONAL BANK (LUXEMBOURG) SA	LUXEMBOURG	1	UNICREDIT S.P.A.	100.00	
641	UNICREDIT JELZALOGBANK ZRT.	BUDAPEST	1	UNICREDIT BANK HUNGARY ZRT.	100.00	
642	UNICREDIT KFZ LEASING GMBH	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	100.00	
643	UNICREDIT LEASING (AUSTRIA) GMBH	VIENNA	1	UNICREDIT LEASING S.P.A.	99.98	100.00
644	UNICREDIT LEASING AD	SOFIA	1	UNICREDIT BULBANK AD	24.37	
				UNICREDIT LEASING S.P.A.	75.63	
645	UNICREDIT LEASING AVIATION GMBH	HAMBURG	1	UNICREDIT LEASING GMBH	100.00	
646	UNICREDIT LEASING BAUTRAGER GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
647	UNICREDIT LEASING CORPORATION IFN S.A.	BUCHAREST	1	UNICREDIT LEASING S.P.A.	80.00	
				UNICREDIT TIRIAC BANK S.A.	20.00	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME	MAIN OFFICE	TYPE OF RELATIONSHIP[1]	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS [2]
648 UNICREDIT LEASING CROATIA D.O.O. ZA LEASING	ZAGREB	1	UNICREDIT LEASING S.P.A.	100.00	
649 UNICREDIT LEASING CZ, A.S.	PRAGUE	1	UNICREDIT LEASING S.P.A.	100.00	
650 UNICREDIT LEASING D.O.O.	SARAJEVO	1	UNICREDIT LEASING S.P.A.	100.00	
651 UNICREDIT LEASING FINANCE GMBH	HAMBURG	1	UNICREDIT LEASING GMBH	100.00	
652 UNICREDIT LEASING FLEET MANAGEMENT S.R.L.	BUCHAREST	1	UNICREDIT GLOBAL LEASING EXPORT GMBH	10.00	
			UNICREDIT LEASING S.P.A.	90.00	
653 UNICREDIT LEASING FUHRPARKMANAGEMENT GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
654 UNICREDIT LEASING GMBH	HAMBURG	1	UNICREDIT BANK AG	100.00	
655 UNICREDIT LEASING HUNGARY ZRT	BUDAPEST	1	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT M.B.H.	5.00	
			UNICREDIT LEASING (AUSTRIA) GMBH	95.00	
656 UNICREDIT LEASING IMMOTRUCK ZRT.	BUDAPEST	1	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT M.B.H.	28.56	
			UNICREDIT LEASING (AUSTRIA) GMBH	71.44	
657 UNICREDIT LEASING KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
658 UNICREDIT LEASING LUNA KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	80.00	
659 UNICREDIT LEASING MARS KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	80.00	
660 UNICREDIT LEASING REAL ESTATE S.R.O.	BRATISLAVA	1	UNICREDIT LEASING S.P.A.	100.00	
661 UNICREDIT LEASING ROMENIA S.A.	BUCHAREST	1	UNICREDIT LEASING S.P.A.	100.00	
			UNICREDIT TIRIAC BANK S.A.	..	
662 UNICREDIT LEASING S.P.A.	BOLOGNA	1	UNICREDIT BANK AUSTRIA AG	31.01	
			UNICREDIT S.P.A.	68.99	
663 UNICREDIT LEASING SLOVAKIA A.S.	BRATISLAVA	1	UNICREDIT BANK SLOVAKIA A.S.	19.90	
			UNICREDIT LEASING CZ, A.S.	8.80	
			UNICREDIT LEASING S.P.A.	71.30	
664 UNICREDIT LEASING SRBIJA D.O.O. BEOGRAD	BELGRADE	1	UNICREDIT LEASING S.P.A.	100.00	
665 UNICREDIT LEASING TECHNIKUM GMBH	VIENNA	1	LF BETEILIGUNGEN GMBH	99.80	100.00
666 UNICREDIT LEASING TOB	KIEV	1	UNICREDIT LEASING S.P.A.	100.00	
667 UNICREDIT LEASING URANUS KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	80.00	
668 UNICREDIT LEASING VERSICHERUNGSSERVICE GMBH & CO KG	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
669 UNICREDIT LEASING, LEASING, D.O.O.	LUBIANA	1	UNICREDIT BANKA SLOVENIJA D.D.	1.79	
			UNICREDIT LEASING S.P.A.	98.21	
670 UNICREDIT LOGISTICS SRL	VERONA	1	UNICREDIT S.P.A.	100.00	
671 UNICREDIT LONDON INVESTMENTS LIMITED	LONDON	1	UNICREDIT BANK AG	100.00	
672 UNICREDIT LUNA LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
673 UNICREDIT LUXEMBOURG FINANCE SA	LUXEMBOURG	1	UNICREDIT INTERNATIONAL BANK (LUXEMBOURG) SA	100.00	
674 UNICREDIT LUXEMBOURG S.A.	LUXEMBOURG	1	UNICREDIT BANK AG	100.00	
675 UNICREDIT MERCHANT S.P.A.	ROME	1	UNICREDIT S.P.A.	100.00	
676 UNICREDIT MOBILIEN LEASING GMBH	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
677 UNICREDIT PARTNER D.O.O	ZAGREB	1	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	20.00	
			UNICREDIT LEASING CROATIA D.O.O. ZA LEASING	80.00	
678 UNICREDIT PARTNER D.O.O BEOGRAD	BELGRADE	1	BA-CA LEASING VERSICHERUNGSSERVICE GMBH	100.00	
679 UNICREDIT PARTNER LLC	KIEV	1	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	100.00	
680 UNICREDIT PEGASUS LEASING GMBH	VIENNA	1	CALG IMMOBILIEN LEASING GMBH	74.80	75.00
			UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
681 UNICREDIT POIJIST'OVACI MAKLERSKA SPOL. S R.O.	PRAGUE	1	UNICREDIT LEASING CZ, A.S.	100.00	
682 UNICREDIT POLARIS LEASING GMBH	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
683 UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	GENOVA	1	UNICREDIT S.P.A.	100.00	
684 UNICREDIT RENT D.O.O. BEOGRAD	BELGRADE	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
685	UNICREDIT SECURITIES INTERNATIONAL LIMITED	NICOSIA	1	AI BETEILIGUNGS GMBH	100.00	
686	UNICREDIT TECHRENT LEASING GMBH	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.00	
				UNICREDIT LEASING (AUSTRIA) GMBH	1.00	
687	UNICREDIT TIRIAC BANK S.A.	BUCHAREST	1	ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT M.B.H.	0.01	
				BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	0.01	
				UNICREDIT BANK AUSTRIA AG	95.53	50.57 (7)
				UNICREDIT LEASING (AUSTRIA) GMBH	0.01	
				UNICREDIT LEASING ROMENIA S.A.	..	
688	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	VIENNA	1	UNICREDIT TURN-AROUND MANAGEMENT GMBH	100.00	
689	UNICREDIT TURN-AROUND MANAGEMENT GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
690	UNICREDIT U.S. FINANCE LLC	WILMINGTON	1	UNICREDIT BANK AG	100.00	
691	UNICREDIT ZAVAROVALNO ZASTOPINSKA DRUZBA DOO	LUBIANA	1	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	100.00	
692	UNICREDIT ZEGA LEASING-GESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	99.80	100.00
693	UNICREDIT-LEASING HOMONNA INGATLNHASZNOSITO KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
694	UNICREDIT-LEASING HOSPES KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
695	UNICREDIT-LEASING MIDAS INGATLANHASZNOSITO KARLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING (AUSTRIA) GMBH	100.00	
696	UNICREDIT-LEASING NEPTUNUS KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	96.35	
697	UNICREDIT-LEASING ORION INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
698	UNICREDIT-LEASING SATURNUS KFT	BUDAPEST	1	UNICREDIT LEASING S.P.A.	100.00	
699	UNICREDITO ITALIANO CAPITAL TRUST III	NEWARK	1	UNICREDITO ITALIANO FUNDING LLC III	100.00	
700	UNICREDITO ITALIANO CAPITAL TRUST IV	NEWARK	1	UNICREDITO ITALIANO FUNDING LLC IV	100.00	
701	UNICREDITO ITALIANO FUNDING LLC III	DELAWARE	1	UNICREDIT S.P.A.	100.00	
702	UNICREDITO ITALIANO FUNDING LLC IV	DELAWARE	1	UNICREDIT S.P.A.	100.00	
703	UNIMANAGEMENT SCRL	TURIN	1	UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI	0.01	
				UNICREDIT S.P.A.	99.99	
704	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
705	US PROPERTY INVESTMENTS INC.	DALLAS	1	UNICREDIT BANK AG	100.00	
706	V.M.G. VERMIETUNGSGESELLSCHAFT MBH	MUNICH	1	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	100.00	
707	VANDERBILT CAPITAL ADVISORS LLC	WILMINGTON	1	PIONEER INSTITUTIONAL ASSET MANAGEMENT INC	100.00	
708	VAPE COMMUNA LEASINGGESELLSCHAFT M.B.H.	VIENNA	1	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	74.80	75.00
				UNICREDIT LEASING (AUSTRIA) GMBH	25.00	
709	VERBA VERWALTUNGSGESELLSCHAFT MBH	MUNICH	1	UNICREDIT BANK AG	100.00	
710	VERWALTUNGSGESELLSCHAFT KATHARINENHOF MBH	MUNICH	1	UNICREDIT BANK AG	100.00	
711	VIENNA DC BAUTRAEGER GMBH	VIENNA	1	WED WIENER ENTWICKLUNGSGESELLSCHAFT FUER DEN DONAURAUM AKTIENGESELLSCHAFT	100.00	
712	VIENNA DC TOWER 1 LIEGENSCHAFTSBESITZ GMBH	VIENNA	1	WED DONAU-CITY GESELLSCHAFT M.B.H.	100.00	
713	VIENNA DC TOWER 2 LIEGENSCHAFTSBESITZ GMBH	VIENNA	1	WED DONAU-CITY GESELLSCHAFT M.B.H.	100.00	
714	VILLINO PACELLI SRL	ROME	1	IMMOBILIARE PATETTA SRL	100.00	
715	VUWB INVESTMENTS INC.	ATLANTA	1	WEALTHCAP FONDS GMBH	100.00	
716	WEALTH CAPITAL INVESTMENT INC.	WILMINGTON	1	WEALTHCAP FONDS GMBH	100.00	
717	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	MUNICH	1	UNICREDIT BANK AG	100.00	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
718	WEALTHCAP FONDS GMBH	MUNICH	1	WEALTHCAP INITIATOREN GMBH	100.00	
719	WEALTHCAP INITIATOREN GMBH	HAMBURG	1	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	100.00	
720	WEALTHCAP INVESTORENBETREUUNG GMBH	MUNICH	1	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	100.00	
721	WEALTHCAP PEIA KOMPLEMENTAR GMBH	GRUNWALD	1	WEALTHCAP PEIA MANAGEMENT GMBH	100.00	
722	WEALTHCAP PEIA MANAGEMENT GMBH	MUNICH	1	UNICREDIT BANK AG	6.00	
				WEALTH MANAGEMENT CAPITAL HOLDING GMBH	94.00	
723	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	MUNICH	1	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	100.00	
724	WEALTHCAP STIFTUNGSTREUHAND GMBH	HAMBURG	1	WEALTHCAP FONDS GMBH	100.00	
725	WED DONAU-CITY GESELLSCHAFT M.B.H.	VIENNA	1	WED WIENER ENTWICKLUNGSGESELLSCHAFT FUER DEN DONAURAUM AKTIENGESELLSCHAFT	100.00	
726	WED HOLDING GESELLSCHAFT M.B.H.	VIENNA	3	UNICREDIT BANK AUSTRIA AG	48.06	
727	WED WIENER ENTWICKLUNGSGESELLSCHAFT FUER DEN DONAURAUM AKTIENGESELLSCHAFT	VIENNA	1	UNICREDIT BANK AUSTRIA AG	38.00	
				WED HOLDING GESELLSCHAFT M.B.H.	62.00	
728	WOM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
729	XELION DORADCY FINANSOWI SP. ZOO	WARSAW	1	BANK PEKAO SA	50.00	
				UNICREDIT SPA	50.00	
730	Z LEASING ALFA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
731	Z LEASING ARKTUR IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
732	Z LEASING AURIGA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
733	Z LEASING CORVUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT M.B.H.	99.80	100.00
734	Z LEASING DORADO IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	CALG GRUNDSTUCKVERWALTUNG GMBH	99.80	100.00
735	Z LEASING DRACO IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
736	Z LEASING GAMA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
737	Z LEASING GEMINI IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
738	Z LEASING HEBE IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	GEBAUDELEASING GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT M.B.H.	99.80	100.00
739	Z LEASING HERCULES IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
740	Z LEASING IPSILON IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	99.80	100.00
741	Z LEASING ITA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
742	Z LEASING JANUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
743	Z LEASING KALLISTO IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
744	Z LEASING KAPA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
745	Z LEASING LYRA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT M.B.H.	99.80	100.00
746	Z LEASING NEREIDE IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
747	Z LEASING OMEGA IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	99.80	100.00
748	Z LEASING PERSEUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BANK AUSTRIA LEASING ARGO IMMOBILIEN LEASING GMBH	100.00	

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME		MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
749	Z LEASING SCORPIUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
750	Z LEASING TAURUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT M.B.H.	99.80	100.00
751	Z LEASING VENUS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
752	Z LEASING VOLANS IMMOBILIEN LEASING GESELLSCHAFT M.B.H.	VIENNA	1	UNICREDIT LEASING (AUSTRIA) GMBH	99.80	100.00
753	ZAGREB NEKRETNINE DOO	ZAGREB	1	ZAGREBACKA BANKA D.D.	100.00	
754	ZAGREBACKA BANKA D.D.	ZAGREB	1	UNICREDIT BANK AUSTRIA AG	84.48	
755	ZANE BH DOO	SARAJEVO	1	ZAGREB NEKRETNINE DOO	100.00	
756	ZAO LOCAT LEASING RUSSIA	MOSCOW	1	OOO UNICREDIT LEASING	100.00	
757	ZAO UNICREDIT BANK	MOSCOW	1	UNICREDIT BANK AUSTRIA AG	100.00	
758	ZAPADNI TRGOVACKI CENTAR D.O.O.	RIJEKA	1	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	100.00	
759	ZB INVEST DOO	ZAGREB	1	ZAGREBACKA BANKA D.D.	100.00	
760	ZETA FUENF HANDELS GMBH	VIENNA	1	UNICREDIT BANK AUSTRIA AG	100.00	
	A.2 COMPANIES RECOGNISED USING PROPORTIONATE CONSOLIDATION					
1	BA HYPO FINANCIRANJE D.O.O. ZA POSLOVANJE NEKRET- NINAMA	ZAGREB	7	HYPO-BA LEASING SUD GMBH	50.00	
2	EUROLEASE FINANCE, D.O.O.	LUBIANA	7	HYPO-BA LEASING SUD GMBH	50.00	
3	FIDES LEASING GMBH	VIENNA	7	CALG ANLAGEN LEASING GMBH	50.00	
4	HYBA NEKRETNINE D.O.O. ZA POSLOVANJE NEKRTNINAMA	ZAGREB	7	HYPO-BA LEASING SUD GMBH	50.00	
5	HYPO-BA LEASING SUD GMBH	KLAGENFURT	7	UNICREDIT LEASING S.P.A.	50.00	
6	HYPO-BA PROJEKT, FINANCIRANJE D.O.O.	LUBIANA	7	HYPO-BA LEASING SUD GMBH	50.00	
7	HYPO-BA ZAGREB D.O.O. ZA POSLOVANJE NEKRETNINAMA	ZAGREB	7	HYPO-BA LEASING SUD GMBH	50.00	
8	INPROX LEASING, NEPREMICNINE, D.O.O.	LUBIANA	7	HYPO-BA LEASING SUD GMBH	50.00	
9	INPROX OSIJEK D.O.O.	ZAGREB	7	HYPO-BA LEASING SUD GMBH	50.00	
10	KOC FINANSAL HIZMETLER AS	ISTANBUL	7	UNICREDIT BANK AUSTRIA AG	50.00	
11	MONTREAL NEKRETNINE D.O.O.	ZAGREB	7	HYPO-BA LEASING SUD GMBH	50.00	
12	ORBIT ASSET MANAGEMENT LIMITED	HAMILTON	7	PIONEER ALTERNATIVE INVESTMENT MANAGEMENT (BERMUDA) LIMITED	50.00	
13	RCI FINANCIAL SERVICES S.R.O.	PRAGUE	7	UNICREDIT LEASING CZ, A.S.	50.00	
14	STICHTING CUSTODY SERVICES YKB	AMSTERDAM	7	YAPI KREDI BANK NEDERLAND N.V.	40.90	
15	SYNERGA NEKRETNINE D.O.O. ZA POSLOVANJE NEKRETNIN-AMA	ZAGREB	7	HYPO-BA LEASING SUD GMBH	50.00	
16	UNICREDIT MENKUL DEGERLER AS	ISTANBUL	7	KOC FINANSAL HIZMETLER AS	50.00	
				YAPI KREDI FINANSAL KIRALAMA AO	..	
17	YAPI KREDI B TIPI YATIRIM ORTAKLIGI A.S.	ISTANBUL	7	YAPI KREDI YATIRIM MENKUL DEGERLER AS	18.39	
				YAPI VE KREDI BANKASI AS	4.54	
18	YAPI KREDI BANK AZERBAIJAN CLOSED JOINT STOCK COMPANY	BAKU	7	YAPI KREDI FINANSAL KIRALAMA AO	0.04	
				YAPI KREDI YATIRIM MENKUL DEGERLER AS	0.04	
				YAPI VE KREDI BANKASI AS	40.82	
19	YAPI KREDI BANK NEDERLAND N.V.	AMSTERDAM	7	YAPI KREDI HOLDING BV	13.40	
				YAPI VE KREDI BANKASI AS	27.50	
20	YAPI KREDI DIVERSIFIED PAYMENT RIGHTS FINANCE COMPANY	GEORGE TOWN	7	YAPI VE KREDI BANKASI AS	40.90	
21	YAPI KREDI EMEKLILIK AS	ISTANBUL	7	YAPI KREDI FAKTORING AS	0.01	
				YAPI KREDI SIGORTA AS	38.40	
				YAPI KREDI YATIRIM MENKUL DEGERLER AS	0.01	
				YAPI VE KREDI BANKASI AS	..	
22	YAPI KREDI FAKTORING AS	ISTANBUL	7	YAPI KREDI FINANSAL KIRALAMA AO	0.01	
				YAPI VE KREDI BANKASI AS	40.88	
23	YAPI KREDI FINANSAL KIRALAMA AO	ISTANBUL	7	YAPI KREDI FAKTORING AS	..	
				YAPI VE KREDI BANKASI AS	40.43	

Part A - Accounting Policies (Continued)

Continued: Investments in Subsidiaries (consolidated line by line) and interests in joint ventures (recognized using proportionate consolidation)

NAME	MAIN OFFICE	TYPE OF RELATIONSHIP(1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS (2)
24 YAPI KREDI HOLDING BV	AMSTERDAM	7	YAPI VE KREDI BANKASI AS	40.90	
25 YAPI KREDI INVEST LIMITED LIABILITY COMPANY	BAKU	7	YAPI KREDI BANK AZERBAIJAN CLOSED JOINT STOCK COMPANY	40.90	
26 YAPI KREDI BANK MOSCOW	MOSCOW	7	YAPI KREDI FINANSAL KIRALAMA AO	0.06	
			YAPI VE KREDI BANKASI AS	40.83	
27 YAPI KREDI PORTFOEY YOENETIMI AS	ISTANBUL	7	YAPI KREDI YATIRIM MENKUL DEGERLER AS	35.71	
			YAPI VE KREDI BANKASI AS	5.17	
28 YAPI KREDI SIGORTA AS	ISTANBUL	7	YAPI KREDI FAKTORING AS	3.25	
			YAPI KREDI YATIRIM MENKUL DEGERLER AS	4.90	
			YAPI VE KREDI BANKASI AS	30.27	
29 YAPI KREDI YATIRIM MENKUL DEGERLER AS	ISTANBUL	7	YAPI KREDI FINANSAL KIRALAMA AO	..	
			YAPI VE KREDI BANKASI AS	40.89	
30 YAPI VE KREDI BANKASI AS	ISTANBUL	7	KOC FINANSAL HIZMETLER AS	40.90	

Notes to the table that shows the companies included in the scope of consolidation (line by line and proportional).

(1) Type of relationship:
- 1 = majority of voting rights at ordinary shareholders' meeting;
- 2 = dominant influence at ordinary shareholders' meeting;
- 3 = agreements with other shareholders;
- 4 = other types of control;
- 5 = centralised management pursuant to paragraph 1 of art. 26 of "Legislative decree 87/92";
- 6 = centralised management pursuant to paragraph 2 of art. 26 of "Legislative decree 87/92";
- 7 = joint control.

(2) Voting rights available in general meeting. Voting rights are disclosed only if different from the percentage of ownership.
(3) Compliant with SIC 12 the company is fully consolidated by.
(4) Breakdown of second-level SPEs consolidated by Arabella Finance Ltd under SIC12: Elektra Purchase No. 17 S.A., Elektra Purchase No 23 LTD, Elektra Purchase No 24 LTD, Elektra Purchase No. 27 LTD, Elektra Purchase No. 28 LTD and Elektra Purchase No. 50 LTD.
(5) Breakdown of second-level SPEs consolidated by Salome Funding Plc under SIC12: Cosima Purchase No. 13 LTD, Cosima Purchase No. 14 LTD, Cosima Purchase No. 15 LTD and Cosima Purchase No. 6 S.A..
(6) The SPE SKB VTMK International Issuer LTD - Series 2011-1 was consolidated by UniCredit Bank AG under SIC 12.
(7) The equity investment in Unicredit Tiriak Bank S.A. is consolidated at 95.56% by virtue of a direct investment equal to 50.60% and an option on minority interests representing 44.96% of share capital.

Changes in the scope of consolidation

Fully consolidated entities, including the Parent Company, increased from 735 at December 31, 2010 to 760 in 2011 (+ 25 entities), while **proportionately** consolidated entities, totaling 19 in 2010, were 30 at December 31, 2011 (+11 entities).

Wholly-owned subsidiaries

The following table shows the changes in equity investments in wholly-owned subsidiaries.

Equity investments in wholly-owned subsidiaries (consolidated line by line): annual changes

	NUMBER OF COMPANIES
A. Opening balance	**735**
B. Increased by	**70**
B.1 Newly established companies	-
B.2 Change of the consolidation method	42
B.3 Entities consolidated for the first time in 2011	28
C. Reduced by	**45**
C.1 Disposal	26
C.2 Change of the consolidation method	2
C.3 Absorption by other Group entities	17
D. Closing balance	**760**

Details of 2011 increases or reductions are presented below:

Increases

Change of the consolidation method

COMPANY NAME	MAIN OFFICE
UNICREDIT LEASING TECHNIKUM GMBH	VIENNA
UCTAM UKRAINE LLC	KIEV
UNICREDIT TURN-AROUND MANAGEMENT GMBH	VIENNA
UCTAM RK LIMITED LIABILITY COMPANY	ALMATY CITY
VIENNA DC BAUTRAEGER GMBH	VIENNA
VIENNA DC TOWER 1 LIEGENSCHAFTSBESITZ GMBH	VIENNA
VIENNA DC TOWER 2 LIEGENSCHAFTSBESITZ GMBH	VIENNA
UGIS AUSTRIA GMBH	VIENNA
UNICREDIT LOGISTICS SRL	VERONA
TRIESTE ADRIATIC MARITIME INITIATIVES SRL	TRIESTE
DC ELEKTRONISCHE ZAHLUNGSSYSTEME GMBH	VIENNA
CENTER HEINRICH-COLLIN-STRASSE1 VERMIETUNGS GMBH U.CO KG	VIENNA
CALG 445 GRUNDSTUCKVERWALTUNG GMBH	VIENNA
TRANSTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH
VUWB INVESTMENTS INC.	ATLANTA
ANTUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	MUNICH
BV GRUNDSTUCKSENTWICKLUNGS-GMBH & CO. VERWALTUNGS-KG	MUNICH
CUMTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH
SPREE GALERIE HOTELBETRIEBSGESELLSCHAFT MBH	MUNICH
PEKAO PROPERTY SA	WARSAW
JANA KAZIMIERZA DEVELOPMENT SP.Z.O.O.	WARSAW
BIL IMMOBILIEN FONDS GMBH & CO OBJEKT PERLACH KG	MUNICH
H & B IMMOBILIEN GMBH & CO. OBJEKTE KG	MUNICH
HAWA GRUNDSTUCKS GMBH & CO. OHG HOTELVERWALTUNG	MUNICH
MILLETERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH
OMNIA GRUNDSTUCKS-GMBH & CO. OBJEKT EGGENFELDENER STRASSE KG	MUNICH
WEALTH CAPITAL INVESTMENT INC.	WILMINGTON
HVB EXPERTISE GMBH	MUNICH
HVB LIFE SCIENCE GMBH & CO. BETEILIGUNGS-KG	MUNICH
HYPO-REAL HAUS- UND GRUNDBESITZ GESELLSCHAFT MBH & CO. IMMOBILIEN-VERMIETUNGS KG	MUNICH
KELLER CROSSING L.P.	WILMINGTON
LIFE SCIENCE I BETEILIGUNGS GMBH	MUNICH
OMNIA GRUNDSTUCKS-GMBH & CO. OBJEKT HAIDENAUPLATZ KG	MUNICH
SIMON VERWALTUNGS-AKTIENGESELLSCHAFT I.L.	MUNICH
ERSTE ONSHORE WINDKRAFT BETEILIGUNGSGESELLSCHAFT MBH & CO. WINDPARK MOSE KG	OLDENBURG
ERSTE ONSHORE WINDKRAFT BETEILIGUNGSGESELLSCHAFT MBH & CO. WINDPARK GREFRATH KG	OLDENBURG
HAWA GRUNDSTUCKS GMBH & CO. OHG IMMOBILIENVERWALTUNG	MUNICH
HVB PROFIL GESELLSCHAFT FUR PERSONALMANAGEMENT MBH	MUNICH
ERSTE ONSHORE WINDKRAFT BETEILIGUNGSGESELLSCHAFT MBH & CO. WINDPARK KRAHENBERG KG	OLDENBURG
PROPERTY SP. Z.O.O. (IN LIQUIDAZIONE)	WARSAW
METROPOLIS SP. ZO.O.	WARSAW
FORUM POLSKIEGO BIZNESU MEDIA SP.Z O.O.	WARSAW

Changes in consolidation method in 2011 mainly related to transfers from item 100. Investments in subsidiaries at cost (eight subsidiaries of Bank Austria Sub-Group, twenty-four of UniCredit Bank AG Sub-Group, five of Pekao Sub-Group, and five of other companies) to Investments consolidated line by line.

Part A - Accounting Policies (Continued)

Entities consolidated for the first time in 2011

COMPANY NAME	MAIN OFFICE
UCTAM RO S.R.L.	BUCAREST
IMMOBILIARE PATETTA SRL	ROME
SOCIETÀ BENI CULTURALI A R.L.	ROME
BORGO DI PEROLLA SRL	MASSA MARITTIMA (GROSSETO)
COMPAGNIA FONDIARIA ROMANA (C.F.R.) SRL	ROME
FONDIARIA LASA SPA	ROME
INFISSER SRL	ROME
SANTA ROSA SAS	ROME
SOCIETÀ VERONESE GESTIONE COMPRAVENDITA IMMOBILI A R.L.	ROME
VILLINO PACELLI SRL	ROME
ROMA 2000 SRL	ROME
FCT UCG TIKEHAU	PARIS
GELDILUX-TS-2011 S.A.	LUXEMBOURG
SELFOSS BETEILIGUNGSGESELLSCHAFT MBH	GRUNWALD

COMPANY NAME	MAIN OFFICE
CAMPO DI FIORI SAS	ROME
IMMOBILIARE TABACCAIA SRL	MASSA MARITTIMA (GROSSETO)
SOCIETÀ SPORTIVA TORREVECCHIA SRL	ROME
COM.P.I.S. - COMPAGNIA PETROLIFERA ITALIA SUD SOCIETÀ A RESPONSABILITÀ LIMITATA	ROME
MERIDIONALE PETROLI SRL	VIBO VALENTIA
PETROLI INVESTIMENTI SPA	CIVITAVECCHIA
SOCIETÀ PETROLIFERA GIOIA TAURO SRL	REGGIO CALABRIA
SOCIETÀ DEPOSITI COSTIERI - SO.DE.CO. SRL	ROME
S.I.P.I.C. - SOCIETÀ INDUSTRIALE PETROLIFERA ITALIA CENTRALE SRL	ROME
SOCIETÀ VISSANA INDUSTRIA LAVORAZIONE ALIMENTARE S.V.I.L.A. A RESPONSABILITÀ LIMITATA	VISSO
COMPAGNIA ITALPETROLI S.P.A.	ROME
GELDILUX-PP-2011	LUXEMBOURG
ROYSTON LEASING LIMITED	CAYMAN ISLANDS
UCTAM D.O.O. BEOGRAD	BELGRADE

As at December 31, 2011 entities consolidated for the first mainly related to the business combination with Compagnia Italpetroli and its subsidiaries, which involved the transfer of the Parent Company Compagnia Italpetroli S.p.A. from company subject to significant influence valued at net equity to fully consolidated subsidiary.
A number of Special Purpose Entities, too, were consolidated for the first time in accordance with SIC 12.

Reductions

Disposal

COMPANY NAME	MAIN OFFICE
EPSSILON LIEGENSCHAFTSDEVELOPMENT GMBH	VIENNA
GELDILUX-TS-2005 S.A.	LUXEMBOURG
SOFIMMOCENTRALE S.A.	BRUSSELS
BA-CA CONSTRUCTION LEASING OOO	SAINT PETERSBURG
BACA MINOS LEASING GMBH	VIENNA
BDR ROMA PRIMA IRELAND LTD	DUBLIN
PIONEER GLOBAL INVESTMENTS (HK) LIMITED IN LIQUIDATION	HONG KONG
GELDILUX-TS-2008 S.A.	LUXEMBOURG
TENDER OPTION BONDS	NEW YORK
ELEKTRA PURCHASE No. 1 LTD	ST. HELIER
ELEKTRA PURCHASE No. 18 LTD	DUBLIN
BAVARIA UNIVERSAL FUNDING CORPORATION	DELAWARE
BORDER LEASING GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFTM.B.H.	VIENNA

COMPANY NAME	MAIN OFFICE
BANCA AGRICOLA COMMERCIALE DELLA R.S.M. S.P.A.	BORGO MAGGIORE
BAC FIDUCIARIA S.P.A.	DOGANA
HVB CAPITAL ASIA LIMITED	HONG KONG
UNICREDIT MEDIOCREDITO CENTRALE S.P.A.	ROME
ZAO IMB-LEASING	MOSCOW
UNIVERSALE INTERNATIONAL SPOL S.R.O.	PRAGUE
UPI POSLOVNI SISTEM D.D.	SARAJEVO
LIMITED LIABILITY COMPANY B.A. REAL ESTATE	MOSCOW
QUERCIA FUNDING SRL	VERONA
CENTRAL EUROPEAN CONFECTIONERY HOLDINGS B.V. I.L.	AMSTERDAM
SRQ FINANZPARTNER AG	BERLIN
INPROX KARLOVY VARY, S.R.O.	PRAGUE
KADMOS IMMOBILIEN LEASING GMBH	VIENNA

The above table refers to disposals and liquidations of inactive companies.

Change of the consolidation method

COMPANY NAME	MAIN OFFICE
UNIVERSALE INTERNATIONAL PROJEKTSZERVEZESI KFT.	BUDAPEST

COMPANY NAME	MAIN OFFICE
UNIVERSALE INTERNATIONAL POLAND SP.Z.O.O.	WARSAW

Changes in consolidation method in 2011 increased Item 100 Investments at cost.

Absorption by other Group entities

COMPANY NAME OF THE MERGERED ENTITY	MAIN OFFICE		COMPANY NAME OF THE TAKING IN ENTITY	MAIN OFFICE
ASPRA FINANCE SPA	MILAN	>>>	UNICREDIT CREDIT MANAGEMENT BANK SPA	VERONA
HVB LEASING SLOVAKIA S.R.O.	BRATISLAVA	>>>	UNICREDIT LEASING REAL ESTATE S.R.O.	BRATISLAVA
UNICREDIT FACTORING PENZUGYI SZOLGALTATO ZRT	BUDAPEST	>>>	UNICREDIT BANK HUNGARY ZRT.	BUDAPEST
QUERCIA SOFTWARE SCPA	VERONA	>>>	UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI	MILAN
UNIVERSALE BUCHHOLZ GBR	BERLIN	>>>	ISB UNIVERSALE BAU GMBH	BRANDENBURG
GRUWA GRUNDBAU UND WASSERBAU GMBH	BERLIN	>>>	ISB UNIVERSALE BAU GMBH	BRANDENBURG
ERSTE UNIPRO IMMOBILIEN-PROJEKTIERUNGSGESELLSCH AFTM.B.H.	BERLIN	>>>	ISB UNIVERSALE BAU GMBH	BRANDENBURG
ZWEITE UNIPRO IMMOBILIEN-PROJEKTIERUNGSGESELLSCHAFT M.B.H.	BERLIN	>>>	ISB UNIVERSALE BAU GMBH	BRANDENBURG
UIB UNIVERSALE BAU HOLDING GESELLSCHAFT M.B.H.	BRANDENBURG	>>>	ISB UNIVERSALE BAU GMBH	BRANDENBURG
IMMOBILIENFONDS UNIVERSALE 4 GBR	BERLIN	>>>	ISB UNIVERSALE BAU GMBH	BRANDENBURG
DRITTE UNIPRO IMMOBILIEN-PROJEKTIERUNGSGES.M.B.H.	BERLIN	>>>	ISB UNIVERSALE BAU GMBH	BRANDENBURG
IMMOBILIENFONDS UNIVERSALE WITTENBERGE GBR	BERLIN	>>>	ISB UNIVERSALE BAU GMBH	BRANDENBURG
UNIVERSALE INTERNATIONAL PROJEKTMANAGEMENT GMBH	BERLIN	>>>	ISB UNIVERSALE BAU GMBH	BRANDENBURG
PMG BAUPROJEKTMANAGEMENT GESELLSCHAFT M.B.H. & CO FINANZIERUNGS OEG	VIENNA	>>>	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	VIENNA
UNIVERSALE INTERNATIONAL GESELLSCHAFT M.B.H.	VIENNA	>>>	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	VIENNA
BANK AUSTRIA GLOBAL INFORMATION SERVICES GMBH	VIENNA	>>>	UGIS AUSTRIA GMBH	VIENNA
TELEDATA CONSULTING UND SYSTEMMANAGEMENT GESELLSCHAFT M.B.H.	VIENNA	>>>	TREUCONSULT BETEILIGUNGSGESELLSCHAFT M.B.H.	VIENNA

The following table shows the Entities which changed their company name in 2011.

Entities line by line which changed the company name during 2011

COMPANY NAME	MAIN OFFICE
PUBLIC JOINT STOCK COMPANY UNICREDIT BANK (ex OPEN JOINT STOCK COMPANY UNICREDIT BANK)	KIEV
QUERCIA SOFTWARE SCPA (ex QUERCIA SOFTWARE SPA)	VERONA
IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA S.P.A. (ex IRFIS - MEDIOCREDITO DELLA SICILIA S.P.A.)	PALERMO
POLLUX IMMOBILIEN GMBH (ex Z LEASING POLLUX IMMOBILIEN LEASING GESELLSCHAFT M.B.H.)	VIENNA
UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH (ex UNICREDIT TURN-AROUND MANAGEMENT GMBH)	VIENNA
DINERS CLUB CS S.R.O. (ex DINERS CLUB SLOVAKIA S.R.O.)	BRATISLAVA
ESPERTI IN MEDIAZIONE SRL (ex BREAKEVEN SRL)	VERONA

COMPANY NAME	MAIN OFFICE
UNIMANAGEMENT SCRL (ex UNIMANAGEMENT SRL)	TURIN
UNICREDIT GLOBAL BUSINESS SERVICES GMBH (ex AB IMMOBILIENVERWALTUNGS-GMBH	MUNICH
UNICREDIT TURN-AROUND MANAGEMENT GMBH (ex INDUSTRIE-IMMOBILIEN-VERWALTUNG GESELLSCHAFT M.B.H.)	VIENNA
CENTRAL EUROPEAN CONFECTIONERY HOLDINGS B.V. I.L. (ex CENTRAL EUROPEAN CONFECTIONERY HOLDINGS B.V.)	AMSTERDAM
KAISERWASSER BAU-UND ERRICHTUNGS OG (ex KAISERWASSER ERRICHTUNGS- UND BETRIEBSGESELLSCHAFT MBH)	VIENNA
WEALTHCAP FONDS GMBH (ex BLUE CAPITAL FONDS GMBH)	MUNICH

Proportionately consolidated companies

The table below shows the changes in equity investments in joint ventures (consolidated proportionately).

Investments in joint ventures (recognized using proportionate consolidation): annual changes

	NUMBER OF COMPANIES
A. Opening balance	**19**
B. Increased by	**12**
B.1 Newly established companies	-
B.2 Change of the consolidation method	12
B.3 Entities consolidated for the first time in 2011	-
C. Reduced by	**1**
C.1 Disposal	1
C.2 Change of the consolidation method	-
C.3 Absorption by other Group entities	-
D. Closing balance	**30**

Part A - Accounting Policies (Continued)

Details of 2011 increases are presented below:

Increases

Change of the consolidation method

COMPANY NAME	MAIN OFFICE
BA HYPO FINANCIRANJE D.O.O. ZA POSLOVANJE NEKRETNINAMA	ZAGREB
EUROLEASE FINANCE, D.O.O.	LJUBLJANA
FIDES LEASING GMBH	VIENNA
HYBA NEKRETNINE D.O.O. ZA POSLOVANJE NEKRTNINAMA	ZAGREB
HYPO-BA LEASING SUD GMBH	KLAGENFURT
HYPO-BA PROJEKT, FINANCIRANJE D.O.O.	LJUBLJANA

COMPANY NAME	MAIN OFFICE
HYPO-BA ZAGREB D.O.O. ZA POSLOVANJE NEKRETNINAMA	ZAGREB
INPROX LEASING, NEPREMICNINE, D.O.O.	LJUBLJANA
INPROX OSIJEK D.O.O.	ZAGREB
MONTREAL NEKRETNINE D.O.O.	ZAGREB
SYNERGA NEKRETNINE D.O.O. ZA POSLOVANJE NEKRETNINAMA	ZAGREB
YAPI KREDI INVEST LIMITED LIABILITY COMPANY	BAKU

The table above refers to two Austrian leasing companies and to their subsidiaries, which were equity investments in companies under joint control valued at cost and at net equity and became equity investments in companies under joint control consolidated proportionately, and to a company of the Yapi group (already consolidated in the Parent company's financial statements).

Reductions

Reductions refer to the liquidation of the company Information Technologie Austria Gmbh in liq - Vienna.

In December 2011, Centurione 2007 S.r.l. was acquired (100% of shares).
Subsequently, in the same month, the company was put into liquidation.
It should be noted that, taking account of:
- the liquidation proceedings as at December 31, 2011;
- the difficulty in obtaining the company's IAS/IFRS financial accounting figures as at December 31, 2011;
- the substantial valuation in UniCredit S.p.A.'s Financial Statements of risks connected with the equity investment in the company Centurione 2007 S.r.l.;

with reference to the 2011 Consolidated Accounts, the company was not fully consolidated.

Section 4 - Subsequent Events

No material events have occurred after the balance sheet date that would make it necessary to change any of the information given in the Consolidated Accounts. Please refer to the specific paragraph of the Report on Operations for a description of the significant events after year end and to Part E of these Notes to the Consolidated Accounts for further information on risks connected with pending lawsuits and tax disputes.

Section 5 - Other Matters

Since 2011 the following principles or accounting interpretations have become effective:
- Amendments to IAS 32: Financial Instruments - Presentation - Classification of Rights issues (EU regulation 1293/2009);
- Amendments to IFRS1: Limited Exemption from comparative IFRS7 Disclosures for First-time adopters and consequent amendments to IFRS 7 "Financial Instruments Disclosures" (EU regulation 574/2010);
- Revised IAS 24: Related Party Disclosures (EU regulation 632/2010);
- Amendments to IFRIC 14 - Prepayments of a Minimum Funding Requirement (EU regulation 633/2010);
- IFRIC 19: Extinguishing Financial Liabilities with Equity Instruments (EU regulation 662/2010);
- Improvements to IFRSs (EU regulation 149/2011).

The revised IAS 24 extends, simplifies and clarifies the definition of related-party and the criteria to be followed in order to determine with precision the relations with the entity that prepares the financial statements. The new form also makes clear that the transactions with the subsidiaries of associates and joint ventures should also be reported.

The new IAS 24 also introduces reporting requirements concerning the existing relations between the entity that prepares the financial statements and its related-parties and exempts subsidiaries or entities on which a public body exerts significant influence from reporting obligation.

The other cases of related-party transactions introduced by IAS 24 are not subject to disclosure requirements pursuant to Consob "Regulations containing provisions relating to transactions with related parties" (adopted with Resolution no. 17221, later amended by Resolution no. 17389 of 2010, which are based on the definition of related-parties contained in the IAS 24, in force when the Consob Regulation became effective).
For further information please refer to part H Related-Party Transactions of the explanatory notes.

These amendments, as well as those required by the other standards and interpretations mentioned, did not have any impact on balance sheet and income statement.

The European Commission also transposed the following accounting principles which have become effective after December 31, 2011:
• Amendments to IFRS 7 - Financial Instruments: Disclosures - Transfers of Financial Assets (EU Regulation 1205/2011).

These amendments necessitate the disclosure of more information on financial assets transferred but not derecognized and on continuing involvement.

As at December 31, 2011 the IASB issued the following standards, amendments, interpretations or revisions:
• Amendment to IAS 1 - Presentation of Financial Statements: Presentation of Items of Other Comprehensive Income (June 2011);
• Amendments to IAS 12 - Deferred tax: Recovery of Underlying Assets (December 2010);
• Amendment to IAS 19 - Employee Benefits (June 2011);
• Amendments to IAS 32 - Offsetting Financial Assets and Financial Liabilities (December 2011);
• IAS 27 revised: Separate Financial Statements (May 2011);
• IAS 28 revised: Investments in Associates and Joint Ventures (May 2011);
• Amendments to IFRS1 - Severe Hyperinflation and Removal of Fixed Dates for First-Time Adopters (December 2010);
• Amendments to IFRS 7;
• Offsetting Financial Assets and Financial Liabilities (December 2011);
• Mandatory Date and Transition (December 2011);
• IFRS 9: Financial Instruments (November 2009) and subsequent amendments (amendments to IFRS 9 and IFRS 7 - Mandatory Effective Date and Transition - December 2011);
• IFRS 10: Consolidated Financial Statement (May 2011);
• IFRS 11; Joint Arrangements (May 2011);
• IFRS 12: Disclosure of Interests in Other Entities (May 2011);
• IFRS 13: Fair value measurement (May 2011);
• IFRIC 20: Stripping Costs in the Production Phase of a Surface Mine (December 2011).

However, the alignment to these principles by the Group is subject to transposition thereof by the European Commission.

Lastly, it should be noted that for the purpose of calculating regulatory capital, since June 30, 2010 the Group has exercised the option (allowed by Banca d'Italia on May 18, 2010) to deduct all capital gain and losses arising out of changes in fair value recognized after December 31, 2009 in revaluation reserves in respect of debt securities issued by the Central Administrations of EU Countries and held as "financial assets available for sale".

The consolidated accounts and the Parent's accounts are audited by KPMG S.p.A. pursuant to the resolution passed by the Shareholders' Meeting on May 10, 2007 and LD 39/2010 dated January 27, 2010.

The UniCredit group published within the legal time limits and as prescribed by Consob, its consolidated financial half-year report as at June 30, 2011, on which a limited audit was performed, as well as the Consolidated Interim Report as at March 31 and the Condensed Interim Consolidated Financial Statements as at September 30, 2011 subjected to a limited audit.

The Board of Directors approved these Accounts on March 27, 2012 and authorized the publication.

The whole document is lodged with the competent offices and entities as required by law.

A.2 - The Main Items of the Accounts

1 - Held-for-Trading Financial Assets (HfT)

A financial asset is classified as held for trading if it is:
• acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
• part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking;
• a derivative (except for derivatives which constitute financial guarantees, see Section 18, and derivatives designated as hedging instruments - see Section 6).

Part A - Accounting Policies (Continued)

Like other financial instruments, on initial recognition, on settlement date, a held-for-trading financial asset is measured at its fair value, usually equal to the amount paid, excluding transaction costs and income, which are recognised in profit and loss even when directly attributable to the financial assets. Trading book derivatives are recognized on trade date.

After initial recognition these financial assets are measured at their fair value through profit or loss. An exception is represented by derivatives settled by delivery of an unlisted equity instrument whose fair value cannot reliably be measured, and which are therefore measured at cost.

A gain or loss arising from sale or redemption or a change in the fair value of a HfT financial asset is recognized in profit or loss in item 80 "Gains (losses) on financial assets and liabilities held for trading", with the exception of financial derivatives relating to a fair value option of which gains and losses, whether realised or measured, are booked in item 110. "Gains (losses) on financial assets/liabilities at fair value through profit and loss" (please see ch. 5). If the fair value of a financial instrument falls below zero, which may happen with derivative contracts, it is recognized in item 40 "Financial liabilities held for trading".

A derivative is a financial instrument or other contract with all three of the following characteristics:
- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable (usually called the 'underlying');
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors;
- it is settled at a future date.

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract, with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. A derivative that is attached to a financial instrument but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument.

An embedded derivative is separated from the host contract and recognized as a derivative if:
- the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative;
- the hybrid (combined) instrument is not measured entirely at fair value through profit or loss.

If it is necessary to separate an embedded derivative from its host contract, but it is not possible to measure the embedded derivative separately either at acquisition or at a subsequent financial reporting date, the entire combined contract is treated as a financial asset or financial liability at fair value through profit or loss.

When an embedded derivative is separated, the host contract is recognized according to its category.

2 - Available-for-sale Financial Assets (AfS)

Available-for-sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments, financial assets held for trading or financial assets at fair value through profit or loss. These assets are held for an indefinite period of time and can meet the need to ensure liquidity and face changes in interest rates, exchange rates and prices.

AfS financial assets are money market instruments, other debt instruments or equity instruments; they include shares held as minority stakes where these do not constitute controlling or associate interests, or joint control.

On initial recognition, on settlement date, an AfS financial asset is measured at fair value, which is usually equal to the consideration of the transaction, plus transaction costs and income directly attributable to the instrument.

In subsequent periods AfS assets are measured at fair value, the interest on interest-bearing instruments being recognized at amortized cost in the income statement.
Gains or losses arising out of changes in fair value are recognized in equity item 140. "Revaluation reserves" - except losses due to impairment and exchange rate gains or losses on monetary items (debt instruments) which are recognized under item 130. b) "Impairment losses on AfS available for sale financial assets" and item 80. "Gains (losses) on financial assets and liabilities held for trading" respectively - until the financial asset is sold, at which time cumulative gains and losses are recognized in profit or loss in item 100. b) "Gains (losses) on disposal or repurchase of AfS financial assets".

The fair value changes recorded in item 140. "Revaluation reserves" are also reported in the Statement of Comprehensive Income.

With reference to revaluation reserves arising from holdings of debt instruments issued by governments of EU member countries, on May 18, 2010 Banca d'Italia recognized, for the purposes of the calculation of regulatory capital (prudential filters), the possibility of completely neutralizing capital gains and losses arising in the revaluation reserves after 31 December 2009 ("symmetric" approach). The Group adopted this method starting from the regulatory capital calculation made in June 2010, and thereby replaced the "asymmetric" approach previously in use.

Equity instruments (shares) not listed in an active market and whose fair value cannot be reliably determined are valued at cost.

If there is objective evidence of an impairment loss on an available-for-sale financial asset, the cumulative loss that had been recognized directly in equity item 140. "Revaluation reserves", is removed from equity and recognized in profit or loss under item 130. b) "Impairment losses on available for sale financial assets".

In respect of debt instruments, any circumstances indicating that the borrower is experiencing financial difficulties which could prejudice the collection of the principal or interest, represent an impairment loss.

Lasting loss of value of equity instruments is assessed on the basis of indicators such as fair value below cost and adverse changes in the environment in which the company operates, as well as the issuer's debt service difficulties.

The loss of value is normally considered lasting if fair value falls to less than 50% of cost or lasts for more than 18 months.
If however the fall in the fair value of the instrument is over 20% but less than or equal to 50% or continues for no less than 9 but no longer than 18 months, UniCredit reviews further income and market indicators.

If the results of the review are such as to prejudice the recovery of the amount originally invested, a lasting loss of value is recognized.
The amount taken to profit and loss is the difference between the carrying amount (value of initial recognition less any impairment loss already recognized in profit or loss) and current fair value.

Where instruments are valued at cost, the amount of the loss is determined as the difference between their carrying value and the present value of estimated future cash flows, discounted at the current market yield on similar financial assets.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed and the amount of the reversal is recognized in the same profit or loss item. The reversal cannot result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized.

Impairment losses recognized in profit or loss for an investment in an equity instrument classified as available for sale are not reversed through profit or loss, but recognized at equity.

3 - Held to Maturity Investments (HtM)

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity for which there is the positive intention and ability to hold to maturity.

If, during the financial year, more than an insignificant amount of held-to-maturity investments are sold or reclassified before maturity, the remaining HtM financial assets shall be reclassified as available-for-sale and no financial assets shall be classified as HtM investments for the two following financial years, unless the sales or reclassifications:
- are so close to maturity or the financial asset's call date that changes in the market rate of interest would not have a significant effect on the financial asset's fair value;
- occur after substantially all of the financial asset's original principal has been collected through scheduled payments or prepayments;
- are attributable to an isolated event that is beyond the reporting entity's control, is non-recurring and could not have been reasonably anticipated.

After initial recognition at its fair value, which will usually be the price paid including transaction costs and income directly attributable to the acquisition or provision of the financial asset (even if not yet settled), a held-to-maturity financial asset is measured at amortized cost using the effective interest method. A gain or loss is recognized in profit or loss in item 100. c) "Gains (losses) on disposal of HtM financial assets" when the financial asset is derecognized.

If there is objective evidence that a held-to-maturity investment is impaired, the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted using the original effective interest rate of the financial asset.

Part A - Accounting Policies (Continued)

The carrying amount of the asset is reduced accordingly and the loss is recognized in profit or loss under item 130. c) “Impairment losses on held-to-maturity investments”.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognized (such as an improvement in the debtor’s credit rating), the previously recognized impairment loss is reversed.
The reversal cannot result in a carrying amount of the financial asset that exceeds the amortized cost would have been had the impairment not been recognized. The amount of the reversal is recognized in the same profit or loss item.

4 - Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are recognized on the date of contract signing, which normally coincides with the date of disbursement to the borrower.

These items include debt instruments with the above characteristics or that are subject to portfolio reclassification in accordance with the rules of IAS 39 (see Part A.3.1 below - Transfers between portfolios) and the net value of finance leases of assets under construction or awaiting lease, provided the leases have the characteristics of contracts entailing the transfer of risk.

After initial recognition at fair value, which usually is the price paid including transaction costs and income which are directly attributable to the acquisition or issuance of the financial asset (even if not paid), a loan or receivable is measured at amortized cost, allowances or reversals of allowances being made where necessary on remeasuring.

A gain or loss on loans and receivables is recognized in profit or loss:
- when a loan or receivable is derecognized: in item 100. a) “Gains (losses) on disposal”;

or:
- when a loan or receivable is impaired (or the impairment loss previously recognized is reversed): in item 130. a) “Impairment losses on loans and receivables”.

Interest on loans and receivables is recognized in profit or loss on an accrual basis by using the effective interest rate method under item 10. “Interest income and similar revenue”.

Delay interest is taken to the income statement on collection or receipt.

Loans and receivables are reviewed in order to identify those that, following events occurring after initial recognition, show objective evidence of possible impairment. These impaired loans are reviewed and analysed periodically at least once a year.

A loan or receivable is deemed impaired when it is considered that it will probably not be possible to recover all the amounts due according to the contractual terms, or equivalent value.

Allowances for impairment of loans and receivables are based on the present value of expected cash flows of principal and interest; in determining the present value of future cash flows, the basic requirement is the identification of estimated collections, the timing of payments and the rate used.

The amount of the loss on impaired exposure classified as non-performing, doubtful or restructured according to the categories specified below, is the difference between the carrying value and the present value of estimated cash flows discounted at the original interest rate of the financial asset.

Recovery times are estimated on the basis of any repayment schedules agreed with the borrower or included in a business plan or in forecasts based on historical recovery experience observed for similar classes of loans, taking into account the type of loan, the geographical location, the type of security and any other factors considered relevant.

Any subsequent change vis-à-vis initial expectations of the amount or timing of expected cash flows of principal and interest causes a change in allowances for impairment and is recognized in profit or loss in item 130. (a) “Impairment losses (a) loans and receivables”.

In the Notes to the Accounts, write-downs of impaired loans are classified as specific in the relevant income statement item even when the calculation is flat-rate or statistical, as indicated below.

When the reasons for the impairment no longer exist, and this assessment is objectively attributable to an event occurred after the impairment, a reversal is made in the same profit or loss item, within the amount of the amortized cost that there would have been if there had been no impairments.

Derecognition of a loan or receivable in its entirety is made when the loan or receivable is deemed to be irrecoverable or is written off. Write-offs are recognized directly in profit or loss under item 130. a) "Impairment losses on loans and receivables" and reduce the amount of the principal of the loan or receivable. Reversals of all or part of amounts previously written off are recognized in the same item.

Loans under renegotiation involving a debt/equity swap are valued, pending swap finalization, on the basis of the conversion agreements entered into on the balance-sheet date.

Please see Section A.3 below for the method used to calculate the fair value of shares arising from these transactions. Any negative differences between the value of the loans and the fair value of the shares are taken to profit and loss as write-downs.

According to Banca d'ItaliÀs regulations, impaired loans and receivables are classified into the following categories:
- **Non-performing loans** - formally impaired loans, being exposure to insolvent borrowers, even if the insolvency has not been recognized in a court of law, or borrowers in a similar situation. Measurement is generally on a loan-by-loan basis or, for loans singularly not significant, on a portfolio basis for homogeneous categories of loans;
- **Doubtful loans** - exposure to borrowers experiencing temporary difficulties, which the Group believes may be overcome within a reasonable period of time. Doubtful loans also include loans not classified as non-performing granted to borrowers other than government entities where the following conditions are met:
  - they have fallen due and remained unpaid for more than 270 days (or for more than 150 or 180 days for consumer credit exposure with an original term of less than 36 months, or 36 months or over, respectively);
  - the amount of the above exposure to the same borrower and other defaulted payments that are less than 270 days overdue, is at least 10% of the total exposure to that borrower.

    Doubtful loans are valued analytically when special elements make this advisable or by applying analytically flat percentages on a historical or stochastic basis in the remaining cases;
- **Restructured loans** - exposure to borrowers with whom a rescheduling agreement has been entered into including renegotiated pricing at interest rates below market, the conversion of part of a loan into shares and/or reduction of principal; measurement is on a loan-by-loan basis, including discounted cost due to renegotiation of the interest rate at a rate lower than the original contractual rate;
- **Past-due loans** - total exposure to any borrower not included in the other categories, which at the balance-sheet date has expired facilities or unauthorised overdrafts that are more than 90 days past due and meet the requirements set out by supervisory regulations (ref. Bank of Italy's Circular No. 263 of December 27, 2006 "New regulations for the prudential supervision of banks") for their classification under the "past due exposures" category (TSA banks) or under the "defaulted exposures" category (IRB banks). Retail loans to public-sector entities and companies resident or established in Italy are considered impaired where there are overdue or unauthorized exposures for more than 180 instead of 90 days.

Total exposure is recognized in this category if, at the balance-sheet date, either:
- the expired or unauthorized borrowing;

or:
- the average daily amount of expired or unauthorized borrowings during the last preceding quarter is equal to or exceeds 5% of total exposure.

Overdue exposures are valued using a statistical approach based on historical data, applying where available the degree of risk as measured by the risk factor used for Basel 2 reporting (loss given default).

Collective assessment is used for groups of loans for which individually there are no indicators of impairment: to these portfolios a latent impairment can be attributed, according to the method described below, inter alia on the basis of the risk factors used under Basel 2.

Each loan with similar characteristics in terms of credit risk - in relation to loan type, the borrower's sector of economic activity, geographical location, type of security or other relevant factors - is assessed in terms of its probability of default and a loss given default; these are uniform for each class of loan.

The methods used combine Basel 2 recommendation and IFRS. The latter exclude future loan losses not yet sustained, but include losses already sustained even if they were not manifest at the time of measurement, on the basis of past experience of losses on assets having a similar risk profile to the assets being measured.

The average time elapsed from deterioration of borrowers' financial condition to the recognition of impairment losses, in relation to any homogeneous group of exposures, is the loss confirmation period.

The portfolio valuation is the product of the risk factors derived from the parameters used under Basel 2 requirements (with a one-year time horizon) and the above loss confirmation periods expressed as part of a year and diversified according to asset class on the basis of the characteristics and development level of the credit processes.

If these indicators are not available, estimated value and standard loss percentages, based on internal historical series and sectoral studies, shall be used.

Part A - Accounting Policies (Continued)

Allowances for unsecured loans to residents of countries experiencing debt service difficulties, where the transfer risk is not included in the rating system applied, are generally determined, country by country, with the aim of attributing latent impairment on the basis of shared parameters.

Allowances for impairment reduce the loan or receivable's carrying amount. The risk inherent in off-balance-sheet items, such as loan commitments, losses due to impairment of guarantees and comparable credit derivatives under IAS 39, is recognized in profit or loss under item 130. d) "Impairment losses on other financial assets", offsetting item 100. "Other liabilities".

Loans and receivables also include according to the applicable product breakdown, loans securitised after 1 January 2002 which cannot be derecognized under IAS 39 (see Section 18 - Other Information - Derecognition).

Corresponding amounts received for the sale of securitized loans net of the amount of any issued securities and any other type of credit enhancement held in portfolio (retained risk) are recognized in liability items 10. "Deposits from banks" and 20. "Deposits from customers".

Both assets and liabilities are measured at amortized cost and interest received is recognized through profit or loss.

Impairment losses on securitized assets sold but not derecognized are reported in item 130. a) "Impairment losses loans and receivables".

5 - Financial Instruments at Fair Value through Profit and Loss (FIaFV)

Any financial asset may be designated, in accordance with the provisions of IAS 39 as a financial instrument measured at fair value through profit and loss on initial recognition, except for the following:
- investments in equity instruments for which there is no price quoted in active markets and whose fair value cannot be reliably determined;
- derivatives.

FIaFV include non-HfT financial assets, but whose risk is:
- connected with debt positions measured at fair value (see also item 15 "Financial liabilities at fair value through profit and loss");
- and managed by the use of derivatives not treatable as accounting hedges.

FIaFV are accounted for in a similar manner to HfT financial assets (see Section 1), however gains and losses, whether realised or not, are recognized in item 110. "Gains (losses) on financial assets and liabilities measured at fair value".

6 - Hedge Accounting

Hedging instruments are those created to hedge market risks (interest-rate, currency and price) to which the hedged positions are exposed. They may be described as follows:
- Fair value hedge: a hedge of the exposure to changes in fair value of a recognized asset or liability, or an identifiable portion of such an asset or liability;
- Cash flow hedge: a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction which could affect profit or loss;
- Hedge of a net investment in a foreign entity whose operations are located or run in a non-EU country or whose transactions are carried out in a currency other than the euro.

Hedging derivatives are initially recognized on trade date and are valued at their fair value.

A hedging relationship qualifies for hedge accounting if there is formal designation and documentation of the hedging relationship including the risk management objective, the strategy for undertaking the hedge, and how the hedging instrument's future and retrospective effectiveness will be assessed. It is necessary to assess the hedge's effectiveness, at inception and in subsequent periods, in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

A hedge is regarded as highly effective if, at the inception of the hedge and in subsequent periods, it is determined prospectively to remain highly effective, i.e. that the hedge ratio is within a range of 80-125 per cent. The hedge is assessed on an ongoing basis and thus must prospectively remain highly effective throughout the financial reporting periods for which the hedge was designated.

The assessment of effectiveness is made at each balance-sheet date or other reporting date.
If the assessment does not confirm the effectiveness of the hedge, from that time on hedge accounting is discontinued in respect of the hedge and the hedging derivative is reclassified as a held-for-trading instrument.

In addition, the hedging relationship ceases when the hedging instrument expires or is sold, terminated or exercised; the hedged item is sold, expires or is repaid; or it is no longer highly probable that the forecast transaction will occur.

Hedging instruments are so designated when identifiable with an ultimate counterparty outside the Group.

Hedging derivatives are measured at fair value. Specifically:

- **Fair Value Hedging** - an effective fair value hedge is accounted for as follows: the gain or loss from remeasuring the hedging instrument at fair value is recognized through profit or loss in item 90. "Fair value adjustments in hedge accounting"; the gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognized through profit or loss in the same item. If the hedging relationship is terminated for reasons other than the sale of the hedged item, this is measured according to the original criterion dictated by the accounting standard applied to the relevant portfolio. In the case of interest-bearing instruments, the difference between the carrying amount of the hedged item on termination of the hedging and the carrying amount it would have had if the hedge had never existed, is recognized through profit or loss in interest receivable or payable over the residual life of the original hedge. The difference in fair value of the hedging derivative since the latest effectiveness testing date is recognized in profit or loss under item 90. "Fair value adjustments in hedge accounting". If the hedged item is sold or repaid, the portion of fair value which is still unamortized is at once recognized through profit or loss in the item 100. "Gains (losses) on disposal or repurchase".
- **Cash Flow Hedging** - hedging instruments are valued at fair value. Change in the fair value of a hedging instrument that is considered effective is recognized in equity item 140. "Revaluation reserves". The ineffective portion of the gain or loss is recognised through profit or loss in item 90. "Fair value adjustments in hedge accounting". If a cash flow hedge is determined to be no longer effective or the hedging relationship is terminated, the cumulative gain or loss on the hedging instrument that remains recognized in "Revaluation reserves" from the period when the hedge was effective remains separately recognized in "Revaluation reserves" until the forecast hedged transaction occurs or is determined to be no longer possible; in the latter case gains or losses are transferred through profit or loss to 80. "Gains and losses on financial assets/liabilities held for trading". The fair value changes recorded in item 140. "Revaluation reserves" are also disclosed in the Statement of Comprehensive Income.
- **Hedging a Net Investment in a Foreign Entity** - hedges of a net investment in a foreign entity are accounted for similarly to cash flow hedges. The gain or loss on the hedging instrument relating to the effective portion of the hedge that has been recognized directly in equity is recognized through profit or loss on disposal of the foreign entity.
  The fair value changes recorded in item 140. "Revaluation reserves" are also disclosed in the Statement of Comprehensive Income; the ineffective portion of the gain or loss is recognized through profit or loss in item 90. "Fair value adjustments in hedge accounting".
- **Macro-hedged Financial Assets (Liabilities)** - IAS 39 allows a fair-value item hedged against interest rate fluctuations to be not only a single asset or liability but also a monetary position contained in a number of financial assets or liabilities (or parts of them); accordingly, a group of derivatives can be used to offset fair-value fluctuations in hedged items due to changes in market rates. Macro hedging may not be used for net positions resulting from the offsetting of assets and liabilities. As for fair value micro hedging, macrohedging is considered highly effective if, at the inception of the hedge and in subsequent periods, changes in the fair value attributable to the hedged position are offset by changes in fair value of the hedging instrument and if the hedge ratio is within the range of 80-125 per cent. Net changes - gains or losses - in the fair value of the macro-hedged assets and liabilities attributable to the hedged risk are recognized in asset item 90 and liability item 70 respectively and offset the profit and loss item 90. "Fair value adjustments in hedge accounting".

The ineffectiveness of the hedging arises to the extent that the change in the fair value of the hedging item differs from the change in the fair value of the hedged monetary position. The extent of hedge ineffectiveness is in any case recognized in profit and loss item 90. "Fair value adjustments in hedge accounting".

If the hedging relationship is terminated, for reasons other than the sale of the hedged items, cumulative gain or loss in items 90 and 70 is recognized through profit or loss in interest income or expenses, along the residual life of the hedged financial assets or liabilities.

If the latter are sold or repaid, unamortized fair value is at once recognized through profit and loss in item 100. "Gains (losses) on disposal or repurchase".

7 - Equity Investments

The principles governing the recognition and measurement of equity investments under IAS 27 Consolidated and Separate Financial Statements, IAS 28 Investments in Associates, and IAS 31 Interests in Joint Ventures, are given in detail in Part A.1, Section 3 - Consolidation Procedures and Scope.

Remaining interests other than subsidiaries, associates and joint ventures, and interests recognized in items 150. "Non-current assets and disposal groups held for sale" and 90. "Liabilities included in disposal groups classified as held for sale" (see Section 10) - are classified as AfS financial assets or financial assets at fair value through profit and loss and treated accordingly (see Sections 2 and 5).

Part A - Accounting Policies (Continued)

8 - Property, Plant and Equipment (Tangible Assets)

The item includes:
- Land;
- Buildings;
- furniture and fixtures;
- plant and machinery;
- other machinery and equipment;

and is divided between:
- assets used in the business;
- assets held as investments.

Assets used in the business are held for use in the production or supply of goods or services or for administrative purposes and are expected to be used during more than one period. This category also (conventionally) includes assets to be let or under construction and to be leased under a finance lease, only for those finance leases which provide for retention of risk by the lessor until the acceptance of the asset by the lessee and the start of rentals under the finance lease, (see also section 4 for finance leases with risk transfer).

The item includes assets used by the Group as lessee under a finance lease, or let/hired out by the Group as lessor under an operating lease.

Property, plant and equipment also include leasehold improvements relating to assets which can be which can be separately identified. They are classified according to the specific sub-items relating to the asset type (e.g. plants).

Leasehold improvements are usually borne in order to make leased premises fit for the expected use.
Improvements and additional expenses relating to property, plant and equipment identifiable but not separable are recognised in item 160. “Other assets”.

Assets held for investment purposes are properties covered by IAS 40, i.e. properties held (owned or under a finance lease) in order to derive rentals and/or a capital gain.

Property, plant and equipment are initially recognized at cost including all costs directly attributable to bringing the asset into use (transaction costs, professional fees, direct transport costs incurred in bringing the asset to the desired location. installation costs and dismantling costs).

Subsequent costs are added to the carrying amount or recognized as a separate asset only when it is probable that there will be future economic benefits in excess of those initially foreseen and the cost can be reliably measured.

Other expenses borne at a later time (e.g. normal maintenance costs) are recognized in the year they are incurred in profit and loss items:
- 180. b) “General and administrative expenses”, if they refer to assets used in the business;

or:
- 220. “Other net operating income”, if they refer to property held for investment.

After being recognized as an asset, an item of property, plant and equipment is carried at cost less any accumulated depreciation and any cumulative impairment losses.

Exceptions are made for property investments underlying liabilities whose yield is linked to their fair value. For these latter assets the fair value model as per IAS 40 paragraph 32A is used.

An item with a finite useful life is subject to straight-line depreciation.

Residual useful life is usually assessed as follows:

Buildings	max. 50 years;
Movables	max. 25 years;
Electronic equipment	max. 15 years;
Other	max. 10 years;
Leasehold Improvements	max. 25 years.

An item with an indefinite useful life is not depreciated.

Land and buildings are recognized separately, even if acquired together. Land is not depreciated since it usually has an indefinite useful life. Buildings, conversely, have a finite useful life and are therefore subject to depreciation.

The estimate of the useful life of an asset is reviewed at least at each accounting period-end on the basis inter alia of the conditions of use of the asset, of maintenance conditions and expected obsolescence, and, if expectations differ from previous estimates, the depreciation amount for the current and subsequent financial years is adjusted accordingly.

If there is objective evidence that an asset has been impaired the carrying amount of the asset is compared with its recoverable value, equal to the greater of its fair value less selling cost and its value in use, i.e., the present value of future cash flow expected to originate from the asset. Any value adjustment is recognized in profit and loss item 200. "Impairment/ write-backs on property, plant and equipment".

If the value of a previously impaired asset is restored, its increased carrying amount cannot exceed the net carrying amount it would have had if there had been no losses recognized on the prior-year impairment.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or sale in the future and any difference between sale proceeds or recoverable value and carrying value is recognized in profit and loss item 270. "Gains (losses) on disposal of investments".

9 - Intangible Assets

An intangible asset is an identifiable non-monetary asset without physical substance which is expected to be used during more than one period, controlled by the Group and from which future economic benefits are probable.

Intangible assets are principally goodwill, software, brands and patents.

This item also includes intangible assets used by the Group as lessee under finance leases or as lessor under operating leases (rental/hire).

Intangible assets other than goodwill are recognized at purchase cost, i.e. including any cost incurred to bring the asset into use, less accumulated amortisation and impairment losses.

An intangible asset with a finite life is subject to straight-line amortisation over its estimated useful life.

Residual useful life is usually assessed as follows:

Software	max. 10 years;
Other intangible assets	max. 20 years.

Intangible assets with an indefinite life are not amortized.

If there is objective evidence that an asset has been impaired, the carrying amount of the asset is compared with its recoverable value, equal to the greater of its fair value less selling cost and its value in use, i.e. the present value of future cash flows expected to originate from the asset. Any impairment loss is recognized in profit and loss item 210. "Impairment/ write-backs on intangible assets".

For an intangible asset with indefinite life even if there are no indications of impairment, the carrying amount is compared annually with its recoverable value. If the carrying amount is greater than the recoverable value, the difference is recognized in profit and loss item 210. "Impairment/write-backs on intangible assets".

If the value of a previously impaired intangible asset, other than goodwill is restored, its increased carrying amount cannot exceed the net carrying amount it would have had if there were no losses recognized on the prior-year impairment.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or sale in the future and any difference between sale proceeds or recoverable value and carrying value is recognized in the profit and loss item 270. "Gains (losses) on disposal of investments".

Goodwill

In accordance with IFRS3, goodwill is the excess of the cost of a business combination over the net fair value of the assets and liabilities acquired at the acquisition date.

Goodwill arising from the acquisition of subsidiaries and joint ventures (consolidated proportionately) is recognized as an intangible asset, whereas goodwill arising from the acquisition of associates is included in the carrying amount of the investments in associates.

Part A - Accounting Policies (Continued)

At a subsequent financial reporting date, goodwill is recognized net of any cumulative impairment losses and is not amortised.

Goodwill is tested for impairment annually, as for other intangible assets with an indefinite useful life. To this end it is allocated to the Group's business areas identified as the Cash Generating Units (CGUs).
Goodwill is monitored by the CGUs at the lowest level in line with its business model.

Impairment losses on goodwill are recognized in profit and loss item 260. "Impairment losses on goodwill". In respect of goodwill, no write-backs are allowed.

Please see Section B 13.3 Intangible Assets - Further Information below for further information on intangibles, goodwill, the CGUs and impairment testing for these.

10 - Non-Current Assets Held for Sale

Non-current assets or groups of associated assets/liabilities (i.e. a group of units generating financial cash flow) whose sale is highly probable, are recognized in item 150. "Non-current assets and disposal groups held for sale" and item 90. "Liabilities associated with held-for-sale assets" respectively at the lesser of the carrying amount and fair value net of disposal costs.

The balance of revenue and expense relating to discontinued assets and liabilities (dividends, interest, etc.) and the measurement as determined above of disposal groups held for sale disclosed in this balance sheet item, net of current and deferred tax, is recognized in the item 310. "Gains (losses) on groups of assets held for sale net of tax".

The revaluation reserves relating to Non-current assets held for sale, which are recorded as a contra item to changes in value relevant for this purpose (see A.1 - General, Section 2 General Principles), are reported separately in the Statement of Comprehensive Income.

11 - Current and Deferred Tax

Tax assets and tax liabilities are recognized in the Consolidated Balance Sheet respectively in item 140. of assets ("Tax assets") and item 80. of liabilities ("Tax liabilities").

In compliance with the «Balance sheet liability method», current and deferred tax items are:

- current tax assets, i.e. amount of tax paid in excess of income tax due in accordance with local tax regulations;
- current tax liabilities, i.e. amount of corporate tax due in accordance with local tax regulations;
- deferred tax assets, i.e. amounts of income tax recoverable in future fiscal years and attributable to:
  - deductible temporary differences;
  - the carryforward of unused tax losses; and
  - the carryforward of unused tax credits;
- deferred tax liabilities, i.e. the amounts of income tax due in future fiscal years in respect of taxable temporary differences.

Current and deferred tax assets and tax liabilities are calculated in accordance with local tax regulations and are recognized in profit or loss on an accrual basis.

In general, deferred tax assets and liabilities arise when there is a difference between the accounting treatment and the tax treatment of the carrying amount of an asset or liability.

Deferred tax assets and liabilities are recognized applying tax rates that at the balance sheet date are expected to apply in the period when the carrying amount of the asset will be recovered or the liability will be settled on the basis of tax regulations in force, and are periodically reviewed in order to reflect any changes in regulations.

Furthermore, deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profit will be generated by the entity. In accordance with the provisions of IAS12, the probability that sufficient future taxable profit against which the deferred tax assets can be utilized will be available is reviewed periodically. The carrying amount of deferred tax assets should be reduced to the extent that it is not probable that sufficient taxable profit will be available.

Current and deferred taxes are recognized in profit and loss item 290. "Tax expense (income) related to profit or loss from continuing operations", except for tax referred to items that in the same or in another fiscal year are credited or charged directly to equity, such as those relating to gains or losses on available-for-sale financial assets and those relating to changes in the fair value of cash flow hedging instruments, whose changes in value are recognized directly in the Statement of Comprehensive Income - Valuation reserves net of tax.

12 - Provisions for Risks and Charges

Retirement Payments and Similar Obligations

Retirement provisions - i.e. provisions for employee benefits paid after leaving employment - are defined as contribution plans or defined-benefit plans according to the economic nature of the plan.

In detail:

- defined-benefit plans provide a series of benefits depending on factors such as age, years of service and compensation needs. Under this type of plan actuarial and investment risks are borne by the company;
- defined-contribution plans are plans under which the company makes fixed contributions. Benefits are the result of the amount of contributions paid and return on contributions invested. The employer bears no actuarial and/or investment risks connected with this type of benefit as it has no legal or implicit obligation to make further contributions, shoud the plan not be sufficient to provide benefit to all employes.

Defined-benefit plans are present-valued by an external actuary using the unit credit projection method.

This method distributes the cost of benefits uniformly over the employee's working life. Obligations are the present value of average future benefits pro rata to the ratio of years of service to theoretical seniority at the time of benefit payment.

The amount recognized as a liability in item 120. Provisions for risks and charges - a Post retirement benefit obligations is the present value of the obligation at the Balance Sheet Date, plus or minus any actuarial gains or losses not recognized in the Accounts under the 'corridor' method, which permits non-recognition of these when they do not exceed 10% of the present value of the obligation and 10% of the fair value of any plan assets, less any pension charges relating to benefits already provided but not recognized, less the fair value at the Balance Sheet Date of plan assets due to settle the obligations directly.

The discount rate used to present-value obligations (whether financed or not) relating to benefits to be provided after retirement varies according to the country where the liabilities are allocated and is determined on the basis of market yield at the Balance Sheet Date of prime issuers' bonds with an average life in keeping with that of the relevant liability.

Other Provisions

Provisions for risks and charges are recognized when:

- the entity has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

The amounts recognized as provisions are the best estimate of the expenditure required to settle the present obligation. The risks and uncertainties that inevitably surround the relevant events and circumstances are taken into account in reaching the best estimate of a provision.

Where the effect of the time value of money is significant, the amount of the provision should be the present value of the best estimate of the cost required to settle the obligation. The discount rate used reflects the current market assessments.

Provisions are reviewed periodically and adjusted to reflect the current best estimate. If it becomes clear that it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Provisions are used only for expenses for which they were originally recognised. Allocations made in the year are recognized in profit and loss item 190. "Provisions for risks and charges" and include increases due to the passage of time; they are also net of any re-attributions.

"Other provisions" also include obligations relating to benefits due to agents, specifically supplementary customer portfolio payments, merit payments, contractual payments and payments under non-competition agreements, which are measured as per defined benefit plans; accordingly these obligations are calculated using the unit credit projection method (see above under Retirement Payments and Similar Obligations).

In certain cases, provisions for risks and charges (e.g. fiscal charges or charges relating to payroll costs) have been classified under their own item to better reflect their nature.

Part A - Accounting Policies (Continued)

13 - Liabilities, Securities in Issue and Subordinated Loans

The items Deposits with banks, Deposits with customers and Securities in issue are used for all forms of third-party funding other than trading liabilities or those valued at fair value.

These financial liabilities are recognized on the settlement date principle initially at fair value, which is normally the consideration received less transaction costs directly attributable to the financial liability. Subsequently these instruments are measured at amortized cost using the effective interest method.

Hybrid debt instruments relating to equity instruments, foreign exchange, credit instruments or indexes, are treated as structured instruments. The embedded derivative is separated from the host contract and recognized as a derivative, provided that separation requirements are met, and recognized at fair value. Any subsequent changes in fair value are recognized in profit and loss item 80. “Gains (losses) on financial assets and liabilities held for trading”.

The difference between the total amount received and the fair value of the embedded derivative is attributed to the host contract.

Instruments convertible into treasury shares imply recognition, at the issuing date, of a financial liability and of the equity part, recognized in item 160. “Equity instruments”, if a physical delivery settles the contract.

The equity part is measured at the residual value, i.e., the overall value of the instrument less the separately determined value of a financial liability with no conversion clause and the same cash flow.

The financial liability is recognized at amortized cost using the effective interest method.

Securities in issue are recognized net of repurchased amounts; the difference between the carrying value of the liability and the amount paid to buy it in is taken to profit and loss under item 100. d) “Gains (losses) on buy-ins of financial liabilities”. Subsequent replacement by the issuer is considered as a new issue which doesn’t produce gains or losses.

Group debts do not include covenants (q.v. in the appended Glossary) that would cause default or restructuring events. There are no debt instruments involving convertibility to equity instruments (under IASB IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments.

14 - Financial Liabilities Held for Trading

Financial liabilities held for trading include:
- derivatives that are not designated as hedging instruments;
- obligations to deliver financial assets sold short;
- financial liabilities issued with an intention to repurchase them in the near term;
- financial liabilities that are part of a portfolio of financial instruments considered as a unit and for which there is evidence of a recent pattern of trading.

A HfT liability, including a derivative, is measured at fair value initially and for the life of the transaction, except for a derivative liability settled by delivery of an unlisted equity instrument whose fair value cannot reliably be measured, and which is therefore measured at cost.

15 - Financial Liabilities at Fair Value through Profit and Loss

According to IAS 39, financial liabilities, as well as financial assets, may also be designated on initial recognition as measured at fair value, provided that:
- this designation eliminates or considerably reduces the discrepancy that could arise from the application of different methods of measurement of assets and liabilities and related gains or losses;

or:
- a group of financial assets, financial liabilities or both are managed and measured at fair value under risk management or investment strategy which is internally documented with the entity’s Board of Directors or equivalent body.

These transactions are recognized as per HfT financial liabilities, gains and losses, whether realised or not, being recognized in item 110. “Gains (losses) on financial assets and liabilities at fair value through profit and loss”.

16 - Foreign Currency Transactions

A foreign currency transaction is recognized at the spot exchange rate of the transaction date.

Foreign currency monetary assets and liabilities are translated at the closing rate of the period.

Exchange differences arising from settlement of monetary items at rates different from those of the transaction date and unrealised exchange rate differences on foreign currency assets and liabilities not yet settled, other than assets and liabilities designated as measured at fair value and hedging instruments, are recognized in profit and loss item 80. “Gains and losses on financial assets and liabilities held for trading”.

Exchange rate differences arising on a monetary item that forms part of an entity’s net investment in a foreign operation whose assets are located or managed in a country or currency other than the euro are initially recognized in the entity’s equity, and recognized in profit or loss on disposal of the net investment.

Non-monetary assets and liabilities recognized at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated at the closing rate. The exchange differences are recognized:
- in profit and loss if the financial asset is HfT; or
- in revaluation reserves if the financial asset is AfS.

Hedges of a net investment in a foreign operation are recognized similarly to cash flow hedges.

The assets and liabilities of fully consolidated foreign entities are translated at the closing exchange rate of each period. Gains and losses are translated at the average exchange rate for the period. Differences arising from the use of spot and weighted average exchange rates and from the remeasurement of a foreign operation’s assets at the closing rate of the period are recognized in the revaluation reserves.

Any goodwill arising on the acquisition of a foreign operation whose assets are located or managed in a currency other than the euro, and any fair value adjustments of the carrying amounts of assets and liabilities are treated as assets and liabilities of the foreign operation, expressed in the functional currency of the foreign operation and translated at the closing rate.

On the disposal of a foreign operation, the cumulative amount of the exchange rate differences, classified in an Equity reserve, is reclassified in profit or loss.

All exchange differences recorded under revaluation reserves in shareholders’ equity are also reported in the Statement of Comprehensive Income.

17 - Insurance Assets and Liabilities

IFRS 4 defines an insurance contract as a contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

These policies are recognized briefly as follows:
- in profit and loss item 160. “Other income (net) from insurance activities”: gross premium including all amounts due during the year under insurance contracts, net of cancellations. Premium transferred to reinsurers during the year is also recognized in this item;
- in the liability item 130. “Insurance reserves”: contractual obligations to policyholders, calculated analytically contract by contract using the prospective method, on the basis of demographic and financial projections currently used by the market;
- in the asset item 110. “Insurance reserves attributable to reinsurers”: reinsurers’ liabilities.

18 - Other Information

Business Combinations

A business combination is a transaction through which an entity obtains control of a company or of a business segment, thus bringing together different businesses into one reporting entity.

A business combination may result in a Parent-subsidiary relationship in which the acquirer is the Parent and the acquiree a subsidiary of the acquirer. A business combination may involve the purchase of the net assets of another entity - in which case goodwill can arise - or the purchase of the equity of the other entity (mergers).

Part A - Accounting Policies (Continued)

IFRS 3 requires that all business combinations shall be accounted for by applying the purchase method, that involves the following steps:
• identifying an acquirer;
• measuring the cost of the business combination;
and:
• allocating, at the acquisition date, the cost of the business combination to the assets acquired and liabilities and contingent liabilities assumed.

The cost of a business combination is the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer, in exchange for control of the acquiree.

The acquisition date is the date on which the acquirer effectively obtains control of the acquiree. When this is achieved through a single exchange transaction, the date of exchange coincides with the acquisition date.

A business combination may involve more than one exchange transaction; nevertheless, the cost of the business combination remains equal to the fair value of the amount paid at the acquisition date. This involves the revaluation at fair value - and the recognition of the effects in the Income Statement - of the equity investments previously held in the acquired entity.

The cost of a business combination is allocated by recognizing the assets, the liabilities and the identifiable contingent liabilities of the acquired company at their acquisition-date fair value.
Exceptions to this principle are deferred income tax assets and liabilities, employee benefits, indemnification assets, reacquired rights, non-current assets held for sale, and share-based payment transactions that are subject to review in accordance with the principle applicable to them.

Positive difference between the cost of the business combination and the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities so recognized is accounted for as goodwill.

After initial recognition, goodwill is tested for impairment at least annually.

If the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the acquirer shall reassess the fair values and recognise immediately any excess remaining after that reassessment in profit or loss.

If the acquisition concerns a percentage less than 100% of the assets of the acquired company, minorities are recognized.
At the acquisition date, minorities are valued:
• at fair value; or
• as a proportion of minority interests in the assets, liabilities and identifiable contingent liabilities of the acquired company.

Derecognition of financial assets

Derecognition is the removal of a previously recognized financial asset or financial liability from an entity's balance sheet.

Before evaluating whether, and to what extent, derecognition is appropriate, under IAS 39 an entity should determine whether the relevant conditions apply to a financial asset in its entirety or to a part of a financial asset. The standard is applied to a part of financial assets being transferred if, and only if, the part being considered for derecognition meets one of the following conditions:
• the part comprises only specifically identified cash flows from a financial asset (or a group of assets), e.g. interest cash flows from an asset;
• the part comprises a clearly identified percentage of the cash flows from a financial asset, e.g., a 90 per cent share of all cash flows from an asset;
• the part comprises only a fully proportionate (pro rata) share of specifically identified cash flow, e.g. 90 per cent share of interest cash flows from an asset.

In all other cases, the standard is applied to the financial asset in its entirety (or to the group of similar financial assets in their entirety).
An entity shall derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the contractual rights to receive the cash flows of the financial asset to a non-Group counterparty.
Rights to cash flow are considered to be transferred even if contractual rights to receive the asset's cash flow are retained but there is an obligation to pay this cash flow to one or more entities and all the following conditions are fulfilled (pass-through agreement):
• there is no obligation on the Group to pay amounts not received from the original asset;
• sale or pledge of the original asset is not allowed, unless it secures the obligation to pay cash flow;
• the Group is obliged to transfer forthwith all cash flows received and may not invest them, except for liquidity invested for the short period between the date of receipt and that of payment, provided that the interest accrued in that period is paid on.

Recognition is also subject to verification of effective transfer of all the risks and rewards of ownership of the financial asset. If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognise the asset (or group of assets) and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Conversely, if the entity substantially retains all the risks and rewards of ownership of the asset (or group of assets), the entity shall continue to recognise the transferred asset(s). In this case it is necessary to recognise a liability corresponding to the amount received under the transfer and subsequently recognise all income accruing on the asset or expense accruing on the liability.
The main transactions that do not allow, under the above rules, total derecognition of a financial asset are securitizations, repurchase transactions (buy-ins) and stock lending.
In the case of securitizations the Group does not derecognise the financial asset on purchase of the equity tranche or provision of other forms of support of the structure which result in the Group retaining the credit risk of the securitised portfolio.
In the case of repurchase transactions and stock lending, the assets transacted are not derecognized since the terms of the transaction entail the retention of all their risks and rewards.
Lastly, it should be noted that securities lending transactions collateralized by other securities or not collateralized were recorded as off-balance sheet items.

Repo Transactions and securities lending

Securities received in a transaction that entails a contractual obligation to sell them at a later date or delivered under a contractual obligation to repurchase are neither recognized nor derecognized. In respect of securities purchased under an agreement to resell, the consideration is recognized as a loan to customers or banks, or as an asset held for trading. In respect of securities held in a repurchase agreement, the liability is recognized as due to banks or customers, or as a HfT financial liability. Revenue from these loans, being the coupons accrued on the securities and the difference between the sale/purchase and resale/repurchase prices, is recognized in profit or loss through interest income and expenses on an accruals basis.

These transactions can only be offset if, and only if, they are carried out with the same counterparty and provided that such offset is provided for in the underlying contracts.

The same rules apply to securities lending transactions with the exception, starting from December 31, 2011, of the type of securities lending transactions collateralized by other securities or not collateralized, as specified by Banca d'Italia.

Treasury Shares

Changes in treasury shares are reported as a direct contra item to shareholders' equity, i.e. as a reduction to the latter in the amount of any purchases, and as an increase in the amount of any sales.
This entails that, if treasury shares are subsequently sold, the difference between the sale price of treasury shares and the related post-tax repurchase cost is also recognized directly as a contra item to shareholders' equity.

Finance Leases

Finance leases effectively transfer all the risks and benefits of ownership of an asset to the lessee. Ownership of the asset is transferred to the lessee, however not necessarily at contract maturity.

The lessee acquires the economic benefit of the use of the leased asset for most of its useful life, in exchange for a commitment to pay to the lessor an amount approximately equivalent to the fair value of the asset and related finance costs. Recognition in the lessor's accounts is as follows:
- in assets, the value of the loan, less the principal of lease payments due and paid by the lessee;
- in profit or loss, interest received.

See Sections 8 - Property, Plant and Equipment and 9 - Intangible Assets below for treatment of the lessee's assets.

Factoring

Loans acquired in factoring transactions with recourse are recognized to the extent of the advances granted to customers on their consideration. Loans acquired without recourse are recognized as such once it has been established that there are no contractual clauses that would invalidate the transfer of all risks and benefits to the factor.

Italian Staff Severance Pay (Trattamento di fine rapporto - "TFR")

The "TFR" provision for Italy-based employee benefits is to be construed as a "post-retirement defined benefit". It is therefore recognized on the basis of an actuarial estimate of the amount of benefit accrued by employees discounted to present value. This benefit is calculated by an external actuary using the unit credit projection method (see Section 12 under Retirement Payments and Similar Obligations). This method distributes the cost of the benefit evenly over the employee's working life. The liability is determined as the present value of average future payments adjusted according to the ratio of years of service to total years of service at the time of payment of the benefit.

Following pension reform by Law 252/2005, TFR installments accrued to 12.31.2006 (or to the date between 01.01.2007 and 30.06.2007 on which the employee opted to devolve their TFR to a supplementary pension fund) stay in the employer and are considered a post-employment defined benefit plan therefore incurring actuarial valuation, though with simplified actuarial assumptions, i.e., forecast future pay rises are not considered.

Part A - Accounting Policies (Continued)

TFR installments accrued since 01.01.2007 (date of Law 252's coming into effect) (or since the date between 01.01.2007 and 30.06.2007) are, at the employee's discretion, either paid into a pension fund or left in the company and (where the company has in excess of 50 employees) paid into an INPS Treasury fund by the employer, and are considered a defined-contribution plan.

Costs relating to TFR accruing in the year are taken to income statement item 180. a) "Administrative costs: Payroll". Interest accrued in the year (interest cost) on the obligation already existing at the date of the reform and the accrued installments for the year paid into the supplementary pension scheme or to the Treasury fund of INPS are recognized in the item *Severance Pay*.

Actuarial gains (losses), i.e., the difference between the liabilities' carrying value and the present value of the obligation at the end of the period are recognized according to the 'corridor' method, i.e., only when they exceed 10% of the present value of the obligation at the period-end. Any surplus is taken to the income statement and amortized over the residual working life of the employees who are members of the plan, as from the following financial year.

Share-Based Payment

Equity-settled payments made to employees in consideration of services rendered, using equity instruments comprise:
• Stock options;
• Performance shares (i.e. awarded on attainment of certain objectives);
• Restricted shares (i.e. subject to a lock-up period).

Considering the difficulty of reliably measuring the fair value of the services acquired against equity-settled payments, reference is made to the fair value of the instruments themselves, measured at the date of the allocation.

This fair value is recognized as cost in profit and loss item 180. a) "Administrative costs - staff expense" offsetting the Shareholders' Equity item 170. "Reserves", on an accruals basis over the period in which the services are acquired.

The fair value of a cash-settled share-based payment, the services acquired and the liability incurred are measured at the fair value of the liability, recognized in item 100. "Other liabilities". The fair value of the liability, as long as it remains unsettled, is remeasured at each balance sheet date and all changes in fair value are recognized in profit and loss item 180. "Administrative costs".

Other Long-term Employee Benefits

Long-term employee benefits - e.g. long-service bonuses, paid on reaching a predefined number of years' service - are recognized in item 100. "Other liabilities" on the basis of the measurement at the Balance Sheet Date of the liability, also in this case determined by an external actuary using the unit credit projection method (see Section 12 - Provisions for risks and charges - retirement payments and similar obligations). Gains (losses) on this type of benefit are recognized at once through profit or loss, without using the 'corridor' method.

Guarantees and Credit Derivatives in the Same Class

On first recognition guarantees given are recognized at fair value, which usually corresponds to the amount received when the guarantee is issued.

Guarantees and credit derivatives in the same class measured under IAS 39 (i.e. contracts under which the issuer makes pre-established payments in order to compensate the guaranteed party or buyer of protection for losses sustained due to default by a debtor on the maturity of a debt instrument) are initially and subsequently (on remeasurement following impairment losses) recognized in item 100. "Other liabilities".
After initial recognition, guarantees given are recognized at the greater of the initially recognized value, net of any amortized portion, and the estimated amount required to meet the obligation.

The effects of valuation, related to any impairment of the underlying, are recognized in the same balance-sheet item contra item 130. d) "Write-downs and write-backs due to impairment of other financial transactions" in the income statement.

RECOGNITION OF INCOME AND EXPENSES

Interest Income and Expense
Interest income and expense and similar income and expense items relate to liquid assets, as well as financial instruments of a monetary nature (held for trading, measured at fair value through profit or loss or available for sale), HtM financial assets, loans and receivables, deposits, and securities in issue.

Interest income and expense are recognized through profit or loss with respect to all instruments measured at amortized cost, using the effective interest method.

Interest also includes the net credit or debit balance of differentials and margins on financial derivatives:
- hedging interest-bearing assets and liabilities;
- HfT but linked for business purposes to assets and liabilities designated as measured at fair value (fair value option);
- linked for business purposes to HfT assets and liabilities paying differentials or margins on several maturities.

Fees and Commissions
Fees and commissions are recognized according to the provision of the services from which they have arisen.

Securities trading commission is recognized at the time the service is rendered. Investment portfolio management fees, advisory fees and investment fund management fees are recognized on a pro-rata temporis basis.

Fees included in amortized cost used to calculate effective interest rates are not included under fees and commissions, since they are part of the effective interest rate.

Dividends
Dividends are recognized in profit or loss in the financial year in which their distribution has been approved.

RELEVANT IFRS DEFINITIONS
The main definitions introduced by IFRS are described below, other than those dealt with in previous sections.

Amortized cost
The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The effective interest method is a method of allocating the interest income or interest expense over the life of a financial asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Commissions forming an integral part of the effective interest rate include loan drawdown fees or underwriting fees relating to a financial asset not designated at fair value, e.g., fees received as compensation for the assessment of the issuer's or borrower's financial situation, for valuation and registration of security, and generally for the completion of the transaction (management fees).

Transaction costs include fees and commissions paid to agents (including employees acting as selling agents), advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs.

Impairment of financial assets
At each balance sheet date an entity assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

It may not be possible to identify a single, discrete event that caused the impairment. Rather the combined effect of several events may have caused the impairment.

Losses expected as a result of future events, no matter how likely, are not recognized.

Part A - Accounting Policies (Continued)

Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to our attention about the following loss events:
- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the lender, for economic or legal reasons relating to the borrower's financial difficulty, granting a concession to the borrower which the lender would not otherwise consider;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; however, the disappearance of an active market due to the fact that a company's financial instruments are no longer traded publicly is no evidence of impairment; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:
  - adverse changes in the payment status of borrowers in the group; or
  - national or local economic conditions that correlate with defaults on the assets in the group.

Objective evidence of impairment for an investment in an equity instrument includes information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment may not be recovered. A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is also objective evidence of impairment.

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortized cost has been incurred. the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss is recognized in profit and loss item 130. "Impairment losses" and the asset's carrying value is reduced.

If the terms of a loan, receivable or held-to-maturity investment are renegotiated or otherwise modified because of financial difficulties of the borrower or issuer, impairment is measured using the original effective interest rate before the modification of terms. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. If a loan, receivable or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

A reduction in the fair value of a financial asset below its cost or amortized cost is not necessarily an indication of impairment (e.g. reduction in the fair value of an investment in a debt instrument resulting from an increase in the riskfree interest rate).

Objective evidence of impairment is initially assessed individually; however, if it is determined that there is no objective evidence of individual impairment, the asset is included in a group of financial assets with similar credit risk characteristics and assessed collectively.

Formula-based approaches and statistical methods may be used to assess impairment losses on a group of financial assets. Models used incorporate the time value of money, and consider cash flows over the entire residual life of the asset (not just the following year) and do not give rise to an impairment loss on initial recognition of a financial asset. They take into account losses already sustained but not manifest in the group of financial assets at the time of measurement, on the basis of past experience of losses on assets having a similar credit risk to the group of assets being measured.

The process of estimating impairment losses considers all credit exposures, not only those of low credit quality, which reflect a serious impairment.

Reversals of impairment losses

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed and the amount of the reversal is recognized in profit and loss item 130. "Impairment losses" except in the case of AfS equity instruments (see Section 2 above).

The reversal shall not result - at the date the impairment is reversed - in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized.

A.3 - Information on fair value

This section presents a disclosure of reclassified financial instruments according to IAS 39 and information on fair value hierarchy as required by IFRS 7.

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

For financial instruments listed in active markets, fair value is determined on the basis of official prices in the most advantageous market to which the Group has access (Mark to Market).

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from a pricing service, dealer, broker, agency that determines prices or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If a published price quotation in an active market does not exist for a financial instrument in its entirety, but active markets exist for its component parts, fair value is determined on the basis of the relevant market prices for the component parts.

If market quotations are not available, the Group uses valuation models (Mark to Model) in keeping with the methods generally accepted and used by the market. Valuation models include techniques based on the discounting of future cash flows and on volatility estimates, and they are subject to revision both during their development and periodically in order to ensure their consistency with the objectives of the valuation.

These methods use inputs based on prices set in recent transactions for the instrument being valued and/or prices/quotations for instruments having similar characteristics in terms of risk profile.

Indeed, these prices/quotations are relevant for determining significant parameters in terms of the credit risk, liquidity risk and price risk of the instrument being valued.
Reference to these "market" parameters makes it possible to limit the discretionary nature of the valuation, and ensures that the resulting fair value can be verified.

If, for one or more risk factors it is not possible to refer to market data, the valuation models employed use estimates based on historical data as inputs.

As a further guarantee of the objectivity of valuations derived from valuation models, the Group employs:
- independent price verifications (IPVs);
- fair value adjustments (FVAs).

Independent price verification requires that the prices for trading positions be verified monthly by Risk Management units that are independent from the units that assume the risk exposure.

This verification calls for comparing and adjusting the daily price in line with valuations obtained from independent market participants.

For instruments not quoted in active markets, the above verification process uses prices contributed by infoproviders as a reference, and assigns a greater weighting to those prices that are considered representative of the instrument being valued.

This valuation includes the "executability" of the transaction at the price observed, the number of contributors, the degree of similarity of the financial instruments, the consistency of prices from different sources, and the process followed by the infoprovider to obtain the information.

Independent price verification is supplemented by the calculation of further regulatory fair-value adjustments, which are also recognized for accounting purposes, to take into account risks associated with both the limited liquidity of the positions and the valuation models used.

Part A - Accounting Policies (Continued)

A.3.1 Transfers between Portfolios

The amendments to IAS 39 and to IFRS 7 “Reclassification of financial assets” approved by the IASB in 2008 make it possible to reclassify certain financial assets, after their initial recognition, out of the HfT and AfS portfolios.

In particular, the following may be reclassified:
- those HfT or AfS financial assets that would have satisfied the definition specified by international accounting standards for the loan portfolio (if such assets were not classified as HfT or AfS respectively on initial recognition) if the entity intends, and is able, to hold them for the foreseeable future or until maturity;
- “only in rare circumstances” those HfT financial assets, which, at the time of their recording, did not satisfy the definition of loans.

The following table (which are broken down by type of underlying asset and portfolio) provides the book value and fair value as at December 31, 2011 of assets which had been reclassified in H2 2008 and H1 2009.
The income/expenses that would have been recognized if such reclassifications had not occurred, as well as those effectively recognized through profit or loss or at equity are also provided.

These income/expenses before taxes are broken down into two categories: those arising “from measurement” (including any write-downs) and “other” (including interest and gains/losses on the disposal of the transferred assets.

As a result the overall impact before taxes that would have been recognized in the income statement as of December 31, 2011, if these assets had not been reclassified, would have been a gain of € 395,626 thousand, while the impact actually recognized was a gain of € 462,610 thousand.

A.3.1.1 Reclassified financial assets: book value, fair value and effects on comprehensive income (€ ‘000)

INSTRUMENTS TYPE (1)	ACCOUNTING PORTFOLIO BEFORE RECLASSIFICATION (2)	ACCOUNTING PORTFOLIO AFTER RECLASSIFICATION (3)	CARRYING AMOUNT AS AT 12.31.2011 (4)	FAIR VALUE AS AT 12.31.2011 (5)	INCOME/EXPENSES ABSENT RECLASSIFICATION (BEFORE TAXES)		INCOME/EXPENSE RECOGNIZED DURING THE PERIOD (BEFORE TAXES)	
					FROM MEASUREMENT (6)	OTHER (7)	FROM MEASUREMENT (8)	OTHER (9)
A. Debt securities			**9,407,223**	**8,439,347**	**(138,133)**	**487,736**	**(5,053)**	**435,656**
	Held for trading	Available for sale	2,446	2,446	109	450	(83)	482
	Held for trading	Held to maturity	188,212	192,154	1,144	8,241	-	7,675
	Held for trading	Loans to Banks	3,027,209	3,009,285	(26,551)	117,814	(4,300)	127,763
	Held for trading	Loans to Customers	5,987,291	5,079,711	(69,042)	318,398	(670)	267,665
	Available for sale	Loans to Banks	-	-	-	1,989	-	1,963
	Available for sale	Loans to Customers	202,065	155,751	(43,793)	40,844	-	30,108
B. Equity instruments			**-**	**-**	**-**	**-**	**-**	**-**
	Held for trading	Available for sale	-	-	-	-	-	-
C. Loans			**410,997**	**433,484**	**15,119**	**30,904**	**-**	**32,007**
	Held for trading	Available for sale	-	-	-	-	-	-
	Held for trading	Held to maturity	-	-	-	-	-	-
	Held for trading	Loans to Banks	154,625	156,466	1,911	8,887	-	9,440
	Held for trading	Loans to Customers	256,372	277,018	13,208	22,017	-	22,567
	Available for sale	Loans to Banks	-	-	-	-	-	-
	Available for sale	Loans to Customers	-	-	-	-	-	-
D. Units in investment funds			**-**	**-**	**-**	**-**	**-**	**-**
	Held for trading	Available for sale	-	-	-	-	-	-
Total			**9,818,220**	**8,872,831**	**(123,014)**	**518,640**	**(5,053)**	**467,663**

Debt securities reclassified in the loan with customers portfolio include structured credit products (other than derivative contracts and financial instruments with incorporated derivatives) for an amount of € 4,714,825 thousand at December 31, 2011.

A.3.2 Fair Value Hierarchy

IFRS 7 calls for classifying instruments being measured at fair value as a function of the ability to observe the inputs used for pricing.

To be specific, three levels are specified:

- Level 1: the fair value of instruments classified in this level is determined based on quotation prices observed in active markets;
- Level 2: the fair value of instruments classified in this level is determined based on valuation models that use inputs that can be observed in active markets;
- Level 3: the fair value of instruments classified in this level is determined based on valuation models that primarily use inputs that cannot be observed in active markets.

The following tables show a breakdown of financial assets and liabilities designated at fair value according to the above-mentioned levels, as well as the annual changes of Level 3 assets or liabilities.

A.3.2.1 Accounting portfolios - breakdown by fair value levels

(€ '000)

	AMOUNTS AS AT 12.31.2011			AMOUNTS AS AT 12.31.2010		
FINANCIAL ASSETS/LIABILITIES MEASURED AT FAIR VALUE	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Financial assets held for trading	17,238,259	108,329,882	5,417,268	32,622,072	86,116,427	3,812,903
2. Financial assets at fair value through P&L	5,546,819	21,348,886	1,728,689	16,281,851	9,484,236	1,311,769
3. Available for sale financial assets	39,736,037	12,877,709	5,305,262	34,542,540	15,252,294	5,308,356
4. Hedging derivative assets	-	16,241,206	-	416	11,367,544	239
Total	**62,521,115**	**158,797,683**	**12,451,219**	**83,446,879**	**122,220,501**	**10,433,267**
1. Financial liabilities held for trading	8,839,266	110,136,900	4,309,599	12,980,446	97,446,943	3,671,747
2. Financial liabilities at fair value through P&L	-	785,966	-	-	1,216,810	51,079
3. Hedging derivative liabilities	700	13,208,046	-	1,091	9,679,759	-
Total	**8,839,966**	**124,130,912**	**4,309,599**	**12,981,537**	**108,343,512**	**3,722,826**

As at December 31, 2011, item 3. "Available-for-sale financial assets" - Level 1 included €62,027 thousand Greek Government securities with a nominal value of €287,900 thousand.

With regard to these positions, it should be noted that on July 21, 2011 the Council of the European Union approved a new government economic rescue package for Greece, which was to be accompanied by a bailout plan aimed at private sector and with voluntary participation (Private Sector Involvement or PSI).The proposal that received the greatest support from political authorities and financial institutions was the one published by The Institute of International Finance (IIF) on the same date.

The deterioration of the economic situation in Greece and of the general market conditions in the following months contributed to prolonging the negotiations, which remained at a standstill until September 2011. At the end of October 2011, European leaders devised a new solution for the Greek crisis requiring private investors to take a higher haircut on their holdings of Greek bonds - 50% on the nominal value of their positions - with the aim of restoring the sustainability of the Greek sovereign debt.

On February 21, 2012, the Greek Republic and the public sector (EU Member States and the International Monetary Fund-IMF) reached a mutual agreement conditional on the participation of private investors in the new bailout plan, which besides calling for further financial support from the public sector provided for an offer to swap old Greek bonds with new financial instruments. More specifically, these instruments consist of (i) European Financial Stability Facility (EFSF) notes with a face value of 15% of the exchanged bonds, (ii) new Greek government bonds with maturities between 10 and 30 years and a face value of 31.5% of the exchanged bonds and (iii) GDP-linked securities.

From February 24 to March 8, 2012, the Council of Ministers of the Greek Republic carried out the bond swap and subsequently enforced the Collective Action Clauses (CAC) on all holders of bonds governed by Greek law who had rejected the voluntary deal.

According to IAS/IFRS accounting standards, the granting by the lender of more favorable conditions for economic or legal reasons related to the beneficiary's financial straits is objective evidence that a financial asset is impaired; therefore, since June 30, 2011, these exposures have been deemed impaired. As a consequence, the negative revaluation reserve has been entirely reclassified under item 130. b) "Impairment losses on available-for-sale financial assets" of Income Statement, and the subsequent changes in value have been reported in this item.

The UniCredit group has deemed the prices generated by market transactions to be the most reliable source for assessing the positions classified as available for sale, even though transaction volumes were significantly low compared to the total value of the bonds issued.

Part A - Accounting Policies (Continued)

The value of the positions represented by Greek government securities classified under available-for-sale financial assets as at December 31, 2011 was determined by applying the prices observed in the market at that date, which mainly fall into Level 1 of the fair value hierarchy.

Since June 30, 2011 €246,563 thousand impairment losses on available-for-sale financial assets have been recorded under income statement item 130.b).

The assessment of the Greek government bonds classified under held-to-maturity assets, too, was updated to reflect expectations of higher losses implicit in market prices as at December 31, 2011, consistent with the assessment of available-for-sale financial assets.

The participation in Greece's bond swap offer has entailed a loss of about 77% on the nominal value, broadly in line with market prices at the end of 2011.

A.3.2.2 Annual changes in financial assets at fair value (level 3)

(€ '000)

	CHANGES IN 2011			
	FINANCIAL ASSETS			
	HELD FOR TRADING	AT FAIR VALUE THROUGH P&L	AVAILABLE FOR SALE	HEDGING DERIVATIVES
1. Opening balances	**3,812,903**	**1,311,769**	**5,308,356**	**239**
2. Increases	**15,034,480**	**5,086,369**	**7,968,756**	**-**
2.1 Purchases	8,829,481	21,610	4,509,143	-
2.2 Profits recognized in:	1,362,740	129,058	465,520	-
2.2.1 Income Statement	1,362,740	129,058	114,745	-
- of which Unrealized gains	*258,613*	*9,399*	-	-
2.2.2 Equity	X	X	350,775	-
2.3 Transfers from other levels	4,830,950	4,925,374	2,756,714	-
2.4 Other increase	11,309	10,327	237,379	-
3. Decreases	**13,430,115**	**4,669,449**	**7,971,850**	**239**
3.1 Sales	8,533,504	36,405	4,227,179	239
3.2 Redemptions	424,925	61,651	437,351	-
3.3 Losses recognized in:	1,441,669	103,121	380,607	-
3.3.1 Income Statement	1,441,669	103,121	302,345	-
- of which Unrealized losses	*1,438,417*	*103,121*	*81,386*	-
3.3.2 Equity	X	X	78,262	-
3.4 Transfers to other levels	2,602,955	4,463,762	2,493,133	-
3.5 Other decreases	427,062	4,510	433,580	-
4. Closing balances	**5,417,268**	**1,728,689**	**5,305,262**	**-**

A.3.2.3 Annual changes in financial liabilities at fair value (level 3) (€ '000)

	CHANGES IN 2011		
	FINANCIAL LIABILITIES		
	HELD FOR TRADING	AT FAIR VALUE THROUGH P&L	HEDGING DERIVATIVES
1. Opening balances	**3,671,747**	**51,079**	**-**
2. Increases	**7,304,286**	**300**	**-**
2.1 Issuance	3,094,436	-	-
2.2 Losses recognized in:	736,048	-	-
2.2.1 Income Statement	736,048	-	-
- of which Unrealized losses	*275,346*	-	-
2.2.2 Equity	X	X	-
2.3 Transfers from other levels	3,463,757	-	-
2.4 Other increase	10,045	300	-
3. Decreases	**6,666,434**	**51,379**	**-**
3.1 Redemptions	121,046	50,000	-
3.2 Purchases	2,778,208	-	-
3.3 Profits recognized in:	444,712	133	-
3.3.1 Income Statement	444,712	133	-
- of which Unrealized gains	*407,884*	-	-
3.3.2 Equity	X	X	-
3.4 Transfers to other levels	3,314,029	-	-
3.5 Other decreases	8,439	1,246	-
4. Closing balances	**4,309,599**	**-**	**-**

The non-observable market parameters used for the valuation of Level 3 instruments (already subject to FVA to price the estimate limits) are:
- determination of the credit standing of the issuer or the underlying portfolios for ABS-type exposures;
- the assumptions (distribution of cashflow, sum of parts) contained in the models used to measure equities and UCITS;
- volatility, correlation and credit spread parameters used to measure certain types of structured derivatives.

Sensitivity to a simultaneous variation of the above risk factors mainly refers to parameters used to assess credit standing.

A.3.3 Day One Profit/Loss

The value at which financial instruments are recognized is equal to their fair value on the same date.

The fair value of financial instruments, other than those designated at fair value through profit or loss, at their recognition date is usually assumed to be equal to the amount collected or paid.

For financial instruments held for trading (see sections 1 and 14 of Part A.2 above) and instruments designated at fair value (see sections 5 and 15 of Part A.2 above), any difference from the amount collected or paid is posted under the appropriate items of the income statement.

The use of conservative valuation models, the processes described above for revising the models used and related parameters and value adjustments to reflect model risk ensure that the amount recognized in the income statement is not derived from the use of valuation parameters that cannot be observed.

More specifically, the calculation of value adjustments to reflect model risk ensures that the fair value portion of these instruments relating to the use of subjective parameters is not recognized in the profit and loss account, but changes the balance sheet value of these instruments.
Recognition of this portion in the profit and loss account is then made only when objective parameters are applied and therefore the adjustments are derecognized.

The balance of value adjustments to reflect model risk changed from € 148,146 thousand at December 31, 2010 to € 110,507 thousand at December 31, 2011.

Part B - Consolidated Balance Sheet

Part B - Consolidated Balance Sheet - Assets

Assets

Section 1 - Cash and cash balances - Item 10

At December 31, 2011 the item **Cash and cash balances** amounted to €9,728 million, an increase of €3,314 million (+52%) from 2010 (€6,414 million). The increase was due to the sub-item "b) Demand deposits with central banks" which was reduced from €2,477 million at end 2010 to €5,529 million at December 31, 2011 (+€3,052 million, +123%).

1.1 Cash and cash balances: breakdown

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
a) Cash	4,199,154	3,937,129
b) Demand deposits with Central banks	5,528,983	2,476,968
Total	**9,728,137**	**6,414,097**

Section 2 - Financial assets held for trading - Item 20

As at December 31, 2011 **Financial assets held for trading** amounted to €130,985 million, an increase of €8,434 million (+7%) over 2010 (€122,551 million).

This increase was mainly due to derivatives, which were €74,760 million in 2010 against €101,055 million in 2011, up €26,295 million (+35%).
More specifically, the changes in derivatives are attributable to:
- banks: +€11,414 million (from €48,348 million in 2010 to €59,762 million in 2011);
- customers: +€14,881 million (from 26,412 million in 2010 to €41,293 million in 2011).

Non-derivatives decreased from €47,792 million in 2010 to €29,930 million in 2011, a reduction of €17,862 million (-37%).
This decrease was due to:
- a reduction in debt securities (-€12,739 million, -42%), which were €30,361 million in 2010 and €17,622 million in 2011;
- a reduction in equity instruments (-€2,858 million, -44%), which were €6,433 million in 2010 and €3,575 million in 2011;
- a reduction in units in investment funds (-€962 million, -39%), which were €2,467 million in 2010 and €1,505 million in 2011;
- a reduction in loans (-€1,303 million, -15%), which were €8,530 million in 2010 and €7,227 million in 2011.

2.1 Financial assets held for trading: product breakdown

(€ '000)

ITEM/VALUES	AMOUNTS AS AT 12.31.2011 LEVEL 1	LEVEL 2	LEVEL 3	AMOUNTS AS AT 12.31.2010 LEVEL 1	LEVEL 2	LEVEL 3
A) Financial assets (non-derivatives)						
1. Debt securities	**9,156,130**	**6,198,507**	**2,267,664**	**21,203,099**	**7,948,732**	**1,209,241**
1.1 Structured securities	9,185	918,718	737,272	142,234	1,313,130	652,408
1.2 Other debt securities	9,146,945	5,279,789	1,530,392	21,060,865	6,635,602	556,833
2. Equity instruments	**3,472,662**	**672**	**101,717**	**6,387,998**	**18,118**	**26,892**
3. Units in investment funds	**1,442,253**	**38,890**	**23,645**	**2,464,343**	**516**	**2,150**
4. Loans	**739**	**7,195,501**	**31,826**	**272**	**8,530,157**	**-**
4.1 Reverse Repos	-	7,009,232	-	-	8,350,058	-
4.2 Other	739	186,269	31,826	272	180,099	-
Total (A)	**14,071,784**	**13,433,570**	**2,424,852**	**30,055,712**	**16,497,523**	**1,238,283**
B) Derivative instruments						
1. Financial derivatives	**2,527,152**	**92,584,639**	**978,337**	**2,430,380**	**67,268,098**	**1,113,202**
1.1 Trading	2,520,546	91,191,018	977,282	2,428,461	66,186,923	1,042,271
1.2 Related to fair value option	-	113,050	-	-	177,685	6,213
1.3 Other	6,606	1,280,571	1,055	1,919	903,490	64,718
2. Credit derivatives	**639,323**	**2,311,673**	**2,014,079**	**135,980**	**2,350,806**	**1,461,418**
2.1 Trading	639,323	2,298,627	1,962,026	135,980	2,342,783	1,434,501
2.2 Related to fair value option	-	-	-	-	-	-
2.3 Other	-	13,046	52,053	-	8,023	26,917
Total (B)	**3,166,475**	**94,896,312**	**2,992,416**	**2,566,360**	**69,618,904**	**2,574,620**
Total (A+B)	**17,238,259**	**108,329,882**	**5,417,268**	**32,622,072**	**86,116,427**	**3,812,903**
Total Level 1, Level 2 and Level 3			**130,985,408**			**122,551,402**

Valuations at fair value were classified according to a hierarchy of levels reflecting the significance of the valuations input. For further information see Part A) Accounting Policies - A3) Information on fair value.

2.2 Financial assets held for trading: breakdown by issuer/borrower

(€ '000)

ITEM/VALUES	AMOUNTS AS AT 12.31.2011	12.31.2010
A. Financial assets (non-derivateves)		
1. Debt securities	**17,622,301**	**30,361,072**
a) Governments and Central Banks	3,993,432	7,630,467
b) Other public-sector entities	5,538,017	12,215,829
c) Banks	5,544,442	6,543,135
d) Other issuers	2,546,410	3,971,641
2. Equity instruments	**3,575,051**	**6,433,008**
a) Banks	330,947	654,240
b) Other issuers	3,244,104	5,778,768
- insurance companies	*139,746*	*157,618*
- financial companies	*123,361*	*123,780*
- non-financial companies	*2,978,706*	*5,495,818*
- other	*2,291*	*1,552*
3. Units in investment funds	**1,504,788**	**2,467,009**
4. Loans	**7,228,066**	**8,530,429**
a) Governments and Central Banks	54,657	81,706
b) Other public-sector entities	110,097	-
c) Banks	664,743	1,683,381
d) Other issuers	6,398,569	6,765,342
Total A	**29,930,206**	**47,791,518**
B. Derivative instruments		
a) Banks	59,762,326	48,348,250
- fair value	*59,762,326*	*48,348,250*
b) Customers	41,292,877	26,411,634
- fair value	*41,292,877*	*26,411,634*
Total B	**101,055,203**	**74,759,884**
Total (A+B)	**130,985,409**	**122,551,402**

2010 figures of items 1. Debt securities and 4. Loans were restated with reference to the allocation to sub-items a) Governments and central banks, and b) Other public-sector entities.

Part B - Consolidated Balance Sheet - Assets (Continued)

2.3 Financial assets held for trading: annual changes

(€ '000)

	CHANGES IN 2011				
	DEBT SECURITIES	EQUITY INSTRUMENTS	UNITS IN INVESTMENT FUNDS	LOANS	TOTAL
A. Opening balance	**30,361,072**	**6,433,008**	**2,467,009**	**8,530,429**	**47,791,518**
B. Increases	**465,133,287**	**169,221,326**	**55,992,245**	**392,811,029**	**1,083,157,887**
B.1 Purchases	462,505,698	165,831,587	55,713,867	392,392,869	1,076,444,021
B.2 Positive changes in fair value	753,473	210,928	25,501	166,770	1,156,672
B.3 Other changes	1,874,116	3,178,811	252,877	251,390	5,557,194
C. Decreases	**477,872,058**	**172,079,283**	**56,954,466**	**394,113,392**	**1,101,019,199**
C.1 Sales	466,098,922	167,343,814	56,591,248	393,723,276	1,083,757,260
C.2 Redemptions	8,577,597	2,927	1	-	8,580,525
C.3 Negative changes in fair value	1,090,581	873,125	124,395	143,652	2,231,753
C.4 Tranfers to other portfolios	-	-	-	-	-
C.5 Other changes	2,104,958	3,859,417	238,822	246,464	6,449,661
D. Closing balance	**17,622,301**	**3,575,051**	**1,504,788**	**7,228,066**	**29,930,206**

Section 3 - Financial assets at fair value through profit or loss - Item 30

At 31 December 2011 **Financial assets at fair value** were €28,624 million, an increase of €1,546 million (+6%) over the €27,078 million of end 2010. This increase was due to debt securities (+€1,736 million, +7%) offset by a marginal dall in the other financial assets at fair value.

Assets are recognized in this item to reduce the accounting mismatch arising from financial instruments measured (with changes in fair value) in the income statement in order to manage the risk profile.

3.1 Financial assets at fair value through profit or loss: product breakdown

(€ '000)

	AMOUNTS AS AT 12.31.2011			AMOUNTS AS AT 12.31.2010		
ITEM/VALUES	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	**5,462,731**	**19,519,614**	**1,090,291**	**16,206,713**	**7,422,752**	**706,935**
1.1 Structured securities	1,602	36,102	43,935	2,515	16,399	86,306
1.2 Other debt securities	5,461,129	19,483,512	1,046,356	16,204,198	7,406,353	620,629
2. Equity instruments	**440**	**11**	**35,445**	**14,616**	**11**	**35,829**
3. Units in investment funds	**83,648**	**-**	**492,590**	**60,522**	**-**	**554,005**
4. Loans	**-**	**1,829,261**	**110,363**	**-**	**2,061,473**	**15,000**
4.1 Structured	-	-	-	-	2,029	-
4.2 Other	-	1,829,261	110,363	-	2,059,444	15,000
Total	**5,546,819**	**21,348,886**	**1,728,689**	**16,281,851**	**9,484,236**	**1,311,769**
Cost	**5,468,452**	**21,429,046**	**1,705,757**	**15,958,635**	**9,822,740**	**1,241,968**
Total Level 1, Level 2 and Level 3			**28,624,394**			**27,077,856**

Valuations at fair value were classified according to a hierarchy of levels reflecting the significance of the valuations input. For further information see Part A - Accounting Policies - A3) Information on fair value.

In 2011 debt securities were transferred from level 1 to level 2 due to changes in market conditions that, resulting in a reduction in the number of contributors and in the widening of Bid/Ask spreads, influence valuation models.

3.2 Financial assets at fair value through profit or loss: breakdown by issuer/borrower

(€ '000)

ITEM/VALUES	AMOUNTS AS AT 12.31.2011	12.31.2010
1. Debt securities	**26,072,636**	**24,336,400**
a) Governments and Central Banks	2,187,234	2,186,567
b) Other public-sector entities	13,336,980	11,566,358
c) Banks	9,136,539	9,390,047
d) Other issuers	1,411,883	1,193,428
2. Equity instruments	**35,896**	**50,456**
a) Banks	380	14,915
b) Other issuers:	35,516	35,541
- insurance companies	*13*	*18*
- financial companies	-	-
- non-financial companies	*35,477*	*35,430*
- other	*26*	*93*
3. Units in investment funds	**576,238**	**614,527**
4. Loans	**1,939,624**	**2,076,473**
a) Governments and Central Banks	249,143	223,812
b) Other public-sector entities	1,460,387	1,478,098
c) Banks	208,422	221,045
d) Other entities	21,672	153,518
Total	**28,624,394**	**27,077,856**

2010 figures of items 1. Debt securities and 4. Loans were restated with reference to the allocation to sub-items a) Governments and central banks, and b) Other public-sector entities.

3.3 Financial assets at fair value through profit or loss: annual changes

(€ '000)

	CHANGES IN 2011 DEBT SECURITIES	EQUITY INSTRUMENTS	UNITS IN INVESTMENT FUNDS	LOANS	TOTAL
A. Opening balance	**24,336,400**	**50,456**	**614,527**	**2,076,473**	**27,077,856**
B. Increases	**8,443,181**	**38,031**	**61,715**	**280,189**	**8,823,116**
B.1 Purchases	7,452,584	38,031	46,074	53,404	7,590,093
B.2 Positive changes in fair value	339,867	-	9,219	135,895	484,981
B.3 Other increases	650,730	-	6,422	90,890	748,042
C. Decreases	**6,706,945**	**52,591**	**100,004**	**417,038**	**7,276,578**
C.1 Sales	3,710,555	38,051	39,797	15,012	3,803,415
C.2 Redemptions	2,131,200	14,518	42,188	304,163	2,492,069
C.3 Negative changes in fair value	150,645	13	15,636	15,287	181,581
C.4 Other decreases	714,545	9	2,383	82,576	799,513
D. Closing balance	**26,072,636**	**35,896**	**576,238**	**1,939,624**	**28,624,394**

Part B - Consolidated Balance Sheet - Assets (Continued)

Section 4 - Available for sale financial assets - Item 40

Available for sale financial assets amounted to €57,919 million, up by 5% (+€2,816 million) over December 31, 2010 (€55,103 million). This increase was mainly due to debt securities, which represent 93% of item 40, and grew from €51,202 million in 2010 to €54,055 million in 2011.

4.1 Available for sale financial assets: product breakdown

(€ '000)

	AMOUNTS AS AT 12.31.2011			AMOUNTS AS AT 12.31.2010		
	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	**39,097,624**	**12,631,144**	**2,326,117**	**33,774,791**	**14,784,264**	**2,643,018**
1.1 Structured securities	68,474	32,426	536,863	58,797	354,271	904,881
1.2 Other	39,029,150	12,598,718	1,789,254	33,715,994	14,429,993	1,738,137
2. Equity instruments	**490,820**	**18,542**	**1,842,670**	**570,631**	**121,516**	**1,648,356**
2.1 Measured at fair value	490,820	18,542	967,270	570,631	121,516	747,030
2.2 Carried at cost	-	-	875,400	-	-	901,326
3. Units in investment funds	**147,593**	**201,020**	**1,136,475**	**197,118**	**258,479**	**1,016,982**
4. Loans	**-**	**27,003**	**-**	**-**	**88,035**	**-**
Total	**39,736,037**	**12,877,709**	**5,305,262**	**34,542,540**	**15,252,294**	**5,308,356**
Total Level 1, Level 2 and Level 3			**57,919,008**			**55,103,190**

Valuations at fair value were classified according to a hierarchy of levels reflecting the significance of the valuations input. For further information see Part A) Accounting Policies - A3) Information on fair value.

The sub-item 1.2 Other includes Greek Government securities amounting to €287,900 thousand in face value. The book value of these securities at December 31, 2011 was €62,027 thousand. See the preceding Part A - Accounting Policies - A.3.2 Fair Value Hierarchy for further information on the valuation method adopted.

4.2 Available-for-sale financial assets: breakdown by issuer/borrower

(€ '000)

	AMOUNTS AS AT	
ITEM/VALUES	12.31.2011	12.31.2010
1. Debt securities	**54,054,885**	**51,202,073**
a) Governments and Central Banks	42,135,759	38,785,166
b) Other public-sector entities	685,742	501,485
c) Banks	6,485,086	6,972,006
d) Other issuers	4,748,298	4,943,416
2.Equity instruments	**2,352,032**	**2,340,503**
a) Banks	548,898	655,100
b) Other issuers:	1,803,134	1,685,403
- insurance companies	*42,343*	*51,850*
- financial companies	*528,586*	*560,735*
- non-financial companies	*1,222,710*	*1,070,444*
- other	*9,495*	*2,374*
3. Units in investment funds	**1,485,088**	**1,472,579**
4. Loans	**27,003**	**88,035**
a) Governments and Central Banks	-	-
b) Other public-sector entities	-	-
c) Banks	-	59,977
d) Other entities	27,003	28,058
Total	**57,919,008**	**55,103,190**

Equity instruments issued by borrowers with exposures classified as non-performing or doubtful are of a non-significant amount.

4.3 Available-for-sale financial assets: subject to micro-hedging

(€ '000)

ITEM/VALUES	AMOUNTS AS AT 12.31.2011	12.31.2010
1. Financial assets subject to micro-hedging of fair value	**26,798,928**	**23,850,434**
a) Interest rate risk	26,530,775	23,843,888
b) Price risk	15,424	6,546
c) Currency risk	252,729	-
d) Credit risk	-	-
e) Multiple risks	-	-
2. Financial assets subject to micro-hedging of cash flows	**-**	**-**
a) Interest rate risk	-	-
b) Currency risk	-	-
c) Other	-	-
Total	**26,798,928**	**23,850,434**

4.4 Available for-sale financial assets: annual change

(€ '000)

	CHANGES IN 2011				
	DEBT SECURITIES	EQUITY INSTRUMENTS	UNITS IN INVESTMEN FUNDS	LOANS	TOTAL
A. Opening balance	**51,202,073**	**2,340,503**	**1,472,579**	**88,035**	**55,103,190**
B Increases	**107,014,995**	**967,950**	**761,535**	**2,043**	**108,746,523**
B.1 Purchases	104,353,910	359,644	689,154	-	105,402,708
B.2 Positive changes in fair value	1,141,662	283,218	11,485	334	1,436,699
B.3 Write-backs	21,405	-	238	-	21,643
- through profit or loss	*21,340*	*X*	*228*	-	*21,568*
- in equity	*65*	-	*10*	-	*75*
B.4 Transfer from other portfolio	20,381	-	-	-	20,381
- Held for trading financial assets	-	-	-	-	-
- HTM financial assets	*20,381*	*X*	*X*	-	*20,381*
B.5 Other changes	1,477,637	325,088	60,658	1,709	1,865,092
C. Descreases	**104,162,183**	**956,421**	**749,026**	**63,075**	**105,930,705**
C.1 Sales	9,506,991	440,362	592,745	-	10,540,098
C.2 Redemptions	89,802,094	4,074	313	61,733	89,868,214
C.3 Negative changes in fair value	2,369,100	110,778	9,558	141	2,489,577
C.4 Impairment	263,723	132,819	67,919	-	464,461
- through profit or loss	*263,682*	*132,597*	*67,919*	-	*464,198*
- in equity	*41*	*222*	-	-	*263*
C.5 Transfers to other portfolios	-	-	-	-	-
C.6 Other changes	2,220,275	268,388	78,491	1,201	2,568,355
D. Closing balance	**54,054,885**	**2,352,032**	**1,485,088**	**27,003**	**57,919,008**

Section 5 - Held-to-maturity investments - Item 50

Held-to-maturity investments decreased from €10,004 million in 2010 to €9,265 million in 2011, a reduction of €739 million (-7%).

5.1 Held-to-maturity investments: product breakdown

(€ '000)

	AMOUNTS AS AT 12.31.2011				AMOUNTS AS AT 12.31.2010			
	BOOK VALUE	FAIR VALUE			BOOK VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	**9,265,450**	**5,031,972**	**2,360,434**	**1,534,630**	**10,003,718**	**7,630,833**	**1,689,632**	**755,378**
- Structured securities	95,631	-	8,295	55,871	42,579	-	138	-
- Other securities	9,169,819	5,031,972	2,352,139	1,478,759	9,961,139	7,630,833	1,689,494	755,378
2. Loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Level 1, Level 2 and Level 3				8,927,036				**10,075,843**

Valuations at fair value were classified according to a hierarchy of levels reflecting the significance of the valuations input. For further information see Part A - Accounting Policies - A3) Information on fair value.

The sub-item 1. Debt securities - other securities include Greek Government securities amounting to €216,362 thousand in face value. The book value of these securities at December 31, 2011 amounted to €68,733 thousand, net of €152,397 thousand of value adjustments recorded in the income statement in the reference period. See the preceding Part A - Accounting Policies - A.3.2 Fair Value Hierarchy for further information on the valuation method adopted.

Part B - Consolidated Balance Sheet - Assets (Continued)

5.2 Held-to-maturity investments: breakdown by issuer/borrower

(€ '000)

TYPE OPERATIONS/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Debt securities	**9,265,450**	**10,003,718**
a) Governments and Central Banks	6,890,425	8,040,201
b) Other public-sector entities	167,578	180,805
c) Banks	1,559,508	895,276
d) Other issuers	647,939	887,436
2. Loans	**-**	**-**
a) Governments and Central Banks	-	-
b) Other public-sector entities	-	-
c) Banks	-	-
d) Other entities	-	-
Total	**9,265,450**	**10,003,718**
Total fair value	**8,927,036**	**10,075,843**

5.3 Held-to-maturity investments: Assets subjet to micro hedging

There is no HTM assets subject to micro hedging.

5.4 Held-to-maturity investments: annual change

(€ '000)

	CHANGES IN 2011		
	DEBT SECURITIES	LOANS	TOTAL
A. Opening balance	**10,003,718**	**-**	**10,003,718**
B. Increases	**10,035,909**	**-**	**10,035,909**
B.1 Purchases	9,517,281	-	9,517,281
B.2 Write-backs	23	-	23
B.3 Transfers from other portfolios	-	-	-
B.4 Other changes	518,605	-	518,605
C. Decreases	**10,774,177**	**-**	**10,774,177**
C.1 Sales	336,299	-	336,299
C.2 Redemptions	9,582,326	-	9,582,326
C.3 Write-downs	152,396	-	152,396
C.4 Transfers to other portfolios	20,381	-	20,381
C.5 Other changes	682,775	-	682,775
D. Closing balance	**9,265,450**	**-**	**9,265,450**

Section 6 - Loans and receivables with banks - Item 60

At 31 December 2011 Loans to banks were €56,365 million, a reduction €13,850 million (-20%) from 2010 (€70,215 million).

The reduction in *Loans to banks* was due to:
- a €2,802 million negative change in *loans to central banks* (-21%);
- a €11,408 million negative change in *loans to banks* (-20%).

At 31 December 2011 the net interbank position was -€75,442 million, at end 2010 it had been -€41,520 million.
The increase reflects the access to European Central Bank refinancing operations.

Loans to banks / deposits from banks

(€ million)

	AMOUNTS AS AT		CHANGE	
	12.31.2011	12.31.2010	AMOUNT	%
Loans to banks	56,365	70,215	- 13,850	- 19.7%
Deposits from banks	(131,807)	(111,735)	- 20,072	18.0%
Changes (negative balance)	**(75,442)**	**(41,520)**	**- 33,922**	**81.7%**

6.1 Loans and receivables with banks: product breakdown

(€ '000)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
A. Loans to Central Banks	**10,757,197**	**13,559,497**
1. Time deposits	336,572	980,444
2. Compulsory reserves	9,153,696	10,638,611
3. Reverse repos	342,900	627,952
4. Other	924,029	1,312,490
B. Loans to banks	**45,607,799**	**56,655,955**
1. Current accounts and demand deposits	20,081,848	17,883,245
2. Time deposits	3,833,032	4,471,049
3. Other loans	16,482,217	27,841,283
3.1 Reverse repos	*9,534,693*	*19,585,436*
3.2 Finance leases	*4,036*	*7,336*
3.3 Other	*6,943,488*	*8,248,511*
4. Debt securities	5,210,702	6,460,378
4.1 Structured	*66,594*	*72,835*
4.2 Other	*5,144,108*	*6,387,543*
Total carryng amount	**56,364,996**	**70,215,452**
Total fair value	**54,915,502**	**70,376,462**

Total impaired assets	**62,345**	**490,585**

As at December 31, 2011, the sub-item 3 "Other loans" did not include the type of securities lending transactions collateralized by securities or not collateralized. These transactions were classified under "off-balance sheet" exposures of table A.1.3 of Part E - Section 1 - Credit Risk. See also the section "Other Information" of Part B.

6.2 Loans and receivables with banks subject to micro-hedging

(€ '000)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Loans and receivables subject to micro-hedging of fair value	**415,166**	**396,908**
a) Interest rate risk	415,166	396,908
b) Currency risk	-	-
c) Credit risk	-	-
d) Multiple risks	-	-
2. Loans and receivables subject to micro-hedging of cash flows	**-**	**22,460**
a) Interest rate risk	-	22,272
b) Currency risk	-	-
c) Other	-	188
Total	**415,166**	**419,368**

6.3 Finance leases

(€ '000)

LESSOR INFORMATION	AMOUNTS AS AT 12.31.2011 MINIMUM LEASE PAYMENTS	AMOUNTS AS AT 12.31.2011 PRESENT VALUE OF MINIMUM LEASE PAYMENTS	AMOUNTS AS AT 12.31.2010 MINIMUM LEASE PAYMENTS	AMOUNTS AS AT 12.31.2010 PRESENT VALUE OF MINIMUM LEASE PAYMENTS
Amounts receivable under finance leases:				
Up to 12 months	1,523	1,421	1,850	1,689
From 1 to 5 years	991	720	6,188	3,512
Later than 5 years	2,057	1,895	3,951	2,135
Total gross/net investment value	**4,571**	**4,036**	**11,989**	**7,336**
of which: - Unguaranteed residual values of assets leased under finance leases	*838*	*834*	*848*	*844*
Less: Unearned finance income (by remaining maturity)	**(535)**	**X**	**(4,653)**	**X**
Present value of minimum lease payments receivable (net investment in the lease)	**4,036**	**4,036**	**7,336**	**7,336**

Part B - Consolidated Balance Sheet - Assets (Continued)

Section 7 - Loans and receivables with customers - Item 70

As at December 31, 2011 **Loans and receivables with customers** amounted to €559,553 million, up €3.9 billion over 2010 (€555,653 million).
This change was due to the combination of:
- a €7,583 million increase in loans;
- a €3,683 million decrease in debt securities.

7.1 Loans and receivable with customers: product breakdown

(€ '000)

	AMOUNTS AS AT			
	12.31.2011		12.31.2010	
TYPE OF TRANSACTIONS/VALUES	PERFORMING	IMPAIRED	PERFORMING	IMPAIRED
1. Current accounts	55,245,150	7,783,637	52,489,229	7,326,698
2. Reverse repos	13,718,120	5	9,564,031	-
3. Mortgages	171,507,678	15,720,939	180,418,816	13,734,424
4. Credit cards and personal loans, including wage assignement loans	20,821,987	604,621	19,679,720	549,739
5. Finance leases	29,883,702	3,614,605	29,922,535	3,280,457
6. Factoring	10,963,399	319,467	9,454,702	314,024
7. Other transactions	205,498,832	12,022,377	201,512,151	11,874,897
8. Debt securities	11,729,840	118,644	15,183,037	348,900
8.1 Structured securities	*4,152,538*	*92,540*	*4,416,755*	*146,830*
8.2 Other debt securities	*7,577,302*	*26,104*	*10,766,282*	*202,070*
Total carrying amount	**519,368,708**	**40,184,295**	**518,224,221**	**37,429,139**
Total fair value	**536,050,821**	**40,140,473**	**529,542,185**	**37,390,446**
Total carrying amount Performing and Impaired		**559,553,003**		**555,653,360**

The sub-item "7. Other transactions" includes:
- €33,849 million for pooled transactions (€33,558 million as at December 31, 2010);
- €14,162 million advances to customers for import/export (€14,914 million as at December 31, 2010);
- €14,301 million for advances to ordinary customers (€14,535 million as at December 31, 2010);
- €13,348 million 'hot money' transactions (€14,082 million as at December 31, 2010)
- €65,112 million for other non-current account loans (€60,586 million as at December 31, 2010).

Sub-items 7. "Other transactions" and 8.2 "Other Debt Securities" include €484 million and €378 million respectively arising from the "Trevi Finance", "Trevi Finance 2" and "Trevi Finance 3" securitization transactions, in respect of which the underlying assets were not re-recognized in the accounts, since the transactions were performed before January 1, 2002.
An Italian Government bond partly guarantees the securities of item 8.2 for €191 million.
The assets underlying these securitization transactions are non-performing loans, whose carrying amount was €730 million at December 31, 2011, as against a face value of €3,979 million.

As at December 31, 2011, the sub-items 2 "Reverse repos" and 7. "Other transactions" did not include the type of securities lending transactions collateralized by securities or not collateralized.
These transactions were classified under "off-balance sheet" exposures of table A.1.6 of Part E - Section 1 - Credit Risk. See also the section "Other Information" of Part B.

7.2 Loans and receivables with customers: breakdown by issuer/borrower

(€ '000)

	AMOUNTS AS AT 12.31.2011		AMOUNTS AS AT 12.31.2010	
TYPE OF TRANSACTION/VALUES	PERFORMING	IMPAIRED	PERFORMING	IMPAIRED
1. Debt securities:	**11,729,840**	**118,644**	**15,183,036**	**348,900**
a) Governments	235,837	-	1,914,856	-
b) Other public-sector entities	2,337,524	-	2,255,135	64
c) Other issuers	9,156,479	118,644	11,013,045	348,836
- non-financial companies	*2,459,031*	-	*7,028,413*	*146,852*
- financial companies	*2,333,971*	*26,104*	*2,837,751*	*74,600*
- insurance companies	*444,246*	-	*453,423*	-
- other	*3,919,231*	*92,540*	*693,458*	*127,384*
2. Loans to	**507,638,868**	**40,065,651**	**503,041,185**	**37,080,239**
a) Governments	10,446,254	5,554	5,883,181	9,604
b) Other public-sector entities	21,814,307	151,353	20,383,665	132,551
c) Other entities	475,378,307	39,908,744	476,774,339	36,938,084
- non-financial companies	*286,959,204*	*30,378,118*	*282,371,856*	*27,502,805*
- financial companies	*26,545,560*	*382,999*	*28,682,891*	*873,756*
- Insurance companies	*1,019,218*	*19,951*	*1,220,969*	*23,282*
- other	*160,854,325*	*9,127,676*	*164,498,623*	*8,538,241*
Total	**519,368,708**	**40,184,295**	**518,224,221**	**37,429,139**
Total Performing and Impaired		**559,553,003**		**555,653,360**

For details see the Report on operations or Part E - Risk and related risk management policies - Credit quality.

2010 figures of items 1. "Debt securities" and 2. "Loans" have been restated with reference to the allocation to a) Governments and b) other public-sector entities.

7.3 Loans and receivables with customers: hedged assets

(€ '000)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Loans and receivables subject to micro-hedging of fair value	**754,543**	**1,185,682**
a) Interest rate risk	615,822	1,176,442
b) Currency risk	-	-
c) Credit risk	138,721	9,240
d) Multiple risk	-	-
2. Loans and receivables subject to micro-hedging of cash flows	**28,740**	**73,136**
a) Interest rate risk	28,740	43,756
b) Currency risk	-	-
c) Other	-	29,380
Total	**783,283**	**1,258,818**

The Group's macro cash flow hedges in respect of loans totaled €14,744 million (nominal amount).

7.4 Finance leases

(€ '000)

LESSOR INFORMATION	AMOUNTS AS AT 12.31.2011		AMOUNTS AS AT 12.31.2010	
	MINIMUM LEASE PAYMENTS	PRESENT VALUE OF MINIMUM LEASE PAYMENTS	MINIMUM LEASE PAYMENTS	PRESENT VALUE OF MINIMUM LEASE PAYMENTS
Amounts receivable under finance leases				
Up to 12 months	7,308,241	6,273,320	7,837,529	6,778,964
From 1 to 5 years	15,468,873	12,922,249	15,840,747	13,360,554
Later than 5 years	16,681,670	14,302,738	15,252,636	13,063,474
Total gross/net investment value	**39,458,784**	**33,498,307**	**38,930,912**	**33,202,992**
of which: - Unguaranteed residual values of assets leased under finance leases	*4,467,625*	*4,448,181*	*4,567,271*	*4,628,378*
Less: Unerned finance income (by remaining maturity)	**(5,960,477)**	**X**	**(5,727,920)**	**X**
Present value of mininum lease payments receivable (net investment in the lease)	**33,498,307**	**33,498,307**	**33,202,992**	**33,202,992**

Section 8 - Hedging derivatives - Item 80

8.1 Hedging derivatives: breakdown by hedged risk and fair value hierarchy

(€ '000)

	AMOUNTS AS AT 12.31.2011				AMOUNTS AS AT 12.31.2010			
	FAIR VALUE			NOTIONAL AMOUNT	FAIR VALUE			NOTIONAL AMOUNT
	LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3	
A. Financial derivatives	**-**	**16,233,199**	**-**	**107,160,134**	**416**	**11,364,521**	**-**	**120,575,418**
1) Fair value	-	12,337,840	-	86,702,955	416	7,622,913	-	72,513,626
2) Cash flows	-	3,895,359	-	20,457,179	-	3,741,608	-	48,061,792
3) Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**8,007**	**-**	**509,000**	**-**	**3,023**	**239**	**470,238**
1) Fair value	-	8,007	-	509,000	-	3,023	239	470,238
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**16,241,206**	**-**	**107,669,134**	**416**	**11,367,544**	**239**	**121,045,656**
Total Level 1, Level 2 e Level 3		**16,241,206**				**11,368,199**		

Part B - Consolidated Balance Sheet - Assets (Continued)

8.2 Hedging derivatives: breakdown by hedged assets and risk

(€ '000)

	AMOUNTS AS AT 12.31.2011								
	FAIR VALUE HEDGES						CASH-FLOW HEDGES		
	MICRO-HEDGE								
TRANSACTIONS/TYPE OF HEDGES	INTEREST RATE RISK	CURRENCY RISK	CREDIT RISK	PRICE RISK	MULTIPLE RISKS	MACRO-HEDGE	MICRO-HEDGE	MACRO-HEDGE	TOTAL NET INVESTMENTS ON FOREIGN INVESTMENTS
1. Available-for-sale financial assets	854	-	-	-	-	X	-	X	X
2. Loans and receivables	-	-	8,007	X	-	X	-	X	X
3. Held-to-maturity investments	X	-	-	X	-	X	-	X	X
4. Portfolio	X	X	X	X	X	2,516,241	X	1,237,003	X
5. Other investments	-	-	-	-	-	X	-	X	-
Total assets	**854**	**-**	**8,007**	**-**	**-**	**2,516,241**	**-**	**1,237,003**	**-**
1. Financial liabilities	565,996	56,898	-	X	120,421	X	-	X	X
2. Portfolio	X	X	X	X	X	9,077,429	X	2,658,356	X
Total liabilities	**565,996**	**56,898**	**-**	**-**	**120,421**	**9,077,429**	**-**	**2,658,356**	**X**
1. Expected transactions	X	X	X	X	X	X	-	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	-	X	-	1

Section 9 - Changes in fair value of portfolio hedged items - Item 90

9.1 Changes to macro-hedged financial assets: breakdown by hedged portfolio

(€ '000)

	AMOUNTS AS AT	
CHANGES TO HEDGED ASSETS/VALUES	12.31.2011	12.31.2010
1. Positive changes	**3,152,346**	**2,286,876**
1.1 of specific portfolios:	404,961	353,739
a) loans and receivables	*404,961*	*353,739*
b) available-for-sale financial assets	-	-
1.2 overall	2,747,385	1,933,137
2. Negative changes	**1,324,489**	**38,820**
2.1 of specific portfolios:	328,813	23,325
a) loans and receivables	*328,813*	*23,325*
b) available-for-sale financial assets	-	-
2.2 overall	995,676	15,495
Total	**1,827,857**	**2,248,056**

9.2 Banking group assets subject to macro-hedging of interest-rate risk: breakdown

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
1. Loans and receivables	11,482,030	3,025,955
2. Available-for-sale financial assets	-	-
3. Portfolio	36,324,480	31,869,620
Total	**47,806,510**	**34,895,575**

Section 10 - Investments in associates and joint ventures - Item 100

As at December 2011, investments in associates and joint ventures amount to €3,555 million, down by €408 million from €3,963 million at end 2010.

10.1 Equity investments in joint ventures (valued at equity) and companies under significant influence: information on shareholders' equity

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP (1)	OWNERSHIP RELATIONSHIP HELD BY	HOLDING %	VOTING RIGHTS(2)
	VALUED AT EQUITY METHOD					
1	ADF SERVICE GMBH	VIENNA	8	CAFU VERMOGENSVERWALTUNG GMBH & CO. OG	4.50	
				EUROVENTURES-AUSTRIA-CA-MANAGEMENT GESMBH	5.78	
				UNICREDIT BANK AUSTRIA AG	13.59	
2	ADLER FUNDING LLC	DOVER	8	UNICREDIT BANK AG	32.81	
3	AIRPLUS AIR TRAVEL CARD VERTRIEBSGESELLSCHAFT M.B.H.	VIENNA	8	DINERS CLUB CEE HOLDING AG	33.33	
4	ALLIANZ ZB D.O.O. DRUSTVO ZA UPRAVLJANJIE DOBROVOLJNIM MIROVINSKIM FONDOM	ZAGREB	8	ZAGREBACKA BANKA DD	49.00	
5	ALLIANZ ZB D.O.O. DRUSTVO ZA UPRAVLJANJIE OBVEZNIM MIROVINSKIM FONDOM	ZAGREB	8	ZAGREBACKA BANKA DD	49.00	
6	ANGER MACHINING GMBH	TRAUN	8	EK MITTELSTANDSFINANZIERUNGS AG	49.00	
7	AVIVA SPA	MILAN	8	UNICREDIT SPA	49.00	
8	BA GEBAEUDEVERMIETUNGSGMBH	VIENNA	1	BA GVG-HOLDING GMBH	70.00	(4)
9	BANK FUER TIROL UND VORARLBERG AKTIENGESELLSCHAFT	INNSBRUCK	8	CABO BETEILIGUNGSGESELLSCHAFT M.B.H.	37.53	41.70
				UNICREDIT BANK AUSTRIA AG	9.85	4.93
10	BANQUE DE COMMERCE ET DE PLACEMENTS SA	GENEVA	8	YAPI VE KREDI BANKASI AS	30.67	
11	BKS BANK AG	KLAGENFURT	8	CABO BETEILIGUNGSGESELLSCHAFT M.B.H.	28.01	29.64
				UNICREDIT BANK AUSTRIA AG	8.02	7.46
12	BLUVACANZE SPA	MILAN	8	UNICREDIT SPA	41.70	
13	CA IMMOBILIEN ANLAGEN AKTIENGESELLSCHAFT	VIENNA	8	UNICREDIT BANK AUSTRIA AG	18.16	
14	CASH SERVICE COMPANY AD	SOFIA	8	UNICREDIT BULBANK AD	20.00	
15	CENTRAL POLAND FUND LLC	DELAWARE	1	BANK PEKAO SA	53.19	
16	CNP UNICREDIT VITA S.P.A.	MILAN	8	UNICREDIT SPA	38.80	
17	COMTRADE GROUP B.V.	AMSTERDAM	8	HVB CAPITAL PARTNERS AG	21.05	
18	CONSORZIO SE.TEL. SERVIZI TELEMATICI IN LIQUIDAZIONE	NAPLES	8	UNICREDIT GLOBAL INFORMATION SERVICES SOCIETÀ CONSORTILE PER AZIONI	33.33	
19	CREDITRAS ASSICURAZIONI SPA	MILAN	8	UNICREDIT SPA	50.00	(3)
20	CREDITRAS VITA SPA	MILAN	8	UNICREDIT SPA	50.00	(3)
21	DA VINCI S.R.L.	ROME	8	FONDO SIGMA	25.00	(5)
22	EUROPROGETTI & FINANZA S.P.A. IN LIQUIDAZIONE	ROME	8	UNICREDIT SPA	39.79	
23	FIDIA SGR SPA	MILAN	8	UNICREDIT SPA	50.00	(3)
24	FONDIARIA - SAI SPA	TURIN	8	UNICREDIT SPA	4.90	6.60
25	FORSTINGER INTERNATIONAL GMBH	VIENNA	8	EK MITTELSTANDSFINANZIERUNGS AG	32.00	
26	G.B.S. - GENERAL BROKER SERVICE S.P.A.	ROME	8	UNICREDIT SPA	20.00	
27	INCONTRA ASSICURAZIONI S.P.A.	MILAN	8	UNICREDIT SPA	49.00	
28	IPG-INDUSTRIEPARK GYOR PROJEKTIERUNGSGESELLSCHAFT M.B.H.	GERASDORF	8	UNICREDIT LEASING S.P.A.	40.00	
29	KAPITAL-BETEILIGUNGS AKTIENGESELLSCHAFT	VIENNA	8	UNICREDIT BANK AUSTRIA AG	20.00	
30	KRAJOWA IZBA ROZLICZENIOWA SA	WARSAW	8	BANK PEKAO SA	34.44	
31	MARINA CITY ENTWICKLUNGS GMBH	VIENNA	8	CABET-HOLDING-AKTIENGESELLSCHAFT	25.00	
32	MARINA TOWER HOLDING GMBH	VIENNA	8	CABET-HOLDING-AKTIENGESELLSCHAFT	25.00	
33	MARTUR SUNGER VE KOLTUK TESISLERI TICARET VE SANAYI A. S.	ISTANBUL	8	HVB CAPITAL PARTNERS AG	20.00	
34	MEDIOBANCA BANCA DI CREDITO FINANZIARIO SPA	MILAN	8	UNICREDIT SPA	8.66	
35	MULTIPLUS CARD D.O.O. ZA PROMIDZBU I USLUGE	ZAGREB	8	MARKETING ZAGREBACKE BANKE DOO	75.00	25.00
36	NEEP ROME HOLDING SPA	ROME	8	UNICREDIT SPA	40.00	
37	NOTARTREUHANDBANK AG	VIENNA	8	UNICREDIT BANK AUSTRIA AG	25.00	

Part B - Consolidated Balance Sheet - Assets (Continued)

Continued: 10.1 10.1 Equity investments in joint ventures (valued at equity) and companies under significant influence: information on shareholders' equity

	NAME	MAIN OFFICE	TYPE OF RELATIONSHIP (1)	OWNERSHIP RELATIONSHIP HELD BY	OWNERSHIP RELATIONSHIP HOLDING %	VOTING RIGHTS(2)
38	OAK RIDGE INVESTMENT LLC	WILMINGTON	8	PIONEER INSTITUTIONAL ASSET MANAGEMENT INC	49.00	
39	OBERBANK AG	LINZ	8	CABO BETEILIGUNGSGESELLSCHAFT M.B.H.	29.15	32.54
				UNICREDIT BANK AUSTRIA AG	4.19	1.65
40	OECLB HOLDING GMBH IN LIQUIDATION	VIENNA	8	UNICREDIT BANK AUSTRIA AG	18.51	
41	OESTERREICHISCHE HOTEL- UND TOURISMUSBANK GESELLSCHAFT M.B.H.	VIENNA	8	UNICREDIT BANK AUSTRIA AG	50.00	
42	OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	VIENNA	8	CABET-HOLDING-AKTIENGESELLSCHAFT	24.75	
				SCHOELLERBANK AKTIENGESELLSCHAFT	8.26	
				UNICREDIT BANK AUSTRIA AG	16.14	
43	OESTERREICHISCHE WERTPAPIERDATEN SERVICE GMBH	VIENNA	8	UNICREDIT BANK AUSTRIA AG	29.30	
44	PAPCEL A.S.	LITOVEL	8	EK MITTELSTANDSFINANZIERUNGS AG	33.74	34.00
45	PAYLIFE BANK GMBH	VIENNA	8	CAFU VERMOGENSVERWALTUNG GMBH & CO. OG	4.50	
				EUROVENTURES-AUSTRIA-CA-MANAGEMENT GESMBH	5.78	
				UNICREDIT BANK AUSTRIA AG	13.59	
46	PIRELLI PEKAO REAL ESTATE SP. Z O.O.	WARSAW	8	BANK PEKAO SA	25.00	
47	SIA SPA	MILAN	8	UNICREDIT S.P.A.	24.07	
48	SOCIETÀ GESTIONE PER IL REALIZZO SPA IN LIQUIDAZIONE	ROME	8	IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA S.P.A.	0.05	
				UNICREDIT S.P.A.	26.38	
49	SP PROJEKTENTWICKLUNG SCHOENEFELD GMBH & CO.KG	STUTTGART	8	UNICREDIT BANK AUSTRIA AG	50.00	
50	SVILUPPO GLOBALE GEIE	ROME	8	UNICREDIT S.P.A.	33.33	
51	SW HOLDING SPA	ROME	8	UNICREDIT MERCHANT S.P.A.	28.57	13.79
52	TORRE SGR S.P.A.	ROME	8	PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	37.50	
53	UNI GEBAEUDEMANAGEMENT GMBH	LINZ	8	BA GVG-HOLDING GMBH	50.00	
54	V.A. HOLDING GMBH	VIENNA	8	EK MITTELSTANDSFINANZIERUNGS AG	44.57	
55	WIEN MITTE IMMOBILIEN GMBH	VIENNA	8	BA-CA WIEN MITTE HOLDING GMBH	50.00	
56	WIENER KREDITBUERGSCHAFTSGESELLSCHAFT M.B.H.	VIENNA	8	UNICREDIT BANK AUSTRIA AG	24.49	
57	YAPI KREDI KORAY GAYRIMENKUL YATIRIM ORTAKLIGI AS	ISTANBUL	8	YAPI VE KREDI BANKASI AS	30.45	

Notes to the table 10.1 - Equity investments in joint ventures (valued at equity) and in companies under significant influence:

(1) Type of relationship:

1 = majority of voting rights at the ordinary shareholders' meeting;
2 = dominant influence at the ordinary shareholders' meeting;
3 = agreements with other shareholders;
4 = other types of control;
5 = centralized management pursuant to Legislative Decree 87/92, Section 26 para. 1;
6 = centralized management pursuant to Legislative Decree 87/92, Section 26 para. 2;
7 = joint control;
8 = associates.

(2) Voting rights available at the general meeting. Voting rights are disclosed only if different from the percentage of ownership.

(3) According to shareholders' agreements, the "control" of Credit Ras Assicurazioni and Credit Ras Vita is assigned to the other shareholder (Ras). As regards to other companies, control is not contractually assigned to any shareholder (financial and strategic management decisions are not subject to shareholders' unanimity). Therefore the conditions defined by IAS 31, § 3 for common control are not satisfied.

(4) Control acquired on December 30, 2011. The full consolidation of the company will start in 2012.

(5) Company owned by an entity fully consolidated under SIC.12.

See "Part A - Accounting Policies. Section 3 - Consolidation procedures and scope" for a description of the criteria for determining the consolidation scope and methods, as well as for an indication of the reasons.

The following table shows the changes in associates (consolidated at net equity).

Equity investments in companies under significant influence:

	NUMBER OF COMPANIES
A. Opening balance	**45**
B. Increased by	**18**
B1. Newly established companies	-
B2. Change of the consolidation method	14
B3. Entities consolidated for the first time in 2011	4
C. Reduced by	**6**
C1. Disposal	2
C2. Change of the consolidation method	4
C3. Absorption by other Group entities	-
D. Closing balance	**57**

Details of 2011 increases or reductions are presented below:

Increases

Change of the consolidation method

COMPANY NAME	MAIN OFFICE
SW HOLDING S.P.A.	ROME
BA GEBAEUDEVERMIETUNGSGMBH	VIENNA
CASH SERVICE COMPANY AD	SOFIA
KAPITAL-BETEILIGUNGS AKTIENGESELLSCHAFT	VIENNA
MARINA CITY ENTWICKLUNGS GMBH	VIENNA
WIENER KREDITBUERGSCHAFTSGESELLSCHAFT M.B.H.	VIENNA
COMTRADE GROUP B.V.	AMSTERDAM

COMPANY NAME	MAIN OFFICE
MARINA TOWER HOLDING GMBH	VIENNA
ADLER FUNDING LLC	DOVER
SP PROJEKTENTWICKLUNG SCHOENEFELD GMBH & CO.KG	STOCCARDA
V.A. HOLDING GMBH	VIENNA
UNI GEBAEUDEMANAGEMENT GMBH	LINZ
OESTERREICHISCHE WERTPAPIERDATEN SERVICE GMBH	VIENNA
MARTUR SUNGER VE KOLTUK TESISLERI TICARET VE SANAYI A. S.	ISTANBUL

Changes in consolidation method in 2011 mainly related to transfers from Investments in companies subject to significant influence valued at cost (ten associates of Bank Austria Sub-Group, three associates of UniCredit Bank AG Sub-Group, and one of other companies) to Investments in companies subject to significant influence valued at net equity.

Entities consolidated for the first time in 2011

COMPANY NAME	MAIN OFFICE
NEEP ROMA HOLDING S.P.A.	ROME
FONDIARIA - SAI S.P.A.	TURIN

COMPANY NAME	MAIN OFFICE
BLUVACANZE S.P.A.	MILAN
ADF SERVICE GMBH	VIENNA

Reductions

Disposals carried out during the period under review refer to the Rome-based company Nuova Teatro Eliseo S.p.A. and to the Nicosia-based company Credanti Holdings Limited.

Changes in the consolidation method refer to the transfer from investments in companies subject to significant influence valued at net equity of the following companies:

- Hypo-Ba Leasing Sud GMBH, Austria, to investments in proportionately consolidated joint ventures;
- RCG Holdings LLC, New York, to available-for-sale financial assets, since the investee is no more subject to significant influence;
- Moll Holding GMBH, to available-for-sale financial assets, since the investee is no more subject to significant influence;
- Compagnia Italpetroli S.p.A., to investments in fully consolidated subsidiaries.

Entities which changed the company name during 2011

COMPANY NAME	MAIN OFFICE
FORSTINGER INTERNATIONAL GMBH (ex FORSTINGER HANDEL UND SERVICE GMBH)	VIENNA
OECLB HOLDING GMBH IN LIQUIDATION (ex OESTERREICHISCHE CLEARINGBANK AG)	VIENNA

COMPANY NAME	MAIN OFFICE
SIA S.P.A. (ex SIA - SSB S.P.A.)	MILAN

Part B - Consolidated Balance Sheet - Assets (Continued)

10.2 Equity investments in companies under joint control and in companies under significant influence: accounting information

NAME	TOTAL ASSET	TOTAL REVENUES	NET PROFIT (LOSS)	SHAREHOLDERS' EQUITY	CONSOLIDATED CARRYING VALUE	FAIR VALUE(2)	NOTES
A. EQUITY METHOD							
A.2 Companies under significant influence							
ADF SERVICE GMBH	285	-	-	285	68		
ADLER FUNDING LLC	217,654	3,705	(936)	(3,129)	-		
AIRPLUS AIR TRAVEL CARD VERTRIEBSGESELLSCHAFT M.B.H.	102,035	23,489	1,300	25,664	8,554		(3)
ALLIANZ ZB D.O.O. DRUSTVO ZA UPRAVLJANJIE DOBROVOLJNIM MIROVINSKIM FONDOM	14,795	15,852	8,610	12,283	6,024		(3)
ALLIANZ ZB D.O.O. DRUSTVO ZA UPRAVLJANJIE OBVEZNIM MIROVINSKIM FONDOM	3,542	3,150	51	1,921	944		(3)
ANGER MACHINING GMBH	15,347	14,069	168	1,965	4,850		(1)
AVIVA S.P.A.	10,288,860	1,065,400	43,100	742,512	366,184		(1) (3)
BANK FUER TIROL UND VORARLBERG AKTIENGESELLSCHAFT	9,230,952	156,050	53,373	728,302	366,387	228,869	(1)
BANQUE DE COMMERCE ET DE PLACEMENTS SA	2,163,969	182,229	139,699	255,842	32,089		(3)
BKS BANK AG	6,420,878	143,179	41,479	650,334	239,975	207,098	(1)
BLUVACANZE S.P.A.	191,520	252,337	(23,241)	61,536	2,627		(3)
CA IMMOBILIEN ANLAGEN AKTIENGESELLSCHAFT	5,578,929	134,097	16,949	1,454,573	264,149	132,218	
CASH SERVICE COMPANY AD	6,853	(270)	104	6,188	1,238		(3)
CNP UNICREDIT VITA S.P.A.	12,146,671	1,860,316	24,415	390,531	177,325		(1) (3)
COMTRADE GROUP B.V.	100,501	-	-	13,571	2,857		
CONSORZIO SE.TEL. SERVIZI TELEMATICI IN LIQUIDAZIONE	98	26	12	28	10		
CREDITRAS ASSICURAZIONI S.P.A.	338,135	44,719	10,369	31,049	15,526		(3)
CREDITRAS VITA S.P.A.	17,525,239	555,546	34,108	584,767	292,383		(3)
DA VINCI S.R.L.	170,204	879	(16,986)	(18,666)	-		
EUROPROGETTI & FINANZA S.P.A. IN LIQUIDAZIONE	6,843	518	(363)	-	-		
FIDIA SGR S.P.A.	6,750	504	(318)	4,380	2,190		
FONDIARIA - SAI S.P.A.	43,142,706	2,912,253	(1,038,089)	928,656	46,833	15,020	(3)
FORSTINGER INTERNATIONAL GMBH	36,054	131,950	457	3,143	1,006		
G.B.S. - GENERAL BROKER SERVICE S.P.A.	27,305	11,854	25	1,643	328		
INCONTRA ASSICURAZIONI S.P.A.	149,887	32,682	(683)	12,090	5,924		
IPG-INDUSTRIEPARK GYOR PROJEKTIERUNGSGESELLSCHAFT M.B.H.	2,564	205	141	2,550	1,020		
KAPITAL-BETEILIGUNGS AKTIENGESELLSCHAFT	7,967	266	-	6,867	1,373		
KRAJOWA IZBA ROZLICZENIOWA SA	27,606	27,200	7,648	22,087	7,612		(3)
MARINA CITY ENTWICKLUNGS GMBH	11,571	6	(157)	453	112		
MARINA TOWER HOLDING GMBH	1,516	-	(2)	1,481	370		
MARTUR SUNGER VE KOLTUK TESISLERI TICARET VE SANAYI A.S.	105,349	-	-	55,025	11,004		
MEDIOBANCA BANCA DI CREDITO FINANZIARIO SPA	79,274,200	3,759,699	169,093	6,468,789	559,873	331,368	(3)
MULTIPLUS CARD DOO ZA PROMIDZBU I USLUGE	3,162	2,862	(980)	(1,454)	-		(3)
NEEP ROMA HOLDING S.P.A.	291,109	24,142	(14,330)	(43,031)	-		(1) (3)
NOTARTREUHANDBANK AG	1,093,158	14,026	8,191	21,604	5,402		
OAK RIDGE INVESTMENT LLC	5,075	10,330	2,859	3,167	10,860		(1) (3)
OBERBANK AG	17,105,000	343,200	120,510	1,248,488	468,530	447,932	(1)
OECLB HOLDING GMBH IN LIQUIDATION	210	1,963	1,098	103	18		
OESTERREICHISCHE HOTEL- UND TOURISMUSBANK GESELLSCHAFT M.B.H.	1,038,724	5,747	116	25,486	12,742		
OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	37,165,361	124,411	64,883	603,320	310,275		(1)
OESTERREICHISCHE WERTPAPIERDATEN SERVICE GMBH	1,268	-	-	75	23		
PAPCEL A.S.	33,100	-	(1,296)	17,029	5,747		
PAYLIFE BANK GMBH	435,170	54,686	11,010	143,317	34,206		
PIRELLI PEKAO REAL ESTATE SP. Z O.O.	6,932	1,941	(3,788)	4,450	1,109		(3)
SIA S.P.A.	249,714	357,886	(9,134)	121,156	29,161		
SOCIETÀ GESTIONE PER IL REALIZZO S.P.A. IN LIQUIDAZIONE	35,613	6,501	4,030	3,812	1,006		
SP PROJEKTENTWICKLUNG SCHONEFELD GMBH & CO.KG	16,394	60	(26)	15,405	7,703		
SVILUPPO GLOBALE GEIE	866	961	(103)	316	79		
SW HOLDING S.P.A.	383,380	26,043	25,887	383,223	109,491		
TORRE SGR S.P.A.	41,949	9,737	1,064	37,248	18,701		(1) (3)
UNI GEBAEUDEMANAGEMENT GMBH	2,199	50	7	(194)	-		
V.A HOLDING GMBH	992	-	(90)	(3,313)	-		

Continued: 10.2 Equity investments in companies under joint control and in companies under significant influence: accounting information

NAME	TOTAL ASSET	TOTAL REVENUES	NET PROFIT (LOSS)	SHAREHOLDERS' EQUITY	CONSOLIDATED CARRYING VALUE	FAIR VALUE(2)	NOTES
WIEN MITTE IMMOBILIEN GMBH	320,377	1,647	(5,572)	107,190	53,595		(3)
WIENER KREDITBURGSCHAFTSGESELLSCHAFT M.B.H.	7,537	308	-	5,996	1,467		
YAPI KREDI KORAY GAYRIMENKUL YATIRIM ORTAKLIGI AS	42,990	673	(3,520)	26,709	3,320	6,780	(3)
A.3 Controlled companies							
BA GEBAEUDEVERMIETUNGSGMBH	16,742	1,793	151	663	464		(3)
CENTRAL POLAND FUND LLC	789	-	(20)	754	211		(3)
B. COMPANIES AT PROPORTIONAL METHOD							
B.2 Companies under joint control							
BA HYPO FINANCIRANJE D.O.O.ZA POSLOVANJE NEKRET-NINAMA	13,904	348	(85)	70	-		
EUROLEASE FINANCE, D.O.O.	6,066	593	97	316	-		
FIDES LEASING GMBH	50,301	1,399	242	273	-		
HYBA NEKRETNINE D.O.O. ZA POSLOVANJE NEKRTNINAMA	2,381	356	2	147	-		
HYPO-BA LEASING SUD GMBH	2,613	1	(21)	2,605	-		
HYPO-BA PROJEKT, FINANCIRANJE D.O.O.	25,059	1,338	52	100	-		
HYPO-BA ZAGREB D.O.O. ZA POSLOVANJE NEKRETNINAMA	27,548	1,634	(646)	(2,434)	-		
IMPROX LEASING, NEPREMICNINE, D.O.O.	3,198	381	(5)	66	-		
IMPROX OSIJEK D.O.O.	4,553	150	10	167	-		
KOC FINANSAL HIZMETLER AS	1,774,912	8,865	(465)	1,774,615	-		
MONTREAL NEKRETNINE D.O.O.	5,436	244	(162)	1,869	-		
ORBIT ASSET MANAGEMENT LIMITED	377	2,262	-	36	-		
RCI FINANCIAL SERVICES S.R.O.	141,582	28,324	7,812	48,110	-		
STICHTING CUSTODY SERVICES YKB	125	-	-	125	-		
SYNERGA NEKRETNINE D.O.O. ZA POSLOVANJE NEKRETNIN-AMA	23,766	625	28	265	-		
UNICREDIT MENKUL DEGERLER AS	12,142	8,977	1,264	8,566	-		
YAPI KREDI B TIPI YATIRIM ORTAKLIGI AS	32,188	2,702	(173)	31,660	-		
YAPI KREDI BANK AZERBAIJAN CLOSED JOINT STOCK COMPANY	232,360	18,297	6,716	55,782	-		
YAPI KREDI BANK MOSCOW	145,118	12,592	4,421	45,900	-		
YAPI KREDI BANK NEDERLAND N.V.	1,731,031	95,374	14,700	222,793	-		
YAPI KREDI DIVERSIFIED PAYMENT RIGHTS FINANCE COMPANY	946,842	12,692	-	3	-		
YAPI KREDI EMEKLILIK AS	339,976	103,729	18,152	62,198	-		
YAPI KREDI FAKTORING AS	742,942	69,247	19,889	53,750	-		
YAPI KREDI FINANSAL KIRALAMA AO	1,307,239	113,849	60,764	360,152	-		
YAPI KREDI HOLDING BV	45,472	40	2	45,440	-		
YAPI KREDI INVEST LIMITED LIABILITY COMPANY	75	85	6	75	-		
YAPI KREDI PORTFOY YONETIMI AS	34,971	28,887	17,340	31,667	-		
YAPI KREDI SIGORTA AS	430,484	331,650	27,671	147,875	-		
YAPI KREDI YATIRIM MENKUL DEGERLER AS	528,285	90,202	35,393	113,060	-		
YAPI VE KREDI BANKASI AS	43,962,325	4,258,549	833,877	5,075,349	-		
TOTAL EQUITY INVESTMENTS VALUED AT EQUITY					**3,492,945**		

		CONSOLIDATED CARRYING VALUE
N. 57 INVESTMENTS VALUED AT EQUITY		**3,492,945**
INVESTMENTS VALUED AT COST:		**61,730**
n. 140 UniCredit Bank AG Subsidiaries and Associates	13,463	
n. 66 UniCredit Bank Austria Subsidiaries and Associates	13,440	
n. 47 Other Subsidiaries and Associates	34,827	
TOTAL as at December 31, 2011		**3,554,675**

Notes to the table 10.2 - Equity investments in companies under joint control and in companies under significant influence:

(1) Includes "positive differences in net equity".

(2) Under IFRS, investments in associates with a fair value lower than carrying value should be impairment tested by calculating recoverable value, i.e. the greater of fair value net of cost of sales and value in use, and an impairment loss/write-down be recognized when the recoverable value is lower than carrying value.
During 2011 some implied goodwill in associates have been impaired (See part C) Profit &Loss section 16).
At 31 December 2011 the recoverable value of the equity investments was redefined and was greater than carrying value. No other write-downs were therefore made more than the ones already carryed out during 2011.

(3) Data taken from the draft accounts for 2011 approved by the company's governing bodies. If not available, they were taken from the latest approved financial statements or balance sheets.

For the entities whose 2011 accounts were not approved at the time of consolidation, revenues and gains/losses are not indicated. Please see above Part A - Accounting policies - Section 3 Consolidation Procedures and Scope.

Part B - Consolidated Balance Sheet - Assets (Continued)

10.3 Equity instruments: annual changes

(€ '000)

	CHANGES IN	
	2011	2010
A. Opening balance	**3,963,087**	**3,866,437**
B. Increases	**726,633**	**623,026**
B.1 Purchases	306,221	188,918
B.2 Write-backs	1,019	53
B.3 Revaluation	-	-
B.4 Other changes	419,393	434,055
C. Decreases	**1,135,045**	**526,376**
C.1 Sales	60,332	81,464
C.2 Write-downs	497,687	6,968
C.3 Other changes	577,026	437,944
D. Closing balance	**3,554,675**	**3,963,087**
E. Total revaluation	**-**	**-**
F. Total write-downs	**509,017**	**46,733**

10.4 and 10.5 and 10.6 Commitments relating to equity investments in subsidiaries/joint ventures/companies under to significant influence

The following is disclosed as at 31 December 2011:

- a commitment to make a capital contribution of €0.6 million to our subsidiary Sicilia Convention Bureau S.r.l. to cover losses which will arise in the next three years;
- a commitment to set up a company in Brazil to support the activity of the UniCredit Rep. Office established in São Paulo, as part of the reorganization of the Group's international network. The new company will have capital of €0.2 million.

It should also be noted that UniCredit S.p.A. has given to UniCredit Bank AG shares representing equity investments in foreign subsidiaries belonging to the banking group as collateral against financial exposures for a total value of €7.05 billion.

As at December 31, 2011, a commitment to provide Neep Roma Holding S.p.A. (a company in which UniCredit S.p.A. holds 40%, which *inter alia* owns 78.04% of A.S. Roma S.p.A.) with the resources (€12 million) necessary for the recapitalization of the aforementioned subsidiary was disclosed.

Section 11 - Insurance reserves attributable to reinsurers - Item 110

11.1 Insurance reserves attributed to reinsurers: breakdown

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
A. Non-life business	**-**	**-**
A.1 Provision for unearned premiums	-	-
A.2 Provision for outstanding claims	-	-
A.3 Other insurance provisions	-	-
B. Life business	**928**	**352**
B.1 Mathematical provisions	-	-
B.2 Provision for outstanding claims	836	266
B.3 Other insurance provisions	92	86
C. Provision for policies where the investment risk is borne by the policyholders	**-**	**-**
C.1 provision for policies where the performance is connected to investment funds and market indices	-	-
C.2 provision for pension funds	-	-
D. Total insurance reserves attributable to reinsurers	**928**	**352**

11.2 Changes in item 110 "Technical reserves attributed to reinsures"

	CHANGES IN 2011							
	NON-LIFE BUSINESS			LIFE BUSINESS			PROVISION FOR POLICIES WHERE THE INVESTMENT RISK IS BORNE BY THE POLICYHOLDERS	
	PROVISION FOR UNEARNED PREMIUMS	PROVISIONS FOR OUTSTANDING CLAIMS	OTHER INSURANCE PROVISIONS	MATHEMATICAL PROVISIONS	PROVISION FOR OUTSTANDING CLAIMS	OTHER INSURANCE PROVISIONS	RELATING TO POLICIES WHERE THE PERFORMANCE IS CONNECTED TO INVESTMENT FUNDS AND MARKET INDICES	PROVISION FOR PENSION FUND
Amounts ceded to reinsurers from insurance provisions - opening balance	**-**	**-**	**-**	**-**	**266**	**86**	**-**	**-**
a) Increases	-	-	-	-	610	19	-	-
b) Decreases	-	-	-	-	40	13	-	-
Amounts ceded to reinsures from insurance provisions - closing balance	**-**	**-**	**-**	**-**	**836**	**92**	**-**	**-**

Section 12 - Property, plant and equipment - Item 120

Property, plant and equipment, which include land, buildings used in the business, real estate investments, technical furniture and fittings, amounted to €12,119 million at end 2011, down by €400 million over the €12,519 million at end 2010.

12.1 Property, plant and equipment assets: breakdown of assets carried at cost

(€ '000)

ASSETS/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
A. Assets for operational use		
1.1 owned	**8,587,457**	**9,109,457**
a) land	1,540,892	1,665,500
b) buildings	3,424,721	3,810,395
c) office furniture and fitting	242,685	247,700
d) electronic systems	722,325	733,943
e) other	2,656,834	2,651,919
1.2 leased	**73,727**	**61,826**
a) land	14,169	2,801
b) buildings	47,858	46,661
c) office furniture and fitting	45	163
d) electronic systems	99	372
e) other	11,556	11,829
Total A	**8,661,184**	**9,171,283**
B. Held-for-investment assets		
2.1 owned	**3,330,055**	**3,218,590**
a) land	1,244,350	1,151,567
b) buildings	2,085,705	2,067,023
2.2 leased	**127,542**	**128,726**
a) land	23,556	23,556
b) buildings	103,986	105,170
Total B	**3,457,597**	**3,347,316**
Total (A+B)	**12,118,781**	**12,518,599**

In 2011, property, plant and equipment previously recognized under "owned" were classified under "leased". Data as at December 31, 2010 were restated accordingly.

Assets for operational use include in owned assets (item 1.1 owned - sub-item e) other) €687 million related to investments made so far by the subsidiary UniCredit Bank AG concerning a wind farm currently being constructed in the North Sea.

Part B - Consolidated Balance Sheet - Assets (Continued)

12.2 Tangible assets: breakdown of assets designed at fair value or revalued

(€ '000)

ASSETS/VALUES	AMOUNTS AS AT 12.31.2011	12.31.2010
A. Assets for operational use		
1.1 owned	**-**	**-**
a) land	-	-
b) buildings	-	-
c) office furniture and fitting	-	-
d) electronic systems	-	-
e) other	-	-
1.2 leased	**-**	**-**
a) land	-	-
b) buildings	-	-
c) office furniture and fitting	-	-
d) electronic systems	-	-
e) other	-	-
Total A	**-**	**-**
B. Held-for-investment assets		
2.1 owned	**79,277**	**92,698**
a) land	17,876	20,491
b) buildings	61,401	72,207
2.2 leased	**-**	**-**
a) land	-	-
b) buildings	-	-
Total B	**79,277**	**92,698**
Total (A+B)	**79,277**	**92,698**

Under IAS 40.32A the Group uses the revaluation model (fair value) to measure investment properties linked with liabilities which pay a return linked to the fair value of the investments in question.

12.3 Property, plant and equipment used in the business: annual change

(€ '000)

	CHANGE IN 2011					
	LAND	BUILDINGS	OFFICE FURNITURE AND FITTINGS	ELECTRONIC SYSTEMS	OTHER	TOTAL
A. Gross opening balance	**1,668,301**	**6,786,807**	**1,376,772**	**3,359,764**	**4,203,330**	**17,394,974**
A.1 Total net reduction in value	-	(2,929,751)	(1,128,909)	(2,625,449)	(1,539,582)	(8,223,691)
A.2 Net opening balance	**1,668,301**	**3,857,056**	**247,863**	**734,315**	**2,663,748**	**9,171,283**
B Increases	**115,590**	**371,624**	**47,539**	**312,128**	**544,565**	**1,391,446**
B.1 Purchases	4,570	155,731	43,243	267,671	360,796	832,011
B.2 Capitalised expenditure on improvements	-	26,942	181	3,153	4	30,280
B.3 Write-backs	11	8,433	73	23	1,086	9,626
B.4 Increases in fair value:	-	-	-	-	-	-
a) in equity	-	-	-	-	-	-
b) through profit or loss	-	-	-	-	-	-
B.5 Positive Exchange differences	484	7,733	274	526	1,930	10,947
B.6 Transfer from properties held for investment	88,557	72,732	-	-	-	161,289
B.7 Other changes	21,968	100,053	3,768	40,755	180,749	347,293
C. Reductions	**228,830**	**756,101**	**52,672**	**324,019**	**539,923**	**1,901,545**
C.1 Disposals	26,367	48,159	366	16,968	102,604	194,464
C.2 Depreciation	-	183,253	48,269	273,657	225,220	730,399
C.3 Impairment losses	64	7,326	51	1,439	3,332	12,212
a) in equity	-	-	-	-	-	-
b) through profit or loss	*64*	*7,326*	*51*	*1,439*	*3,332*	*12,212*
C.4 Reduction of fair value:	-	-	-	-	-	-
a) in equity	-	-	-	-	-	-
b) through profit or loss	-	-	-	-	-	-
C.5 Negative exchange differences	8,759	77,388	2,123	13,821	17,423	119,514
C.6 Trasfer to:	166,926	411,162	78	1,194	38,252	617,612
a) property, plant and equipment held for investment	*121,129*	*268,919*	-	-	-	*390,048*
b) assets held for sale	*45,797*	*142,243*	*78*	*1,194*	*38,252*	*227,564*
C.7 Other changes	26,714	28,813	1,785	16,940	153,092	227,344
D. Net final balance	**1,555,061**	**3,472,579**	**242,730**	**722,424**	**2,668,390**	**8,661,184**
D.1 Total net reduction in value	-	(2,681,174)	(1,154,180)	(2,659,092)	(1,593,025)	(8,087,471)
D.2 Gross closing balance	**1,555,061**	**6,153,753**	**1,396,910**	**3,381,516**	**4,261,415**	**16,748,655**
E. Carried at cost (*)	**-**	**-**	**-**	**-**	**-**	**-**

(*) The Group does not use the revaluation model (fair value) to measure tangible assets held for use in the business.
Following the restatement of property, plant and equipment in the above table 12.1, 2011 opening balances have been adjusted.

Part B - Consolidated Balance Sheet - Assets (Continued)

12.4 Property, plant and equipment held for investment: annual changes

(€ '000)

	CHANGE IN 2011	
	LAND	BUILDINGS
A. Opening balances	**1,195,614**	**2,244,400**
B. Increases	**346,535**	**603,096**
B.1 Purchases	147,406	163,253
B.2 Capitalised expenditure on improvements	1,252	7,953
B.3 Increases in fair value	-	-
B.4 Write backs	6,680	130
B.5 Positive exchange differences	920	4,376
B.6 Transfer from properties used in the business	121,129	268,919
B.7 Other changes	69,148	158,465
C. Reductions	**256,367**	**596,404**
C.1 Disposals	116,639	283,349
C.2 Depreciation	-	69,407
C.3 Reductions in fair value	258	6,589
C.4 Impairment losses	7,976	37,789
C.5 Negative exchange differences	3,853	14,230
C.6 Transfer to:	111,297	117,251
a) Properties used in the business	*88,557*	*72,732*
b) Non current assets classified as held for sale	*22,740*	*44,519*
C.7 Other changes	16,344	67,789
D. Closing balances	**1,285,782**	**2,251,092**
E. Measured at fair value	**1,336,974**	**2,331,460**

Following the restatement of property, plant and equipment in the above table 12.1, 2011 opening balances have been adjusted.

12.5 Commitments to purchase property, plant and equipment

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
A. Contractual commitments	8,010	6,199

Outstanding commitments refer to the purchase of property, plant and equipment.

Section 13 - Intangible assets - Item 130

An **Intangible asset** is an identifiable non-monetary asset without physical substance, to be used for several years. Intangible assets include goodwill and, among “other intangible assets”, brands, core deposits, customer relationships and software.
Goodwill is the excess of the cost of a business combination over the net fair value of the assets and liabilities of companies or businesses at the acquisition date.
At 31 December 2011 this item was €15,685 million as against €25,592 million in 2010, a measurable decrease due to impairment losses (-€9,606 million) recognized in the third quarter of 2011 and mainly attributable to goodwill.

13.1 Intangible assets: breakdown

(€ ‘000)

	AMOUNTS AS AT 12.31.2011		AMOUNTS AS AT 12.31.2010	
ASSETS/VALUES	FINITE LIFE	INDEFINITE LIFE	FINITE LIFE	INDEFINITE LIFE
A.1 Goodwill	**X**	**11,567,192**	**X**	**20,428,073**
A.1.1 attributable to the Group	X	11,567,192	X	20,428,073
A.1.2 attributable to minorities	X	-	X	-
A.2 Other intangible assets	**3,975,282**	**142,970**	**4,093,063**	**1,071,023**
A.2.1 Assets carried at cost:	3,975,282	142,970	4,093,063	1,071,023
a) Intangible assets generated internally	*649,316*	-	*489,821*	-
b) Other assets	*3,325,966*	*142,970*	*3,603,242*	*1,071,023*
A.2.2 Assets valued at fair value:	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
Total	**3,975,282**	**11,710,162**	**4,093,063**	**21,499,096**

Total finite and indefinite life	**15,685,444**	**25,592,159**

Part B - Consolidated Balance Sheet - Assets (Continued)

13.2 Intangible assets: annual changes

(€ '000)

		CHANGE IN 2011 OTHER INTANGIBLE ASSETS				
		GENERATED INTERNALLY		OTHER		
	GOODWILL	FINITE LIFE	INDEFINITE LIFE	FINITE LIFE	INDEFINITE LIFE	TOTAL
A. Gross opening balance	**22,927,113**	**907,877**	**-**	**7,153,150**	**1,071,023**	**32,059,163**
A.1 Total net reduction in value	(2,499,040)	(418,056)	-	(3,549,908)	-	(6,467,004)
A.2 Net opening balance	**20,428,073**	**489,821**	**-**	**3,603,242**	**1,071,023**	**25,592,159**
B Increases	**85,958**	**326,180**	**-**	**406,812**	**1,289**	**820,239**
B.1 Purchases	61,638	109,296	-	296,078	-	467,012
B.2 Increases in intangible assets generated internally	X	215,397	-	177	-	215,574
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value	X	-	-	-	-	-
- in equity	*X*	-	-	-	-	-
- through profit or loss	*X*	-	-	-	-	-
B.5 Positive exchange differences	24,320	94	-	12,051	1,289	37,754
B.6 Other changes	-	1,393	-	98,506	-	99,899
C. Reduction	**8,946,839**	**166,685**	**-**	**684,088**	**929,342**	**10,726,954**
C.1 Disposals	1,801	2,960	-	10,777	-	15,538
C.2 Write-downs	8,677,456	119,965	-	560,330	928,147	10,285,898
- amortization	*X*	*119,965*	-	*557,495*	-	*677,460*
- write-downs	*8,677,456*	-	-	*2,835*	*928,147*	*9,608,438*
+ in equity	*X*	-	-	-	-	-
+ through profit or loss	*8,677,456*	-	-	*2,835*	*928,147*	*9,608,438*
C.3 Reduction in fair value	-	-	-	-	-	-
- in equity	*X*	-	-	-	-	-
- through profit or loss	*X*	-	-	-	-	-
C.4 Transfer to non-current assets held for sale	-	-	-	1,537	-	1,537
C.5 Negative exchange differences	266,451	1,753	-	53,226	1,195	322,625
C.6 Other changes	1,131	42,007	-	58,218	-	101,356
D. Net Closing Balance	**11,567,192**	**649,316**	**-**	**3,325,966**	**142,970**	**15,685,444**
D.1 Total net write-down	(11,280,045)	(527,343)	-	(3,942,735)	(930,023)	(16,680,146)
E. Gross closing balance	**22,847,237**	**1,176,659**	**-**	**7,268,701**	**1,072,993**	**32,365,590**
F. Carried at cost	**-**	**-**	**-**	**-**	**-**	**-**

The Group does not use the revaluation model (fair value) to measure intangible assets.
Intangible Assets - Other - Indefinite life include trademarks (brands).
Intangible Assets - Other - Definite life include:
- Customer Relationships and Core Deposits of €2,494 million;
- Software of €616 million;
- Licences, patents and similar rights of €98 million.

For further details on goodwill impairment losses and write-downs of other intangible assets with an indefinite life please refer to the following pages.

13.3 Other information

Information on intangible assets noted during business combinations

The application of IFRS 3 to the accounting for business combinations revealed in the course of time significant amounts of intangible assets and goodwill. The following table shows the change in the values posted for the various intangible assets identified during the period, including the valuation effects described below.

(€ million)

INTANGIBLE ASSETS (EXCEPT SOFTWARE)	TOTAL 2010	AMORTIZATION	IMPAIRMENT	OTHER CHANGES (*)	TOTAL 2011
Trademarks	1,071		(928)		143
Core deposits and customer relationships	2,740	(229)		(17)	2,494
Goodwill	20,428		(8,677)	(183)	11,567
TOTAL	**24,239**	**(229)**	**(9,606)**	**(200)**	**14,204**

(*) due essentially to the exchange rate effect and to a goodwill arisen in the 2011 amounting to €61 million.
Any discrepancies in this table and between data given in the above table and other information in Explanatory Notes are due to the effect of rounding.

Trademarks and goodwill are considered indefinite-life intangible assets. They are expected to contribute indefinitely to income flows.

The **other intangible assets** noted have finite useful lives, originally valued by discounting financial flows over the residual lifetime of the relationships in place on the date of the business combination from which they derive. Finite-life intangible assets are subject to amortization based on the associated useful life.

The types of intangible assets noted as a result of business combinations and the methods used to determine their associated fair value on the acquisition date are indicated below.

Trademarks

The fair value of initial recognition of trademarks is determined using the “relief from royalty” method, which estimates their value based on the payments received for granting their use to third parties. Royalties are calculated by applying the royalty rate to the income flows (adjusted operating income of the items not associated with the trademarks themselves).

In summary, the method may be broken down into three stages:
- determination of the royalty rate (based on a comparison with similar cases or calculated analytically);
- application of the royalty rate to income flows;
- determination of the present value of royalties after taxes, calculated by applying a discount rate that takes into account the risk context of the trademark being valued.

Starting from 2007, the Group’s trademark policy has been characterized by initiatives designed to strengthen the value of the UniCredit trademark, meanwhile preserving the local trademarks of the Group’s banks. These initiatives include:
- the introduction of the UniCredit trademark in all countries where the Group operates, so that it is present alongside the local trademarks of the Group’s banks;
- starting from 2009, the sponsorship of the UEFA Champions League;
- the recent launch of advertising campaigns focused on the UniCredit trademark in the major countries where the Group operates.

These initiatives have produced very positive results with respect to the perception of the UniCredit trademark in the markets where the Group is present.

In particular, the coexistence of the UniCredit trademark and the local trademarks represented a first step towards the use of a single UniCredit trademark. As part of this strategy aimed at creating a trademark architecture based on a single trademark, in line with the above-mentioned commercial initiatives and in light of their success, the Group resolved to implement a re-branding strategy, which in the short term will lead to the termination of the use of some trademarks, in order to focus on the use of the single trademark.

In this respect, during the third quarter of 2011 the Board of Directors approved a rebranding strategy which, pursuant to IAS 38, involved the impairment of the respective recognized intangible assets with an negative accounting impact of €643 million, net of related deferred tax.

During the third quarter of 2011, following the approval of the merger of PJSC UniCredit Bank into PJSC Bank for Social Development Ukrsotsbank, a €26.2 million impairment charge on the value of the trademark of the latter company was recognized.

The residual value of indefinite-useful-life intangible assets (trademarks) referable to Fineco Bank and ATF Bank Kazakhstan is respectively €93 million and €50 million.

Core Deposits

The value of the Core Deposit comes from the fact that part of the short-term deposits of a bank (current accounts and savings deposits) and current account overdrafts remains deposited in the accounts for significant periods of time.
The useful life of the relationship is longer than the contract duration. The spread between the actual cost of deposits by means of Core Deposits and the cost of deposits at interbank market rates (the markdown) represents the most significant value component associated with this intangible asset.
The income planning used to determine the fair value of Core Deposits also takes into account the fee component, which contributes to the total income from these relationships.
The determination of the fair value of this asset is based on the discounting of cash flows that represent the income margins generated by the deposits over the residual duration of the relationships in place on the date of acquisition. Inasmuch as these are finite-life assets, the associated value is amortized on a straight line over the expected duration of their economic benefit.
The average residual useful life of Core Deposits is 20 years.

Customer Relationships

Assets under Management (AuM)

The value of this intangible asset comes mainly from the ability of the company to obtain a profit from the placement of products that are related to the assets managed with its own customers.

Part B - Consolidated Balance Sheet - Assets (Continued)

The income flows used to value this asset when first posted are:
- for the placement banks, the fees granted by the producers;
- for the producers, the fees received from the customers, net of fees paid, mainly to the placement banks.

These fees are considered recurring, because they are tied to managed assets held by customers.
The average residual useful life of these intangible assets is 19 years.

Assets under Custody (AuC)
The value of this intangible asset comes mainly from the ability of the company to obtain a profit from customer assets under administration.
The income flows used to value this asset when first posted consist of the fees received for the work associated with assets under administration.
These fees are considered recurring, because they are generated by the normal activity of customers acting on their own portfolios.
The average residual useful life of these intangible assets is 9 years.

Life Insurance
The value of this intangible asset comes mainly from the ability of the company to obtain a profit from the placement of products related to the "bancassurance" business with its own customers.
The income flows used to value this asset when first posted consist of the fees received for the work associated with the bancassurance business.
These fees are considered recurrent because, from the point of view of the investor, they are similar to the products of managed/administered deposits.
The average residual useful life of these intangible assets is 25 years.

Products
This intangible asset relates to the profitability generated by trading on behalf of the asset management companies of the Group. The income flows used to evaluate this asset when first posted consist of the fees received for the brokerage work on behalf of the asset management companies themselves. These fees are considered recurring, because they are generated by the normal activity of the funds in which customers' deposits have been invested.
Furthermore, in some cases, the value of the asset is related to fees received for the disbursement of regional incentives.
The average residual useful life of these intangible assets is 4 years.

Other
This intangible asset includes all other types of so-called customer relationships, including by way of example those deriving from the ability of the company to obtain placement fees on third-party bonds and from securities auctions.
The average residual useful life of these intangible assets is 15 years.

The Group does not hold intangible assets acquired through public grants or intangible assets pledged against liabilities.

Impairment testing of intangible assets during business combinations
In accordance with IAS 36, all indefinite-useful-life intangible assets, including goodwill, must be subjected at least annually to impairment testing to verify the recoverability of their value. For finite-useful-life intangible assets, possible loss of value must be determined each time indicators of loss appear.
Under IAS 36, impairment testing of intangible assets with indefinite lives must be performed at least annually and, in any case, whenever there is objective evidence of the occurrence of events that may have reduced their value. For UniCredit the trigger event is a market capitalization lower than Shareholders' Equity.
Recoverable value is the greater of the value in use (present value of future cash flows generated by the asset being valued) and the associated fair value, net of sales costs.

The recoverable value of intangible assets subject to impairment testing must be determined for the individual assets, unless both the following conditions exist:
- the value in use of the asset is not estimated to be close to the fair value, net of sales costs;
- the asset does not generate incoming cash flows largely independent of those coming from other assets.

If these conditions exist, the impairment test is conducted at the level of the Cash Generating Unit (CGU), as required by the cited accounting principle.

It should be noted that the impairment testing performed by the UniCredit group by way of the determination of the value in use of the Cash Generating Units (CGU), as described below, includes both indefinite-useful-life intangible assets (goodwill and trademarks) and finite-useful-life intangible assets (core deposits and customer relationships), whenever the loss indicators provided for by the accounting principle occur.

We believe that core deposits and customer relationships cannot be subjected to separate impairment testing, because these assets do not generate cash flows independent of the cash flows from other assets.

To determine the value in use of intangible assets subject to impairment testing, IAS 36 requires that reference be made to cash flows for the assets under conditions that were current on the test date.

Given that performing an analytical test of the positive fair value adjustments recorded according to the purchase method provided for by IFRS 3 with reference to loans to customers (included in the carrying value of the Group) would be excessively burdensome, their periodic sustainability is assessed within the overall carrying value of the Group as part of the impairment test of the intangible assets.

For the impairment testing, the value in use of the Cash Generating Units (CGU) to which these intangible assets are assigned must be calculated taking into account the cash flows for all assets and liabilities included in the CGU and not only those for which goodwill and/or the intangible asset were recorded when applying IFRS 3.

Definition of Cash Generating Units (CGU)

Estimating the value in use for the purposes of any impairment testing of intangible assets, including goodwill, which do not generate cash flows except in conjunction with other business assets, requires that these assets first be attributed to operating units that are relatively autonomous in the business context (from the points of view of independent cash flows generated and of internal planning and reporting). These operating units are defined as Cash Generating Units (CGU).

In accordance with the provisions of IFRS 3 and IAS 36, for the purposes of impairment testing, goodwill has been allocated to the following operational Divisions of the Group, identified as CGUs:

- ***F&SME Networks (Italy, Germany, Austria and Poland)***, which includes *Mass Market, Affluent, Small Business* and *SME clients*, grouped according to their geographical location;
- ***F&SME Factories*** which includes, regardless of their geographical location, the following product lines: Leasing, Factoring, Asset Gathering and Consumer Finance;
- ***Corporate & Investment Banking*** (formerly Corporate and Markets & Investment Banking) which includes:
  - businesses with minimum annual revenues of €50 million;
  - the assets of the Group on financial markets and in Investment Banking (e.g., trading, distribution, structured derivatives, lending and syndication assets, mergers and acquisitions, private equity portfolio management, direct investment in the equity of listed and unlisted businesses);
- ***Private Banking***, which includes private clientele with medium-high financial liquidity, to whom we provide advisory and asset management services. The division uses traditional channels that are typical for this customer segment (private bankers) and innovative distribution models (networks of financial consultants and online banking and trading services);
- ***Asset Management***, which specializes in protecting and increasing the value of customer investments through a series of innovative financial solutions (UCITs, asset management, institutional investor portfolios, etc.);
- ***Central Eastern Europe*** (CEE), which includes the businesses of the Group in the countries of Central and Eastern Europe (except Poland), including assets in Kazakhstan and Ukraine, which are subject to specific assessment;
- ***Parent Company*** and other companies.

The CGU is the lowest level for Group-level goodwill monitoring. The identified CGUs correspond to the organizational business units through which the Group develops its own activity and for which it provides segment reporting.

In the CGU "Central Eastern Europe" (CEE), additional tests were performed for each country where the Group operates. The allocation methodology adopted took into account synergies and expected results by the above organizational units.

The allocation of goodwill to the various CGUs called for two distinct phases:

- the first phase identified goodwill as the difference between the fair value of the purchase posted in the individual financial statement of the purchaser and the shareholders' equity at fair value after applying the purchase price method to the assets, liabilities and potential liabilities of the financial statement of the entity acquired (net of minority interests), assessed at fair value. This phase also took into consideration all fair value from transfers of companies or branches within the Group which took place as long as the purchase price allocation was provisional;
- the second phase allocated residual goodwill to the various CGUs, weighting them according to their respective fair value.

All identified goodwill has been allocated to the various CGUs.

The book value of the CGUs

The book value of the CGUs is determined in accordance with the criterion used to determine their recoverable value. The recoverable value of the CGUs includes flows from their respective financial assets and liabilities, so the book value must also include the financial assets and liabilities generating those flows.
The book value of each CGU is determined based on its contribution to consolidated shareholders' equity, including minority interests. Specifically, the book value of the CEE CGUs is determined via the summation of the individual book values of each company in the consolidated financial statement (corresponding to their book Shareholders' Equity), taking into account any intangible assets noted at the time of purchase (net of later amortization and impairment) and the consolidation entries.

Part B - Consolidated Balance Sheet - Assets (Continued)

Because it would be excessively complex to determine the carrying amount of the other CGUs based on book values, it is necessary to use operational factors to break them down correctly. These factors are determined by the Capital Management operating unit of the Finance and Administration Planning Department. In any case, intangible assets are attributed to the CGUs in accordance with the available accounting information.

The carrying amount of the CGUs as of December 31, 2011, determined as described above, and the portions of goodwill and other intangible assets allocated to each of them are shown below. The values refer to the situation after impairment testing and take account of the write-downs made in the third quarter of 2011.

(€ million)

CASH GENERATING UNIT (CGU)	VALUE AS AT 12.31.2011	OF WHICH GOODWILL (GROUP SHARE)	OF WHICH OTHER INTANGIBLE ASSET (*)
Retail	**17,964**	**5,043**	**52**
of which:			
Network Italy	*8,458*	*3,334*	*-*
Network Germany	*1,340*	*17*	*-*
Network Austria	*1,319*	*282*	*-*
Network Poland	*1,414*	*454*	*-*
Factory	*5,432*	*956*	*52*
Private Banking	**835**	**417**	**10**
Asset Management	**1,499**	**1,330**	**-**
Corporate & Investment Banking (CIB)	**20,443**	**2,518**	**-**
Central Eastern Europe (CEE)	**15,320**	**2,259**	**40**
of which:			
Ukraine	*585*	*-*	*-*
Kazakhstan	*454*	*-*	*40*
Group parent and other companies	**7,731**	**-**	**1,648**
Total	**63,792**	**11,567**	**1,750**

Any discrepancies in this table and between data given in the above table and other information in Explanatory Notes are due to the effect of rounding.
(*) Stated amounts are net of deferred taxes.

Estimating cash flows to determine the value in use of the CGUs

As noted, based on IAS 36, the impairment test for indefinite-life intangible assets must be performed at least annually and in any case whenever there is any indication that their value may be impaired. The referenced accounting principles require that the impairment test be carried out by comparing the book value of each CGU with its recoverable value. When the latter proves to be less than the book value, a write-down must be recorded in the financial statement. The recoverable value of the CGU is the greater of its fair value (net of sales costs) and the related value in use.

The recoverable amount relating to each CGU is the value in use and is determined on the basis of future cash flows expected from each CGU to which the goodwill has been allocated. These cash flows are estimated based on:
- updated macroeconomic scenarios;
- budget for 2012 submitted to the Board of Directors for approval on February 28, 2012;
- for the period 2013-2015, the strategic plan approved by the Board of Directors on November 14, 2011.

Projections of future results were extended to 2021, in order to obtain an assessment of the earning capability of the Group and its ability to create value over time, notwithstanding the current macroeconomic downturn. These projections were developed by extrapolation for all CGUs and for the individual CEE countries.

Expected cash flow for 2021 represents the basis for calculating the Terminal Value, which represents the ability of the CGUs to generate future cash flows beyond that year. Based on the adopted methodology, Terminal Value is calculated as a perpetual income estimated on the basis of a normalized, economically sustainable cash flow, consistent with a constant or decreasing long-term growth rate (“g”), as required by the IAS/IFRS accounting standards.
The value in use is determined by discounting the financial flows at a rate that takes into account present market rates and the specific risks of the asset. Taking into consideration the different risk levels of their respective operating environments, we used different risk premiums for each CGU which were specific to the individual entity or operating sector. The discount rates included a component related to country risk.

The Board of Directors has approved the valuation procedure (impairment test) based on the financial flow estimates and additional assumptions, developed by the Management.

The following tables summarize the estimates of the main macroeconomic indicators, relative to the markets where the Group operates, used to validate the estimates of future financial flows.

Eurozone and USA

Macroeconomic Scenario

REAL GDP (Y/Y % CHANGES)	2010	2011	2012	2013	2014	2015
USA	3.0	1.5	1.5	2.3	2.3	2.1
Eurozone	1.7	1.6	0.8	1.6	1.8	1.1

INFLATION, AVG (Y/Y % CHANGES)	2010	2011	2012	2013	2014	2015
USA (CPI)	1.6	3.1	2.0	2.5	2.5	2.5
Eurozone (HICP)	1.6	2.6	1.9	2.0	2.0	1.9

ITALY (Y/Y % CHANGES)	2010	2011F	2012F	2013F	2014F	2015F
GDP	1.2	0.6	-0.3	0.4	1.2	0.8
Infaltion (CPI)	1.5	2.6	1.9	2.0	2.0	1.9
Unemployment rate	8.4	8.0	8.0	8.2	7.9	7.4
Nominal GDP (bn euro)	1,548	1,598	1,634	1,682	1,736	1,783

GERMANY (Y/Y % CHANGES)	2010	2011F	2012F	2013F	2014F	2015F
GDP	3.6	3.0	1.2	2.5	1.8	1.9
Inflation (CPI)	1.1	2.4	1.7	2.0	2.1	1.8
Unemployment rate	7.7	7.1	6.8	6.5	6.3	6.1
Nominal GDP (bn euro)	2,477	2,600	2,679	2,786	2,876	2,670

AUSTRIA (Y/Y % CHANGES)	2010	2011F	2012F	2013F	2014F	2015F
GDP	2.1	3.3	1.4	2.0	1.9	1.3
Infaltion (CPI)	1.9	3.2	2.2	2.0	1.9	1.7
Unemployment rate	4.4	4.2	4.1	4.0	3.9	4.0
Nominal GDP (bn euro)	284.4	300	310	323	335	345

Part B - Consolidated Balance Sheet - Assets (Continued)

CEE countries

	GDP			INFLATION (AVG)		
	2011	2012	2015	2011	2012	2015
Poland	4.1	2.3	4.0	4.2	2.9	3.5
Hungary	1.5	1.8	2.8	3.7	2.8	3.1
Czech Rep.	2.1	1.6	3.5	1.8	2.8	2.0
Slovakia	2.9	2.8	4.6	4.0	3.1	3.5
Slovenia	1.3	1.8	2.5	1.9	2.0	2.4
Lithuania	5.2	2.7	3.7	3.6	2.2	2.8
Latvia	5.2	2.6	3.5	2.8	3.0	2.4
Estonia	6.9	2.6	3.9	4.7	2.8	2.7
Bulgaria	2.3	2.6	4.0	4.3	1.5	2.7
Romania	1.8	2.5	3.5	6.3	4.2	3.5
Croatia	0.2	1.0	2.5	2.4	2.5	2.5
Bosnia-H.	1.8	1.5	3.6	3.7	2.8	2.4
Serbia	2.0	2.8	3.0	11.6	6.6	5.3
Turkey	5.9	3.2	4.8	6.1	7.7	6.2
Ukraine	4.2	3.0	4.6	10.2	9.6	7.0
Russia	4.2	3.9	3.7	8.7	7.0	5.0
Kazakhstan	7.0	6.2	7.2	8.7	7.0	7.2

	INTERBANK RATE			EXCHANGE RATE (AVG)		
	2011	2012	2015	2011	2012	2015
Poland	5.0%	3.9%	4.5%	4.0	4.1	3.8
Hungary	5.8%	5.7%	5.6%	270.9	267.4	255.0
Czech Rep.	1.0%	1.7%	2.4%	24.3	24.2	24.0
Slovakia	1.6%	2.1%	2.4%	EUR	EUR	EUR
Slovenia	1.6%	2.1%	2.4%	EUR	EUR	EUR
Lithuania	n.a.	n.a.	n.a.	3.5	3.5	3.5
Latvia	2.3%	3.2%	3.6%	0.7	0.7	0.7
Estonia	n.a.	n.a.	n.a.	EUR	EUR	EUR
Bulgaria	0.4%	1.0%	2.8%	2.0	2.0	2.0
Romania	4.8%	4.3%	4.5%	4.2	4.2	3.9
Croatia	0.9%	2.2%	2.4%	7.4	7.4	7.3
Bosnia-H.	1.6%	2.1%	2.4%	2.0	2.0	2.0
Serbia	11.3%	10.3%	8.5%	102.5	102.7	105.0
Turkey	8.0%	7.8%	8.5%	2.4	2.5	2.1
Ukraine	7.0%	7.0%	6.0%	11.6	11.7	9.9
Russia	5.6%	5.9%	5.2%	40.5	41.1	40.3
Kazakhstan	2.2%	4.0%	6.0%	210.2	217.8	207.1

The calculation of the utility value for impairment testing purposes was conducted using a Discounted Cash Flow model (DCF). The cash flows were determined by subtracting from net profit (net of minority interests) the annual capital requirement generated by changes in risk-weighted assets. This capital requirement is defined as the level of capitalization that the Group aspires to achieve in the long term, also in light of the minimum regulatory capital requirements.

The Discounted Cash Flow model used by the Group is based on three stages:
- first stage - from 2012 to 2015 - which uses the internal financial projections approved by the Management (budget and plan);
- intermediate period from 2016 to 2021: cash flows are extrapolated starting from the last period of explicit forecast (2015) using reducing growth rates up to those of the Terminal Value, applying a ceiling to profits such that the 2015 ratio of Net Profit to RWAs is maintained;
- terminal value calculated using a nominal growth rate of 2%. The euro area's nominal GDP growth from 1996 to 2010 was 3.3% (1.7% real growth and ~1.6% inflation). The choice of nominal 2%, corresponding to ~ 0% real growth, was made for prudential reasons.

As required by IAS 36, the nominal growth rates applied to the model both in the intermediate period and in the TV are much lower than the average long-term growth rate of the sector or of the Country or Countries in which the Group is present.

Goods destined for auxiliary and shared assets (corporate assets) were allocated to the CGU to which they refer, where applicable. For the indivisible portion of these assets, the recoverable value was verified at overall Group level.

Noting that the sustainability of cash flow projections used in the impairment test was valued in light of the updated macroeconomic situation as at the approval date of the impairment test, the following assumptions in relation to the principal profitability determinants adopted for the various CGU are outlined below:

- ***F&SME Networks and Factories:*** multi-channel banking strategies and cost reduction of the network are the key drivers in almost all countries.
  In Italy the aim is optimizing local coverage and preserving a high quality service for clients. Smaller branches, the consequence of multi-channel strategy, will be cheaper to run and will offer a better client experience by concentrating offer on value-added services.
  In Germany, the strategy aims to attract affluent clients and become 'best in class' in servicing family customers through a tailored / innovative advisory approach. The focus is on SME segment, especially on short-term loans, deposit growth and high value added services.
  In Austria the object is to reactivate sales effectiveness in order to preserve market shares through the implementation of initiatives on the affluent (advisory model) and SME (lean banking) segments.
  Poland remains a growth market for the division, being the strengthening of consumer finance, cards and leasing businesses and a strong push into SMEs key focus areas. Asset Gathering and the factory business, becoming a leader in public sector management and in large industrial groups, are a growth engine and a liquidity generator.

- ***Corporate & Investment Banking:*** despite major structural changes due to roll out of new regulation, industry's restricted access to capital markets and higher funding costs, CIB business is exposed to a large and diversified corporate portfolio with material growth options and capable to deliver a steadier profitability. At the very time when the 'Universal' bank model is being questioned, UniCredit finds itself closer to what is currently considered as an 'optimal' CIB structure than most European peers. Growing the franchise is the core proposition of the CIB plan. Hence, the various initiatives are:
  - new disbursements incurred as a result of specific actions taken in order to achieve an adequate level of risk/profitability;
  - optimization of capital and liquidity through portfolios in run-off deemed to be non-strategic.

- ***Private Banking:*** several initiatives are embedded in the plan to further exploit Private Banking potential, leveraging on strong Group franchise and European footprint (CIB and F&SME feeding, CEE) enhancing cross divisional synergies and Group positioning.

- ***Asset Management:*** one driver of the plan is the development of the existing platform in order to capture growth opportunities in other product areas and geographic regions. Another milestone is the re-shaping of the relationship and terms of engagement with third parties, including the level of rebates to the network, the service model, the operating autonomy and the compensation policy.

- ***CEE*** represents one of the key pillars of new plan and is confirmed as the growth engine for the Group. The plan places strong emphasis on the concept of diversification in the country approach with growth strategy expected to be driven by multi-channel development in almost all countries, focus on re-pricing and cross-selling to improve profitability. Consequently, an important pillar is the development of new sales channels (including internet and mobile banking). Another key pillar is the enhancement of the cooperation with CIB and F&SME in order to better exploit cross-selling opportunities on high value products.
  Tackling cost efficiency in the new environment of strong pressure on the revenue generation capacity is another milestone of the strategy in CEE. A specific cost optimization program has already started in the second half of 2011; moreover, further initiatives will be taken mainly targeting:
  a new branches service model with identification of most appropriate "sizing" and further back-office centralization and optimization; enhancement of IT demand and supply management; optimization of real estate costs and evaluation of potential disposal opportunities.

Part B - Consolidated Balance Sheet - Assets (Continued)

Discount rates of cash flows

The main assumptions used by Management to calculate the CGUs' recoverable value were as follows:

CGU	INITIAL DISCOUNT RATE NET OF TAX (KE)	FINAL DISCOUNT RATE NET OF TAX (KE)	NOMINAL GROWTH RATE USED TO CALCULATE TERMINAL VALUE
CIB	12.13%	10.00%	2.00%
F&SME Network Italy	11.08%	10.00%	2.00%
F&SME Network Germany	11.08%	10.00%	2.00%
F&SME Network Austria	11.08%	10.00%	2.00%
F&SME Network Poland	14.10%	10.50%	2.00%
F&SME Network Factories	11.08%	10.00%	2.00%
Private Banking	10.74%	10.00%	2.00%
Asset Management	11.17%	10.00%	2.00%
Central Eastern Europe (CEE)[1]	17.18%	11.36%	2.00%
Of which:			
JSC Ukrsotsbank (USB)	*25.97%*	*12.00%*	*2.00%*
JFC ATF Bank (ATF)	*16.21%*	*12.00%*	*2.00%*
Poland Market[2]	14.10%	10.50%	2.00%

1. The discount rate used for the Central Eastern Europe CGU is the weighted arithmetic mean of the discount rates used for individual countries belonging to the individual business sector.
2. Although since June 2010 Poland has been segmented (into CIB, Retail and Private Banking) and is no longer a separate CGU, each segment is still valued in local currency and according to the parameters of the country of operation.

As shown in the above table, future financial flows were discounted using a conservative estimate of the discount rate, incorporating the various risk factors linked to the business sector into the equity cost (Ke). The discount rate is a nominal rate, net of taxes.
The cost of capital used in the goodwill impairment test is in line with the consensus estimates of analysts.

In particular, the initial cost of capital of the Group and the individual sectors is the sum of the following:
- risk-free rate: the average over the last six years of the five-year euro swap rate. The six-year horizon was adopted in line with the average economic cycle in the euro zone;
- debt risk premium: the average over the last six years of the Credit Default Swap paid by UniCredit;
- risk premium on own equity: calculated using the option-based model, based on the volatility of UniCredit's share price over the last six years. For the business segments, the last six years' average volatility of the shares of banks operating in the same sector was taken, while also taking into account the benefits of differentiation.

The initial cost of capital, differentiated by CEE country, is the sum of the following:
- risk-free rate: the average over the last six years of the five-year local currency swap rate. If no swap rate was available, the most liquid and representative interbank rate was taken;
- country risk premium: the average Credit Default Swap paid by the country over the last six years (or shorter period in the absence of a sufficiently long history);
- risk premium on own equity: calculated using the option-based model, based on the volatility of UniCredit's share price over the last six years.

The cost of capital used in discounting cash flows converges to a specific value for each CGU. This value is determined taking into account the market's risk perception concerning the ability of the banking sector to generate returns in the long-term and the level of capitalization that the Group hopes to achieve in the long term. The terminal value cost of capital used differed depending on whether the CGU was located in Western Europe, in an Eastern European country that would enter the euro zone by 2018, or in another country.

The Group's total utility value used in the impairment test is higher than the current market capitalization. This situation is common to most European banks: the price-to-book multiple of the banks in the Stoxx 600 Banks is significantly lower than the historical average. For UniCredit, the difference is largely explained by the short-term prospects implicit in the current market price, which is influenced by expectations of moderate profit for 2012 and the continuing uncertainty surrounding the outlook for GDP growth in the global economy.
Furthermore, the recent sovereign debt crisis impacted the Group as it is perceived to be an Italian bank, although a significant part of its business is located in Countries other than Italy.

This differs from the total utility value which includes mid- to long-term revenue prospects that are deemed reasonable by the director.

Since this assessment is made particularly complex by the current macroeconomic and market environment affecting the financial sector and the resulting difficulty in making predictions about future long-term profitability, sensitivity analyses were conducted, assuming changes to the main parameters used in the impairment test.

The table below summarizes the percentage deviations of the basic assumptions adopted for the different CGU needed to make the recoverable value of the CGU equal to its value in the financial statements:

CGU	INCREASE OF THE DISCOUNT RATE AFTER TAXES (KE) (PP)	INCREASE OF THE CORE TIER 1 RATIO TARGET (PP)	DECREASE OF THE NOMINAL GROWTH RATE FOR THE CALCULATION OF TERMINAL VALUE (PP)	DECREASE OF ANNUAL EARNINGS (PP)
F&SME Network Italy	0.55%	2.70%	-1.16%	-6.67%
F&SME Network Austria	1.45%	3.27%	-4.14%	-14.30%
F&SME Network Germany	0.80%	1.47%	-3.43%	-8.66%
F&SME Network Poland	13.40%	32.71%	n.s.[1]	-59.93%
F&SME Factories	0.43%	0.86%	-1.60%	-4.81%
CIB	0.32%	0.72%	-1.07%	-3.51%
Asset Management	2.23%	33.48%	-4.09%	-23.53%
Private Banking[1]	12.64%	57.88%	n.s.[1]	-62.38%
Central Eastern Europe (Kazakhstan and Ukraine excluded)	0.81%	2.15%	-2.53%	-8.39%

1. In view of the sector's high profitability level, the results of the sensitivity analysis are not significant.

It should be noted that the book value as at December 2011 took into account the impairment losses recognized in September 2011, which according to IFRIC 10 cannot be reversed in a subsequent period.

The table below shows the variation of the total utility value of the Group resulting from a variation of one percentage point of the main parameters used in the DCF model.

	1% INCREASE OF THE DISCOUNT RATE AFTER TAXES (KE)	1% INCREASE OF CORE TIER 1 RATIO TARGET	1% DECREASE OF THE NOMINAL GROWTH RATE FOR THE CALCULATION OF TERMINAL VALUE	1% DECREASE OF ANNUAL EARNINGS
Change of Group utility value	- 12.2%	- 5.7%	- 6.4%	- 1.1%

The results of the impairment test

The impairment test confirmed the carrying value of goodwill in the Consolidated Accounts as at December 31, 2011 for all CGUs and the Group as a whole, taking account of the write-downs already recognized in the third quarter of 2011.

Also with regard to intangible assets other than goodwill, the impairment test as at December 31, 2011 confirms that their recoverable value exceeds the amount recognized in the consolidated accounts, taking into consideration the relevant deferred tax effect and the value adjustments already reported.

It should be noted that the impairment test procedure conducted on the condensed interim financial statements as at September 30, 2011 highlighted the need for a goodwill impairment at Group level of €8,611 million to be allocated first by comparing the book values of the assets and liabilities allocated to each CGU with their recoverable values. The residual impairment amount arising from the comparison between the total book value of the Group and its recoverable value was therefore attributed to each CGU according to a conventional allocation method.
Overall, the write-down had been attributed to the goodwill on the following CGUs:

- Corporate & Investment Banking: -€3,065 million;
- F&SME Network Italy: -€1,178 million;
- F&SME Network Austria: -€273 million;
- F&SME Network Germany: -€279 million;
- F&SME Network Poland: -€163 million;
- F&SME Factories: -€1,244 million;
- Private Banking: -€147 million;
- Asset Management: -€462 million;
- CEE (excl. Kazakhstan and Ukraine): -€791 million;
- Kazakhstan: -€474 million;
- Ukraine: -€489 million.

The remaining amount, €46 million, was allocated to Corporate Center.

Part B - Consolidated Balance Sheet - Assets (Continued)

The main reasons that during the impairment testing performed on September 30, 2011 led to the need for a goodwill impairment are related to the Group's new industrial plans, which necessarily take into account: on the one hand, the stricter regulation of the credit system and the subsequent raising of the minimum levels of regulatory capital set at individual banks (and consequently taken into consideration at CGU level), on the other, the macroeconomic environment, which is influenced by the downgrading of growth forecasts for the main countries where the Group operates and by the European sovereign debt crisis which broke out in the summer of 2011.

Lastly, it should be noted that in case of a review of the corporate organizational structure, given the allocation criteria described above, the result of the impairment test at the level of each CGU might be different.

Impairment losses in 2011 totaled €8,677 million, of which €8,611 million attributable to write-downs made following the impairment test performed at 30 September 2011; the remaining €66 million refer to other goodwill impairment charges - of which €62 million, attributable to Compagnia Italpetroli, arisen during the year (€54 million as at September 30, 2011 and €8 million as at December 31, 2011), as reported in Part G.

It should also be noted that the parameters and information used to verify the recoverability of goodwill (in particular the expected cash flows for the various CGUs, as well as the discount rates used) are significantly influenced by the macroeconomic and market situation, which may be subject to currently unpredictable shifts. The effect that these shifts - and changes in the corporate strategies - may have on the estimated cash flows of the different CGUs and on the main assumptions made could therefore lead, in the coming financial years, to different results from those reported in these consolidated financial statements.

Section 14 - Tax assets and tax liabilities - Item 140 (assets) and 80 (liabilities)

As at December 2011, **tax assets** amounted to €14,346 million (€12,691 million as at end 2010) and refer to:
- current tax assets in the amount of €1,685 million (€1,675 million as at end 2010);
- deferred tax assets in the amount of €12,661 million (€11,286 million as at end 2010).

As at December 2010, **tax liabilities** amounted to €6,210 million (€5,837 million as at end 2010) and refer to:
- current tax liabilities in the amount of €1,505 million (€1,467 million as at end 2010);
- deferred tax liabilities in the amount of €4,705 million (€4,372 million as at end 2010).

14.1 Deferred tax assets: breakdown

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
Deferred tax assets related to:		
Assets/liabilities held for trading	487,583	436,195
Other financial instruments	2,012,214	1,109,201
Property, plant and equipment / Intangible assets	2,796,758	2,859,072
Provisions	1,271,401	983,688
Other assets / liabilities	315,107	333,945
Loans and receivables with banks and customers	3,790,674	3,090,193
Tax losses carried forward	1,204,370	1,280,681
Other	782,632	1,193,342
Total	**12,660,739**	**11,286,317**

14.2 Deferred tax liabilities: breakdown

(€ '000)

	CONSISTENZE AL	
	12.31.2011	12.31.2010
Deffered tax liabilities related to:		
Loans and receivables with banks and customers	741,215	842,063
Assets/liabilities held for trading	292,659	142,224
Other financial instruments	1,385,638	1,027,048
Property, plant and equipment / intangible assets	1,254,873	1,600,025
Other assets / liabilities	271,986	140,574
Deposits from banks and customers	112,214	77,639
Other	646,354	542,498
Total	**4,704,939**	**4,372,071**

14.3 Deferred tax assets: annual changes (balancing P&L)

(€ '000)

	CHANGES IN 2011	CHANGES IN 2010
1. Opening balance	**10,572,233**	**9,658,632**
2. Increases	**2,155,641**	**2,258,137**
2.1 Deferred tax assets arising during the year	1,927,790	2,130,793
a) relating to previous years	*422,637*	*365,959*
b) due to change in accounting policies	*39,265*	*-*
c) write-backs	*33,670*	*491,278*
d) other	*1,432,218*	*1,273,556*
2.2 New taxes or increases in tax rates	61,079	475
2.3 Other increases	166,772	126,869
3. Decreases	**1,483,515**	**1,344,536**
3.1 Deferred tax assets derecognised during the year	1,271,633	1,281,552
a) reversals of temporary differences	*1,044,689*	*955,583*
b) write-downs of non-recoverable items	*153,601*	*228,629*
c) change in accounting policies	*-*	*-*
d) other	*73,343*	*97,340*
3.2 Reduction in tax rates	7,398	7,861
3.3 Other decreases	204,484	55,123
4. Final amount	**11,244,359**	**10,572,233**

14.4 Deferred tax liabilities: annual changes (balancing P&L)

(€ '000)

	CHANGES IN 2011	CHANGES IN 2010
1. Opening balance	**3,884,533**	**3,982,701**
2. Increases	**779,839**	**389,886**
2.1 Deferred tax liabilities arising during the year	726,464	328,109
a) relating to previous years	*9,659*	*3,913*
b) due to change in accounting policies	*-*	*-*
c) other	*716,805*	*324,196*
2.2 New taxes or increases in tax rates	2,467	-
2.3 Other increases	50,908	61,777
3. Decreases	**792,386**	**488,054**
3.1 Deferred tax liabilities derecognised during the year	593,810	458,616
a) reversals of temporary differences	*300,002*	*318,569*
b) due to change in accounting policies	*-*	*-*
c) other	*293,808*	*140,047*
3.2 Reduction in tax rates	2,180	2,948
3.3 Other decreases	196,396	26,490
4. Final amount	**3,871,986**	**3,884,533**

Part B - Consolidated Balance Sheet - Assets (CONTINUED)

14.5 Deferred tax assets: annual changes (balancing Net Equity)

(€ '000)

	CHANGES IN	
	2011	2010
1. Opening balance	**714,084**	**502,664**
2. Increases	**773,222**	**321,194**
2.1 Deferred tax assets arising during the year	621,072	263,835
a) relating to previous years	*520*	*6*
b) due to change in accounting policies	-	-
c) other	*620,552*	*263,829*
2.2 New taxes or increase in tax rates	151,278	42,229
2.3 Other increases	872	15,130
3. Decreases	**70,926**	**109,774**
3.1 Deferred tax assets derecognised during the year	52,436	71,649
a) reversals of temporary differences	*51,013*	*70,608*
b) writedowns of non-recoverable items	-	-
c) due to change in accounting policies	-	*61*
d) other	*1,423*	*980*
3.2 Reduction in tax rates	54	76
3.3 Other decreases	18,436	38,049
4. Final amount	**1,416,380**	**714,084**

14.6 Deferred tax liabilities: annual changes (balancing Net Equity)

(€ '000)

	CHANGES IN	
	2011	2010
1. Opening balance	**487,538**	**480,591**
2. Increases	**427,643**	**114,180**
2.1 Deferred tax liabilities arising during the year	255,684	95,899
a) relating to previous years	*237*	*2,866*
b) due to change in accounting policies	-	-
c) other	*255,447*	*93,033*
2.2 New taxes or increase in tax rates	9,570	406
2.3 Other increases	162,389	17,875
3. Decreases	**82,228**	**107,233**
3.1 Deferred tax liabilities derecognised during the year	64,367	85,830
a) reversal of temporary differences	*57,174*	*79,214*
b) due to change in accounting policies	-	*1,890*
c) Other	*7,193*	*4,726*
3.2 Reduction in tax rates	-	63
3.3 Other decreases	17,861	21,340
4. Final amount	**832,953**	**487,538**

14.7 Other information

In line with IAS 12, no deferred tax assets were recognized for tax losses brought forward where future taxable income, against which the losses could be used, is not considered likely. Tax losses not yet used, for which deferred tax assets have been recognized, amounted to €6,892 million for the Group, of which:

- €1,653 million relating to UniCredit S.p.A.'s international branches;
- €4,500 million relating to subsidiaries of the UniCredit Bank AG sub-group;
- €739 million relating to subsidiaries of the UniCredit Bank Austria AG sub-group.

The amount recognized relating to UniCredit S.p.A.'s international branches, relates to losses that may be offset for tax purposes only against future income produced by the branch in its country of establishment.

See Part C - Consolidated Income Statement, Section 20 - Tax expense (income) related to profit or loss from continuing operations - Item 290.

Section 15 - Non-current assets and disposal groups classified as held for sale - Item 150 (assets) and 90 (liabilities)

These items include non-current assets and the group of associated assets and liabilities (i.e. a group of units generating financial cash flow) whose sale is highly probable.

They are recognized at the lesser of the carrying amount and fair value net of disposal costs.

Balance sheet data at December 31, 2011, compared to December 31, 2010, does not include the Private Banking business of UniCredit Luxembourg SA, consisting mainly of customer deposits, and the equity investment in Banca Agricola Commerciale della R.S.M. S.p.A.. Figures as at December 31, 2011 refer mainly to IRFIS - Finanziaria per lo Sviluppo della Sicilia S.p.A.; please note that there are also the Italpetroli group's Business Oil and, into property, plant and equipment, three properties held by HVB Gesellschaft für Gebäude mbH & Co. KG, Unicredit Bank AG and Joha Gebaude-Errichtungs-und Vermietungsgesellschaft MBH.

15.1 Non-current assets and disposal groups classified as held for sale: breakdown by type assets

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
A. Individual assets		
A.1 Financial assets	38,206	175,207
A.2 Equity investments	1,328	1,825
A.3 Property, Plant and Equipment	277,582	43,419
A.4 Intangible assets	1,537	1,376
A.5 Other non-current assets	26,508	554,187
Total A	**345,161**	**776,014**
B. Assets groups classified as held for sale		
B.1 Financial assets held for trading	-	-
B.2 Financial assets at fair value through profit or loss	-	-
B.3 Available for sale financial assets	-	-
B.4 Held to maturity investments	-	-
B.5 Loans and receivables with banks	-	-
B.6 Loans and receivables with customers	-	-
B.7 Equity investments	-	-
B.8 Property, Plant and Equipment	-	-
B.9 Intangible assets	-	-
B.10 Other assets	-	-
Total B	**-**	**-**
Total A+B	**345,161**	**776,014**
C. Liabilities associated with assets classified as held for sale		
C.1 Deposits	207,902	1,081,069
C.2 Securities	-	289,060
C.3 Other liabilities	44,262	24,640
Total C	**252,164**	**1,394,769**
D. Liabilities included in disposal groups classified as held for sale		
D.1 Deposits from banks	-	-
D.2 Deposits from customers	-	-
D.3 Debt securities in issue	-	-
D.4 Financial liabilities held for trading	-	-
D.5 Financial liabilities at fair value through profit or loss	-	-
D.6 Provisions	-	-
D.7 Other liabilities	-	-
Total D	**-**	**-**
Total C+D	**252,164**	**1,394,769**

15.2 Other information

There is no significant information to be reported.

15.3 Details of investments in companies subject to significant influence not valued at net equity

There is no Equity interests in the associates included in Non-current assets and disposal groups in 2011.

Part B - Consolidated Balance Sheet - Assets (Continued)

Section 16 - Other assets - Item 160

At 31 December 2011 **Other assets** were €10,129 million, down by €2,819 million (-22%) over 2010 (€12,948 million).
This decrease was mainly due to:

- definitive items that could not be imputed to other items - down from €3,728 million at end 2010 to €2,154 million at end 2011 (- €1,574 million, -42%);
- other items in processing - down from €2,177 million at end 2010 to €1,337 million at end 2011 (€840 million, -39%).

16.1 Other assets: breakdown

(€ '000)

	AMOUNTS AS AT	
ITEM/VALUES	12.31.2011	12.31.2010
Margin with derivatives clearers (non-interest bearing)	57,416	56,148
Gold, silver and precious metals	126,765	73,482
Accrued income other capitalised income	451,379	648,182
Cash and other valuables held by cashier:	453,336	583,643
- current account cheques being settled, drawn on third parties	*429,285*	*557,826*
- current account cheques payable by group banks, cleared and in the process of being debited	*3,401*	*3,362*
- money orders, bank drafts and equivalent securities	*20,590*	*22,409*
- coupons, securities due on demand, revenue stamps and miscellaneous valuables	*60*	*46*
Interest and changes to be debited to:	162,215	221,898
- customers	*136,220*	*191,652*
- banks	*25,995*	*30,246*
Items in transit between branches not yet allocated to destination accounts	752,304	1,040,440
Items in processing	1,336,594	2,177,066
Items deemed definitive but not-attributable to other items:	2,153,694	3,727,921
- securities and coupons to be settled	*28,457*	*217,096*
- other transactions	*2,125,237*	*3,510,825*
Adjustments for unpaid bills and notes	295,237	75,296
Tax items other than those included in item 140	2,105,810	2,011,303
Other items	2,234,226	2,332,885
Total	**10,128,976**	**12,948,264**

Liabilities

Section 1 - Deposits from banks - Item 10

Deposits from banks increased from €111,735 million at end 2010 to 131,807 million at end 2011.

Deposits from banks grew by €20,072 million, due to:
- an increase in deposits from central banks of €25,346 million;
- a reduction in deposits from banks of €5,274 million.

The increase in deposits from central banks reflects the access to the ECB's refinancing operations.

1.1 Deposits from banks: product breakdown

(€ '000)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Deposits from central banks	**38,209,743**	**12,864,051**
2. Deposits from banks	**93,597,209**	**98,871,043**
2.1 Current accounts and demand deposits	12,785,602	16,509,612
2.2 Time deposits	20,123,019	31,827,948
2.3 Loans	53,483,276	43,847,885
2.3.1 repos	*31,443,921*	*19,946,043*
2.3.2 other	*22,039,355*	*23,901,842*
2.4 Liabilities in respect of commitments to repurchase treasury shares	-	-
2.5 Other liabilities	7,205,312	6,685,598
Total	**131,806,952**	**111,735,094**
Fair value	**130,014,696**	**109,799,074**

The sub-item 2.3 Loans includes repos executed using proprietary securities issued by Group companies, which were eliminated from assets on consolidation.

As at December 31, 2011, the sub-item 2.3 "Loans" did not include the type of securities lending transactions collateralized by securities or not collateralized. See also the section "Other Information" of Part B.

1.2 Breakdown of item 10: "Deposits from banks": subordinated debts

(€ '000)

	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
Deposits from banks: subordinated debts	146,532	142,549

1.3 Breakdown of item 10 "Deposits from banks": structured debts

There were no deposits from banks: structured debts.

1.4 Deposit from banks: liability items subjected to micro-hedging

(€ '000)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Liability item subject to micro-hedging of fair value	**-**	**-**
a) Interest rate risk	-	-
b) Currency risk	-	-
c) Multiple risks	-	-
2. Liability items subject to micro-hedging of cash flows	**53,809**	**55,148**
a) Interest rate risk	-	-
b) Currency risk	-	-
c) Other	53,809	55,148
Total	**53,809**	**55,148**

1.5 Amounts payable under finance leases

There are no amounts payable to banks under finance leases.

Part B - Consolidated Balance Sheet - Liabilities (Continued)

Section 2 - Deposits from customers - Item 20

Deposits from customers amounted to €398,379 million (€402,248 million as at the end 2010) and decreased by €3,869 million (or-1%).

2.1 Deposits from customers: product breakdown

(€ '000)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Current accounts and demand deposits	221,736,556	225,086,111
2. Time deposits	112,126,473	109,201,857
3. Loans	51,426,950	48,260,429
3.1 repos	*39,075,082*	*40,487,023*
3.2 other	*12,351,868*	*7,773,406*
4. Liabilities in respect of commitments to repurchase treasury shares	605,369	565,458
5. Other liabilities	12,483,934	19,134,336
Total	**398,379,282**	**402,248,191**
Fair Value	**396,241,897**	**399,831,509**

Loans also include liabilities relating to repos executed using proprietary securities issued by Group companies, which were eliminated from assets on consolidation.

As at December 31, 2011, the item 3 "Loans" did not include the type of securities lending transactions collateralized by securities or not collateralized. See also the section "Other Information" of Part B.

2.2 Breakdown of item 20 "Deposits from customers": subordinated debts

(€ '000)

	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
Deposits from customers: subordinated debts	453,110	491,668

2.3 Breakdown of item 20 "Deposits from customers": structured debts

(€ '000)

	AMOUNTS AS AT 12.31.2011 CARRYING VALUE	AMOUNTS AS AT 12.31.2010 CARRYING VALUE
Deposits from customers: structured debts	42,632	22,963

2.4 Deposits from customers: liability items subject to micro-hedging

(€ '000)

TYPE OF TRANSACTIONS/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Liability items subject to micro-hedging of fair value	**-**	**1,034,647**
a) Interest rate risk	-	1,034,647
b) Currency risk	-	-
c) Other	-	-
2. Liability item subject to micro-hedging of cash flows	**2,669**	**1,457**
a) Interest rate risk	-	-
b) Currency risk	-	-
c) Other	2,669	1,457
Total	**2,669**	**1,036,104**

2.5 Amounts payable under finance leases

(€ '000)

	AMOUNTS AS AT 12.31.2011 MINIMUM LEASE PAYMENTS	AMOUNTS AS AT 12.31.2011 PRESENT VALUE OF MINIMUM LEASE PAYMENTS
Amounts payable under finance leases:		
Up to 12 months	47,452	46,623
From 1 to 5 years	72,455	65,357
Over 5 years	241,456	161,161
Total value of minimum lease payments	**361,363**	**273,141**
Time value effect	**(88,305)**	**X**
Present value of minimum payment obligation	**273,058**	**273,141**

Section 3 - Debt securities in issue - Item 30

At 31 December 2011 **Debt securities in issue** were €162,990 million, down by €18 billion (-10%) from 2010.

3.1 Debt securities in issue: product breakdown

(€ '000)

TYPE OF SECURITIES/ VALUES	AMOUNTS AS AT 12.31.2011				AMOUNTS AS AT 12.31.2010			
	BALANCE SHEET VALUE	FAIR VALUE			BALANCE SHEET VALUE	FAIR VALUE		
		LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3
A. Listed securities								
1. Bonds	149,131,697	22,234,895	117,303,926	1,303,206	145,516,953	58,114,192	84,541,101	1,054,333
1.1 structured	6,112,801	4,027	5,795,830	186,910	7,412,138	-	7,329,002	172,154
1.2 other	143,018,896	22,230,868	111,508,096	1,116,296	138,104,815	58,114,192	77,212,099	882,179
2. Other securities	13,858,557	559,483	3,363,469	9,758,898	35,473,375	5,145,007	8,308,038	24,365,586
2.1 structured	838,685	5,297	778,938	-	790,725	22,828	761,469	-
2.2 other	13,019,872	554,186	2,584,531	9,758,898	34,682,650	5,122,179	7,546,569	24,365,586
Total	**162,990,254**	**22,794,378**	**120,667,395**	**11,062,104**	**180,990,328**	**63,259,199**	**92,849,139**	**25,419,919**
Total Level 1, Level 2 and Level 3		**154,523,877**				**181,528,257**		

Valuations at fair value were classified according to a hierarchy of levels reflecting the significance of the valuations input. For further information see Part A) Accounting Policies - A3) Information on fair value.

The sum of the sub-items 1.1 "Structured bonds" and 2.1 "Other structured securities" was equal to €6,951 million and accounted for 4% of total debt securities. They mainly refer to equity-linked and interest-rate linked instruments.
UniCredit S.p.A. is nearly the sole contributor to such instruments.

The fair value of derivatives embedded in structured securities, presented in Line 20 of Assets and Line 40 of Liabilities and included in Trading derivatives - Others, amounted to a net balance of €286 million negative.

3.2 Breakdown of item 30 "Debt securities in issue": subordinated securities

(€ '000)

	AMOUNT AS AT	
	12.31.2011	12.31.2010
Debt securities in issue: subordinated securities	23,629,989	23,965,224

3.3 Breakdown of item 30 "Debt securities in issue": securities subject to micro-hedging

(€ '000)

TYPE OPERATIONS/VALUES	AMOUNTS AS AT	
	12.31.2011	12.31.2010
1. Securities subject to micro-hedging of fair value	**773,761**	**874,484**
a) Interest rate risk	773,761	874,484
b) Currency risk	-	-
c) Multiple risks	-	-
2. Securities subject to micro-hedging of cash flows	**3,392,186**	**3,178,063**
a) Interest rate risk	3,392,186	3,178,063
b) Currency risk	-	-
c) Other	-	-
Total	**4,165,947**	**4,052,547**

Part B - Consolidated Balance Sheet - Liabilities (Continued)

Section 4 - Financial liabilities held for trading - Item 40

Financial liabilities held for trading, which amounted to €123,286 million as at December 31, 2011, increased slightly over 2010 (€114,099 million).

4.1 Financial liabilities held for trading: product breakdown

(€ '000)

TYPE OF OPERATIONS / GROUP COMPONENTS	AMOUNTS AS AT 12.31.2011					CONSISTENZE AL 12.31.2010				
	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*	NOMINAL VALUE	FAIR VALUE			FAIR VALUE*
		LEVEL 1	LEVEL 2	LEVEL 3			LEVEL 1	LEVEL 2	LEVEL 3	
A. Financial liabilities										
1. Deposits from banks	3,231	863,055	106,847	12,341	980,660	331,922	1,362,465	375,709	161	1,738,001
2. Deposits from customers	4,474,553	4,064,959	4,916,144	2,222	7,937,243	14,885,476	7,236,975	14,978,982	862	22,214,794
3. Debt securities	9,797,446	2,038	8,395,672	993,216	9,378,263	11,476,485	86,685	11,056,788	300,776	11,416,153
3.1 Bonds	7,013,109	-	6,504,711	749,229	7,241,278	7,901,584	86,685	7,500,979	281,684	7,841,252
3.1.1 Structured	*5,768,027*	-	*5,348,612*	*611,242*	*X*	*6,454,775*	-	*6,437,326*	*17,449*	*X*
3.1.2 Other	*1,245,082*	-	*1,156,099*	*137,987*	*X*	*1,446,809*	*86,685*	*1,063,653*	*264,235*	*X*
3.2 Other securities	2,784,337	2,038	1,890,961	243,987	2,136,985	3,574,901	-	3,555,809	19,092	3,574,901
3.2.1 Structured	*2,784,337*	*2,038*	*1,890,961*	*243,987*	*X*	*3,574,901*	-	*3,555,809*	*19,092*	*X*
3.2.2 Others	-	-	-	-	*X*	-	-	-	-	*X*
Total A	**14,275,230**	**4,930,052**	**13,418,663**	**1,007,779**	**18,296,166**	**26,693,883**	**8,686,125**	**26,411,479**	**301,799**	**35,368,948**
B. Derivatives instruments										
1. Financial derivatives	X	3,269,278	94,063,167	1,223,366	X	X	4,107,180	68,432,717	1,859,551	X
1.1 Trading	X	3,268,887	92,309,876	1,029,873	X	X	4,105,795	66,891,861	1,706,886	X
1.2 Related to fair value option	X	-	460,338	-	X	X	-	387,797	3,077	X
1.3 Other	X	391	1,292,953	193,493	X	X	1,385	1,153,059	149,588	X
2. Credit derivatives	X	639,936	2,655,070	2,078,454	X	X	187,141	2,602,747	1,510,397	X
2.1 Trading derivatives	X	639,936	2,637,182	2,027,527	X	X	187,141	2,589,772	1,482,708	X
2.2 Related to fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	17,888	50,927	X	X	-	12,975	27,689	X
Total B	**-**	**3,909,214**	**96,718,237**	**3,301,820**	**-**	**-**	**4,294,321**	**71,035,464**	**3,369,948**	**-**
Total A+B	**14,275,230**	**8,839,266**	**110,136,900**	**4,309,599**	**18,296,166**	**26,693,883**	**12,980,446**	**97,446,943**	**3,671,747**	**35,368,948**
Total Level 1, Level 2 and Level 3				**123,285,765**					**114,099,136**	

Fair value*: calculated excluding value adjustments due to changes in credit rating of the issuer since the issue date.
Valuations at fair value were classified according to a hierarchy of levels reflecting the significance of the valuations input. For further information see Part A - Accounting Policies - A3) Information on fair value.

"Deposits from banks" and "Deposits from customers" include technical overdrafts totaling €5,468 million as at 2011 and €8,724 million as at 2010, in respect of which no notional amount was attributed.

4.2 Breakdown of item 40 "Financial liabilities held for trading": subordinanted liabilities

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
Financial liabilities held for trading: subordinated liabilities	655,088	649,441

4.3 Breakdown of item 40 "Financial liabilities held for trading": structured debts

(€ '000)

	AMOUNTS AS AT	
	12.31.2011 CARRYING VALUE	12.31.2010 CARRYING VALUE
Financial liabilities held for trading: structured debts	5,616	14,676

4.4 Financial liabilities (other than "short selling") held for trading: annual changes

(€ '000)

	CHANGES IN 2011			
	DEPOSITS FROM BANKS	DEPOSITS FROM CUSTOMERS	DEBT SECURITIES IN ISSUE	TOTAL
A. Opening balance	**332,796**	**14,898,254**	**11,444,247**	**26,675,297**
B. Increases	**10,745,598**	**1,043,743,812**	**9,381,677**	**1,063,871,087**
B.1 Issues	-	17,527	4,693,347	4,710,874
B.2 Sales	10,742,015	1,043,628,430	2,646,682	1,057,017,127
B.3 Increases in fair value	-	4,012	1,411,857	1,415,869
B.4 Other changes	3,583	93,843	629,791	727,217
C. Decreases	**11,075,162**	**1,054,148,213**	**11,435,001**	**1,076,658,376**
C.1 Purchases	9	-	6,089,264	6,089,273
C.2 Redemptions	11,071,030	1,054,047,797	2,610,407	1,067,729,234
C.3 Reductions of fair value	-	3,376	1,681,550	1,684,926
C.4 Other changes	4,123	97,040	1,053,780	1,154,943
D. Closing balance	**3,232**	**4,493,853**	**9,390,923**	**13,888,008**

Section 5 - Financial liabilities at fair value through profit or loss - Item 50

As at December 2011, **Financial liabilities at fair value through profit or loss** amounted to €786 million with a decrease of €482 million over previous year mainly due to repayments of maturing items.

5.1 Financial liabilities at fair value through profit or loss: product breakdown

(€ '000)

	AMOUNTS AS AT 12.31.2011					AMOUNTS AS AT 12.31.2010				
		FAIR VALUE					FAIR VALUE			
TYPE OF OPERATIONS / GROUP COMPONENTS	NOMINAL VALUE	LEVEL 1	LEVEL 2	LEVEL 3	FAIR VALUE*	NOMINAL VALUE	LEVEL 1	LEVEL 2	LEVEL 3	FAIR VALUE*
1. Deposits from banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
2. Deposits from customers	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
3. Debt securities	**936,298**	**-**	**785,966**	**-**	**951,659**	**1,351,520**	**-**	**1,216,810**	**51,079**	**1,329,704**
3.1 Structured	936,298	-	785,966	-	X	1,301,520	-	1,216,810	51,079	X
3.2 Other	-	-	-	-	X	50,000	-	-	-	X
Total	**936,298**	**-**	**785,966**	**-**	**951,659**	**1,351,520**	**-**	**1,216,810**	**51,079**	**1,329,704**

Total Level 1, Level 2 and Level 3	**785,966**		**1,267,889**

Fair value*: calculated excluding value adjustments due to changes in credit rating of the issuer since the issue date.
Valuations at fair value were classified according to a hierarchy of levels reflecting the significance of the valuations input. For further information see Part A - Accounting Policies - A3) Information on fair value.

5.2 Breakdown of item 50 "Financial liabilities at fair value through profit or loss": subordinated liabilities

There were no subordinated liabilities.

Part B - Consolidated Balance Sheet - Liabilities (Continued)

5.3 Financial liabilities at fair value through profit or loss: annual changes

(€ '000)

	CHANGES IN 2011			
	DEPOSITS FROM BANKS	DEPOSITS FROM CUSTOMERS	DEBT SECURITIES IN ISSUE	TOTAL
A. Opening balance	**-**	**-**	**1,267,889**	**1,267,889**
B. Increases	**-**	**-**	**83,716**	**83,716**
B.1 Issues	-	-	-	-
B.2 Sales	-	-	77,499	77,499
B.3 Increases in fair value	-	-	5,383	5,383
B.4 Other changes	-	-	834	834
C. Decreases	**-**	**-**	**565,639**	**565,639**
C.1 Purchases	-	-	21,985	21,985
C.2 Redemptions	-	-	437,946	437,946
C.3 Reductions of fair value	-	-	100,724	100,724
C.4 Other changes	-	-	4,984	4,984
D. Closing balance	**-**	**-**	**785,966**	**785,966**

Section 6 - Hedging derivatives - Item 60

6.1 Hedging derivatives: breakdown by type of hedging and by levels

(€ '000)

	AMOUNTS AS AT 12.31.2011				AMOUNTS AS AT 12.31.2010			
	FAIR VALUE			NOTIONAL AMOUNT	FAIR VALUE			NOTIONAL AMOUNT
	LEVEL 1	LEVEL 2	LEVEL 3		LEVEL 1	LEVEL 2	LEVEL 3	
A. Financial derivatives	**700**	**13,208,046**	**-**	**101,443,125**	**1,091**	**9,664,018**	**-**	**99,146,382**
1) Fair value	700	8,556,596	-	86,316,474	1,091	3,651,023	-	42,351,187
2) Cash flows	-	4,651,450	-	15,126,651	-	6,012,995	-	56,795,195
3) Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**363,000**	**-**	**15,741**	**-**	**1,115,000**
1) Fair value	-	-	-	363,000	-	15,741	-	1,115,000
2) Cash flows	-	-	-	-	-	-	-	-
Total	**700**	**13,208,046**	**-**	**101,806,125**	**1,091**	**9,679,759**	**-**	**100,261,382**
Total Level 1, Level 2 e Level 3			**13,208,746**				**9,680,850**	

Valuations at fair value were classified according to a hierarchy of levels reflecting the significance of the valuations input. For further information see Part A - Accounting Policies - A3) Information on fair value.

6.2 Hedging derivatives: brekdown by hedged items and risk type

(€ '000)

	AMOUNTS AS AT 12.31.2011								
	FAIR VALUE						CASH FLOW		
	MICRO-HEGE								
TRANSACTIONS/HEDGE TYPES	INTEREST RATE RISK	CURRENCY RISK	CREDIT RISK	PRICE RISK	MULTIPLE RISKS	MACRO-HEDGE	MICRO-HEDGE	MACRO-HEDGE	FOREIGN INVESTMENT
1. Available-for-sale financial assets	459.214	20.970	-	700	-	X	-	X	X
2. Loans and receivables	10.585	-	-	-	-	X	-	X	X
3. Held to maturity investments	X	-	-	-	-	X	-	X	X
4. Portfolio	X	X	X	X	X	5.671.451	X	2.251.230	X
5. Others	288	-	-	-	-	X	-	X	-
Total assets	**470.087**	**20.970**	**-**	**700**	**-**	**5.671.451**	**-**	**2.251.230**	**-**
1. Financial liabilities	206.455	-	-	X	13.924	X	655	X	X
2. Portfolio	X	X	X	X	X	2.173.709	X	2.379.138	X
Total liabilities	**206.455**	**-**	**-**	**-**	**13.924**	**2.173.709**	**655**	**2.379.138**	**-**
1. Highly probable transactions (CFH)	X	X	X	X	X	X	20.427	X	X
2. Financial assets and liabilities portfolio	X	X	X	X	X	-	X	-	-

Section 7 - Changes in fair value of portfolio hedged items - Item 70

7.1 Changes to macro-hedged liabilities

(€ '000)

CHANGES TO MACRO-HEDGED FINANCIAL LIABILITIES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Positive changes to financial liabilities	5,741,004	3,379,524
2. Negative changes to financial liabilities	(900,172)	(581,148)
Total	**4,840,832**	**2,798,376**

7.2 Liabilities subject to macro-hedging of interest rate risk: breakdown

(€ '000)

HEDGED LIABILITIES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Deposits	311,922	313,667
2. Debt securities in issue	4,577,286	379,210
3. Portfolio	114,835,930	108,504,463
Total	**119,725,138**	**109,197,340**

Section 8 - Tax liabilities - Item 80

See Section 14 of Assets.

Section 9 - Liabilities included in disposal groups classified as held for sale - Item 90

See Section 15 of Assets.

Part B - Consolidated Balance Sheet - Liabilities (Continued)

Section 10 - Other liabilities - Item 100

As at December 2011, **Other liabilities** amounted to €20,416 million, with a decrease of €1,808 million (or -8%) over 2010 (€22,224 million).
Such change was mainly attributable to:
- a €1,121 million decrease in items deemed definitive but not attributable to other lines;
- a €738 million decrease in items in processing;
- a €640 million decrease in available amounts to be paid to others;
- a €414 million increase in entries related to securities transactions;
- a €233 million increase in items in transit between branches and not yet allocated to destination accounts.

10.1 Other liabilities: breakdown

(€ '000)

ITEM/VALUES	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
Liabilities in respect of financial guarantees issued	17,234	17,178
Impairment: of financial guarantees issued, of credit derivatives, of irrevocable commitments to distribute funds	1,249,298	1,178,162
Obligations for irrevocable commitments to distribute funds	-	1,710
Accrued expenses other than those to be capitalized for the financial liabilities concerned	1,022,390	1,230,007
Share Based Payment classified as liabilities under IFRS 2	275	3,309
Other liabilities due to employees	2,799,226	2,641,101
Other liabilities due to other staff	17,554	13,733
Other liabilities due to Directors and Statutory Auditors	5,658	2,447
Interest and amounts to be credited to:	448,145	355,860
- customers	*388,681*	*291,765*
- banks	*59,464*	*64,095*
Items in transit between branches and not yet allocated to destination accounts	1,027,686	794,224
Available amounts to be paid to others	1,490,562	2,130,161
Items in processing	3,208,131	3,945,861
Entries related to securities transactions	440,046	26,524
Items deemed definitive but not attributable to other lines:	2,841,713	3,962,818
- accounts payable - suppliers	*1,094,568*	*1,195,782*
- provisions for tax withholding on accrued interest, bond coupon payments or dividends	*2,516*	*2,656*
- other entries	*1,744,629*	*2,764,380*
Liabilities for miscellaneous entries related to tax collection service	189	2,088
Adjustments for unpaid portfolio entries	4,100	43,397
Tax items different from those included in item 80	1,231,715	1,271,223
Other entries	4,612,206	4,604,549
Total	**20,416,128**	**22,224,352**

The item "Impairment: of financial guarantees issued, of credit derivatives, of irrevocable commitments to distribute funds" includes €714 million relating to the impairment of the guarantee issued in the context of the securitization transaction "Trevi Finance 3".
This commitment aims at guaranteeing the redemption of class C mezzanine securities issued by the vehicle company as part of the securitization.

These securities are zero-coupon bonds with a maturity value (August 16, 2016) of €1,012.8 million and a carrying value of €714 million in the vehicle company's financial statements as at December 31, 2011.

Therefore, the liability recognized at the balance sheet date corresponds to the present value of the guarantee, which increases parallel with the redemption value of the guaranteed securities.

Section 11 - Provision for employee severance pay- Item 110

The **"TFR" provision** for Italy-based employee benefits is to be construed as a "post-retirement defined benefit". It is therefore recognised on the basis of an actuarial estimate of the amount of benefit accrued by employees discounted to present value. This benefit is calculated by an external actuary using the unit credit projection method (see Part A.2 - The Main Items of the Accounts).

11.1 Provision for employee severance pay: annual change

(€ '000)

	CHANGES IN	
	2011	2010
A. Opening balances	**1,201,833**	**1,317,523**
B. Increases	**64,740**	**102,938**
B.1 Provisions for the year	54,854	68,865
B.2 Other increases	9,886	34,073
C. Reductions	**177,164**	**218,628**
C.1 Severance payments	149,009	172,228
C.2 Other decreases	28,155	46,400
D. Closing balance	**1,089,409**	**1,201,833**

Section 12 - Provisions for risks and charges - Item 120

As at 31 December 2011, **Provisions for risks and charges** amounted to €8,496 million, an increase of €408 million over end 2010 (€8,088 million).
The sub-item "1. Pensions and other post-retirement benefit obligations", which essentially contains defined-benefit funds described in 12.3 below, amounted to €4,509 million at 31 December 2011, as against €4,515 million in 2010.
The sub-item "2. Other provisions for risks and charges", which amounted to €3,987 million at end 2011, as against €3,573 million in 2010, contains:
- Legal disputes: provisions for legal disputes, cases in which the Group is a defendant and post-insolvency clawback petitions. See Part E - Section 4 "Operational Risk" - item B - "Legal risk" for further information concerning legal disputes;
- Staff expenses: sundry HR costs;
- Other: provisions for risks and charges not attributable to the above items. See the table 12.4 below for details.

12.1 Provision for risk and charges: breakdown

(€ '000)

	AMOUNTS AS AT	
ITEM/COMPONENTS	12.31.2011	12.31.2010
1. Pensions and other post retirement benefit obligations	**4,509,105**	**4,515,173**
2. Other provisions for risk and charges	**3,987,064**	**3,572,805**
2.1 Legal disputes	1,496,203	1,386,916
2.2 Staff expenses	243,832	77,399
2.3 Other	2,247,029	2,108,490
Total	**8,496,169**	**8,087,978**

Item "Other provisions for risk and charges" includes provisions for early retirement incentives (€120 million attributable to Italy and €100 million attributable to Germany). The amount attributable to Italy covers:
- disbursements arising from the Memorandum of Understanding signed with trade unions in October 2010. During the third quarter, at the conclusion of the accession process for the period 2011-2013, the implementation phase of the accession process was scheduled for the period 2014-2015 as provided for in the protocol;
- the rationalization of managerial staff resulting from staff reductions and reorganization processes proposed under the so-called One4C project. These reorganization plans, communicated in due time to the trade unions, entered the implementation phase during the third quarter of 2011.

12.2 Provision for risk and charges: annual change

(€ '000)

	CHANGES IN 2011	
ITEMS/COMPONENTS	PENSION AND POST RETIREMENT BENEFIT OBLIGATIONS	OTHER PROVISIONS
A. Opening balance	**4,515,173**	**3,572,805**
B. Increases	**373,914**	**1,144,437**
B.1 Provisions for the year	130,658	1,018,277
B.2 Changes due to the passing time	214,859	17,914
B.3 Differences due to discount-rate changes	-	1,622
B.4 Other adjustment	28,397	106,624
C. Decreases	**379,982**	**730,178**
C.1 Use during the year	332,271	587,036
C.2 Differences due to discount-rate changes	-	11,913
C.3 Other decreases	47,711	131,229
D. Closing balance	**4,509,105**	**3,987,064**

"Closing balance" includes defined benefit pension funds in the amount of 4,466,044 euro/000.

Part B - Consolidated Balance Sheet - Liabilities (Continued)

12.3 Pensions and other post-retirement defined-benefit obligations

1. INTRODUCTION TO THE FUNDS
There are several defined-benefits plans within the Group, i.e., plans whose benefit is linked to salary and employee length of service both in Italy and abroad. The Austrian, German and Italian plans account for over 90% of the Group's pension obligations. Most of the Group's plans are not financed. The most notable exceptions, with respect to the defined-benefits plans in Germany, are the "Direct Pension Plan" (an external fund managed by independent trustees), the "HVB Trust Pensionfonds AG" and the Pensionskasse der "HypoVereinsbank WaG", all set up by UCB AG, and by UniCredit S.p.A. with respect to the UK definedbenefit plans. Most of the Group's defined-benefit plans are closed to new recruits, for example in Austria, Germany and Italy, where most new recruits join defined-contribution plans. The contributions for defined-contribution plans are charged to the income statement. The obligations arising from defined-benefit plans are determined using the "projected unit credit method". The assets of financed plans are valued at their fair value on the balance sheet date. The balance sheet is the result of the deficit or surplus (i.e., the difference between obligations and assets) net of unrecognized actuarial gains and losses. Actuarial gains and losses are recognized in the income statement only if they exceed the 10% corridor. The actuarial assumptions used to determine obligations vary from country to country and from plan to plan in accordance with IAS 19. Each country's discount rate is fixed at the balance sheet date on the basis of the market yields of prime corporate bonds in the same currency and with the same average life as the liabilities.

(€ '000)

2. CHANGES IN PROVISIONS	12.31.2011	12.31.2010
Opening net defined-benefit obligations	**4,472,296**	**4,513,206**
Service cost	102,812	90,830
Cost of defined-benefit plans relating to previous employment	-	7,915
Finance cost	211,647	221,160
Actuarial (gains) losses recognised in the year	25,946	22,358
(Gains) losses on curtailments	3,211	1,662
Benefit paid	(329,210)	(339,984)
Other increases	27,053	100,422
Other reductions	(47,711)	(145,273)
Closing net defined-benefit obligations	**4,466,044**	**4,472,296**

(€ '000)

3. CHANGES TO PLAN ASSETS AND OTHER INFORMATION	12.31.2011	12.31.2010
Current value of plan assets	**3,324,130**	**3,211,230**
Expected return	163,599	165,955
Actuarial gains (losses)	(106,608)	32,723
Contribution paid by employer	44,347	50,210
Benefit paid	(139,971)	(133,782)
Other increases	6,017	3,047
Other reductions	-	(5,253)
Closing current value of plan assets	**3,291,514**	**3,324,130**

(€ '000)

MAIN CATEGORIES OF PLAN ASSETS	12.31.2011	12.31.2010
1. Equities	254,264	372,129
2. Bonds	2,176,147	2,463,483
3. Properties	124,074	116,714
4. Other assets	737,029	371,804
Total	**3,291,514**	**3,324,130**

(€ '000)

4. RECONCILIATIONS OF PRESENT VALUES OF PROVISIONS TO PRESENT VALUE OF PLAN ASSETS AND TO ASSETS AND LIABILITIES RECOGNIZED IN THE BALANCE SHEET	12.31.2011	12.31.2010
Amount recognized in the Balance Sheet		
Present value of funded defined obligations	3,088,806	3,143,432
Present value of unfunded defined obligations	4,534,914	4,672,458
Present value of plan assets	(3,291,514)	(3,324,130)
Total	**4,332,206**	**4,491,760**
Unrecognized actuarial gains (losses)	(156,388)	(284,802)
IAS 19 (58) effect on current surplus value of plan assets	90,049	53,631
Net liability[1]	**4,265,867**	**4,260,589**

1. The net liability disclosed in 2011 includes €200,177 thousand of plan asset surpluses recognized under the item of Assets "Other assets"(€211,707 thousand in 2010).

ACTUARIAL RETURN ON PLAN ASSETS	2011	2010
Expected return on plan assets	163,599	165,955
Actuarial gain (loss) on plan assets	(106,608)	32,723

The previous tables show the Group's potential liabilities related to Pensions and other post-retirement benefit obligations. According to IAS 19, also the Provision for employee severance pay provided by the Italian law, qualifying as a defined benefit plan, has been subject to actuarial valuation. A summary table of actual value of the Group's defined-benefit obligations and of the principal actuarial assumptions is given below.

5. PRINCIPAL ACTUARIAL ASSUMPTIONS	12.31.2011	12.31.2010
Discount rate	5.10%	4.89%
Expected return on plan assets	5.21%	5.00%
Rate of increase in future compensation and vested rigths[2]	2.86%	2.87%
Rate of increase in pension obligations	2.09%	2.08%
Expected inflation rate	1.92%	1.91%

2. Valid for the purposes of the "retirement provisions".

(€ '000)

6. COMPARATIVE DATA	12.31.2011	12.31.2010
Total defined-benefit obligations		
Present value of defined-benefit obligations	8,700,403	9,060,334
Plan assets	(3,291,514)	(3,324,130)
Plan (surplus)/deficit	**5,408,889**	**5,736,204**
Unrecognized actuarial gains (losses)	(143,662)	(327,413)
IAS 19 (58) effect on current surplus value of plan assets	90,049	53,631
Recognized provisions	**5,355,276**	**5,462,422**

12.4 Provisions for risks and charges - other provisions - other

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
2.3 Other provisions for risks and charges - other		
- Real estate risks and costs	287,357	368,158
- Restructuring costs	185,120	109,349
- Out-of-court settlements and legal costs	41,724	43,946
- Allowances payable to agents	126,213	122,484
- Disputes regarding financial instruments and derivatives	354,117	248,844
- Tax disputes	186,604	172,794
- Costs for liabilities arising from equity investment disposals	49,563	83,913
- Other	1,016,331	959,002
Total	**2,247,029**	**2,108,490**

Items "Disputes regarding financial instruments and derivatives" and "Other" contain, with reference to the book values as at December 31, 2010, reclassified amounts.
The residual sub-item "Other" includes €413 million charges deriving from contract obligations (€425 million as of 31 December 2010).

Part B - Consolidated Balance Sheet - Liabilities (Continued)

Section 13 - Insurance reserves - Item 130

13.1 Insurance provisions: breakdown

(€ '000)

	AMOUNTS AS AT 12.31.2011			AMOUNTS AS AT 12.31.2010
	DIRECT BUSINESS	INDIRECT BUSINESS	TOTAL	TOTAL
A. Non-life business	**88,243**	**1,082**	**89,325**	**89,549**
A.1 Provision for unearned premiums	60,334	375	60,709	58,678
A.2 Provision for outstanding claims	27,432	707	28,139	30,766
A.3 Other provisions	477	-	477	105
B. Life business	**120,389**	**-**	**120,389**	**129,095**
B.1 Mathematical provisions	112,692	-	112,692	124,311
B.2 Provisions for amounts payable	2,899	-	2,899	2,319
B.3 Other insurance provisions	4,798	-	4,798	2,465
C. Insurance provisions when investment risk is borne by the insured party	**-**	**-**	**-**	**-**
C.1 Provision for policies where the performance is connected to investment funds and market indices	-	-	-	-
C.2 Provision for pension funds	-	-	-	-
D. Total insurance provisions	**208,632**	**1,082**	**209,714**	**218,644**

13.2 Insurance reserves: annual change

(€ '000)

	CHANGES IN 2011					
	NON-LIFE BUSINESS			LIFE BUSINESS		
	PROVISION FOR UNEARNED PREMIUMS	PROVISION FOR OUTSTANDING CLAIMS	OTHER PROVISIONS	MATHEMATICAL PROVISIONS	PROVISION FOR AMOUNTS PAYABLE	OTHER PROVISIONS
Insurance provisions - opening balance	**58,678**	**30,766**	**105**	**124,311**	**2,319**	**2,465**
a) increases	11,009	1,208	388	4,000	1,167	2,914
b) decreases	8,978	3,835	16	15,619	587	581
Insurance provisions - closing balance	**60,709**	**28,139**	**477**	**112,692**	**2,899**	**4,798**

Section 14 - Redeemable shares - Item 150

There are no amounts to be shown.

Section 15 - Group Shareholders' Equity - Items 140, 170, 180, 190, 200 and 220

As at December 31, 2011 **Group Shareholders' Equity**, including loss for the period (€9,206 million), amounted to €51,479 million, against €64,224 million at the end of 2010.
The following table shows the breakdown of Group Equity and the changes over the previous year.

Group capital: breakdown

(€ '000)

	AMOUNTS AS AT		CHANGES	
	12.31.2011	12.31.2010	AMOUNT	%
1. Share capital	12,148,463	9,648,791	2,499,672	25.9%
2. Share premium reserve	36,823,215	39,322,433	- 2,499,218	- 6.4%
3. Reserves	15,564,529	15,186,462	378,067	2.5%
4. Treasury shares	(7,337)	(4,197)	- 3,140	74.8%
a. Parent Company	(2,440)	(2,440)	-	0.0%
b. Subsidiaries	(4,897)	(1,757)	-3,140	178.7%
5. Revaluation reserve	(3,843,089)	(1,252,787)	- 2,590,302	206.8%
6. Equity instruments	-	-	-	0.0%
7. Net profit (loss)	(9,206,448)	1,323,343	- 10,529,791	- 795.7%
Total	**51,479,333**	**64,224,045**	**- 12,744,712**	**- 19.8%**

The €12,745 million decrease in Group equity is the result of:

- An increase in reserves , including the change in Treasury shares due to:
  - the allocation to the reserve fund of the 2010 profit (€1,323 million), net of the dividends paid (€550 million) and of the allocation to the reserve for donations (€7.8 million) resolved by the Shareholders' meeting on April 29, 2011; €765 million
  - the use of the reserve for disbursement related to Cashes transaction ("canoni di usufrutto"); (€172) million
  - the increase of the reserve for costs related to Share Based Payment; €57 million
  - other changes includes the changes occurred during the period as a result of the revision of the criteria used by the Group to recognize certain amounts collected from investees in order to better reflect their economic effects and the effect arising from first consolidation of companies due to the scope's enlargement (€275) million
- A change in the revaluation reserve due to:
  - a decrease in exchange-rate differences; (€993) million
  - a decrease in available-for-sale financial assets; (€1,747) million
  - an increase in cash-flow hedge and in disposal groups classified as held for sale; €353 million
  - a decrease in the reserve for the valuation of equity investments valued at equity method. (€203) million
- Result of the period lower than in 2010. (€10,530) million

15.1 "Share capital" and "treasury shares" - breakdown

(€ '000)

	12.31.2011		12.31.2010	
	ISSUED SHARES	UNDERWRITTEN SHARES	ISSUED SHARES	UNDERWRITTEN SHARES
A. Share Capital				
A.1 ordinary shares	12,133,204	-	9,636,671	-
A.2 savings shares	15,259	-	12,120	-
Total A	**12,148,463**	**-**	**9,648,791**	**-**
B. Treasury Shares	**(7,337)**	**-**	**(4,197)**	**-**

As at December 31, 2011 item "A.1 ordinary shares" included €609,085 thousand shares related to the contract of usufruct (€483,782 thousand as at December 31, 2010). The difference between the figures is exclusively due to the fact that the shares don't have a par value anymore.

In 2011 Share Capital - which at December 31, 2010 was represented by 19,273,342,940 ordinary shares and 24,238,983 saving shares, each with a par value of €0.50 - was subject to the changes described in detail in the Report on Operations in the chapter Other information - Steps to Strengthen Capital.

More specifically, Share Capital increased from 9,648,791 thousand euros at the end of 2010 to 12,148,463 thousand euros at the end of 2011, a free increase of 2,499,672 thousand euros carried out through the transfer of 454 thousand euros from the Reserve for the Group medium-term incentive plans, which resulted in the issue of 908,770 ordinary shares, and the transfer of 2,499,218 thousand euros from the Share premium reserve, which resulted in the increase in the par value of ordinary and savings shares and did not involve the issue of new shares.

Following the resolution passed by the Extraordinary Shareholders' Meeting on December 15, 2011 on the reverse stock split, Share Capital is represented by 1,927,425,171 ordinary shares and 2,423,898 savings shares; both categories have no par value, pursuant to the aforesaid Meeting's resolution.

At the end of 2011 the number of Treasury shares outstanding was equal to 47,600 ordinary shares, as a result of the above-mentioned reverse split, since no transactions occurred during the financial year.

Part B - Consolidated Balance Sheet - Liabilities (Continued)

15.2 Capital Stock - number of shares: annual changes

ITEMS/TYPE	CHANGES IN 2011 ORDINARY	CHANGES IN 2011 OTHERS (SAVING)
A. Issued shares as at the beginning of the year	**19,273,342,940**	**24,238,983**
- Fully paid	19,273,342,940	24,238,983
- not fully paid	-	-
A.1 Own shares (-)	(476,000)	-
A.2 Shares outstanding: opening balance	19,272,866,940	24,238,983
B. Increases	**908,770**	**-**
B.1 New issues	908,770	-
- against payment	-	-
- *business combinations*	-	-
- *bonds converted*	-	-
- *warrants exercised*	-	-
- *other*	-	-
- free	908,770	-
- *to employees*	*908,770*	-
- *to Directors*	-	-
- *other*	-	-
B.2 Sales of treasury shares	-	-
B.3 Other changes	-	-
C. Decreases	**17,346,398,139**	**21,815,085**
C.1 Cancellation	-	3
C.2 Purchase of treasury shares	-	-
C.3 Business tranferred	-	-
C.4 Other changes	17,346,398,139	21,815,082
D. Shares outstanding: closing balance	**1,927,377,571**	**2,423,898**
D.1 Treasury Shares (+)	47,600	-
D.2 Shares outstanding as at the end of the year	1,927,425,171	2,423,898
- Fully paid	1,927,425,171	2,423,898
- not fully paid	-	-

Item C. Decreases shows the changes due to the reverse split of ordinary and savings shares outstanding, as resolved by the Extraordinary Shareholders' Meeting of December 15, 2011. The item also includes changes related to the reverse split of Treasury Shares (-428,400).

Ordinary shares include 96,756,406 shares (967,564,061 before reverse split) over which UniCredit has a usufruct right. On these shares the voting right cannot be exercised. The provisions of the contract of usufruct related to the 96,756,406 shares (issued as part of the capital increase of January 2009) involve discretionary payments linked to the Euribor rate and conditional upon the payment of dividends on ordinary and/or savings shares.

15.3 Capital: other information

	12.31.2011	12.31.2010
Par value per share	-	0.50
Share reserved for issue on exercise of options	-	-
Agreed sales of shares	-	-

Pursuant to the resolution passed by the Extraordinary Shareholders' Meeting on December 15, 2011, ordinary and savings shares have no par value.

15.4 Reserves from allocation of profit from previous year: other information

(€ '000)

	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
Legal Reserve	1,517,514	1,439,180
Statutory Reserve	1,195,845	1,144,946
Other Reserves	12,851,170	12,602,336
Total	**15,564,529**	**15,186,462**

15.5 Other Information

Revaluation reserves: breakdown

(€ '000)

ITEM/TYPES	AMOUNTS AS AT 12.31.2011	12.31.2010
1. Available-for-sale financial assets	(2,477,390)	(730,175)
2. Property, plant and equipment	-	-
3. Intangible assets	-	-
4. Hedges of foreign investments	-	-
5. Cash-flow hedges	746,615	393,795
6. Exchange differences	(2,222,377)	(1,229,230)
7. Non-current assets classified as held for sale	(1,009)	(5,185)
8. Special revaluation laws	277,020	277,020
9. Revaluation reserves of investments valued at net equity	(165,948)	40,988
Total	**(3,843,089)**	**(1,252,787)**

Section 16 - Minorities - Item 210

The table below shows a breakdown of minorities as at December 31, 2011.

Minority interests: breakdown

(€ '000)

ITEM/VALUES	AMOUNTS AS AT 12.31.2011	12.31.2010
1) Share Capital	467,312	375,742
2) Share premium reserve	1,768,101	1,769,528
3) Reserves	918,935	997,076
4) Treasury shares	(623)	(21)
5) Revaluation reserves	(200,246)	15,629
6) Equity instruments	-	-
7) Profit (loss) for the year - Minority interests	364,766	321,226
Total	**3,318,245**	**3,479,180**

16.1 Capital instruments: breakdown and annual changes

There are no equity instruments.

Part B - Consolidated Balance Sheet - Liabilities (Continued)

Other information

1. Guarantees given and commitments

(€ '000)

TRANSACTIONS	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1) Financial guarantees given to	**16,590,948**	**15,403,372**
a) Banks	2,381,340	2,057,327
b) Customers	14,209,608	13,346,045
2) Commercial guarantees given to	**48,974,773**	**45,842,333**
a) Banks	6,080,862	6,802,382
b) Customers	42,893,911	39,039,951
3) Other irrevocable commitments to disburse funds	**87,444,743**	**88,641,222**
a) banks:	5,307,765	4,269,719
i) usage certain	*567,212*	*615,171*
i) usage uncertain	*4,740,553*	*3,654,548*
b) customers:	82,136,978	84,371,503
i) usage certain	*10,292,460*	*10,871,267*
i) usage uncertain	*71,844,518*	*73,500,236*
4) Underlying obligations for credit derivatives: sales of protection	**671,460**	**871,963**
5) Assets used to guarantee others' obligations	**230,955**	**32,536**
6) Other commitments	**34,809,491**	**28,315,814**
Total	**188,722,370**	**179,107,240**

2. Assets used to guarantee own liabilities and commitments

(€ '000)

PORTFOLIOS	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
1. Financial assets held for trading	18,302,986	43,774,430
2. Financial assets designated at fair value	15,999,733	23,827,886
3. Financial assets available for sale	31,737,349	19,690,502
4. Financial assets held to maturity	5,665,934	4,619,708
5. Loans and receivables with banks	5,356,775	2,052,549
6. Loans and receivables with customers	49,823,202	35,757,035
7. Property, plant and equipment	59,950	-

Deposits from banks include €30,435 million related to Central Banks' refinancing operations collateralized by securities nominal worth €66.757 million. Of these, the securities not recognized on balance-sheet - since they represent repurchased or retained Group's financial liabilities - amount to nominal €50,787 million.

Security borrowing transactions collateralized by securities or not collateralized

(€ '000)

	AMOUNTS AS AT 12.31.2011			
	AMOUNTS OF THE SECURITIES BORROWED / TRANSACTION PURPOSE			
LENDER BREAKDOWN	GIVEN AS COLLATERAL IN OWN FUNDING TRANSACTIONS	SOLD	SOLD IN REPO TRANSACTIONS	OTHER PURPOSES
A. Banks	3,395,340	5,674	9,665,302	1,073,251
B. Financial companies	-	1,310	1,144,619	373,166
C. Insurance companies	-	-	43,179	-
D. Non-financial companies	-	-	8,615	-
E. Others	-	1,440	934,516	-
Total	**3,395,340**	**8,424**	**11,796,231**	**1,446,417**

3. Operating leases

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
Lesee information		
Operating leases		
Future minimum non-cancellable lease payments:		
- up to twelve months	172,408	97,714
- from one to five years	356,211	181,652
- over five years	280,157	29,629
Total amounts	**808,776**	**308,995**
Future minimum non-cancellable lease payments (to be received)		
Total payments	4,541	3,307
Lessor information		
Operating leases		
Future minimum non-cancellable lease payments (to be received):		
- up to twelve months	62,903	11,296
- from one to five years	299,172	11,299
- over five years	236,432	4
Total amounts	**598,507**	**22,599**

4. Breakdown of investments relating to unit-linked and index-linked policies

There were no transactions concerning unit-linked and index-linked policies.

5. Asset management and trading on behalf of others

(€ '000)

TYPE OF SERVICES	12.31.2011
1. Management and trading on behalf of third parties	**832,384,829**
a) purchases	420,966,672
1. Settled	*420,224,042*
2. Unsettled	*742,630*
b) sales	411,418,157
1. Settled	*410,665,111*
2. Unsettled	*753,046*
2. Segregated accounts	**201,361,627**
a) Individual	79,227,966
b) Collective	122,133,661
3. Custody and administration of securities	**555,401,313**
a) third party securities on deposits: relating to depositary bank activities (excluding segregated accounts)	6,090,224
1. Securities issued by companies included in consolidation	*14,529*
2. Other securities	*6,075,695*
b) third party securities held in deposits (excluding segregated accounts): other	278,680,926
1. Securities issued by companies included in consolidation	*49,864,095*
2. Other securities	*228,816,831*
c) Third party securities deposited with third parties	196,802,140
d) Property securities deposited with third parties	73,828,023
4. Other	**15,366,450**

Part C - Consolidated Income Statement

Part C - Consolidated Income Statement

Section 1 - Interest income and expense - Items 10 and 20

In 2011, **interest income and similar revenues** were €29,672 million, a slight increase over the previous year.
More specifically, "Interest income from financial assets denominated in currency", which was 29% of item 10 (27% in 2010) in 2011, increased by €781 million from €7,822 million in 2010 to €8,603 million in 2011.

In the following table, the columns "Debt Securities" and "Loans" include interest income from impaired assets, other than income recognized under "Write-backs", amounting to €70 million and €1,106 million respectively.

1.1 Interest income and similar revenues: breakdown

(€ '000)

ITEMS/TYPE	2011 DEBT SECURITIES	2011 LOANS	2011 OTHER TRANSACTIONS	2011 TOTAL	2010 TOTAL
1. Financial assets held for trading	735,590	91,816	114,659	942,065	1,124,779
2. Financial assets at fair value through profit or loss	691,342	82,139	-	773,481	317,219
3. Available-for-sale financial assets	2,016,020	2,330	-	2,018,350	1,482,358
4. Held-to-maturity investments	372,488	-	-	372,488	404,879
5. Loans and receivables with banks	200,553	826,227	-	1,026,780	1,165,045
6. Loans and receivables with customers	694,115	22,130,793	-	22,824,908	21,520,520
7. Hedging derivatives	X	X	1,479,956	1,479,956	2,319,908
8. Other assets	X	X	233,717	233,717	307,183
Total	**4,710,108**	**23,133,305**	**1,828,332**	**29,671,745**	**28,641,891**

1.2 and 1.5 Interest income/expense and similar revenues/charges: hedging differentials

(€ '000)

ITEMS	2011	2010
A. Positive differentials relating to hedging operations	9,244,430	10,910,593
B. Negative differentials relating to hedging operations	(7,764,474)	(8,590,685)
C. Net differential	**1,479,956**	**2,319,908**

For the sake of comparability, the table 1.2 "Interest income and similar revenues" also includes the figures of the table 1.5 "Interest expense and similar costs".

1.3 Interest income and similar revenues: other information

1.3.1 Interest income from financial assets denominated in currency

(€ '000)

ITEMS	2011	2010
a) Assets denominated in currency	8,602,862	7,821,968

1.3.2 Interest income from finance leases

(€ '000)

ITEMS	2011	2010
a) Financial transactions: contingent rents recognised as income in the period	655,168	552,043

In 2011, **Interest expense and similar charges** were €14,184 million, a €1,299 million increase over the previous year.
More specifically, "Interest expense on liabilities denominated in currency" were 23% of item 20 in 2011, in line with the previous year.

1.4 Interest expense and similar charges: breakdown

(€ '000)

ITEMS/TYPE	2011 DEBTS	2011 SECURITIES	2011 OTHER TRANSACTIONS	2011 TOTAL	2010 TOTAL
1. Deposits from Central banks	(210,840)	x	-	(210,840)	(103,461)
2. Deposits from banks	(1,425,450)	X	-	(1,425,450)	(1,291,864)
3. Deposits from customers	(5,079,329)	X	-	(5,079,329)	(4,006,224)
4. Debt securities in issue	X	(6,081,281)	-	(6,081,281)	(6,058,945)
5. Financial liabilities held for trading	(134,328)	(232,321)	(593,705)	(960,354)	(833,782)
6. Financial liabilities at fair value through profit or loss	-	(23,351)	-	(23,351)	(25,877)
7. Other liabilities and funds	X	X	(403,563)	(403,563)	(565,311)
8. Hedging derivatives	X	X	-	-	-
TOTAL	**(6,849,947)**	**(6,336,953)**	**(997,268)**	**(14,184,168)**	**(12,885,464)**

1.5 Interest expense and similar charges: hedging differentials

For the sake of comparability, information on hedging differentials is provided in Table 1.2.

1.6 Interest expense and similar charges: other information

1.6.1 Interest expense on liabilities denominated in currency

(€ '000)

ITEMS	2011	2010
a) Liabilities denominated in currency	(3,271,866)	(3,123,247)

1.6.2 Interest expense on finance leases

(€ '000)

ITEMS	2011	2010
a) Financial leasing transaction: contingent rents recognised as expense in the period	(61,605)	(79,645)

See the Report on Operations for a more detailed description of Group and divisional results.

Section 2 - Fee and commission income and expense - Items 40 and 50

In 2011 **Fee and commission income** totaled €10,062 million, a slight decrease over the previous year.

2.1 Fee and commission income: breakdown

(€ '000)

TYPE OF SERVICES/VALUES	2011	2010
a) guarantees given	**630,965**	**605,225**
b) credit derivatives	**4,767**	**4,689**
c) management, brokerage and consultancy services:	**4,271,794**	**4,520,876**
1. securities trading	386,900	418,324
2. currency trading	426,051	437,459
3. portfolio management	1,587,521	1,680,232
3.1. individual	*256,730*	*294,770*
3.2. collective	*1,330,791*	*1,385,462*
4. custody and administration of securities	210,851	224,442
5. custodian bank	59,730	58,433
6. placement of securities	466,406	547,968
7. reception and transmission of orders	128,683	132,298
8. advisory services	114,554	109,936
8.1 related to investments	*54,969*	*44,507*
8.2 related to financial structure	*59,585*	*65,429*
9. distribution of third party services	891,098	911,784
9.1 portfolio management	209,512	232,029
9.1.1. individual	*3,499*	*6,734*
9.1.2. collective	*206,013*	*225,295*
9.2. insurance products	620,235	612,040
9.3. other products	61,351	67,715
d) collection and payment services	**1,834,537**	**1,775,412**
e) securitization servicing	**68,411**	**59,643**
f) factoring	**92,016**	**97,086**
g) tax collection services	**-**	**-**
h) management of multilateral trading facilities	**-**	**-**
i) management of current accounts	**1,671,463**	**1,625,643**
j) other services	**1,488,422**	**1,521,130**
Total	**10,062,375**	**10,209,704**

Item "j) other services" mainly comprises:

- fees on loans granted: €917 million in 2011, €846 million in 2010 (+8%);
- fees for foreign transactions and services of €108 million in 2011, €112 million in 2010 (-4%);
- fees for various services provided to customers (e.g. treasury, merchant banking, etc.) of €161 million in 2011, €190 million in 2010 (-15%);
- fees for ATM and credit card services not included in collection and payment services, amounting to €83 million in 2011, €88 million in 2010 (-6%).

Part C - Consolidated Income Statement (Continued)

Fee and Commission Expense was €1,755 million, in line with 2010 (€1,754 million).

2.2 Fee and commission expense: breakdown

(€ '000)

TYPE OF SERVICES/VALUES	2011	2010
a) guarantees received	**(133,727)**	**(168,432)**
b) credit derivatives	**(96,778)**	**(77,388)**
c) management, brokerage and consultancy services:	**(780,184)**	**(782,114)**
1. trading financial instruments	(85,484)	(91,873)
2. currency trading	(20,161)	(15,167)
3. portfolio management	(168,190)	(177,294)
3.1. own portfolio	*(121,640)*	*(130,160)*
3.2. third party portfolio	*(46,550)*	*(47,134)*
4. custody and administration of securities	(186,695)	(167,277)
5. placement of financial instruments	(85,588)	(73,523)
6. off-site distribution of financial instruments, products and services	(234,066)	(256,980)
d) collection and payment services	**(503,489)**	**(469,727)**
e) other services	**(240,726)**	**(256,573)**
Total	**(1,754,904)**	**(1,754,234)**

See the Report on Operations for a more detailed description of Group and divisional results.

Section 3 - Dividend income and similar revenue - Item 70

In 2011 **Dividend income**, which is recognized in the accounts in the year in which their distribution is approved, totaled €580 million, or €741 million if **Income from units in investment funds** is also considered, as against €718 million in 2010.

3.1 Dividend income and similar revenue: breakdown

(€ '000)

ITEMS/REVENUES	2011		2010	
	DIVIDENDS	INCOME FROM UNITS IN INVESTMENT FUNDS	DIVIDENDS	INCOME FROM UNITS IN INVESTMENT FUNDS
A. Financial assets held for trading	496,308	18,323	482,552	19,329
B. Available for sale financial assets	73,605	141,880	71,878	116,267
C. Financial assets at fair value thought profit or loss	27	515	43	775
D. Investments	10,223	X	27,470	X
Total	**580,163**	**160,718**	**581,943**	**136,371**
Total Dividends and Income from units in investment funds		**740,881**		**718,314**

Section 4 - Gains and losses on financial assets and liabilities held for trading - Item 80

2011 **Trading income**, comprising income from the sale and valuation of trading assets and liabilities, trading gains (losses) on derivatives and exchange differences, was €229 million - a reduction from the 2010 figure of €343 million.

This table summarizes trading income for 2010 and 2011 with y/y changes.

Gains and losses on financial assets and liabilities held for trading

(€ million)

TRANSACTIONS/P&L ITEMS	2011	2010	CHANGE
Financial assets held for trading	(1,232)	858	- 2,090
Financial liabilities held for trading	571	(533)	1,104
Financial assets and liabilities in currency: exchange differences	403	635	- 232
Financial and credit derivatives	487	(617)	1,104
Total	**229**	**343**	**- 114**

4.1 Gains and losses on financial assets and liabilities held for trading: breakdown

(€ '000)

TRANSACTIONS/P&L ITEMS	2011 UNREALIZED PROFITS	REALIZED PROFITS	UNREALIZED LOSSES	REALIZED LOSSES	NET PROFIT
1. Financial assets held for trading	**626,473**	**3,269,548**	**(1,604,996)**	**(3,522,828)**	**(1,231,803)**
1.1 Debt securities	312,766	916,082	(714,438)	(602,490)	(88,080)
1.2 Equity instruments	231,804	1,284,709	(759,765)	(1,766,629)	(1,009,881)
1.3 Units in investment funds	26,741	111,101	(129,057)	(107,111)	(98,326)
1.4 Loans	9,478	9,827	(1,351)	(10,031)	7,923
1.5 Other	45,684	947,829	(385)	(1,036,567)	(43,439)
2. Financial liabilities held for trading	**1,680,399**	**1,280,200**	**(1,480,131)**	**(909,645)**	**570,823**
2.1 Debt securities	1,488,571	839,150	(1,227,854)	(523,835)	576,032
2.2 Deposits	-	-	-	-	-
2.3 Other	191,828	441,050	(252,277)	(385,810)	(5,209)
3. Other financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**403,319**
4. Derivatives	**76,122,863**	**364,532,867**	**(75,722,917)**	**(364,688,442)**	**486,502**
4.1 Financial derivatives:	75,726,123	359,664,887	(75,376,886)	(359,774,305)	481,950
- on debt securities and interest rates	*72,936,299*	*73,587,560*	*(75,055,659)*	*(74,318,395)*	*(2,850,195)*
- on equity securities and share indices	*2,760,078*	*1,855,914*	*(308,252)*	*(1,161,664)*	*3,146,076*
- on currency and gold	*X*	*X*	*X*	*X*	*242,131*
- other	*29,746*	*284,221,413*	*(12,975)*	*(284,294,246)*	*(56,062)*
4.2 Credit derivatives	396,740	4,867,980	(346,031)	(4,914,137)	4,552
Total	**78,429,735**	**369,082,615**	**(78,808,044)**	**(369,120,915)**	**228,841**

See the Report on Operations for a more detailed description of Group and divisional results.

Section 5 - Fair value adjustments in hedge accounting - Item 90

In 2011 the item **Fair value adjustments in hedge accounting** amounted to €106 million (€52 million in 2010), which was the result of €22,092 million gains and €21,986 million losses.

5.1 Fair value adjustments in hedge accounting: breakdown

(€ '000)

P&L COMPONENT/VALUES	2011	2010
A. Gains on:		
A.1 Fair value hedging instruments	19,827,540	973,865
A.2 Hedged asset items (in fair value hedge relationship)	1,859,015	258,562
A.3 Hedged liability items (in fair value hedge relationship)	395,337	438,671
A.4 Cash-flow hedging derivatives	10,123	19,316
A.5 Assets and liabilities denominated in currency	40	1,839
Total gains on hedging activities	**22,092,055**	**1,692,253**
B. Losses on:		
B.1 Fair value hedging instruments	(18,212,857)	(806,629)
B.2 Hedged asset items (in fair value hedge relationship)	(1,366,270)	(177,121)
B.3 Hedged liability items (in fair value hedge relationship)	(2,395,562)	(635,808)
B.4 Cash-flow hedging derivatives	(9,098)	(20,308)
B.5 Assets and liabilities denominated in currency	(2,471)	(248)
Total losses on hedging activities	**(21,986,258)**	**(1,640,114)**
C. Net hedging result	**105,797**	**52,139**

Section 6 - Gains (losses) on disposals/repurchases - Item 100

In 2011 the **disposal/repurchase of financial assets/liabilities** generated net gains in the amount of €314 million (€312 million in 2010).

2011 net result recognized under *3. Available for sale financial assets - 3.1 Debt securities* includes Polish Government securities of €17.7 million.

Part C - Consolidated Income Statement (Continued)

2011 income recognized under *3. Available for sale financial assets - 3.2 Equity instruments* was €272 million and included gains on disposals mainly due to:
- CJSC Micex Stock Exchange (€80 million), related to a share swap involving interests in companies;
- Cassa di Compensazione e Garanzia SpA (€54 million);
- DHAB I S.A. (€12 million);
- Net Insurance SpA. (€6 million);
- Colony Sardegna S.a.r.l. (€3 million);
- B&C earn out (€45 million);
- Private equity (€26 million).

Losses on equity instruments are related to the transfer to another portfolio of the equity investment in Selfoss Verwaltungsgesellschaft MBH & CO. KG (-€15 million).

In FY 2010 *3. Available for sale financial assets - 3.2 Equity instruments totaled* €112 million, mainly due to Heidelberg Cement (€28 million), Schemaventotto SpA (€18 million), Visa Inc. (€16 million), Russian Alcohol (€13 million), CJSC Micex Settlement House (€4 million), Hanseatische Verlags-Beteiligungs Aktiengesellschaft (€4 million).

2010 net result recognized under 3. Available for sale financial assets - 3.1 Debt securities included Polish Government securities of €28.5 million.

6.1 Gains and losses on disposals/repurchases: breakdown

(€ '000)

ITEMS/P&L ITEMS	2011 GAINS	2011 LOSSES	2011 NET PROFIT	2010 GAINS	2010 LOSSES	2010 NET PROFIT
Financial assets						
1. Loans and receivables with banks	**11,872**	**(4,146)**	**7,726**	**34,156**	**(2,890)**	**31,266**
2. Loans and receivables with customers	**51,647**	**(81,293)**	**(29,646)**	**65,103**	**(89,029)**	**(23,926)**
3. Available-for-sale financial assets	**378,596**	**(75,825)**	**302,771**	**240,146**	**(119,908)**	**120,238**
3.1 Debt securities	97,698	(57,288)	40,410	91,740	(40,434)	51,306
3.2 Equity instruments	272,461	(17,570)	254,891	111,685	(73,786)	37,899
3.3 Units in Investment funds	8,188	(919)	7,269	36,718	(5,687)	31,031
3.4 Loans	249	(48)	201	3	(1)	2
4. Held-to-maturity investments	**971**	**(4,252)**	**(3,281)**	**1,541**	**(2,131)**	**(590)**
Total assets	**443,086**	**(165,516)**	**277,570**	**340,946**	**(213,958)**	**126,988**
Financial liabilities						
1. Deposits with banks	**28**	**(5)**	**23**	**-**	**(13)**	**(13)**
2. Deposits with customers	**3,352**	**-**	**3,352**	**25,067**	**-**	**25,067**
3. Debt securities in issue	**40,399**	**(7,535)**	**32,864**	**178,704**	**(19,110)**	**159,594**
Total liabilities	**43,779**	**(7,540)**	**36,239**	**203,771**	**(19,123)**	**184,648**
Total financial assets and liabilities			**313,809**			**311,636**

Section 7 - Gains and losses on financial assets/liabilities at fair value through profit or loss - Item 110

Gains and losses on financial assets/liabilities at fair value comprise net gains arising from the valuation of financial assets and liabilities recognized in the accounts, as well as credit and financial derivatives economically associated with them and already recognized under Financial assets/liabilities held for trading (Sub-Items: "*1. Financial derivatives - 1.1 Associated with the fair value option*" e "*2. Credit derivatives - 2.1 Associated with the fair value option*").

At end 2011 this item showed a profit of €24 million (€29 million losses in 2010).

This table summarizes the net result of assets and liabilities valued at fair value for 2010 and 2011, with y/y changes.

Gains and losses in financial assets and liabilities at fair value trough profit or loss: breakdown

(€ million)

TRANSACTIONS/P&L ITEMS	2011	2010	CHANGE
Financial assets	334	140	194
Financial liabilities	114	18	96
Financial assets and liabilities in currency: exchange differences	-	-	-
Financial and credit derivatives	(424)	(187)	- 237
Total	**24**	**(29)**	**53**

7.1 Net change in financial assets and liabilities at fair value through profit or loss: breakdown

(€ '000)

TRANSACTIONS/P&L ITEMS	2011 UNREALIZED PROFITS	REALIZED PROFITS	UNREALIZED LOSSES	REALIZED LOSSES	NET PROFIT
1. Financial assets	**500,118**	**76,474**	**(195,760)**	**(46,610)**	**334,222**
1.1 Debt securities	354,939	52,000	(163,042)	(45,877)	198,020
1.2 Equity securities	-	106	(13)	(8)	85
1.3 Units in investment funds	9,284	6,585	(17,418)	(423)	(1,972)
1.4 Loans	135,895	17,783	(15,287)	(302)	138,089
2. Financial liabilities	**98,662**	**25,133**	**(5,394)**	**(4,633)**	**113,768**
2.1 Debt securities	98,541	25,133	(5,394)	(4,633)	113,647
2.2 Deposits from banks	121	-	-	-	121
2.3 Deposits from customers	-	-	-	-	-
3. Financial assets and liabilities in foreign currency: exchange differences	**X**	**X**	**X**	**X**	**-**
4. Credit and financial derivatives	**49,116**	**9,552**	**(447,426)**	**(35,539)**	**(424,297)**
Total	**647,896**	**111,159**	**(648,580)**	**(86,782)**	**23,693**

Section 8 - Impairment losses - Item 130

2011 loan loss provisions were €5,865 million, a reduction over the previous year (€6,708 million).

8.1 Impairment losses on loans and receivables: breakdown

(€ '000)

	2011								2010
	WRITE-DOWNS			WRITE-BACKS					
	SPECIFIC			SPECIFIC		PORTFOLIO			
TRANSACTIONS/P&L ITEMS	WRITE-OFFS	OTHER	PORTFOLIO	INTEREST	OTHER	INTEREST	OTHER	TOTAL	TOTAL
A. Loans and receivables with banks	**(7,503)**	**(14,871)**	**(5,105)**	**-**	**104,415**	**-**	**12,770**	**89,706**	**(110,678)**
- Loans	(103)	(14,871)	(5,088)	-	104,415	-	12,369	96,722	(107,554)
- Debt securities	(7,400)	-	(17)	-	-	-	401	(7,016)	(3,124)
B. Loans and receivables with customers	**(1,237,334)**	**(7,865,910)**	**(1,091,562)**	**426,928**	**2,804,364**	**-**	**1,008,926**	**(5,954,588)**	**(6,597,590)**
- Loans	(1,234,952)	(7,811,592)	(1,081,145)	426,919	2,789,277	-	1,007,800	(5,903,693)	(6,603,023)
- Debt securities	(2,382)	(54,318)	(10,417)	9	15,087	-	1,126	(50,895)	5,433
C. Total	**(1,244,837)**	**(7,880,781)**	**(1,096,667)**	**426,928**	**2,908,779**	**-**	**1,021,696**	**(5,864,882)**	**(6,708,268)**

The columns "Write-backs: interest" disclose any increase in the presumed recovery value of impaired positions arising from interest accrued in the year on the basis of the original effective interest rate used to calculate write-downs.

8.2 Impairment losses on available for sale financial assets: breakdown

(€ '000)

	2011					2010
	WRITE-DOWNS		WRITE-BACKS			
	SPECIFIC		SPECIFIC			
TRANSACTIONS/P&L ITEMS	WRITE-OFFS	OTHER	INTEREST	OTHER	TOTAL	TOTAL
A. Debt securities	(21,071)	(263,682)	19,546	1,795	(263,412)	(4,972)
B. Equity instruments	(5,387)	(132,707)	X	X	(138,094)	(82,591)
C. Units in investment funds	(2,572)	(67,919)	X	228	(70,263)	(54,216)
D. Loans to banks	-	-	-	-	-	-
E. Loans to customers	-	-	-	-	-	-
F. Total	**(29,030)**	**(464,308)**	**19,546**	**2,023**	**(471,769)**	**(141,779)**

2011 impairment losses on AfS securities (equity instruments) are €138 million, mainly due to: Risanamento S.p.A. (-€23 million), Deutsche Schiffsbank AG (-€20 million), Comital S.p.A. (-€13 million), RCG Holdings LLC (-€9 million), MPC Munchmeyer Petersen Capital AG (-€7 million), Seves Holding S.p.A. (-€5 million), Aedes S.p.A. (-€3 million), Gabetti Property Solutions S.p.A. (-€3 million), Cowen Group Inc. (-€3 million).

2011 impairment losses on AfS securities (debt securities) are €263 million, mainly due to the write-downs of Greek Government securities (- €247 million).

2011 impairment losses on shares in UCITS are largely due to private equity funds, as in 2010.

Part C - Consolidated Income Statement (Continued)

2010 impairment losses on AfS securities (equity instruments) were €83 million, mainly due to: Risanamento S.p.A. (-€18 million), Comital S.p.A. (-€7 million), Cowen Group Inc. (-€6 million), Gabetti Property Solutions S.p.A. (-€4 million), Neumayer Tekfor Verwaltungs GMBH (-€4 million) and Gemina S.p.A. (-€4 million).

8.3 Impairment losses on held-to-maturity investments: breakdown

(€ '000)

	2011								2010
	WRITE-DOWNS			WRITE-BACKS					
	SPECIFIC			SPECIFIC		PORTFOLIO			
TRANSACTIONS/P&L ITEMS	WRITE-OFFS	OTHER	PORTFOLIO	INTEREST	OTHER	INTEREST	OTHER	TOTAL	TOTAL
A. Debt securities	-	(152,396)	-	-	23	-	-	(152,373)	(102)
B. Loans to banks	-	-	-	-	-	-	-	-	-
C. Loans to customers	-	-	-	-	-	-	-	-	100
D. Total	**-**	**(152,396)**	**-**	**-**	**23**	**-**	**-**	**(152,373)**	**(2)**

The columns "Write-backs: interest" disclose any increase in the presumed recovery value arising from interest accrued in the year on the basis of the original effective interest rate used to calculate write-downs.

2011 impairment losses on HTM securities (debt securities) are €152 million, totally due to the write-downs of Greek Government securities.

8.4 Impairment losses on other financial transactions: breakdown

(€ '000)

	2011								2010
	WRITE-DOWNS			WRITE-BACKS					
	SPECIFIC			SPECIFIC		PORTFOLIO			
TRANSACTIONS/P&L ITEMS	WRITE-OFFS	OTHER	PORTFOLIO	INTEREST	OTHER	INTEREST	OTHER	TOTAL	TOTAL
A. Guarantees given	-	(160,465)	(120,321)	-	101,362	-	28,664	(150,760)	(155,615)
B. Credit derivatives	-	-	-	-	-	-	-	-	-
C. Commitments to disburse funds	-	(6,511)	(1,931)	-	5,205	-	4,141	904	405
D. Other transactions	-	(4,631)	(4,257)	-	5,034	-	-	(3,854)	(1,392)
E. Total	**-**	**(171,607)**	**(126,509)**	**-**	**111,601**	**-**	**32,805**	**(153,710)**	**(156,602)**

The columns "Write-backs: interest" disclose any increase in the presumed recovery value arising from interest accrued in the year on the basis of the original effective interest rate used to calculate write-downs.

Section 9 - Premiums earned (net) - Item 150

2011 **Net premium earned on insurance business**, including that of both life and general insurers was €126 million as against €118 million in 2010 - a change of €8 million (+7% over 2010).

9.1 Premium earned (net): breakdown

(€ '000)

	2011			2010
PREMIUMS COMING FROM INSURANCE BUSINESS	DIRECT BUSINESS	INDIRECT BUSINESS	TOTAL	TOTAL
A. Life business				
A.1 Gross premiums written (+)	28,328	-	28,328	11,871
A.2 Reinsurance premiums paid (-)	(4,927)	X	(4,927)	(2,508)
A.3 Total	**23,401**	**-**	**23,401**	**9,363**
B. Non-life business				
B.1 Gross premiums written (+)	151,379	-	151,379	145,966
B.2 Reinsurance premiums paid (-)	(37,635)	X	(37,635)	(26,085)
B.3 Change in gross value of premium reserve (+/-)	(22,673)	-	(22,673)	(11,222)
B.4 Change in provision for unearned premiums ceded to reinsurers (-/+)	11,216	-	11,216	154
B.5 Total	**102,287**	**-**	**102,287**	**108,813**
C. Total net premiums	**125,688**	**-**	**125,688**	**118,176**

Section 10 - Other income (net) from insurance activities - Item 160

2011 **Other income (net) from insurance business** mainly comprised claims paid of €102 million and showed a loss of €99 million (-€95 million in 2010).

10.1 Other income (net) from insurance business: breakdown

(€ '000)

ITEMS	2011	2010
1. Net change in insurance provisions	(10,641)	2,824
2. Claims paid pertaining to the year	(101,552)	(104,404)
3. Other income and expense from insurance business	13,379	6,676
Total	**(98,814)**	**(94,904)**

10.2 Net change in insurance provisions: breakdown

(€ '000)

ITEMS	2011	2010
1. Life business		
A. Actuarial provisions	**(10,226)**	**2,824**
A.1 Gross amount for the year	-	2,824
A.2 (-) Amount attributable to reinsurers	(10,226)	-
B. Other insurance provisions	**(415)**	**-**
B.1 Gross amount for the year	(415)	-
B.2 (-) Amount attributable to reinsurers	-	-
C. Insurance reserves when investments risk is born by the insured party	**-**	**-**
C.1 Gross amount for the year	-	-
C.2 (-) Amount attributable to reinsurers	-	-
Total "Life business provisions"	**(10,641)**	**2,824**
2. Non-life business		
Change in provisions for non-life business other than claim provisions, net of amounts ceded to reinsurers	-	-

10.3 Claims settled during the year: breakdown

(€ '000)

CLAIMS EXPENSE	2011	2010
Life business: expense relating to claims, net of reinsures portions		
A. Amounts paid out	**(17,383)**	**(20,109)**
A.1 Gross annual amount	(17,978)	(20,364)
A.2 (-) Amount attributable to reinsurers	595	255
B. Change in provisions for amounts payable	**(594)**	**(255)**
B.1 Gross annual amount	(830)	(531)
B.2 (-) Amount attributable to reinsurers	236	276
Total life business claims	**(17,977)**	**(20,364)**
Non-life business: expense relating to claims, net of amounts recovered from reinsures		
C. Claims paid	**(81,035)**	**(79,584)**
C.1 Gross annual amount	(93,177)	(87,800)
C.2 (-) Amount attributable to reinsurers	12,142	8,216
D. Change in recoveries net of reinsurers' portion	**-**	**-**
E. Change in claims reserve	**(2,540)**	**(4,456)**
E.1 Gross annual amount	(9,999)	(8,437)
E.2 (-) Amount attributable to reinsurers	7,459	3,981
Total non-life business claims	**(83,575)**	**(84,040)**
Total claims of the year	**(101,552)**	**(104,404)**

10.4 Other income and expense from insurance activities: breakdown

(€ '000)

	2011		
	OTHER INCOMES	OTHER EXPENSES	TOTAL
10.4.1 Life business	13,650	-	13,650
10.4.2 Property business	2,190	(2,461)	(271)
Total	**15,840**	**(2,461)**	**13,379**

Part C - Consolidated Income Statement (Continued)

Net result of the insurance business

The **Net result of the insurance business**, i.e. the result of two companies of the Koç sub-group (Yapı Kredi Sigorta AS and Yapı Kredi Emeklilik AS) and of one company of the Hvb sub-group (Grand Central Re Limited) includes items 150 - "Premiums earned (net)" and 160 - "Other income (net) from insurance activities" was €27 million as against €23 million in 2010.

Net result of the insurance business

(€ '000)

ITEMS	2011	2010
Item 150 - Premiums earned (net)	125,688	118,176
Item 160 - Other income (net) from insurance activities	(98,814)	(94,904)
Total	**26,874**	**23,272**

Section 11 - Administrative costs - Item 180

2011 **Administrative costs** were €15,096 million, up 0.8% over 2010 (€14,972 million).
Specifically:

- **payroll expense** was €9,441 million, down €37 million over 2010. It included early retirement incentives attributable to Italy (€120 million) and Germany (€100 million). The portion attributable to Italy, allocated during the third quarter of 2011, covers:
  - disbursements arising from the Memorandum of Understanding signed with the Trade Unions in October 2010. In the third quarter, at the conclusion of the accession process for the period 2011-2013, the implementation phase of the accession process was planned for the period 2014-2015 as provided for by the Protocol;
  - the rationalization of managerial staff resulting from staff reductions and reorganization processes proposed under the so-called One4C project. These reorganizations, communicated to the trade unions in due time, entered the implementation phase during the third quarter of 2011.
- **other administrative costs** were €5,655 million, up 161 million over 2010. This increase was mainly due to the item indirect taxes and duties, which increased by €151 million (+31%).

See the Report on Operations for a more detailed description of Group and divisional results.

11.1 Payroll: breakdown

(€ '000)

TYPE OF EXPENSES/SECTORS	2011	2010
1) Employees	**(9,309,891)**	**(9,309,909)**
a) wages and salaries	(6,374,953)	(6,431,758)
b) social charges	(1,406,866)	(1,397,809)
c) severance pay	(182,483)	(237,907)
d) social security costs	-	(66,790)
e) allocation to employee severance pay provision	(59,856)	(72,121)
f) provision for retirements and similar provisions:	(345,515)	(344,722)
- defined contribution	*(1,899)*	*(797)*
- defined benefit	*(343,616)*	*(343,925)*
g) payments to external pension funds:	(240,338)	(203,951)
- defined contribution	*(236,887)*	*(191,934)*
- defined benefit	*(3,451)*	*(12,017)*
h) costs related to share-based payments	(56,866)	(642)
i) other employee benefits	(659,764)	(583,162)
l) recovery payments seconded employees	16,750	28,953
2) Other staff	**(112,964)**	**(141,635)**
3) Directors and Statutory Auditors	**(18,192)**	**(26,184)**
4) Early retirement costs	**-**	**-**
Total	**(9,441,047)**	**(9,477,728)**

See Table 11.3 for details of sub-item f) provision for retirement payments and similar provisions - defined benefit.

See Table 11.4 for details of sub-item i) other employee benefits.

See Part I for details of sub-item h) costs related to share-based payments.

11.2 Average number of employees by category

	2011	2010
Employees:	**163,915**	**166,191**
a) Senior managers	2,340	2,314
b) Managers	39,488	40,075
c) Remaining employees staff	122,087	123,802
Other Staff	**3,549**	**2,775**
Total	**167,464**	**168,966**

Employees by category at year end

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
Employees:	**162,885**	**164,945**
a) Senior managers	2,310	2,369
b) Managers	39,012	39,965
c) Remaining employees staff	121,563	122,611
Other Staff	**4,129**	**2,969**
Total	**167,014**	**167,914**

11.3 Defined benefit company pension funds: total cost

(€ '000)

	2011	2010
Current service cost	(102,812)	(90,830)
Interest cost	(337,099)	(348,417)
Expected return on plan assets	125,452	127,257
Net actuarial gain/loss recognized in year	(25,946)	(22,358)
Past service cost	-	(1,662)
Gains/losses on curtailments and settlements	(3,211)	(7,915)
Total	**(343,616)**	**(343,925)**

11.4 Other employee benefits

(€ '000)

	2011	2010
- Seniority premiums	(53,872)	(38,718)
- Leaving incentives	(268,745)	(298,003)
- Other	(337,147)	(246,441)
Total	**(659,764)**	**(583,162)**

The item "Other employee benefits - other" includes charges connected with:
- fringe benefits worth €272 million, up €72 million - related to health care plans, canteen facilities and other perks;
- monetary benefits worth €65 million - up €19 million - related to medium-long term monetary payments made by the company in return for the work of its employees.

Part C - Consolidated Income Statement (CONTINUED)

11.5 Other administrative expenses: breakdown

(€ '000)

TYPE OF EXPENSES/SECTORS	2011	2010
1) Indirect taxes and duties	**(636,504)**	**(485,332)**
1a. settled	(634,214)	(483,167)
1b. unsettled	(2,290)	(2,165)
2) Miscellaneous costs and expenses	**(5,018,701)**	**(5,008,496)**
a) advertising marketing and communication	**(437,877)**	**(400,955)**
advertising - campaigns & media	(158,928)	(137,138)
advertising - point of sale comunication & direct marketing	(38,611)	(36,742)
advertising - promotional expenses	(51,660)	(44,857)
advertising - market and comunication researches	(24,368)	(22,223)
advertising - sponsorship	(99,067)	(97,892)
entertainment and other expenses	(47,520)	(46,823)
convention and internal comunications	(17,723)	(15,280)
b) expenses related to credit risk	**(266,410)**	**(279,168)**
legal expenses to credit recovery	(189,668)	(185,703)
credit information and inquiries	(39,214)	(39,778)
credit recovery services	(37,528)	(53,687)
c) expenses related to personnel	**(356,277)**	**(356,051)**
personnel area services	(7,615)	(5,875)
personnel training & recruiting	(59,622)	(64,049)
travel expenses and car rentals	(230,630)	(226,380)
premises rentals for personnel	(41,250)	(42,375)
expenses for personnel financial advisors	(17,160)	(17,372)
d) Information & Communication Technology expenses	**(1,161,011)**	**(1,158,815)**
lease of ICT equipment and software	(232,270)	(241,058)
supply of small IT items	(7,347)	(4,977)
ICT consumables (ICT)	(11,946)	(14,877)
telephone, swift & data transmission (ICT)	(165,039)	(179,669)
ICT services	(454,329)	(432,447)
financial information providers	(144,727)	(138,787)
repair and maintenance of ICT equipment	(145,353)	(147,000)
e) consulting and professionals services	**(442,063)**	**(400,294)**
technical consulting	(122,675)	(121,408)
professional services	(87,999)	(88,059)
management consulting	(62,067)	(55,824)
legal and notarial expenses	(169,322)	(135,003)
f) real estate expenses	**(1,362,463)**	**(1,384,480)**
internal and external surveillance of premises	(76,819)	(85,064)
real estate services	(28,579)	(24,645)
cleaning of premises	(86,105)	(86,952)
repair and maintenance of furniture, machinery, equipment	(54,919)	(52,869)
maintenance of premises	(139,089)	(147,672)
premises rentals	(768,252)	(771,774)
utilities	(208,700)	(215,504)
g) other functioning costs	**(992,600)**	**(1,028,733)**
insurance	(87,517)	(88,637)
office equipment rentals	(3,879)	(4,728)
postage	(139,023)	(144,085)
printing and stationery	(58,158)	(55,413)
administrative services	(233,249)	(263,385)
logistic services	(28,914)	(31,893)
transport of documents	(65,486)	(65,808)
supply of small office items	(15,415)	(16,731)
donations	(19,715)	(23,918)
association dues and fees	(218,716)	(174,775)
others expences - other	(122,528)	(159,360)
Total (1+2)	**(5,655,205)**	**(5,493,828)**

Expenses related to personnel include the expenses that do not represent remuneration of the working activity of an employee in compliance with IAS 19.

In 2011, "association dues and fees" included costs previously classified under the residual item "other". Figures as at December 31, 2010 were restated accordingly.

Pursuant to Article 2427, para 1 of the Italian Civil Code, the fees paid to the auditing firm KPMG S.p.A. by UniCredit S.p.A and the Italian entities of the UniCredit group relating to FY 2011 were as follows:
- Legal audit of annual accounts (including a limited audit of the condensed first-half consolidated accounts): €8,060 thousand;
- Other checks: €7,115 thousand;
- Tax advisory: zero;
- Other non-audit services: €138 thousand.

The above amounts are net of VAT and expenses and do not include the audit fees for the annual statements of the investment funds.

Section 12 - Net provisions for risks and charges - Item 190

In 2011 **Net provisions for risks and charges**, which amounted to -€740 million (-€765 million in 2010), were due to expected charges deriving from post-insolvency clawback petitions, claims for damages, litigation and disputes of other nature. This item is updated according to litigation undergoing and its expected outcome.

In particular, in 2011 provisions (-€1,229 million) were 7% lower than in 2010 (-€1,317 million), while the reallocation amounted to €488 million, as against €553 million in 2010.

12.1 Net provisions for risks and charges: breakdown

(€ '000)

	2011			2010
ASSETS/P&L ITEMS	PROVISIONS	REALLOCATION SURPLUS	TOTAL	TOTAL
1. Other provisions				
1.1 legal disputes	(531,776)	156,576	(375,200)	(270,275)
1.2 staff costs	(562)	-	(562)	(284)
1.3 other	(696,253)	331,786	(364,467)	(494,328)
Total	**(1,228,591)**	**488,362**	**(740,229)**	**(764,887)**

The sub-item "1.3 other" mainly refers to:
- costs deriving from contract obligations (€187 million);
- out-of-court disputes and legal expenses (€131 million);
- disputes concerning financial instruments/derivative (€46 million).

Section 13 - Impairments/write-backs on property, plant and equipment - Item 200

In 2011 **Impairment/write-backs on property, plant and equipment** amounted to -€841 million, as against -€997 million in 2010.

13.1 Impairment on property, plant and equipment: breakdown

(€ '000)

	2011			
ASSETS/P&L ITEMS	DEPRECIATION	IMPAIRMENT LOSSES	WRITE-BACKS	NET PROFIT
A. Property, plant and equipment				
A.1 Owned	**(792,779)**	**(57,977)**	**16,436**	**(834,320)**
- used in the business	(725,684)	(12,212)	9,626	(728,270)
- held for investment	(67,095)	(45,765)	6,810	(106,050)
A.2 Finance lease	**(7,027)**	**-**	**-**	**(7,027)**
- used in the business	(4,715)	-	-	(4,715)
- held for investment	(2,312)	-	-	(2,312)
Total	**(799,806)**	**(57,977)**	**16,436**	**(841,347)**

Part C - Consolidated Income Statement (Continued)

Section 14 - Impairments/write backs on intangible assets - Item 210

14.1 Impairment on intangible assets: breakdown

(€ '000)

ASSETS/P&L ITEMS	2011			
	AMORTISATION	IMPAIRMENT LOSSES	WRITE-BACKS	NET PROFIT
A. Intangible assets				
A.1 Owned	**(677,404)**	**(930,982)**	**-**	**(1,608,386)**
- generated internally by the company	(119,965)	-	-	(119,965)
- other	(557,439)	(930,982)	-	(1,488,421)
A.2 Finance leases	**(56)**	**-**	**-**	**(56)**
Total	**(677,460)**	**(930,982)**	**-**	**(1,608,442)**

Related to the intangible asset - other - see Part B - Consolidate Balance Sheet - Asset - Section 13 - Intangible assets.

Section 15 - Other net operating income - Item 220

Other net operating income is a residual item comprising sundry gains and expenses not attributable to other income statement items.

Other operating net income: breakdown

(€ '000)

P&L ITEMS/VALUE	2011	2010
Total other operating expense	(722,107)	(571,865)
Total other operating revenues	1,516,336	1,523,884
Other operating net income	**794,229**	**952,019**

15.1 Other operating expense: breakdown

(€ '000)

TYPE OF EXPENSE/VALUE	2011	2010
Costs for operating leases	(4,289)	(319)
Non-deductible tax and other fiscal charges	(3,972)	(6,078)
Writedowns on improvements of goods third parties	(62,418)	(64,744)
Costs related to the specific service of financial leasing	(128,098)	(112,806)
Other	(523,330)	(387,918)
Total other operating expense	**(722,107)**	**(571,865)**

The sub-item *Other* includes:
- various settlements and indemnities of € 97 million, €89 million in 2010;
- additional costs for the leasing business of € 62 million, €63 million in 2010;
- non-banking business costs €36 million, €44 million in 2010;
- charges relating to Group property of €10 million, € 24 million in 2010;
- various payments relating to prior years of € 27 million, €20 million in 2010;
- additional costs relating to customer accounts of € 24 million, €10 million in 2010;
- new bank levy of € 135 million.

15.2 Other operating revenues: breakdown

(€ '000)

TYPE OF REVENUE/VALUES	2011	2010
A) Recovery of costs	**525,033**	**483,728**
B) Other Revenues	**991,303**	**1,040,156**
Revenue from administrative services	82,321	111,071
Revenues on rentals Real Estate investments (net of operating direct costs)	124,427	159,833
Revenues from operating leases	152,995	149,247
Recovery of miscellaneous costs paid in previous years	22,504	37,621
Revenues on Financial Leases activities	176,309	161,748
Others	432,747	420,636
Total operating revenues (A+B)	**1,516,336**	**1,523,884**

The sub-item *Other* includes:
- additional income received from leasing business of €69 million, €75 million in 2010;
- income from non-banking business of €104 million, €62 million in 2010;
- various income from Group property of €18 million, €58 million in 2010;
- payments of indemnities and compensation of €53 million, €56 million in 2010.

Section 16 - Profit (loss) of associates - Item 240

The net result of companies subject to significant influence, which is part of item 240 Profit (loss) of associates, amounted to -€323 million (€209 million in 2010), which is the difference between **A. Income** of €264 million and **B. Expense** of €588 million. In particular:

- the sub-item **A. Income** includes:
  - €225 million **revaluations** related to gains on companies valued at Equity method concerning Oberbank AG (40 million), Oesterreichische KontrollBank (32 million), Bank fuer Tirol und Vorarlberg (25 million), Aviva S.p.A. (21 million), Banque de Commerce et de Placements SA (17 million), CreditRas Vita (17 million), BKS Bank AG (15 million), Mediobanca (15 million), CNP Unicredit Vita (9 million), SW Holding S.p.A. (7 million);
  - €39 million **gains on disposal** mainly concerning the acquisition of CA Immobilien Anlagen Aktiengesellschaftsgss (26 million), Metis S.p.A. (5 million).
- the sub-item **B. Expense** includes:
  - -€71 million **write-downs** mainly related to losses on companies valued at Equity method mainly related to Fondiaria SAI S.p.A. (-52 million), Neep Roma Holding S.p.A. (-6 million), Da Vinci Srl (-4 million);
  - -€505 million **impairment**, that was realized in September, on company valued at Equity method mainly due to impairment on implied goodwill on equity investment related to Mediobanca (-404 million), Fondiaria SAI S.p.A. (-42 million) e CNP Unicredit Vita (-35 million);
  - -€11 million **loss on disposal** mainly related to RCG Holding LLC (-11 million).

16.1 Profit (Loss) of associates: breakdown

(€ '000)

P&L ITEMS/SECTORS	2011	2010
1) Jointly owned companies - Equity		
A. Income	**-**	**-**
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Writebacks	-	-
4. Other gains	-	-
B. Expense	**-**	**-**
1. Writedowns	-	-
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit	**-**	**-**
2) Companies subject to significant influence		
A. Income	**264,259**	**234,762**
1. Revaluations	224,672	208,818
2. Gains on disposal	38,567	25,891
3. Writebacks	1,020	53
4. Other gains	-	-
B. Expense	**(587,508)**	**(25,679)**
1. Writedowns	(71,283)	(18,294)
2. Impairment losses	(504,760)	(6,968)
3. Losses on disposal	(11,465)	(417)
4. Other expenses	-	-
Net profit	**(323,249)**	**209,083**
Total	**(323,249)**	**209,083**

In **2010** the results were:

A. Income (relating to companies subject to significant influence):

- €209 million revaluations related to gains on companies valued at Equity method concerning Mediobanca (€40 million), Oesterreichische KontrollBank (€36 million), Oeberbank AG (€32 million), Bank fuer Tirol und Vorarlberg (€25 million), CreditRas Vita (€24 million) BKS Bank AG (€17 million), CNP Unicredit Vita (€11 million);
- €26 million gains on disposal mainly concerning SGSS (€16 million), HVB Singapore (€7 million), Romcard SA (€1 million).

B. Expense (relating to companies subject to significant influence):

- -€18 million write-downs mainly related to losses on companies valued at Equity method Ca Immobilien Anlagen (-€8 million), RCG Holdings LLC (-€4 million), Da Vinci (-€2 million);
- -€7 million impairment mainly related to EuroTlx Sim SpA (-€1 million), MFT Multifunktionale Trainingsgerate (-€1 million).

Part C - Consolidated Income Statement (CONTINUED)

Section 17 - Gains and losses on tangible and intangible assets measured at fair value - Item 250

2011 **Net gains (losses) on property, plant and equipment and intangible assets measured at fair value** were €6,846 thousand. In 2010 this item was positive €152 thousand.

17.1 Net gains (losses) on property, plant and equipment and intangible assets measured at fair value: breakdown

(€ '000)

	2011				
			EXCHANGE DIFFERENCES		
ASSETS/P&L COMPONENTS	REVALUATIONS	WRITEDOWNS	POSITIVE	NEGATIVE	NET PROFIT
A. Property, plant and equipment	**-**	**(6,846)**	**-**	**-**	**(6,846)**
A.1 Owned:	-	(6,846)	-	-	(6,846)
- used in the business	-	-	-	-	-
- held for investment	-	*(6,846)*	-	-	*(6,846)*
A.2 Held by finance leases:	-	-	-	-	-
- used in the business	-	-	-	-	-
- held for investment	-	-	-	-	-
B. Intangible assets	**-**	**-**	**-**	**-**	**-**
B.1 Owned:	-	-	-	-	-
B.1.1 generated internally by the company	-	-	-	-	-
B.1.2 other	-	-	-	-	-
B.2 Held by finance leases	-	-	-	-	-
Total	**-**	**(6,846)**	**-**	**-**	**(6,846)**

Section 18 - Impairment of goodwill - Item 260

In 2011 impairment of goodwill was €8,677 million.

18.1 Impairment of goodwill: breakdowns

(€ '000)

P&L COMPONENTS	2011	2010
Impairment of goodwill	(8,677,456)	(361,500)

See Part A - Accounting Policies for a description of the methods used to measure impairment of goodwill.

See Part B - Balance Sheet for a description of goodwill impairment testing procedures and results.

Section 19 - Gains (losses) on disposals of investments - Item 270

Gains (losses) on disposals of investments were €180 million (€158 million in 2010) comprising:

A. Property

Net result totaled €132 million (as against gains of €125 million in 2010). The item includes the results of the property rationalization plans carried out by UniCredit Real Estate (gains of €32 million), the Leasing Sub-Group (gains of €23 million), the Koç Sub-Group (gains of €23 million), UniCredit Bank Czech Republic (gains of €14 million) and HVB Gesellschaft fur Gebaude MBH & CO KG (gains of €14 million).

B. Other Assets

Net result totaled €49 million (as against gains of €33 million in 2010). The item includes:

- €37 million net gains on disposals, mainly shares in HVB Capital Asia Limited (€17 million), in two other companies belonging to the Leasing Sub-Group (€10 million) and in Medio Credito Centrale SpA (€5 million);
- net result on disposals of other assets €12 million.

19.1 Gains and losses on disposal of investments: breakdown

(€ '000)

P&L COMPONENTS/SECTOR	2011	2010
A. Property		
- gains on disposal	136,774	128,703
- losses on disposal	(5,122)	(3,222)
B. Other assets		
- gains on disposal	62,986	40,672
- losses on disposal	(14,311)	(8,152)
Net Profit	**180,327**	**158,001**

In **2010**, gains on disposal of:

A. Property, resulted mainly from the property rationalization plans carried out by UniCredit Real Estate (gains of €72 million), the Leasing Sub-Group (gains of €35 million) and the Koç Sub-Group (gains of €11 million). In particular, UniCredit Real Estate's gains on disposals were generated by the sale of its share in the property funds Omicron Plus and Core Nord Ovest, viz. a capital gain of €65 million.

B. Other assets, were:
- €11 million gains on disposals, mainly shares in Open Accumulative Pension Fund Otan JSC (€5 million) and UniCredit Suisse Bank SA (€4 million);
- gains on disposals of Private Banking businesses by UniCredit Bank Austria AG (€9 million) and UniCredit Luxembourg SA (€5 million).

Section 20 - Tax expense (income) related to profit or loss from continuing operations - Item 290

Taxes are levied country by country, there being no tax applicable outside the taxation rules of individual countries. Nor is there a tax on consolidated transnational income. References to consolidated taxable income therefore refer in all cases exclusively to national taxation.

Of the countries in which the UniCredit Group operates, Italy, Germany, Austria, the UK and the US all have domestic tax consolidation schemes. This is not the case in Ireland, Croatia, Bulgaria, Turkey and other CEE countries.

Tax consolidation rules also differ from country to country, sometimes markedly. However, the main and common benefit of national consolidation is the right to offset profits and losses of companies belonging to the same group.

The requisites for belonging to a national tax consolidation scheme can be very different from those set for belonging to a Banking Group or group that consolidates its accounts in line with the IFRSs.

Each country has an autonomous tax system, with different ways of calculating taxable income and different tax rates and formal obligations which differ - sometimes greatly - in nature, type and timetable. These differences exist also among EU Member States.

With regard to tax rates, the corporate tax rate is 10% in Bulgaria; 10%-19% (progressive rate) in Hungary; 16% in Romania; 25% in Austria; 31.4% in Germany (considering the corporate income tax and local tax), 27.5% in Italy, as well as IRAP (a regional tax on productive activity) whose nominal rate of 4.65% (plus any additional regional tax), is applied to a different and much broader tax base than that for the corporate income tax; 19% in Poland; 20% in Turkey; and 12.5% in Ireland.

It is therefore almost impossible to compare the consolidated tax position with that of individual Group entities.

Moreover, the 'elision' that is typical of intercompany transactions in consolidated accounting is not to be found in income tax, which relates to each individual entity.

In 2011, among the countries where the Group operates, only in the United Kingdom there was a change in the tax rate, which decreased from 28% to 26%.

By virtue of the legislative changes introduced in 2011 and the further clarifications provided by the Italian Revenue Office with Circular of December 6, based on which prior-year tax losses not yet permanently expired can be carried forward indefinitely (although within the limit of 80% of the taxable income of each fiscal year), in 2011 deferred tax assets in respect of tax losses of Capitalia S.p.A., whose original expiry was December 31, 2011, were recognized for an amount of €186 million. This asset had been previously derecognized as it had been deemed unsustainable.

In relation to Germany, based on the results of the sustainability assessment, deferred tax assets amounting to €114 million attributable to UniCredit Bank AG were derecognized (with a positive impact on the Income Statement).

Part C - Consolidated Income Statement (Continued)

Derecognition of goodwill during the year, especially in the third quarter, did not result in any tax effect, i.e. the amount of goodwill derecognized was not deducted, neither entirely nor partially, from the taxable income of any companies, either in Italy or abroad.

In 2011 **Income tax on profit (loss) from continuing operations** were € 1,115 million, up from the 2010 figure of €530 million.

20.1 Tax expense (income) related to profit or loss from continuing operations: breakdown

(€ '000)

P&L COMPONENTS/SECTOR	2011	2010
1. Current tax (-)	(1,337,944)	(1,512,176)
2. Adjustment to current tax of prior years (+/-)	(363,664)	851
3. Reduction of current tax for the year (+)	10,085	5,895
4. Changes to deferred tax assets (+/-)	709,838	841,855
5. Changes to deferred tax liabilities (+/-)	(132,941)	133,455
6. Tax expense for the year (-)	**(1,114,626)**	**(530,120)**

20.2 Reconciliation of theoretical tax charge to actual tax charge

(€ '000)

	2011	2010
Total profit or loss before tax from continuing operations (item 280)	**(7,727,056)**	**2,174,689**
Theoretical tax rate	27.5%	27.5%
Theoretical computed taxes on income	**2,124,940**	**(598,039)**
1. Different tax rates	168,084	907,972
2. Non-taxable income - permanent differences	(19,780)	73,012
3. Non-deductible expenses - permanent differences	(2,498,789)	(716,284)
4. Different fiscal laws/IRAP	(305,504)	(283,373)
a) IRAP (italian companies)	(316,206)	(342,216)
b) other taxes (foreign companies)	10,702	58,843
5. Prior years and changes in tax rates	(394,975)	(195,454)
a) effects on current taxes	(426,282)	42,086
- tax loss carryforward/unused tax credit	*(6,643)*	*5,895*
- other effects of previous periods	*(419,639)*	*36,191*
b) effects on deferred taxes	31,307	(237,540)
- changes in tax rates	*(6,609)*	*(3,462)*
- new taxes incurred (+) previous taxes revocation (-)	*139*	*(56)*
- true-ups/ adjustments of the calculated deferred taxes	*37,777*	*(234,022)*
6. Valuation adjustments and non-recognition of deferred taxes	(144,151)	370,033
a) deferred tax assets write-down	(89,323)	(47,874)
b) deferred tax assets recognition	258,236	636,235
c) deferred tax assets non recognition	(109,293)	(47,232)
d) deferred tax assets non-recognition according to IAS 12.39 e 12.44	(320,876)	(133,701)
e) other	117,105	(37,395)
7. Amortization of goodwill	-	-
8. Non-taxable foreign income	83,314	(126,148)
9. Other differences	(127,765)	38,161
Recognized taxes on income	**(1,114,626)**	**(530,120)**

Section 21 - Gains (losses) on non-current assets and disposal groups held for sale net of taxes - Item 310

There were no gains (losses) on non-current assets and disposal groups held for sale during 2011.

Section 22 - Minorities - Item 330

2011 net profit attributable to **Minorities** was €365 million comprising €366 million from profit-making entities or groups, losses of €0,4 million from loss-making entities or groups and negative consolidation adjustments of €0,7 million.
The larger contributions to profit attributable to minorities came from the Bank Pekao group, the Bank Austria group and the UniCredit Bank AG group.
In 2010 net Profit attributable to minorities was €321 million comprising €327 million from profit-making entities or groups; losses of €2 million from loss-making entities or groups; and negative consolidation adjustments of €4 million.

22.1 and 22.2 Breakdown of item 330 "Minority gains (losses)"

(€ '000)

	2011	2010
Profit (loss) of:	**365,434**	**325,289**
Bank Pekao Sub-Group SA	277,866	251,102
Unicredit Bank Austria Sub-Group AG	48,750	50,124
Unicredit Bank Sub-Group AG	37,846	22,385
Unicredit Leasing Sub-Group S.p.A.	(474)	(1,301)
Banca Agr. Comm. Rep. S. Marino S.p.A.	353	329
Xelion Doradcy Finansowi SP.ZOO	69	85
IRFIS - Mediocredito della Sicilia S.p.A.	80	(450)
I-FABER S.p.A.	652	932
Other	292	2,083
Other consolidation adjustments	**(668)**	**(4,063)**
Total	**364,766**	**321,226**

Section 23 - Other information

There is no information to be disclosed in this section.

Section 24 - Earnings per share

24.1 e 24.2 Average number of diluted shares and other information

	2011	2010
Net profit for the period attributable to the Group (thousands of euros)	(9,378,702)	1,166,999
Average number of outstanding shares	1,833,025,145	1,813,419,714
Average number of potential dilutive shares	692,981	652,461
Average number of diluted shares	1,833,718,126	1,814,072,176
Earnings per share (€)	**(5.12)**	**0.64**
Diluted earnings per share (€)	**(5.11)**	**0.64**

€172,254 thousand was added to 2011 net losses of €9,206,448 thousand due to disbursements charged to equity made in connection with the contract of usufruct on own shares agreed under the 'cashes' transaction.

Net of the average number of treasury shares and of further 96,756,406 shares held under a contract of usufruct. The number of shares were adjusted following the reverse share split operation executed on December 27, 2011. The average number of shares must be adequate retrospectively for all periods presented (IAS 33, § 64).

Part D - Consolidated Comprehensive Income

Part D - Consolidated Comprehensive Income

Comprehensive income is disclosed below as per IAS 1.
This table gives income and expense items not recognised in the profit (loss) for the period in accordance with IFRS. The following are included to this end:

- changes in value recognised in the period contra revaluation reserves (net of tax) relating to:
  - available-for-sale financial assets;
  - property, plant and equipment;
  - intangible assets;
  - foreign investment hedges;
  - cash flow hedges;
  - exchange differences;
  - actuarial gains (losses) on employee defined-benefit plans;
- reclassification adjustments, i.e. amounts reclassified in the profit (loss) of the current financial year already recognised as comprehensive income for the same year or previous years.

The above changes in value relating to non-current assets held for disposal and shareholdings valued at net equity are disclosed separately.

Consolidated Analytical Statement of Comprehensive Income (€ '000)

	2011		
ITEM	BEFORE TAX EFFECT	TAX EFFECT	AFTER TAX EFFECT
10. Net Profit (Loss) for the year	**X**	**X**	**(8,841,682)**
Other comprehensive income			
20. Available for sale financial assets	**(2,430,616)**	**674,942**	**(1,755,674)**
a) fair value changes	(2,419,073)	678,143	(1,740,930)
b) reclassification through profit or loss	(20,851)	(8,423)	(29,274)
- due to impairment	*19,147*	*(4,593)*	*14,554*
- gains/losses on disposals	*(39,998)*	*(3,830)*	*(43,828)*
c) other variations	9,308	5,222	14,530
30. Property, plant and equipment	**-**	**-**	**-**
40. Intangible Assets	**-**	**-**	**-**
50. Hedges of foreign investments	**-**	**-**	**-**
a) fair value changes	-	-	-
b) reclassifications through profit or loss	-	-	-
c) other variations	-	-	-
60. Cash flow hedges	**475,895**	**(127,311)**	**348,584**
a) fair value changes	519,542	(138,885)	380,657
b) reclassifications through profit or loss	(47,624)	14,405	(33,219)
c) other variations	3,977	(2,831)	1,146
70. Exchange differences	**(1,196,909)**	**-**	**(1,196,909)**
a) changes in values	-	-	-
b) reclassifications through profit or loss	-	-	-
c) other variations	(1,196,909)	-	(1,196,909)
80. Non-current assets classified as held for sale	**(3,355)**	**906**	**(2,449)**
a) fair value changes	(3,556)	923	(2,633)
b) reclassifications through profit or loss	51	(17)	34
c) other variations	150	-	150
90. Actuarial gains (losses) on defined benefits plans	**-**	**-**	**-**
100. Valuation reserves from investments accounted for using the equity method:	**(209,746)**	**2,821**	**(206,925)**
a) fair value changes	(46,471)	2,821	(43,650)
b) reclassification through profit or loss	6,584	-	6,584
- due to impairment	*7,053*	-	*7,053*
- gains/losses on disposals	*(469)*	-	*(469)*
c) other variations	(169,859)	-	(169,859)
110. Total of other comprehensive income after tax	**(3,364,731)**	**551,358**	**(2,813,373)**
120. Comprehensive income after taxes (10+110)	**(3,364,731)**	**551,358**	**(11,655,055)**
130. Consolidated comprehensive income attributable to minorities	(220,459)	3,155	(147,462)
140. Consolidated comprehensive income attributable to Parent Company	**(3,585,190)**	**554,513**	**(11,802,517)**

Part E - Information on risks and related risk management policies

Note:
As required by regulations (Banca d'Italia Circular letter no. 263 issued on December 27, 2006, Title 4 and subsequent updates), the disclosure (Pillar 3 of Basel 2) is published on UniCredit group's website (www.unicreditgroup.eu).

Part E - Information on risks and related risk management policies

Part E - Risks and related risk management policies only refers to the banking group.

Since insurance companies and other companies don't represent a significant business - if compared to banking group - there is no specific section of this document on their risks and related risk management policies.

Risk Management in UniCredit group

UniCredit group monitors and manages its risks through rigorous methodologies and procedures proving to be effective through all phases of the economic cycle.

The control and steering of the Group's risks are exerted by the Parent Company's Risk Management function which pursues its own steering, coordination and control role in particular through the "Portfolio Risk Managers" which are responsible for the relevant risks, from a Group and cross-divisional perspective. Furthermore the model considers a specific point of reference for Italy through the "CRO Italy" function, to which has been assigned the responsibilities related to credit, operational and reputational risks of the Italian perimeter, as well as the managerial coordination of Risk Management functions in the Italian Legal Entities, have been assigned.

In particular, the Risk Management function is responsible for the following tasks:
- optimizing Group's asset quality, minimizing the cost of risks, consistent with the risk / return targets assigned to each Business Area;
- defining, together with the Planning, Finance & Administration function, the Group's risk appetite and evaluating capital adequacy, within the Internal Capital Adequacy Process (ICAAP), consistently with Basel II, Pillar II requirements;
- defining - in compliance with Basel II standards and Bank of Italy requirements - the Group rules, methodologies, guidelines, policies and strategies for risk management, and, in cooperation with the Organisation department, the relevant processes and their implementation;
- setting up a credit and concentration risk control system both of single counterpart/economic groups and significant clusters (e.g. as industrial areas/economic sectors), monitoring and reporting the limits defined beforehand;
- defining and providing to the Business Areas and to the Legal Entities the valuation, managerial, monitoring and reporting criteria of the risks and ensuring the consistency of systems and control procedures both at Group and Legal Entity level;
- supporting the Business Areas to achieve their targets, contributing to product and business development (e.g. innovation of credit products, competitive opportunities linked to Basel accords, etc.);
- verifying, by means of the initial and on-going validation process, the adequacy of the risk measurement systems adopted throughout the Group, steering the methodological choices towards higher and homogeneous qualitative standards and controlling the coherence in using the above systems within the processes;
- setting up an adequate system of preventive risk analysis, in order to quantify the impacts of a quick worsening of the economic cycle or of other shock factors (i.e. Stress Test) on the Group's economic and financial structure. This holds for single risk types as well as their integration and comparison to available capital;
- creating a risk culture across the whole Group.

Consistently with the Risk Management function architecture, and in order to strengthen the capacity of independent steering, coordination and control of Group risks, improving the efficiency and the flexibility on the risk decision process and addressing the interaction between the relevant risk stakeholders, three distinct levels of Risk Committees are in place:
- the "Group Risk Committee" responsible for the Group strategic risk decisions;
- the "Group Portfolio Risks Committees", tasked with addressing, controlling and managing the different portfolio risks;
- the "Group Transactional Committees" in charge of evaluating the single counterparties / transactions impacting the overall portfolio risk profile.

Section 1 - Credit Risk

QUALITATIVE INFORMATION

1. General Aspects
With reference to the risks management model, the governance was streamlined according to the One4C project in order to achieve higher levels of efficiency and ensure a strong control on risk related topics: from the three previous levels of governance (Group Risk Governance functions, Risk functions by Strategic Business Area, Risk functions by Country) the Governance has now two levels (Group Risk Governance functions and Risk functions by Country). The Group Risks Governance functions perform a managerial coordination in respect of the relevant Legal Entities of the Group which perform the control and the management of the risks portfolio at country level.

The “CRO Italy” function was accordingly set up assigning all the credit and risk management responsibilities of the Italian perimeter as well as the managerial coordination of the relevant risk management functions in the Italian Legal Entities of the Group.

During the 1Q11 the 2011 Group Credit Risk Strategies were released, consistent with the “risk appetite” of the Group and the metrics of Pillar II. In accordance with Pillar II, an update on risk concentration at single economic group (Bulk Risks) and at industry level was provided. In order to further improve the process and methodologies for the Group Credit Risk Strategies setting and for the credit risk stress tests execution, the relevant internal regulations applicable to the entire Group have been updated.

During 2011 were implemented also main aspects of “country risk-cross border credit business” policy (i.e. assessment of country risk, rating assignment, cross border country limit proposal and approval). In 2012 automated procedures of collection of single transaction, identified according to defined characteristics (domestic vs. cross border; in local vs. foreign currency), will lead to a full implementation of the policy (i.e. inclusion of cross border transaction in local currency).

The Group continues to invest in a strong implementation of Basel II principles in the entire perimeter. With specific reference to credit risk, the Group is currently authorized to use its internal estimates of PD, LGD and EAD parameters for the Group’s loan portfolio (Sovereigns, Banks, Multinational Companies and transactions of Global Project Finance) and for local credit portfolios (enterprise and retail exposures) of the main banks of the Group[1]. With regard to the customers of the Group’s Italian banks, EAD regulatory parameters are currently in use.

In accordance with the plan of the gradual extension of the IRB approach approved by the Group and reported to the Regulator (Roll-out Plan), since 2008 the IRB approach has been extended and allowed in other Legal Entities according to a progressive plan by portfolios and methodologies (UniCredit Credit Management Bank S.p.A., UniCredit Bank Luxembourg SA, UniCredit Banka Slovenija dd UniCredit Bulbank AD, UniCredit Bank Czech Republic as, UniCredit Bank Ireland plc): during the second half of 2011, UniCredit Bank Hungary was included in the IRB approach perimeter too.

During 2011, the Group has made further enhancements to its Loss Given Default framework for group wide customers: in particular, it has introduced three product-specific LGDs for Banks and Multinational Corporate clients. In addition, the Group has enhanced the AIRB model for Global Project Finance thus to bring forth an improvement on the model performance.

As far as the instruments for measurement and control of economic capital are concerned, within the Group platform for the credit risk, the Group proceeded to implement methodological innovations in the Credit Portfolio Model (CPM) that were already introduced at Holding Company level during the previous year.

Besides an innovation in the functionalities of the CPM tool, the CPM Roll Out project unified the Group methodologies on credit portfolio analysis, implementing for the main legal entities tools, methodology and parameterization previously only available at Holding level. The resulting homogeneity in the portfolio analysis methodology allows a comparison of risk return profiles and as a consequence can be used to steer the strategies of the business areas.

The stress testing activities on credit risk, consistent with the requirements of the Regulators, have been performed on the basis of a common scenario internationally defined, with a particular focus on the countries of Central and Eastern Europe (CEE). The exercise was carried out following the guidelines of the European Banking Authority (EBA) in coordination with the Bank of Italy and other national Regulators involved, the European Systemic Risk Board (ESRB), the European Central Bank (ECB) and the European Commission. The impacts of the simulation have been evaluated both in terms of income, considering the impacts on provisions and profit / loss of the year, both at balance sheet level where the impacts on minimum capital requirements (Pillar I) have been considered.

During 2011, the activities of group mapping of the most relevant customer groups have been reinforced assigning the responsibility to a function within the Group Risk Management of the Holding Company.

Within the scope of Italian business, in order to facilitate the operations of Banca Unica, the former IT tools to support the process of credit underwriting of Corporate and SME (Small and Medium Enterprises) customers have been integrated into a single IT platform in October.

With the aim of an enhancing of credit evaluation of SME (Small and Medium Enterprises) and Corporate customers, a new rating model has been introduced in order to replace the previous one. Among the most important benefits, it is worth to mention “the greater level of detail in risk measurement” and “the greater stability of parameters”.

During 2011, in order to complete the process of credit simplification, a project of rationalization of credit operations and monitoring in Italy (Credit Operations Italy) was made and the organizational changes will be implemented during the beginning of 2012. The new structure consists of 7 Territorial Credit Hubs responsible for cross-segment lending and risk monitoring (Corporate, SME Corporate and Individuals).

In order to ensure a stronger control of the activities after the underwriting / lending phase, a new function named Loan Administration was set up with the responsibility to verify the compliance with the conditions defined by the credit decision (especially for the Real Estate financing) and the compliance with the contract covenants. Loan Administration manages also mutual guarantees consortia, public guarantees and subsidized financing.

As far as the collateral management is concerned, the monitoring of legal certainty and of credit risk mitigation have been further consolidated in the scope of Banca Unica.

1. UniCredit S.p.A., UniCredit Bank AG, Unicredit Bank Austria AG.

Part E - Information on risks and related risk management policies (CONTINUED)

In order to continue to ensure adequate support to the economy and to enterprises in the scope of the Italian business, the following initiatives have been pursued:
- a service model dedicated to Corporate Networks (Reti d'Impresa) has been defined;
- the activities started in 2010 to support enterprises continued with the initiative 'Italy Recovery' ('Ripresa Italia') with the aim to support enterprises that have invested in post-crisis recovery through export;
- a custom loan for enterprises facing the difficult period of generational change has been rolled out ('Next Generation' mortgage).

2. Credit Risk Management Policies

2.1 Organizational Aspects

The credit risk organization in Parent Company breaks down into two levels:
- functions with responsibilities at Group level;
- functions with responsibilities at Country level.

Functions with responsibilities at Group level include:
- the "Group Credit Operational & Reputational Risks" department that, with respect to credit risk, breaks down into the following structures:
  - the "Group Credit Risks" department (Portfolio Credit Risk Manager), responsible - among others - for the following activities:
    - defining strategies and risk limits, executing stress test activities and portfolio analysis;
    - drawing up reports needed for monitoring the trend of the Group credit portfolio;
    - controlling the credit risk limit;
    - developing the methodologies for measuring credit risk;
    - drawing up Group Regulations on credit risk topics, as well as the monitoring of its approval and implementation in the Legal Entities;
  - "Group Rating Desk" unit responsible - among others - for the following activities:
    - assigning rating to certain types of relevant counterparties (Top Banking and Top Corporate);
    - deciding, within its delegated powers, or submitting to the competent deliberative Bodies the rating override proposals related to Group Wide rating systems and local rating systems;
  - "Group Credit Transactions" department that, through the LPAC Risk Analyst, and the "Country Risk Analysis" unit and "Group Credit Transactions Advice" unit, is responsible, among others, for the following activities:
    - delivering expert advice on LPAC transactions (e.g. Project Finance, Acquisition & Leveraged Finance, etc);
    - analyzing and monitoring Country risk;
    - deciding or collecting proposals to be submitted to the competent decision-making functions as regards cross border limits;
    - delivering expert advice on credit proposals intended for "Group Transactional Credit Committee" or for "Group Credit Committee".
- the "Group Trading Risk" department, that, with respect to credit risk, breaks down into the following structures:
  - the "FIBS & Trading Credit Risks", responsible - among others - for the following activities:
    - delivering expert advice on credit proposal related to "Financial Institutions, Banks and Sovereigns" (FIBS) counterparties made by Legal Entities, acting in its capacity as Group Competence Team;
    - deciding, within its delegated powers, or proposing to the competent deliberative bodies, credit proposal related to "FIBS" counterparties booked with the Parent Company;
    - issuing, within its delegated powers, or proposing to the competent deliberative bodies, Parent Company Non-Binding Opinion on credit proposal related to "FIBS" counterparties made by Legal Entities;
  - the "Special Products Risk Analysis", responsible - among others - for the following activities:
    - delivering expert advice on credit proposal related to "Special Products" made by Legal Entities, acting in its capacity as Group Competence Team;
    - deciding, within its delegated powers, or proposing to the competent deliberative bodies, credit proposal related to "Special Products" booked with the Parent Company (e.g. ABS, Securitization);
- the "Group Risks Control" department, responsible - among other activities - for the internal validation regarding risk measurement systems, through competent functions of "Group Internal Validation" department;
- the "Group Risks Operating Office" department, responsible - among other activities - for producing reports concerning consolidated credit risks, on the basis of data provided by competent functions of "Group Credit, Operational & Reputational Risk" department, as well as the management and the coordination of all IT initiatives related to credit risk;
- the "Group Special Credit" department, responsible - among other activities - for coordinating, addressing, supporting "restructuring" and "workout" activities carried out by the Group Legal Entities, managing "restructuring" and "workout" activities with reference to relevant files or defined as "strategic/sensitive", as well as managing the default propagation process for multinational customers with exposure to multiple Group Legal Entities.

At Country level, steering and credit risk control activities, as well as the conducting of "operational" activities (e. g. credit delivery, performance monitoring, etc.) falls under the responsibility of CRO controlled subsidiaries.

In UniCredit S.p.A., these functions are undertaken by organizational structures of "CRO Italy", reporting to "Group CRO" and in particular:
- the "Risk Management Italy" department responsible - among other activities - for governance and control of credit risk originating in the "Country Chairman Italy" perimeter activities. Among others things, it is responsible for:
  - defining operational credit policies and ensuring the consistency of Group rules application within credit risk, as well as check the consistency of credit products with the rules defined by GRM competent functions;
  - developing methodologies, models and tools for the evaluation of creditworthiness;
  - deciding or proposing to the competent deliberative Bodies the rating override requests related to local rating systems measuring credit risk related to counterparties belonging to the enterprises segment;
- the "Consumer Finance Risks" department, that, for the pertaining perimeter, is responsible for governance and control of credit risk connected to consumer finance products (consumer credit, loans on salary and revolving credit cards). Among other activities, it is responsible for:
  - defining operational credit policies, implement strategies and the consistency of Group Rules application within credit risk, as well as check the consistency of credit products with the rules defined by GRM competent functions;
  - developing methodologies, models and tools for the evaluation of creditworthiness;
  - analyzing and monitoring the composition and inherent risk of the consumer finance portfolio;
  - coordinating and managing underwriting processes and activities for customers and relevant products as well as fraud prevention and management activities;
- "Special Credit Italy" department responsible for the management of Restructuring and Workout activities of the Italian perimeter, except for files above a given threshold or defined as "strategic/sensitive";
- "Credit Operations Italy" department, breaks down as follow:
  - "F&SME Credit Operations", "Corporate Credit Operations", "Private Banking Credit Operations", "Underwriting 1" and "Underwriting 2" departments responsible, each one for the pertaining customers, for managing the credit underwriting activities for UniCredit S.p.A. customers (with inclusion of the mortgages), through the evaluation of counterparties' creditworthiness, deciding - within its delegated powers - lines of credit, or forwarding the relevant proposal to the competent deliberative bodies;
  - "Monitoring" department responsible for monitoring the performance of positions for which it is competent:
  - "Loan Administration" department responsible for overseeing administrative activities post-decision phases of the credit underwriting, managing the activities related to subsidized loans and credit and administrative activities related to Confidi;
  - "Credit Operations Italy Support" department that, among other activities, is responsible for ensuring the credit quality, propagating guidelines on the processes for measuring the creditworthiness of counterparties.

Furthermore, it is necessary to mention a review of the CRO Italy organizational structure is ongoing; new organizational structure will enter in force in the next months, therefore the related disclosure will be provided in the next publications.

Furthermore, with respect to credit risk specific committees are active:
- the "Group Credit Committee", in charge of discussing and approving competent credit proposals, including "restructuring" and "workout" files, relevant strategies and corrective actions to be taken (including classification of status when applicable) for "watchlist" files, specific limits for transactions related to debt capital markets on Trading Book, single issuer exposure limits on Trading Book;
- the "Group Credit and Cross-Border Risks Committee", responsible for monitoring credit and cross-border risks at Group level, for submitting to the "Group Risk Committee" - for either approval or information - credit and cross-border risk strategies, policies, methodologies and limits as well as regular reporting on credit and cross-border risk portfolio and profile;
- the "Group Transactional Credit Committee", in charge of discussing and approving or issuing of non-binding opinions to the Group Legal Entities, within the delegated powers, credit proposals excluding "restructuring" and "workout" files; strategies and relevant corrective actions to be taken for "watchlist" files, specific limits for transactions related to debt capital markets, single issuer exposure limits on Trading book;
- the "Italian Transactional Credit Committee", in charge of discussing and approving, within the delegated powers, credit proposal submitted by the Business Unit "Corporate Banking Italy Network", "Investment Banking Italy Network", "PB Italy Network", "F&SME Italy Network" and "Consumer Finance" and/or issuing of non-Binding Opinion regarding Italian Legal Entities, for: credit proposals (excluding restructuring and workout files), status classification of files, strategies and measures for watchlist files;
- the "Group Special Credit Committee", in charge of evaluating, within the delegated powers, "restructuring" or "workout" files as well as monitoring the overall restructuring and workout portfolio proceeding and for ensuring coordination and support with reference to restructuring and workout files managed within the Group;
- the "Group Rating Committee", responsible for taking decisions and/or issuing non-binding opinions to the Group Legal Entities on rating override proposals.

Part E - Information on risks and related risk management policies (Continued)

2.2 Factors that generate Credit Risk
In the course of its credit business activities the Group is exposed to the risk that its loans may, due to the deterioration of the debtor's financial condition, not be repaid at maturity, and thus resulting in a partial or full write-off. This risk is always inherent in traditional lending operations regardless of the form of the credit facility (whether cash or credit commitments, secured or unsecured, etc).

The main reasons for default lie in the borrower's lacking the autonomous ability to service and repay the debt (due to a lack of liquidity, insolvency, etc.), as well as the occurrence of events that are unrelated to the debtor's operating and financial condition, such as Country risk or the impact of operational risk. Other banking operations, in addition to traditional lending and deposit activities, can expose the Group to other credit risks. For example, 'non-traditional' credit risk may arise from:
- entering into derivative contracts;
- purchasing and selling securities, futures, currencies or commodities;
- holding third-party securities.

The counterparties in these transactions or issuers of securities held by Group Legal Entities could default as a result of insolvency, political and economic events, lack of liquidity, operating problems or other reasons. Defaults in relation to a large number of transactions, or one or more large transactions, could have a material adverse impact on the Group's operations, financial condition and operating results.

The Group monitors and manages the specific risk of each counterparty and the overall risk of loan portfolios through procedures, structures and rules, that steer, govern and standardize the assessment and management of credit risk, in line with the Group principles and best practice, and which are capable of extending their effectiveness to all phases of the economic cycle.

2.2.1. Country risk
Country risk is defined as the risk of losses of exposures caused by events in a specific Country which may be under the control of the government but not under the control of a private enterprise or individuals. This may imply that the repayment of assets within a specific Country will be ultimately prevented by actions of the Country's government (e.g. transfer risk, expropriation risk, legal risk, tax risk, security risk, delivery risk) or by a deterioration of the economic and / or political environment (e.g. a sharp recession, currency and / or banking crisis, disaster, war, civil war, social unrest) of a Country. Country risk is managed by determining the appropriate maximum risk levels (country limits), that can be assumed by the various Legal Entities belonging to the Group vis-à-vis all counterparties (sovereigns, government entities, banks, financial institutions, corporate customers, small businesses, individuals, project finance, etc.) residing in or related to the Country, for cross-border transactions (from the standpoint of the Entity providing the loan) in foreign currency (from the standpoint of the borrower); transaction in local currency will be included during 2012. In fact in 2012 automated procedures of collection of single transaction, identified according to defined characteristics (domestic vs cross border; in local vs foreign currency), will be implemented.

Country risk management processes are mainly concentrated at Holding Company in terms of both methodological aspects and the decision-making process, in order to ensure a uniform assessment and monitoring approach, particularly for the rating assignment - PD (probability of default) and LGD (loss given default) - as well as control of risk concentration.

The country rating assignment (both in terms PD and LGD) is performed using the specific internal rating model. The analysis, focused on both qualitative and quantitative factors, is an integral part of the final rating calculation process. In case the rating resulting from the model does not appropriately reflect the credit profile of the country, an override is requested from the competent Body. Both the calculation of PD and LGD values are mandatory and must be assigned before any decision on cross-border credit transactions is taken. The rating has to be updated at least once a year or whenever any material information (both positive and negative) impacting the country creditworthiness becomes available.

Cross border plafonds are calculated in a top-down / bottom-up process considering the risk of the Country (rating), the size of the country measured by its share in international trade of goods and services as well as its share in international capital flows, demand of the bank's export customers and business opportunities. Cross border plafond are renewed at least on a yearly basis.

Risk Exposures toward Greece, Portugal, Ireland, Spain and the CEE Countries are closely measured and monitored in terms of counterparty types - Individuals, Corporates, Banks & Financial Institutions, Sovereigns - as well as in terms of product categories - Loans, Bonds, CDS, Derivatives, and Guarantees. In this focused monitoring process, Risk Exposures include both the "Domestic Risk" if the Borrower is located in the same Country of the Legal Entity granting credit lines and the "Cross Border Risk" if the Borrower is located elsewhere with respect to the granting legal Entity.

The evolution of the macroeconomic and political scenario has been constantly monitored in order to be consistently reflected within the Internal Ratings of the mentioned countries; Internal Ratings have been therefore revised more than on a yearly basis, when needed.

With specific reference to the sovereign risk, direct counterparty risk to sovereigns is managed through the normal counterparty approval process. Limits and exposures to sovereigns - in both the trading and banking books - have been managed in a prudent way to ensure such limits/exposures are sized primarily by both regulatory and liquidity requirements of the group.

Through the Collateral agreements the group has in place to mitigate exposures to OTC derivative counterparties, eligible collateral generally includes (in addition to cash) sovereign bond collateral from specified countries (as per the approved Group credit policy). This eligibility is however always subject to minimum external rating criteria, and ongoing daily price availability. The rating threshold has therefore seen a reduction in the number of the eligible sovereign issuers from the original name specific eligibility list.

The practical impacts of the recent sovereign turmoil have however been very minimal on such activity within UCG, as in practice despite the option to use such non-cash collateral, well over 90% of the collateral posted and received under such agreements is cash.

In regards to repo/reverse repo activity, the recent events have manifested in the form of higher haircuts applied to such paper. Observed volumes have been low anyway however, given the eligibility of such paper with central banks.

With reference to loans to local customers (different from sovereigns), in Portugal and Spain the exposure of the UniCredit Group is very limited due to a lack of our branches / subsidiaries in these countries. In Greece and Ireland UniCredit has a small presence and such credit activities is very limited too. Moreover in the last year the above mentioned activities have been mainly focused on corporates less linked to the sovereign risk. For CEE Countries, given the strategic importance for the Group, loans to customers are subject to specific credit risk strategies defined and monitored at country level, taking also into consideration the macroeconomic outlook.

2.3 Credit Risk Management, Measurement and Control

2.3.1 Reporting and Monitoring Activities

The fundamental objective of the reporting and monitoring activities performed by the Group Risk Management function is the analysis of the main drivers and parameters of credit risk (exposure at default ("EAD"), expected loss ("EL"), migration, cost of risk etc.) in order to promptly initiate any counter-measures on portfolios, sub-portfolios or individual counterparties.

Group Risk Management function performs credit risk reporting at portfolio level, producing reports at Group level, both recurring and specific (on demand of Senior Management or external entities, e.g., regulators or rating agencies) with the objective of analyzing the main risk components and their development over time, and thus to detect any signals of deterioration at an early stage and, subsequently, to put in place the appropriate corrective actions. Credit portfolio performance is analyzed with reference to its main risk drivers (such as growth and risk indicators) customer segments, industrial sectors, regions and impaired credits performance and relevant coverage.

Portfolio reporting activities at Group level are performed in close collaboration with the Chief Risk Officers at Legal Entities level and Credit Risk Portfolio Managers who, within their respective perimeters, implement specific reporting activities.
Starting from the second half of 2010, reporting activities are carried out by two dedicated Group Risk Management functions: the Group Risk Reporting unit under the Group Risk Management Operating Office Department and the Group Credit Risk Portfolio Analytics team within the Group Credit Risks Department. The Group Risk Reporting unit is in charge of risk reporting at Group level, by leveraging on the information supplied by other competent structures of the Group Risk Management. The Group Credit Risk Portfolio Analytics team, in collaboration with the Group Risk Management Operating Office department, is responsible for the reporting, with specific detail of geographical area and Business Units, directly producing the data related to the "Corporate, Investment Bank & Private Bank" SBA and collecting and aggregating the information related to the "Families & SME" SBA and to the "CEE" countries provided by the "F&SME Risks" department and "CEE Risks Officer".

During the whole 2011 reporting activities have been additionally refined through the intensive fine-tuning activity of data collection and consolidation processes, an activity already started in late 2010. This has led to a significant improvement in terms of quality of the information reported in consolidated reports such as, for example, the ERM - Enterprise Risk Management Report. Furthermore, portfolio and business segment reporting units also helped to monitor credit risk exposure within their areas of responsibility.

All monitoring activities that aim at identifying and reacting in a timely manner to possible deterioration in the asset quality of the Group's counterparties, instead, have been further enhanced with dedicated functions of the Group Risk Management, for example functions belonging to the Group Credit Risks department, that deal with the reporting activities aimed at analyzing the main components of this risk and their temporal evolution, in order to be able to detect promptly any symptoms of deterioration and, therefore, take appropriate corrective actions.

Part E - Information on risks and related risk management policies (CONTINUED)

2.3.2. Governance and policy

Relationships between the Parent Company and Group Legal Entities carrying out credit-related businesses are defined by specific governance rules, assigning the role of guidance, support and control to the Parent Company, in respect of the following areas: credit policies, credit strategies, models development, rating systems validation, credit concentration risk, the issuance of credit products, monitoring and reporting portfolio credit risk.

In particular, Group Legal Entities are required to request the Group Risk Management function's opinion before granting or reviewing credit lines to individual borrowers or economic groups, whenever they exceed defined thresholds, also with reference to the obligation of compliance with the credit risk concentration limits that have to be measured with respect to the regulatory capital.

According to the role assigned to the Parent Company, specifically to the Group Risk Management function under Group governance, "General Group Credit Policies" defining group-wide rules and principles for guiding, governing and standardizing the credit risk assessment and management, in line with the regulatory requirements and Group best practice.

The general rules are supplemented by policies governing defined subjects (business areas, segment activities, type of counterpart / transaction, etc.). Such documents are divided in two categories:

- policies on Group-wide topics, developed by the Parent Company and sent to all the Legal Entities. Some examples are the policies on FIBS customers (Financial Institutions, Banks and Sovereigns), on Country Limits, on Project Finance and Acquisition & Leveraged Finance transactions, on collateral management for OTC derivatives and Repo and securities lending business, on assessment, monitoring and management of underwriting risk limits for the syndicated loan, on "Commercial Real Estate Financing (CREF)" and on "Structured Trade and Export Finance (STEF)";
- policies developed locally by single Legal Entitles. Such documents provide detailed credit rules for specific regions, subsidiaries, etc., if required by local market peculiarities, and are applicable only within the specific Legal Entity perimeter.

At both Legal Entity and Parent Company (if necessary) level, the policies are further detailed through Operative Instructions, describing specific rules and instructions for the day-by-day activity.

Credit Policies have generally a static approach and are revised when necessary. Therefore they need to be supplemented with Credit Risk Strategies that are updated at least annually and define customers / products, industry segments and geographical areas that will form the target of the Legal Entity / the Group's relevant credit business.

2.3.3 Management and Measurement Methods

Credit Risk generally represents the risk of losses of the value of a credit exposure arising from an unexpected worsening of the counterparty's credit quality.

For the purpose of credit risk measurement, credit risk is defined as the risk of incurring losses arising from the possibility that a borrower, counterparty or an issuer of a financial obligation (bond, note, etc.) is not able to repay interest and/or principal or any other amount due (Default Risk). In a broader sense, credit risk can also be defined as potential losses arising either from a default of the borrower / issuer or a decrease of the market value of a financial obligation due to a deterioration in its credit quality. On this topic the Group is exploring new approaches to cover also the market value component of banking book credit risk.

Credit risk is measured by single borrower / transaction and for the whole portfolio. The tools and processes used for lending to single borrowers during both the approval and monitoring phases include a credit rating process, which is differentiated by customer segment / product to ensure maximum effectiveness.

The assessment of a counterpart's creditworthiness, within the credit proposal evaluation, begins with an analysis of the financial statements and the qualitative data (competitive positioning, corporate and organisational structure, etc.), regional and industry factors and counterpart behaviour within the Legal Entity and the banking system (e.g., "Centrale dei rischi"), and results in a rating, i.e. the counterpart's probability of default (PD) on a one-year time horizon.

Regular monitoring focuses on the borrower's performance management, using all available internal and external information in order to arrive at a score representing a synthetic assessment of the risk associated. This score is obtained using a statistical function that summarizes available information using a set of proven significant variables that are predictors of an event of default within a 12 months horizon.

The internal rating, or risk level assigned to the customer / transaction, forms a part of the lending decision calculation. In other words, at a constant credit amount the approval powers granted to the competent Bodies are gradually reduced in proportion to an increased borrower-related risk level.

The organizational model in use includes also a dedicated function, which is separated from loan approval and business functions and is responsible for the management of the so-called rating overrides, i.e. any changes to the automatic rating calculated by the model.

Each borrower's credit rating is reviewed at least annually on the basis of new information acquired. Each borrower is also assessed in the context of any economic group with which it is affiliated by, as a general rule, taking into account the theoretical maximum risk for the entire economic group.

Besides the methodologies summarized in the rating systems, the risk management function uses portfolio models enabled to measure credit risk on an aggregated portfolio basis and at the same time to identify sub-portfolio, or single obligor contributions to the overall risk position.

There are three fundamental portfolio credit risk measures that are calculated and are evaluated on a one year time horizon:
- *Expected Loss (EL);*
- *Credit Value at Risk (Credit VaR);*
- *Expected Shortfall (ES).*

In order to derive the Credit VaR of the portfolio, the portfolio loss distribution is specified; it is represented by the probabilities of getting different values of the portfolio loss on the given time horizon ("discrete loss case"). The loss associated to a specific probability is the product of the percentage of losses given default (LGD) and exposures at default (EAD) considering the correlations among the defaults.

The Expected Loss (EL) at portfolio level represents the aggregated average loss of the portfolio due to potential defaults of the obligors. The EL of the portfolio is just the sum of the single obligor ones, which can be evaluated as the product of PD x LGD x EAD, and is independent from the default correlations in the portfolio. EL is typically charged as a cost component.

Value at Risk represents the threshold monetary loss overcome only with a given probability level (VaR at 1-α confidence level. UniCredit selected α =0.03% which corresponds to a 99.97% confidence level).

Economic Capital is derived from Value at Risk subtracting the expected loss and it is an input for determining Internal Capital set up to cover potential unexpected losses from risk factors.

VaR is a widely used measure of portfolio risk but it does not provide information on potential losses in case the VaR limit has been exceeded. Such information is provided by the Expected Shortfall (ES) that represents the expected value of losses that exceed the VaR threshold. Portfolio Credit VaR and ES strongly depend on default correlation and can be reduced by portfolio diversification.

The credit portfolio models produce also measures of economic capital reallocated by individual borrowers within each portfolio and are the basis for risk-adjusted performance measures.

The measures of economic capital (Credit VaR based) are also a fundamental input for the design and application of credit strategies, the analysis of credit limits and risk concentration. The economic capital calculation engine is also used for the analysis of stress tests of the credit portfolio, starting from macro-economic variables that affect the various customer segments, by Country, size, etc.

All the above mentioned risk parameters are subject to an initial validation and a regular monitoring process for each rating system in all its components: models, processes, IT architecture and data quality.

The aim is to give evidence of the systems compliance, highlighting improvement areas as well as possible misalignments in the methodologies, which could limit the full comparability among the resulting risk measures.

The internal Credit VaR model is also subject to assessment in the context of Basel 2 - Pillar 2 validation.

2.3.4 Credit Risk Strategies

According to Pillar II provisions, credit risk strategies for the Group's credit portfolio are an advanced credit risk management tool. Consistent both with the budget process and with Pillar II / Risk Appetite framework, they are aimed at providing the concrete deployment of risk appetite targets by Division and Legal Entity, considering the expected vulnerability of the Group credit portfolios to adverse economic downturns as well as the quantification of the sectorial concentration risk.

Part E - Information on risks and related risk management policies (Continued)

Credit risk strategies aim to obtain a threefold goal:
- to define the optimal credit portfolio risk profile by minimizing the overall credit risk impact given the expected remuneration, starting from the risk appetite framework, in line with the Group's capital allocation and value creation criteria;
- to provide support to the responsible functions and Divisions at Parent Company and Legal Entities level when the latter take measures to optimize the portfolio reshaping through strategic plans and business initiatives;
- to provide a set of guidelines and support when drafting business and credit risk budgets, in line with the Group's strategic view.

Credit risk strategies are defined by synthesizing the top-down risk analysis with the portfolio view of the business functions, through a strict cooperation among the centralized and local Risk Management Departments.

Credit risk strategies are implemented by using all available credit risk measures, especially the credit VaR model, which enables correct and prudent management of portfolio risk, using advanced methodologies and tools. In parallel a set of qualitative information, taking into account the different divisional / territorial characteristics, are incorporated and transformed in input variables for the credit portfolio optimization models.

Portfolio risk management pays special attention to credit risk concentration in light of its importance within total assets.

Such concentration risk, according to the Basel II definition, consists of a single exposure or of a group of correlated exposures with the potential to generate losses of such magnitude as to prejudice the Group's ability to carry on its normal business.

In order to identify, manage, measure and monitor concentration risk, the Parent Company's competent functions define and monitor credit limits to cover two different types of concentration risk:
- significant amount credit exposures to a single counterparty or to a set of counterparties economically connected ("bulk risk" for Multinationals, Financial Institutions and Banks);
- credit exposures to counterparties belonging to the same economic sector ("sectorial risk").

More generally, as part of credit risk strategy, vulnerability and Capital Adequacy support analysis are performed through the credit risk stress test (Pillar I and Pillar II).

Stress test simulations are a comprehensive part of credit risk strategies definition. With stress test procedure it is possible to re-estimate some risk parameters like PD, Expected Loss, economic capital and RWA under the assumption of "extreme but plausible" macroeconomic and financial stressed scenario. Stressed parameters are used not only for regulatory purposes (Pillar I and Pillar II requirements), but also as managerial indicators about the portfolio vulnerability of single Legal Entities, business lines, industries / regional areas, customer groups and other relevant clusters, conditioned to a downturn of economic cycle.

In compliance with regulatory requirements, stress tests are performed on an on-going basis on updated stressed scenarios and are communicated to the senior management as well as to the Supervisory Authority. In addition to the regular stress test, ad hoc stress test simulations are performed on specific request by the Supervisory Authority.

2.4 Credit Risk Mitigation Techniques

UniCredit Group uses various credit risk mitigation techniques to reduce potential credit losses in case of the obligor default. Consistently with the "International Convergence of Capital Measurement and Capital Standards – A Revised Framework" (Basel II), the Group is firmly committed to satisfy the requirements for recognition of Credit Risk Mitigation techniques for regulatory capital purposes, according to the different approaches adopted (Standardized, Foundation IRB or Advanced IRB) both for internal use in operations and for the purposes of calculating the credit risk capital requirement.

With specific reference to Credit Risk Mitigation, general guidelines are in force, issued by the Parent Company, to lay down Group-wide rules and principles that should guide, govern and standardise the credit risk mitigation management, in line with Group principles and best practice, as well as in accordance with the relevant regulatory requirements.

Following the General Group Credit Risk Mitigation Guidelines all Legal Entities have adopted internal regulations, specifying processes, strategies and procedures for collateral management. In particular such internal regulations detail collateral eligibility, valuation and monitoring rules and ensure the soundness, legal enforceability and timely liquidation of valuable collateral according to each Country's local legal system.

Collateral management assessments and Credit Risk Mitigation compliance verifications have been performed by the Legal Entities, specifically as part of Internal Rating System applications, in order to assess the presence of adequate documentation and procedure concerning the Credit Risk Mitigation instruments used for supervisory capital.

According to credit policy, collaterals or guarantees can be accepted only to support loans and they cannot serve as a substitute for the borrower's ability to meet obligations. For this reason, in addition to the overall analysis of the credit worthiness and of the repayment capacity of the borrower, they are subject to specific evaluation and analysis of the support role for the repayment of the exposure.

Collaterals accepted in support of credit lines granted by the Group's Legal Entities, primarily include real estate, both residential and commercial, financial collateral (including cash deposits, debt securities, equities, and units of Undertakings for Collective Investment in Transferable Securities (UCITS)). Other types of collateral (pledged goods or pledged loans and life insurance policies) are less common. The Group also makes use of bilateral netting agreements for OTC derivatives (by means of ISDA and CSA agreements), Repos and securities lending.

The management system of credit risk mitigation techniques is embedded in the credit approval process and in the credit risk monitoring process, which widely support the evaluation and data quality checks of collaterals / guarantees and their appropriate linking to the categories defined for LGD estimates purposes. Controls and related responsibilities are duly formalized and documented in internal rules and job descriptions. Furthermore processes are implemented to control that all the relevant information regarding the identification and evaluation of the credit protection are correctly registered in the system.

When accepting a credit risk mitigation technique, UniCredit group emphasizes the importance of processes and controls of the legal certainty requirements of the protection, as well as the assessment of the suitability of the collateral or guarantee. In case of personal guarantees, the protection provider (or the protection seller in case of credit default swap) has to be assessed in order to measure his/her solvency and risk profile.

In case of collaterals, the process of valuation is based on precautionary principles, with reference to the use of "market values" and to the application of adequate haircuts to ensure that, in case of liquidation, there are no unexpected losses.

Monitoring processes of credit risk mitigation techniques ensure that general and specific requirements established by credit policies, internal and regulatory rules are met over the time.

2.5 Impaired Loans

With reference to the *"non-performing"* portfolio, the Group's activities are mainly focused on the following:

- prompt action. With a solid and effective monitoring and reporting process, the early identification of possible credit quality deterioration allows the Group to perform the necessary restrictive management measures aimed at risk reduction in the early phases prior to the potential default;
- proper assessment of the impaired loans, in order to define the strategies/actions to be taken and the applicable default classification;
- initiating recovery procedures on the basis of the type and amount of exposure and the specific borrower involved;
- appropriate provisioning through profit and loss in line with the relevant recovery strategies and plans as well as the type of exposure. Provisioning is carried out in line with the principles of IAS 39 and Basel II rules;
- accurate and regular reporting in order to monitor aggregate portfolio risk over time.

Each Legal Entity's classification of positions into the various default categories must comply with local legal and regulatory dispositions issued by the Supervisory Authority.

Since UniCredit, in its role as Holding Company, is required to comply with instructions issued by the Italian Supervisory Authority, suitable measures are taken vis-à-vis the Group's foreign Legal Entities to link and align classifications which would otherwise not be consistent with the appropriate default categories.

Main facts of 2011 to be mentioned refer to:

- the merger of Aspra Finance, a wholly-owned subsidiary of UniCredit, into UniCredit Credit Management Bank (the Entity specialized in workout activities which operates as a servicer for most of the Group's Italian Legal Entities) was finalized. Since 2008 Aspra was in charge of the gradual acquisition of part of the portfolio of non-performing loans of the Italian Group Legal Entities pursuant to the classification as of October, 31st 2008;
- a "Restructuring" Italy Function under CRO Italy was established to focus on a territorial approach of the activities of the Function. The mentioned structure supplements the dedicated Function within the Holding Company which reports directly to the Group CRO, aimed at managing restructuring and workout files above given thresholds or defined as strategic/sensitive.

In general, the main goal of managing the non-performing portfolio is to recover all, or as much exposure as possible, by identifying the best strategy for maximizing the Net Present Value (NPV) of the amounts recovered, or rather minimizing the loss given default.

This activity is managed internally by specially qualified staff or externally through a mandate given to a specialized company - the Group includes the above mentioned UniCredit Credit Management Bank, – or through the sale of non-performing assets to external companies.

Part E - Information on risks and related risk management policies (Continued)

The methodology is based on the calculation of the NPV of amounts recovered as a result of alternative recovery strategies, with assumptions made for recoveries, related costs and likelihood of failure for any strategy. These results are compared with the Group Entity's average LGD for positions with the same characteristics. If data series are not available, the comparison is based on estimates.

In order to determine provisions, an exercise that is performed periodically or in any case if an event occurs during the file management, specialized units use an analytical approach to assess the loss projections for loans at default on the basis of the Group's accounting policies, which are consistent with the rules of IAS 39 and Basel II. If an analytical approach is not possible (e.g., if there are numerous small positions), a Group Legal Entity may make provisions on a lump sum basis by regrouping these positions into aggregates with similar risk and exposure profiles. The percentage used for such provisions is based on historical data series.

With regard to the powers to be granted in the area of classifying files as default positions and calculating loss projections, Group Legal Entities designate several decision-making levels that have been appropriately tailored to the amount of exposure and the provision. In the light of the impact that these decisions have on earnings and tax payments, these decision-making processes involve the GRM function as well as the Group Entity's Senior Management.

QUANTITATIVE INFORMATION

A. Credit quality

A.1 Impaired and performing loans: amounts, writedowns, changes, distribution by business activity/region

Information contained in Part A.1 does not include equity instruments and units in investment funds.

A.1.1 Breakdown of financial assets by portfolio and credit quality (carrying value)

(€ '000)

	BANKING GROUP					OTHER COMPANIES		
PORTFOLIO/QUALITY	NON-PERFORMING LOANS	DOUBFUL ASSETS	RESTRUCUTRED EXPOSURES	PAST-DUE	OTHER ASSETS	IMPAIRED	OTHERS	TOTAL
1. Financial assets held for trading	413,254	74,394	7,268	92,633	125,314,256	-	3,765	125,905,570
2. Avilable-for-sale financial assets	40,138	76,992	22	17,574	53,425,725	-	521,437	54,081,888
3. Held-to-maturity financial instruments	-	68,734	-	-	9,196,716	-	-	9,265,450
4. Loans and receivables with banks	52,569	6,654	83	3,039	56,245,606	-	57,045	56,364,996
5. Loans and receivables with customers	18,118,247	13,031,176	5,393,511	3,634,251	519,224,976	7,110	143,732	559,553,003
6. Financial assets at fair value through profit or loss	-	-	-	-	28,012,163	-	97	28,012,260
7. Financial instruments classified as held for sale	-	-	-	-	38,206	-	-	38,206
8. Hedging instruments	-	-	-	-	16,241,206	-	-	16,241,206
Total 12.31.2011	**18,624,208**	**13,257,950**	**5,400,884**	**3,747,497**	**807,698,854**	**7,110**	**726,076**	**849,462,579**
Total 12.31.2010	**16,104,873**	**13,827,009**	**4,050,959**	**3,715,407**	**795,033,759**	**453,449**	**5,584,846**	**838,770,302**

The banking group portion does not include intercompany accounts (including those with companies which are not consolidated).
Figures provided in line "5. Loans and receivables with customers" correspond to the table "Loans and receivables with customers - Asset quality" in the Report on Operations.
The amount of item 7 corresponds to total financial assets of the table 15.1 "Non-current assets and disposal groups classified as held for sale" in Part B - Consolidated Balance Sheet - Assets

A.1.2 Breakdown of credit exposures by portfolio and credit quality (gross and net values)

(€ '000)

PORTFOLIO/QUALITY	IMPAIRED ASSETS GROSS EXPOSURE	IMPAIRED ASSETS SPECIFIC WRITEDOWNS	IMPAIRED ASSETS NET EXPOSURE	PERFORMING GROSS EXPOSURE	PERFORMING PORTFOLIO ADJUSTMENTS	PERFORMING NET EXPOSURE	TOTAL (NET EXPOSURE)
A. Banking group							
1. Financial assets held for trading	641,495	53,946	587,549	X	X	125,314,256	125,901,805
2. Available-for-sale financial assets	405,920	271,194	134,726	53,427,917	2,192	53,425,725	53,560,451
3. Held-to-maturity financial instruments	256,887	188,153	68,734	9,196,735	19	9,196,716	9,265,450
4. Loans and receivable with banks	296,971	234,626	62,345	56,260,380	14,774	56,245,606	56,307,951
5. Loans and receivables with customers	72,496,920	32,319,735	40,177,185	522,134,864	2,909,888	519,224,976	559,402,161
6. Financial assets at fair value through profit or loss	-	-	-	X	X	28,012,163	28,012,163
7. Financial instruments classified as held for sale	-	-	-	38,794	588	38,206	38,206
8. Hedging instruments	-	-	-	-	-	16,241,206	16,241,206
Total A	**74,098,193**	**33,067,654**	**41,030,539**	**641,058,690**	**2,927,461**	**807,698,854**	**848,729,393**
B. Other consolidated companies							
1. Financial assets held for trading	-	-	-	X	X	3,765	3,765
2. Available-for-sale financial assets	-	-	-	521,437	-	521,437	521,437
3. Held-to-maturity financial instruments	-	-	-	-	-	-	-
4. Loans and receivable with banks	-	-	-	57,045	-	57,045	57,045
5. Loans and receivables with customers	34,552	27,442	7,110	143,732	-	143,732	150,842
6. Financial assets at fair value through profit or loss	-	-	-	X	X	97	97
7. Financial instruments classified as held for sale	-	-	-	-	-	-	-
8. Hedging instruments	-	-	-	X	X	-	-
Total B	**34,552**	**27,442**	**7,110**	**722,214**	**-**	**726,076**	**733,186**
Total 12.31.2011	**74,132,745**	**33,095,096**	**41,037,649**	**641,780,904**	**2,927,461**	**808,424,930**	**849,462,579**
Total 12.31.2010	**68,433,512**	**30,281,815**	**38,151,697**	**652,477,030**	**3,132,451**	**800,618,605**	**838,770,302**

Data concerning the banking Group are net of infragroup positions, including those with other entities included in the scope of consolidation.

The table below provides a breakdown of credit exposures being renegotiated, i.e. whose installment payment (both principal and interest) has been temporarily suspended in compliance with the general agreements entered by Banking Associations/Unions or with regulations prevailing in the countries where the Group operates.
As at December 31, 2011 there are no such positions in the portfolios of financial assets other than loans to customers.

Customer Loans - Exposures renegotiated under collective agreements

(€ '000)

PORTFOLIO/QUALITY BANKING GROUP AND OTHER CONSOLIDATED COMPANIES	PERFORMING									TOTAL (NET EXPOSURE) 12.31.2011
	OTHER PERFORMING			PAST-DUE 1/90 DAYS			PAST-DUE 91/180 DAYS			
	GROSS EXPOSURE	PORTFOLIO ADJUSTMENTS	NET EXPOSURE	GROSS EXPOSURE	PORTFOLIO ADJUSTMENTS	NET EXPOSURE	GROSS EXPOSURE	PORTFOLIO ADJUSTMENTS	NET EXPOSURE	
5. Loans and receivables with customers	**483,884,685**	**2,406,161**	**481,478,524**	**37,543,657**	**448,495**	**37,095,162**	**850,254**	**55,232**	**795,022**	**519,368,708**
- Exposures renegotiated in application of collective agreements	3,230,694	19,569	3,211,125	257,555	3,202	254,353	57,506	3,235	54,271	3,519,749
- Other exposures	480,653,991	2,386,592	478,267,399	37,286,102	445,293	36,840,809	792,748	51,997	740,751	515,848,959

Part E - Information on risks and related risk management policies (CONTINUED)

A.1.3 Banking group - On- and off - Balance Sheet credit exposure to banks: gross and net values

(€ '000)

EXPOSURE TYPES/AMOUNTS	AMOUNTS AS AT 12.31.2011 GROSS EXPOSURE	SPECIFIC WRITEDOWNS	PORTFOLIO ADJUSTMENTS	NET EXPOSURE
A. Balance Sheet exposure				
a) Non-performing loans	263,475	210,906	X	52,569
b) Doubtful loans	13,200	6,546	X	6,654
c) Restructured exposures	13,597	13,514	X	83
d) Past due	6,699	3,660	X	3,039
e) Other assets	86,122,588	X	16,951	86,105,637
Total A	**86,419,559**	**234,626**	**16,951**	**86,167,982**
B. Off-Balance Sheet exposure				
a) Impaired	11,357	10,103	X	1,254
b) Other	105,245,092	X	17,199	105,227,893
Total B	**105,256,449**	**10,103**	**17,199**	**105,229,147**
Total (A+B)	**191,676,008**	**244,729**	**34,150**	**191,397,129**

This table includes also exposures to banks classified in financial assets portfolios other than Loans and Receivables.

A.1.4 Banking group - On-Balance Sheet credit exposures with banks: gross change in impaired exposures

(€ '000)

SOURCE/CATEGORIES	CHANGES IN 2011 NON-PERFORMING LOANS	DOUBTFUL LOANS	RESTRUCTURED EXPOSURES	PAST DUE EXPOSURES
A. Opening balance - gross exposure	**362,897**	**26,039**	**23,457**	**325,112**
- of which: assets sold but not derecognised	-	-	-	-
B. Increases	**16,912**	**56,461**	**52**	**1,077,933**
B.1 transfers from performing loans	8,054	52,376	-	705,267
B.2 transfer from other impaired exposure categories	-	1,697	-	-
B.3 other increases	8,858	2,388	52	372,666
C. Reductions	**116,334**	**69,300**	**9,912**	**1,396,346**
C.1 transfers to performing loans	17,398	724	9,460	438,278
C.2 derecognised items	23,276	1,078	-	-
C.3 recoveries	53,068	2,026	-	-
C.4 sales proceeds	-	2,237	-	160
C.5 transfer from other impaired exposure categories	1,697	-	-	-
C.6 other reductions	20,895	63,235	452	957,908
D. Gross exposure closing balance	**263,475**	**13,200**	**13,597**	**6,699**
- of which: assets sold but not derecognised	-	-	-	-

A.1.5 Banking group - Balance Sheet credit exposures to banks: change in overall impairments

(€ '000)

SOURCE/CATEGORIES	CHANGES IN 2011 NON-PERFORMING LOANS	DOUBTFUL LOANS	RESTRUCTURED EXPOSURES	PAST DUE EXPOSURES
A. Opening gross writedowns	**216,553**	**9,669**	**13,921**	**882**
- of which: assets sold but not derecognised	-	-	-	-
B. Increases	**22,617**	**18,631**	**102**	**3,660**
B.1 writedowns	17,699	1,000	-	3,660
B.2 transfer from other impaired exposure categories	-	-	-	-
B.3 other increases	4,918	17,631	102	-
C. Reductions	**28,264**	**21,754**	**509**	**882**
C.1 write-backs from assessments	-	-	-	-
C.2 write-backs from recoveries	175	1	-	-
C.3 write-offs	23,276	1,078	-	-
C.4 transfer from other impaired exposure categories	-	-	-	-
C.5 other reductions	4,813	20,675	509	882
D. Final gross writedowns	**210,906**	**6,546**	**13,514**	**3,660**
- of which: assets sold but not derecognised	-	-	-	-

A.1.6 Banking Group - On and off - Balance sheet credit exposure to customers: gross and net values

(€ '000)

	AMOUNTS AS AT 12.31.2011			
EXPOSURE TYPES/AMOUNTS	GROSS EXPOSURE	SPECIFIC WRITEDOWNS	PORTFOLIO ADJUSTMENTS	NET EXPOSURE
A. Balance Sheet exposure				
a) Non-performing loans	42,538,780	24,314,845	-	18,223,935
b) Doubtful loans	19,472,868	6,174,319	-	13,298,549
c) Restructured exposures	7,250,357	1,856,824	-	5,393,533
d) Past due	4,284,398	632,573	-	3,651,825
e) Other assets	616,879,993	-	2,910,510	613,969,483
Total A	**690,426,396**	**32,978,561**	**2,910,510**	**654,537,325**
B. Off-Balance Sheet exposure				
a) Impaired	2,629,351	493,823	-	2,135,528
b) Other	226,831,107	-	791,419	226,039,688
Total B	**229,460,458**	**493,823**	**791,419**	**228,175,216**
Total (A+B)	**919,886,854**	**33,472,384**	**3,701,929**	**882,712,541**

Data relating to the Banking Group include positions with the other entities included in the scope of consolidation.
This table includes also exposures to customers classified in financial assets portfolios other than Loans and Receivables.

A.1.7 Banking group - Balance Sheet credit exposure to customers: gross change in impaired exposures

(€ '000)

	CHANGES IN 2011			
SOURCE/CATEGORIES	NON-PERFORMING LOANS	DOUBTFUL LOANS	RESTRUCTURED EXPOSURES	PAST DUE EXPOSURES
A. Opening balance - gross exposure	**38,694,984**	**19,689,997**	**5,175,587**	**3,775,576**
- of which: assets sold but not derecognised	*442,692*	*1,315,142*	*20,359*	*146,342*
B. Increases	**13,350,062**	**16,408,193**	**5,426,707**	**8,093,608**
B.1 transfers from performing loans	2,539,593	7,525,397	2,027,261	5,994,322
B.2 transfer to other impaired exposure	7,699,162	4,615,933	934,235	955,664
B.3 other increases	3,111,307	4,266,863	2,465,211	1,143,622
C. Reductions	**9,506,266**	**16,625,322**	**3,351,937**	**7,584,786**
C.1 transfers to performing loans	1,394,948	1,957,494	522,266	2,271,204
C.2 derecognised items	3,562,378	323,329	181,212	3,885
C.3 recoveries	2,349,376	4,147,825	361,729	122,695
C.4 sales proceeds	225,326	152,727	11,401	35,472
C.5 transfer to other impaired exposure	444,258	8,622,913	835,408	4,302,415
C.6 other reductions	1,529,980	1,421,034	1,439,921	849,115
D. Closing balance-gross exposure	**42,538,780**	**19,472,868**	**7,250,357**	**4,284,398**
- of which: assets sold but not derecognised	*477,121*	*296,948*	*11,804*	*33,332*

Sub-items B.3 "other increases"and C.3 "recoveries" include amounts recovered during the year concerning impaired exposures which were derecognized in their entirety.

A.1.8 Banking group - Balance Sheet credit exposures to customers: changes in overall impairment

(€ '000)

	CHANGES IN 2011			
SOURCE/CATEGORIES	NON-PERFORMING LOANS	DOUBTFUL LOANS	RESTRUCTURED EXPOSURES	PAST DUE EXPOSURES
A. Total opening writedowns	**22,440,341**	**5,949,735**	**1,146,841**	**437,084**
- of which: assets sold but not derecognised	*124,320*	*305,100*	*295*	*17,731*
B. Increases	**8,397,959**	**4,488,574**	**1,455,300**	**962,864**
B.1 writedowns	4,930,206	3,172,318	1,001,659	444,863
B.2 transfer from other impaired exposure	2,640,678	593,353	237,852	141,696
B.3 other increases	827,075	722,903	215,789	376,305
C. Reductions	**6,523,455**	**4,263,990**	**745,317**	**767,375**
C.1 write-backs from assessments	761,163	366,524	65,206	52,765
C.2 write-backs from recoveries	1,259,760	491,062	149,676	60,757
C.3 write-offs	3,562,378	323,329	181,212	3,885
C.4 transfer to other impaired exposure	168,102	2,643,268	316,913	485,296
C.5 other reductions	772,052	439,807	32,310	164,672
D. Final gross writedowns	**24,314,845**	**6,174,319**	**1,856,824**	**632,573**
- of which: assets sold but not derecognised	*146,229*	*59,870*	*287*	*2,174*

Sub-items B.3 "other increases"and C.2 "write-backs from recoveries" include amounts recovered during the year concerning impaired exposures which were derecognized in their entirety.

Part E - Information on risks and related risk management policies (Continued)

A.2 Internal and external ratings

A.2.1 Banking group - Balance Sheet and off-Balance Sheet credit exposure by external rating class (book values)

(€ '000)

	AMOUNTS AS AT 12.31.2011							
	EXTERNAL RATING CLASSES							
EXPOSURES	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 5	CLASS 6	NO RATING	TOTAL
A. On-Balance Sheet exposures	**94,374,180**	**75,736,084**	**53,102,499**	**68,088,133**	**20,204,423**	**43,060,952**	**386,139,036**	**740,705,307**
B. Derivative contracts	**21,691,282**	**46,577,631**	**12,156,027**	**11,699,189**	**3,146,422**	**739,884**	**40,848,370**	**136,858,805**
B.1 Financial derivative contracts	20,390,848	44,606,164	11,723,907	11,195,001	2,984,096	724,528	40,266,221	131,890,765
B.2 Credit derivative contracts	1,300,434	1,971,467	432,120	504,188	162,326	15,356	582,149	4,968,040
C. Guarantees given	**5,989,032**	**5,935,029**	**4,587,604**	**6,941,814**	**4,958,315**	**1,596,676**	**35,538,324**	**65,546,794**
D. Other commitments to disburse funds	**7,561,005**	**10,702,737**	**6,620,305**	**1,989,075**	**264,797**	**871,883**	**102,988,962**	**130,998,764**
Total	**129,615,499**	**138,951,481**	**76,466,435**	**88,718,211**	**28,573,957**	**46,269,395**	**565,514,692**	**1,074,109,670**

Impaired exposures are included in class "6".

The table details on- and off-balance sheet credits granted to counterparties rated by external rating agencies, which provide brief assessments of the creditworthiness of different classes of borrowers such as Sovereigns, Banks, Public-Sector Entities, Insurance Companies and (usually large) Enterprises.
The table refers to classification of 262/2005 Bank of Italy Circular (first amendment dated November 18, 2009); then it provides, for external ratings, 6 classes of creditworthiness.
Rating Agency utilized for compile the table are: Moody's, S&Ps e Fitch.

Where more than one agency rating is available, the most prudential rating is assigned.

The 67.8% of rated counterparties were investment grade (from Class 1 to Class 3) and 52.8% were highly-rated borrowers (Class 1 and Class 2).

Unrated exposures, i.e. those with no external rating, were 52.6% of the portfolio, due to the fact that a considerable proportion of borrowers were private individuals or SMEs, which are not externally rated.

Details of securitized exposures not derecognized for accounting purposes (but derecognized for prudential purposes) are provided below:

(€ million)

SECURITIZATION NAME	ORIGINATOR	ASSET CLASS	AMOUNTS AS AT 12.31.2011
Cordusio RMBS 3 - UBCASA 1	UniCredit S.p.A.	RMBS	1,167
CORDUSIO RMBS	UniCredit S.p.A.	RMBS	825
CORDUSIO RMBS SECURITISATION - SERIE 2006 (ex CORDUSIO RMBS2)	UniCredit S.p.A.	RMBS	1,036
CORDUSIO RMBS SECURITISATION - SERIE 2007	UniCredit S.p.A.	RMBS	2,076
F-E Mortgages 2003-1	UniCredit S.p.A.	RMBS	252
F-E Mortgages 2005-1	UniCredit S.p.A.	RMBS	383
Heliconus	UniCredit S.p.A.	RMBS	133
CAPITAL MORTGAGE	UniCredit S.p.A.	RMBS	1,388
Locat Securitisation vehicle 2 S.r.l.	UniCredit Leasing S.p.A.	Leasing	430
Locat SV S.r.l. Serie 2005	UniCredit Leasing S.p.A.	Leasing	422
Locat SV S.r.l. Serie 2006	UniCredit Leasing S.p.A.	Leasing	708
F-E Green Srl	Fineco Leasing	Leasing	128
F-E Gold Srl	Fineco Leasing	Leasing	348
Geldilux TS 2007	UniCredit Bank AG	CLO	2,096
Geldilux TS 2010	UniCredit Bank AG	CLO	607
Geldilux TS 2011	UniCredit Bank AG	CLO	425
Geldilux PP 2011	UniCredit Bank AG	CLO	1,136
Total			**13,562**

A.2.2 Banking Group - Balance Sheet and off-Balance Sheet exposure by internal rating class (book values)

(€ '000)

	AMOUNTS AS AT 12.31.2011											
	INTERNAL RATING CLASSES									IMPAIRED		
EXPOSURES	1	2	3	4	5	6	7	8	9	EXPOSURES	NO RATING	12.31.2011
A. On-Balance Sheet exposures	**48,307,631**	**47,512,190**	**83,457,923**	**163,118,084**	**98,938,920**	**70,241,693**	**37,985,317**	**19,233,804**	**11,355,511**	**40,630,187**	**119,924,047**	**740,705,307**
B. Derivative contracts	**13,849,680**	**6,197,714**	**50,078,622**	**22,583,805**	**10,746,589**	**10,696,327**	**2,978,977**	**1,580,476**	**729,997**	**440,461**	**16,976,157**	**136,858,805**
B.1 Financial derivative contracts	13,024,184	6,030,237	47,761,245	22,000,678	10,450,475	10,512,704	2,873,041	1,510,122	696,001	440,461	16,591,617	131,890,765
B.2 Credit derivative contracts	825,496	167,477	2,317,377	583,127	296,114	183,623	105,936	70,354	33,996	-	384,540	4,968,040
C. Guarantees given	**131,251**	**3,601,359**	**12,892,478**	**17,542,004**	**12,413,929**	**5,436,330**	**2,741,714**	**1,010,141**	**828,588**	**907,043**	**8,041,957**	**65,546,794**
D. Other commitments to disburse funds	**1,571,197**	**2,897,661**	**30,730,219**	**24,285,927**	**8,006,192**	**6,268,875**	**4,754,591**	**1,633,792**	**1,182,675**	**789,278**	**48,878,357**	**130,998,764**
Total	**63,859,759**	**60,208,924**	**177,159,242**	**227,529,820**	**130,105,630**	**92,643,225**	**48,460,599**	**23,458,213**	**14,096,771**	**42,766,969**	**193,820,518**	**1,074,109,670**

CLASSI INTERNE	RANGE DI PD			
1	0	<=	PD	<= 0.0004
2	0.0004	<	PD	<= 0.0010
3	0.0010	<	PD	<= 0.0022
4	0.0022	<	PD	<= 0.0049
5	0.0049	<	PD	<= 0.0089
6	0.0089	<	PD	<= 0.0133
7	0.0133	<	PD	<= 0.0198
8	0.0198	<	PD	<= 0.0360
9	0.0360	<	PD	<= 0.1192
10	0.1192	<	PD	

The table contains on- and off-balance sheet exposures grouped according to the counterparties' internal rating.
Ratings are assigned to individual counterparties using Group banks' internally-developed models included in their credit risk management processes. The internal models validated by the regulators are either 'Group-wide' (e.g. for banks, multinationals and sovereigns) or bank-specific, by segment (e.g. retail or corporate).

The various rating scales of these models are mapped onto a single master-scale of 9 classes (illustrated in the table above, during the 2011 the Group Masterscale has been reviewed) based on Probability of Default (PD).
63.1% of internally-rated exposures were investment grade (classes 1 to 4), while exposures towards unrated counterparties were 18.0% of the total. No rating is assigned to these counterparties as either they belong to a segment not yet covered by the models, or the appropriate model is still in the roll-out phase.

Internal Ratings are used for Capital Requirements calculation by the Legal Entities / portfolios that were authorized for the IRB approach from Central bank. Legal Entities currently authorized are: UniCredit S.p.A.,UniCredit Bank AG, UniCredit Bank Austria AG and UniCredit Credit Management Bank S.p.A. (which absorbed Aspra Finance S.p.A. on January 1, 2011), UniCredit Bank Ireland p.l.c., UniCredit Bank Luxembourg S.A., UniCredit Banka Slovenija d.d., UniCredit Bulbank AD, UniCredit Bank Czech Republic a.s..

Part E - Information on risks and related risk management policies (Continued)

A.3 Distribution of secured credit exposures by type of security

A.3.1 Banking group - Secured credit exposures with banks

(€ '000)

	AMOUNTS AS AT 12.31.2011													
					GUARANTEES (2)									
					CREDIT DERIVATIVES									
		COLLATERALS (1)				OTHER CREDIT DERVATIVES				SIGNATURE LOANS (LOANS GUARANTIES)				
	NET EXPOSURES	PROPERTY	SECURITIES	OTHER ASSETS	CREDIT LINK NOTES	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	OTHER ENTITIES	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	OTHER ENTITIES	TOTAL (1)+(2)
1. Secured Balance Sheet credit exposures:														
1.1 totally secured	6,571,068	-	5,188,794	1,278,870	-	-	-	7,144	-	369,647	566,314	5,666,202	89,828	13,166,799
- of which impaired	*5,054*	-	-	-	-	-	-	-	-	*12,198*	*3,022*	-	-	*15,220*
1.2 partially secured	12,668,720	102,019	6,600,828	127,809	-	-	-	-	-	1,398,295	336,723	1,646,900	102,525	10,315,099
- of which impaired	*30,660*	-	-	-	-	-	-	-	-	*15,667*	-	-	*5,819*	*21,486*
2. Secured off- Balance Sheet credit exposures:														
2.1 totally secured	600,391	-	280,274	26,201	-	-	-	9,012	-	7,002	1,794	248,051	4,387,952	4,960,286
- of which impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 partially secured	5,764,850	-	34,259	58,503	-	-	-	5	-	335	-	24,875	866	118,843
- of which impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Classification of exposures as "totally secured" or "partially secured" is made by comparing the gross exposure with the amount of the contractually agreed security.

A.3.2 Banking group - Secured credit exposures with customers

(€ '000)

	AMOUNTS AS AT 12.31.2011													
					GUARANTEES (2)									
					CREDIT DERIVATIVES									
		COLLATERALS (1)				OTHER CREDIT DERVATIVES				SIGNATURE LOANS (LOANS GUARANTIES)				
	NET EXPOSURES	PROPERTY	SECURITIES	OTHER ASSETS	CREDIT LINK NOTES	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	OTHER ENTITIES	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC ENTITIES	BANKS	OTHER ENTITIES	TOTAL (1)+(2)
1. Secured Balance Sheet credit exposures:														
1.1 totally secured	207,571,252	283,970,868	6,690,967	50,715,213	-	-	4,169	-	-	6,563,931	2,605,474	6,884,259	41,754,007	399,188,888
- of which impaired	*19,186,301*	*24,251,737*	*118,833*	*4,861,643*	-	-	-	-	-	*163,755*	*13,086*	*179,701*	*5,916,421*	*35,505,176*
1.2 partially secured	73,307,160	38,129,999	3,691,977	8,843,023	-	-	-	5,387	-	6,560,507	662,454	1,293,148	3,755,746	62,942,241
- of which impaired	*8,097,262*	*3,131,946*	*820,291*	*459,692*	-	-	-	-	-	*50,384*	*47,007*	*143,682*	*918,953*	*5,571,955*
2. Secured off- Balance Sheet credit exposures:														
2.1 totally secured	35,590,849	10,496,939	1,956,181	19,953,847	-	-	587	80,000	-	340,814	13,674	3,723,661	13,539,009	50,104,712
- of which impaired	*915,333*	*1,068,435*	*13,762*	*413,939*	-	-	-	-	-	*370*	-	*1,769*	*166,409*	*1,664,684*
2.2 partially secured	20,758,785	722,177	420,302	1,187,395	-	-	-	12,454	-	235,404	28,329	2,168,783	884,525	5,659,369
- of which impaired	*462,852*	*29,480*	*5,532*	*22,241*	-	-	-	-	-	*663*	*23,837*	*3,224*	*22,631*	*107,608*

Classification of exposures as "totally secured" or "partially secured" is made by comparing the gross exposure with the amount of the contractually agreed security.

B. Distribution and concentration of credit exposures

B.1 Banking Group - Distribution by segment of Balance Sheet and off-Balance Sheet credit exposure to customers (book value) (€ '000)

COUNTERPARTS/ EXPOSURES	GOVERNMENTS NET EXPOSURE	GOVERNMENTS SPECIFIC WRITE-DOWNS	GOVERNMENTS PORTFOLIO ADJUSTMENTS	OTHER PUBLIC ENTITIES NET EXPOSURE	OTHER PUBLIC ENTITIES SPECIFIC WRITE-DOWNS	OTHER PUBLIC ENTITIES PORTFOLIO ADJUSTMENTS	FINANCIAL COMPANIES NET EXPOSURE	FINANCIAL COMPANIES SPECIFIC WRITE-DOWNS	FINANCIAL COMPANIES PORTFOLIO ADJUSTMENTS
A. Cash exposure									
A.1 Non-performing loans	4,406	6,414	X	13,764	17,448	X	128,381	510,139	X
A.2 Doubful loans	131,411	395,256	X	129,724	19,747	X	121,611	58,883	X
A.3 Restructured exposures	9	1	X	3,947	391	X	97,117	40,690	X
A.4 Past due	629	12	X	45,384	882	X	67,434	25,898	X
A.5 Other exposures	59,674,394	X	27,843	44,951,855	X	112,228	50,398,290	X	324,867
Total A	**59,810,849**	**401,683**	**27,843**	**45,144,674**	**38,468**	**112,228**	**50,812,833**	**635,610**	**324,867**
B. Off-Balance Sheet exposures									
B.1 Non-performing loans	-	-	X	-	-	X	6,514	3,824	X
B.2 Doubful loans	-	-	X	18,665	-	X	7,597	952	X
B.3 Other impaired assets	-	-	X	7,880	902	X	60,703	75	X
B.4 Other exposures	3,512,664	X	303	18,456,033	X	958	47,635,031	X	717,794
Total B	**3,512,664**	**-**	**303**	**18,482,578**	**902**	**958**	**47,709,845**	**4,851**	**717,794**
Total (A+B) 12.31.2011	**63,323,513**	**401,683**	**28,146**	**63,627,252**	**39,370**	**113,186**	**98,522,678**	**640,461**	**1,042,661**
Total (A+B) 12.31.2010	**78,905,101**	**2,708**	**99,853**	**38,573,884**	**108,308**	**49,872**	**100,674,959**	**911,311**	**992,960**

Continued: B.1 Banking Group - Distribution by segment of Balance Sheet and off-Balance Sheet credit exposure to customers (book value) (€ '000)

COUNTERPARTS/ EXPOSURES	INSURANCE COMPANIES NET EXPOSURE	INSURANCE COMPANIES SPECIFIC WRITE-DOWNS	INSURANCE COMPANIES PORTFOLIO ADJUSTMENTS	NON-FINANCIAL COMPANIES NET EXPOSURE	NON-FINANCIAL COMPANIES SPECIFIC WRITE-DOWNS	NON-FINANCIAL COMPANIES PORTFOLIO ADJUSTMENTS	OTHER ENTITIES NET EXPOSURE	OTHER ENTITIES SPECIFIC WRITE-DOWNS	OTHER ENTITIES PORTFOLIO ADJUSTMENTS
A. Cash exposure									
A.1 Non-performing loans	17,818	13,933	X	12,274,752	16,032,879	X	5,784,814	7,734,032	X
A.2 Doubful loans	1,740	937	X	10,119,999	4,140,457	X	2,794,064	1,559,039	X
A.3 Restructured exposures	175,165	6,540	X	4,870,605	1,769,772	X	246,690	39,430	X
A.4 Past due	239	52	X	2,814,672	409,919	X	723,467	195,810	X
A.5 Other exposures	1,847,742	X	3,156	291,242,950	X	1,365,559	165,854,252	X	1,076,857
Total A	**2,042,704**	**21,462**	**3,156**	**321,322,978**	**22,353,027**	**1,365,559**	**175,403,287**	**9,528,311**	**1,076,857**
B. Off-Balance Sheet exposures									
B.1 Non-performing Loans	51	27	X	425,056	219,560	X	16,617	22,317	X
B.2 Doubful loans	-	-	X	946,542	123,603	X	8,446	2,478	X
B.3 Other impaired assets	84	9	X	619,577	114,242	X	17,796	5,834	X
B.4 Other exposures	2,079,775	X	581	121,819,697	X	56,868	32,536,488	X	14,915
Total B	**2,079,910**	**36**	**581**	**123,810,872**	**457,405**	**56,868**	**32,579,347**	**30,629**	**14,915**
Total (A+B) 12.31.2011	**4,122,614**	**21,498**	**3,737**	**445,133,850**	**22,810,432**	**1,422,427**	**207,982,634**	**9,558,940**	**1,091,772**
Total (A+B) 12.31.2010	**3,484,957**	**26,618**	**5,070**	**458,175,811**	**20,599,185**	**1,554,672**	**186,804,272**	**8,824,253**	**1,088,566**

Part E - Information on risks and related risk management policies (Continued)

B.2 Banking group - Distribution of Balance Sheet and Off-Balance Sheet exposures to customers by geographic area (book value)

(€ '000)

EXPOSURES/ GEOGRAPHIC AREA	AMOUNT AS AT 12.31.2011									
	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	TOTAL WRITE-DOWNS	NET EXPOSURE	TOTAL WRITE-DOWNS	NET EXPOSURE	TOTAL WRITE-DOWNS	NET EXPOSURE	TOTAL WRITE-DOWNS	NET EXPOSURE	TOTAL WRITE-DOWNS
A. Cash exposure										
A.1 Non-performing loans	11,691,487	14,908,120	5,275,467	7,815,089	67,634	225,942	1,110,106	1,164,533	79,241	201,160
A.2 Doubtful loans	9,535,701	4,071,608	3,279,759	1,736,338	3,121	957	439,420	303,456	40,548	61,960
A.3 Restructured exposures	2,888,770	322,812	2,030,570	1,465,509	154,720	3,090	187,851	6,807	131,622	58,606
A.4 Impaired pastdue exposures	2,888,347	403,851	656,025	183,579	2,075	408	28,393	8,713	76,985	36,022
A.5 Other exposures	273,502,930	1,408,838	306,717,204	1,219,109	12,426,407	111,677	5,729,990	42,553	15,592,952	128,334
Total A	**300,507,235**	**21,115,229**	**317,959,025**	**12,419,624**	**12,653,957**	**342,074**	**7,495,760**	**1,526,062**	**15,921,348**	**486,082**
B. Off-Balance Sheet exposures										
B.1 Non-performing Loans	149,813	54,212	273,491	193,122	4	-	21,110	5,349	3,163	-
B.2 Doubtful loans	636,599	44,009	307,333	77,055	33	-	41,061	1,826	-	-
B.3 Other impaired past due exposures	517,586	20,477	108,194	68,106	22	2	17,399	9	59,720	29,656
B.4 Other exposures	51,800,112	728,012	142,285,247	51,256	9,928,035	1,432	2,294,015	2,643	19,732,279	8,076
Total B	**53,104,110**	**846,710**	**142,974,265**	**389,539**	**9,928,094**	**1,434**	**2,373,585**	**9,827**	**19,795,162**	**37,732**
Total (A+B) 12.31.2011	**353,611,345**	**21,961,939**	**460,933,290**	**12,809,163**	**22,582,051**	**343,508**	**9,869,345**	**1,535,889**	**35,716,510**	**523,814**
Total (A+B) 12.31.2010	**351,331,705**	**20,137,909**	**457,776,953**	**11,940,359**	**20,333,684**	**301,908**	**9,615,990**	**1,285,463**	**27,560,652**	**597,737**

B.3 Banking Group - Distribution of Balance Sheet and Off-Balance Sheet credit exposures to banks by geographic area (book value)

(€ '000)

EXPOSURES/ GEOGRAPHIC AREA	AMOUNT AS AT 12.31.2011									
	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	NET EXPOSURE	TOTAL WRITE-DOWNS	NET EXPOSURE	TOTAL WRITE-DOWNS	NET EXPOSURE	TOTAL WRITE-DOWNS	NET EXPOSURE	TOTAL WRITE-DOWNS	NET EXPOSURE	TOTAL WRITE-DOWNS
A. Balance Sheet exposures										
A.1 Non-performing loans	-	-	22,754	80,752	6,287	83,590	23,528	46,521	-	43
A.2 Doubful exposures	1,957	1,340	1,402	3,272	200	-	-	-	3,095	1,934
A.3 Restructured exposures	-	-	-	11,944	-	-	83	1,570	-	-
A.4 Impaired past due exposures	-	-	17	-	-	-	3,022	3,660	-	-
A.5 Other exposures	14,342,319	1,078	59,265,655	12,933	3,813,343	383	1,845,543	1,845	6,838,777	712
Total A	**14,344,276**	**2,418**	**59,289,828**	**108,901**	**3,819,830**	**83,973**	**1,872,176**	**53,596**	**6,841,872**	**2,689**
B. Off-Balance Sheet exposures										
B.1 Non-performing Loans	-	-	3	98	-	-	-	-	-	-
B.2 Doubful loans	115	-	-	-	-	-	-	-	-	-
B.3 Other impaired past due exposures	-	-	-	-	-	-	-	-	1,136	10,005
B.4 Other exposures	9,131,570	41	84,623,818	16,844	7,477,221	31	3,133,076	232	862,208	51
Total B	**9,131,685**	**41**	**84,623,821**	**16,942**	**7,477,221**	**31**	**3,133,076**	**232**	**863,344**	**10,056**
Total (A+B) 12.31.2011	**23,475,961**	**2,459**	**143,913,649**	**125,843**	**11,297,051**	**84,004**	**5,005,252**	**53,828**	**7,705,216**	**12,745**
Total (A+B) 12.31.2010	**24,694,299**	**20,331**	**152,400,597**	**138,228**	**8,493,035**	**76,679**	**3,706,797**	**53,709**	**4,628,686**	**9,077**

B.4 Large Exposures (according to supervisory regulations)

	12.31.2011
a) Book Value (€ million)	117,726
a.1) Weighted Value (€ million)	22,830
b) Number	9

Part E - Information on risks and related risk management policies (Continued)

C. Securitization and sale transactions

C.1 Securitization transactions

QUALITATIVE INFORMATION

The Group's main objectives in its securitization transactions (whether traditional or synthetic) are the optimization of the loan portfolio by freeing up regulatory and economic capital and obtaining fresh liquidity together with greater diversification of its sources of funding.
The crisis in the markets experienced since the second half of 2007 made it advisable to use securitization as a means of increasing counterbalancing capacity, i.e. the availability of assets that can readily be used to create liquidity, by retaining the securities issued by the vehicle within the Group.

Analysis and realization of securitization transactions are carried out within the Parent in close cooperation with the Group entities involved and with UniCredit Bank AG as Arranger and Investment Banking. This process requires an economic feasibility study to assess the impact of transactions (according to their nature and aims), on regulatory and economic capital, on risk-adjusted profitability measures and on the level of Group's liquidity. If this initial phase produces a positive result, a technical and operational feasibility study is carried out to identify the assets to be securitized and design the structure of the transaction. Once technical feasibility has been established, the transaction is realized.

In 2011 the Group carried out five traditional transactions (of which 3 "self-securitizations") and one synthetic transaction:

UniCredit S.p.A.	- Consumer ONE	(traditional - self-securitization)
	- Impresa ONE	(traditional - self-securitization)
	- Unionfidi	(synthetic)
UniCredit Bank AG	- Geldilux - TS - 2011	(traditional)
	- Geldilux - PP - 2011	(traditional)
UniCredit Leasing S.p.A.	- Locat SV - Serie 2011	(traditional - self-securitization)

Details are given in the following charts, which also describe transactions carried out in previous accounting periods.

Moreover, it should be noted that, following the downgrade of UniCredit S.p.A. by ratings agencies between the end of 2011 and the beginning of 2012, it became necessary to carry out an extraordinary review of all transactions, which involved both the transfer of the Account Bank roles and the payment to eligible counterparties of amounts available to guarantee the Account Bank and swap counterparty roles, pursuant to the contractual documentation of each transaction. Furthermore, Fitch's credit rating for the Cordusio 5 transaction was replaced by DBRS's, while with respect to the Impresa ONE transaction, a rating was obtained by Standard & Poor's, in addition to DBRS's and Moody's.

It should be noted that "self-securitizations" are not included in the quantitative tables of Part C, as required by regulations.

The Group is also an investor, sponsor and lead manager, mainly through its Markets and Investment Banking Division; when it has the lead-manager role it concentrates on deals where it is bookrunner, since in this case information on the transaction is more complete and accessible.

Starting from H2 2007 mentioned market conditions influenced sponsor and investor transactions, in that stricter monitoring of exposures was required.
In particular, in its role as sponsor the Group purchased *Asset-Backed Commercial Paper* issued by sponsored conduits. This meant that these vehicles were consolidated as from 2007.

With regard to investment in other parties' securitizations, i.e. structured credit products, these instruments were ring-fenced in a separate portfolio managed with a view to maximizing future cash flow.
Given the asset quality of the underlyings, the best business strategy was considered to be retention in the bank's books.
In this regard, in H2 2008 it is noted that managerial strategy was transposed for accounting purposes by reclassifying structured credit products from Held for trading financial assets to Loans and receivables with customers (see also Part A.3.1 Transfers between portfolios).

In line with the above management principles, risk monitoring and maximizing profit on securitization transactions is achieved by:
- analyzing the monthly or quarterly investor reports produced by the Trustee, paying special attention to the performance of the collateral;
- monitoring similar transactions' collateral performance and issues of similar paper;
- watching the market fundamentals of the underlying credit; and
- staying in constant contact with the investors and, where collateral is managed, with the managers and analysts of the Collateral Manager.

Furthermore each portfolio is assigned a market VaR limit by Risk Management. This is monitored bearing in mind the correlations. The Group has spread curves for each rating and product (asset backed securities, mortgage backed securities, etc.) and uses them to calculate risk, in the same way as other instruments in its portfolio. The method used is in line with other sources of market risk, and enables us to estimate the possible effects of diversification and to aggregate the VaR with other sections of the portfolio.

Further details are given in the following section "Information on structured credit products and trading derivatives with customers".

ORIGINATOR: UniCredit S.p.A.

STRATEGIES, PROCESSES AND GOALS:	The initiatives are a part of the Group's strategies, one of the objectives of which is to finance, at competitive rates (and in large amounts), the development of medium and long-term performing loan portfolios through the structuring of such portfolios and the resulting release of financial resources for new investments. The main advantages of the transactions can be summarized as follows: - improvement in the matching of asset maturities; - diversification of sources of financing; - broadening of investor base and resulting optimization of funding cost.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	UniCredit S.p.A. acts as "Servicer" for all transactions concerned. As per the agreements entered into with issuing companies (special purpose vehicles - SPV), servicing consists of performing, on behalf of these companies, administrative, collection and securitized loan collection activities as well as the management of any recovery procedures for impaired loans. Thus, as servicer, UniCredit S.p.A. is charged with continually tracking cash flows from securitized loans and constantly monitoring their collection, with the assistance of third party companies of the Group (especially for the recovery of impaired loans. The company involved is UniCredit Credit Management Bank S.p.A., which operates as an assistant to the Servicer, governed by a special agreement). The Service provides the Special Purpose Vehicle (and other counterparties indicated in the servicing agreements) information on the activity performed by, periodically reports that indicate, among other things, the collection and transfer of the income stream sold, the amount of default positions and recoveries completed, overdue installments, etc., with all information broken down in relation to specific transactions. These reports (which are usually quarterly) are periodically checked (if contractually required) by an auditing firm.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	From a strategic point of view, the ABS & Covered Bond Unit established within the Group Finance Department is responsible for central coordination. In this context, this unit also plays the role of proposer and provides support to the Bank's Divisions and to the individual Legal Entities in conducting transactions, cooperating with all the other departments (Planning & Control, Group Credit Treasury, Capital Management, Group Risk Management, etc..) in identifying the characteristics and the distinctive features of "true sale" securitizations of originally performing loans in order to achieve the targets set in the Group's Funding Plan, approved by the Board of Directors. Specific transactions are subject to prior approval by the competent departments of the Bank (during approval, among other things, the structure, costs and impacts in terms of liquidity and/or any capital relief are discussed and analyzed), and to final approval by the Board of Directors. The Bank has established a special coordination unit (Operative Securitization Management) within the Accounting Department. This unit has been tasked with the coordination and operational performance of the servicer-related duties, and to carry out these duties, it works in close cooperation with specific, qualified areas of the Bank (Group Risk Management, Legal & Compliance, etc.) and the Group (UniCredit Global Information Services SCpA, UniCredit Business Partner SCpa, UniCredit Credit Management Bank S.p.A., etc.). Operative Securitization Management also provides technical and operational support to network units.
HEDGING POLICIES:	By agreement, securitized portfolios are protected from interest rate risk by means of the Special Purpose Vehicle entering into Interest Rate Swap (IRS) agreements to hedge a fixed-rate portfolio, and Basis Swaps to hedge an indexed rate portfolio. Both are executed with the Originator, UniCredit S.p.A. In connection with these swaps (with the exclusion of Impresa One and Consumer One transactions), related back-to-back swap contracts are entered into between UniCredit S.p.A. and UniCredit Bank AG - London Branch as the swap counterparty.
OPERATING RESULTS:	At the end of December 2011, the operating results related to existing securitization transactions essentially reflected the performance of underlying portfolios and the resulting cash flows, and obviously are affected by the amount of defaults and prepayments during the period, which, moreover, are in line with the performance seen in other assets of this kind that are not securitized.

Part E - Information on risks and related risk management policies (Continued)

New transactions 2011

NAME:	IMPRESA ONE
Type of securitisation:	Traditional
Originator:	UniCredit S.p.A.
Issuer:	Impresa One S.r.l.
Servicer:	UniCredit S.p.A.
Arranger:	Unicredit Bank AG, London Branch
Target transaction :	Funding / Counterbalancing capacity
Type of asset:	CLO SME
Quality of asset:	Performing
Closing date:	09.01.2011
Nominal Value of reference portfolio:	9,290,300,919 €
Net amount of preexisting writedown/writebacks:	9,290,300,919 €
Disposal Profit & Loss realized:	-
Portfolio disposal price:	9,290,300,919 €
Issue guarantees by the Bank:	-
Issued guarantees by third parties:	-
Bank Lines of Credit:	-
Third Parties Lines of Credit:	-
Other Credit Enhancements:	UniCredit S.p.A. - London Branch has granted the SPV, with respect to this transaction, two subordinated loans amounting to €232.3 million and €190 million.
Other relevant information:	Self-securitisation
Rating Agencies:	DBRS / Moody's / Standard & Poor's
Amount of CDS or other risk transferred:	-

Continued: New transactions 2011

Amount and Conditions of tranching:		
- ISIN	IT0004774433	IT0004774425
- Type of security	Senior	Mezzanine
- Class	A	B
- Rating	AAA/Aaa/AAA	A/A1/ --
- Where listed	Dublin	Dublin
- Issue date	10.24.2011	10.24.2011
- Legal maturity	10.31.2054	10.31.2054
- Call option	Clean-up Call	Clean-up Call
- Expected duration	1.4	3
- Rate	Euribor 3m + 100 b.p.	Euribor 3m + 125 b.p.
- Subordinated level	-	A
- Nominal value issued	5,156,100,000 €	1,207,700,000 €
- Nominal value at the end of accounting period	5,156,100,000 €	1,207,700,000 €
- Security Subscribers	UniCredit S.p.A.	
- ISIN	IT0004774441	IT0004774458
- Type of security	Mezzanine	Junior
- Class	C	D
- Rating	BBB/Baa1/ --	n.r.
- Where listed	Dublin	-
- Issue date	10.24.2011	10.24.2011
- Legal maturity	10.31.2054	10.31.2054
- Call option	Clean-up Call	Clean-up Call
- Expected duration	4,2	-
- Rate	Euribor 3m + 150 b.p.	Euribor 3m + 500 b.p.
- Subordinated level	A/B	A/B/C
- Nominal value issued	836,100,000 €	2,090,400,000 €
- Nominal value at the end of accounting period	836,100,000 €	2,090,400,000 €
- Security Subscribers	UniCredit S.p.A.	
Distribution of securitised assets by area:		
Italy - Northwest	2,374,897,952 €	
- Northeast	3,490,310,814 €	
- Central	1,811,340,865 €	
- South and Islands	1,613,751,288 €	
Other European Countries - E.U. countries	-	
- not U.E. countries	-	
America	-	
Rest of the World	-	
TOTAL	**9,290,300,919 €**	
Distribution of securitised assets by business sector of the borrower:		
Governments	-	
Other governments agencies	-	
Banks	-	
Finance Companies	12,941,114 €	
Insurance Companies	-	
Non-financial companies	8,544,502,068 €	
Other entities	732,857,738 €	
TOTAL	**9,290,300,919 €**	

Part E - Information on risks and related risk management policies (Continued)

NAME:	CONSUMER ONE	
Type of securitisation:	Traditional	
Originator:	UniCredit S.p.A.	
Issuer:	Consumer One S.r.l.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Bank AG - London Branch	
Target transaction :	Funding / Counterbalancing capacity	
Type of asset:	Consumer Loans	
Quality of asset:	Performing	
Closing date:	08.01.2011	
Nominal Value of reference portfolio:	4,193,357,976 €	
Net amount of preexisting writedown/writebacks:	-	
Disposal Profit & Loss realized:	-	
Portfolio disposal price:	-	
Issue guarantees by the Bank:	-	
Issued guarantees by third parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	UniCredit S.p.A. - London Branch has granted the SPV, with respect to this transaction, two subordinated loans amounting to €420 million (at the end of 2011 the principal amount repaid was €23.532 million) and €5 million (at the end of 2011 the principal amount repaid was €280 thousand).	
Other relevant information:	Self-securitisation	
Rating Agencies:	Moody's / DBRS	
Amount of CDS or other risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	IT0004752116	IT0004751902
- Type of security	Senior	Junior
- Class	A	B
- Rating	Aaa / AAA	n.r.
- Where listed	Dublin	
- Issue date	08.01.11	08.01.11
- Legal maturity	11.30.2028	11.30.2028
- Call option	Clean-up Call	
- Expected duration	2.675	2.675
- Rate	Euribor 3m + 125 b.p.	Euribor 3m + 500 b.p.
- Subordinated level		Sub A
- Nominal value issued	2,956,200,000 €	1,236,943,620 €
- Nominal value at the end of accounting period	2,956,200,000 €	1,236,943,620 €
- Security Subscribers	UniCredit S.p.A.	UniCredit S.p.A.
Distribution of securitised assets by area:		
Italy - Northwest	958,457,465 €	
- Northeast	896,205,279 €	
- Central	1,028,757,364 €	
- South and Islands	1,309,937,868 €	
Other European Countries - E.U. countries	-	
- not U.E. countries	-	
America	-	
Rest of the World	-	
TOTAL	**4,193,357,976 €**	
Distribution of securitised assets by business sector of the borrower:		
Governments	-	
Other governments agencies	-	
Banks	-	
Finance Companies	-	
Insurance Companies	-	
Non-financial companies	-	
Other entities	4,193,357,976 €	
TOTAL	**4,193,357,976 €**	

NAME	UNIONFIDI	
Type of securitisation:	Tranche Covered	
Originator:	UniCredit S.p.A.	
Issuer:	UniCredit S.p.A.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Capital Relief and risk transfer for concentration risks	
Type of asset:	Highly diversified and granular pool of UniCredit's loans to corporates.	
Quality of asset:	Performing	
Closing date:	07.15.2011	
Nominal Value of reference portfolio:	52,310,504 €	
Issue guarantees by the Bank:	-	
Issued guarantees by third parties:	cash collateral Unionfidi	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	-	
Rating Agencies:	No rating agency, use of Supervisory Formula Approach (*)	
Amount of CDS or other risk transferred:	-	
Amount and Condition of tranching:		
- ISIN	n.a	n.a
- Type of security	Senior	Junior
- Class	A	B
- Rating	n.r.	n.r.
- Reference Position	50,730,803 €	1,579,688 €
- Reference Position at the end of accounting period	41,401,394 €	1,469,935 €
- Security subscribers	UniCredit S.p.A.	hedged with a protection seller
Distribution of securitised assets by area:		
Italy - Northwest	52,310,504 €	
- Northeast	-	
- Central	-	
- South and Islands	-	
Other European Countries - E.U. countries	-	
- not U.E. countries	-	
America	-	
Rest of the World	-	
TOTAL	**52,310,504 €**	
Distribution of securitised assets by business sector of the borrower:		
Governments	-	
Other governments agencies	-	
Banks	-	
Finance Companies	-	
Insurance Companies	-	
Non-financial companies	52,310,504 €	
Other entities	-	
TOTAL	**52,310,504 €**	

(*) Synthetic securitizations carried out used the Supervisory Formula Approach as required by Italian Regulator (Bank of Italy - Circular 263/2006).
Where there is no eligible external rating, this approach requires the calculation of the regulatory capital requirement for each tranche of a securitization should use the following five elements:

1. The capital requirement on the securitized assets calculated using the IRB approach (kIRB);
2. The level of credit support of the tranche in question;
3. The thickness of the tranche;
4. The number of securitized assets;
5. Average LGD.

Using the Supervisory Formula Approach it is possible to calculate the amount of risk equivalent to the rating of a senior tranche, the remainder being subordinated and classified as junior.

Part E - Information on risks and related risk management policies (Continued)

ORIGINATOR: UniCredit S.p.A. (ex Capitalia S.p.A., ex Banca di Roma S.p.A.)

STRATEGIES, PROCESSES AND GOALS:	The goals of the transactions were largely to finance non-performing loan portfolios, diversify sources of funding, improve asset quality and enhance the portfolio with management focused on recovery transactions.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	The securitization portfolio is monitored on an ongoing basis as a part of servicing activities and is recorded in quarterly reports with a breakdown of loan status and the trend of recoveries.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	Reporting related to the monitoring of portfolio collections takes the form of a report to senior management and the board of directors.
HEDGING POLICIES:	Special purpose vehicles enter into IRS and interest rate cap contracts in order to hedge structure-related risk and risk due to the difference between the variable-rate return for the securities issued and the return anticipated from recoveries from the portfolio acquired.
OPERATING RESULTS:	At year-end 2011 profits from existing transactions largely reflected the impact of cash flows from collections for the original defaulting loan portfolio. To be specific, collections for the year totaled €104.18 million (€ 32.97 million for Trevi Finance, € 35.66 million for Trevi 2 and € 35.55 million for Trevi 3).

Transactions from previous periods

NAME	TREVI FINANCE		TREVI FINANCE 2	
Type of securitisation:	Traditional		Traditional	
Originator:	Banca di Roma S.p.A		Banca di Roma S.p.A. 89%, Mediocredito di Roma S.p.A. 11%	
Issuer:	Trevi Finance S.p.A.		Trevi Finance N. 2 S.p.A.	
Servicer:	UniCredit S.p.A.		UniCredit S.p.A.	
Arranger:	Finanziaria Internazionale securitization Group S.p.A., PARIBAS		Finanziaria Internazionale securitization Group S.p.A., BNP Paribas Group, Banca di Roma S.p.A.	
Target transaction:	Funding		Funding	
Type of asset:	ordinary loans - mortgage loans		ordinary loans - mortgage loans	
Quality of asset:	non performing	special purpose loan	non performing	special purpose loan
Closing date:	07.21.1999		04.20.2000	
Nominal Value of disposal portfolio:	2,689,000,000 €	94,000,000 €	2,425,000,000 €	98,000,000 €
Guarantees issued by the Bank:	Redemption of mezzanine securities C1 and C2 in issue		Redemption of mezzanine securities in issue	
Guarantees issued by Third Parties:	-		-	
Bank Lines of Credit:	-		-	
Third Parties Lines of Credit:	-		-	
Other Credit Enhancements:	-		-	
Other relevant information:	All securities issued outstanding as at 12.31.2011 are retained by UniCredit S.p.A.		All securities issued outstanding as at 12.31.2011 are retained by UniCredit S.p.A.	
Rating Agencies:	Moody's / Duff & Phelps / Fitch			
Amount of CDS or other supersenior risk transferred :	-		-	
Amount and Conditions of tranching:				
- ISIN	XS0099839887	XS0099847633	XS0110624409	XS0110624151
- Type of security	Senior	Mezzanine	Senior	Senior
- Class	A	B	A	B
- Rating	-	Aaa/A-/AAA	-	-
- Nominal value issued	620,000,000 €	155,000,000 €	650,000,000 €	200,000,000 €
- Nominal value at the end of accounting period	0 €	0 €	0 €	0 €
- ISIN	XS0099850934	XS0099856899	XS0110774808	XS0110770483
- Type of security	Mezzanine	Mezzanine	Mezzanine	Junior
- Class	C1	C2	C	D
- Rating	n.r.	n.r.	n.r.	n.r.
- Nominal value issued	206,500,000 €	210,700,000 €	355,000,000 €	414,378,178 €
- Nominal value at the end of accounting period	0 €	423,003,883 €	764,587,300 €	217,499,112 €
- ISIN	IT0003364228			
- Type of security	Junior			
- Class	D			
- Rating	n,r,			
- Nominal value issued	343,200,000 €			
- Nominal value at the end of accounting period	173,255,590 €			

NAME	TREVI FINANCE 3		ENTASI	
Type of securitisation:	Traditional		Traditional	
Originator:	Banca di Roma S.p.A. 92.2%,Mediocredito Centrale S.p.A. 5.2% Leasing Roma S.p.A. 2.6%		Banca di Roma S.p.A	
Issuer:	Trevi Finance N. 3 Srl		Entasi Srl	
Servicer:	UniCredit S.p.A.		UniCredit S.p.A.	
Arranger:	Finanziaria Internazionale securitization Group S.p.A. ABN AMRO, MCC S.p.A.		Capitalia S.p.A.	
Target transaction:	Funding		Funding	
Type of asset:	ordinary loans - mortgage loans		Collateralised bond obligation	
Quality of asset:	non performing	special purpose loan	Trevi Finance 3 classes C1 and C2 securities	
Closing date:	05.25.2001		06.28.2001	
Nominal Value of disposal portfolio:	2,745,000,000 €	102,000,000 €	320,000,000 €	
Guarantees issued by the Bank:	Redemption of mezzanine securities in issue		Commitment of UniCredit S.p.A. (formerly Capitalia S.p.A.) in case of events entitling to early redemption of securities in issue or to the repurchase of Trevi Finance 3 notes at a price sufficient to redeem Entasi securities. The same commitment applies if Trevi Finance 3 exercises the early redemption option of C1 securities.	
Guarantees issued by Third Parties:	-		-	
Bank Lines of Credit:	-		-	
Third Parties Lines of Credit:	-		-	
Other Credit Enhancements:	-		-	
Other relevant information:	The principal amount of the D-class security underwritten by the Bank is guaranteed up to its maturity by zero coupon Italian government bonds. The value of these collateral securities as at 12.31.2011 was € 191,077,842.37 The C1 and C2 classes were fully underwritten by the Bank and then restructured for their disposal. These securities were sold (for a nominal amount of €320 milllion) to Entasi Srl, which placed them in the market with institutional investors.		As at 12.31.2011 the portfolio of UniCredit S.p.A. (former Capitalia S.p.A.) includes ENTASI securities with a face value of € 110,087,000.	
Rating Agencies:	Moody's / S&P / Fitch		Moody's	
Amount of CDS or other supersenior risk transferred:	-		-	
Amount and Conditions of tranching:			ENTASI Series 2001-1	ENTASI Series 2001-2
- ISIN	XS0130116568	XS0130117020	IT0003142996	IT0003143028
- Type of security	Senior	Mezzanine	Senior	Senior
- Class	A	B	Serie 1	Serie 2
- Rating	Aaa/AAA/AAA	Aa1/AA/AA-	A1	A1
- Nominal value issued	600,000,000 €	150,000,000 €	160,000,000 €	160,000,000 €
- Nominal value at the end of accounting period	0 €	0 €	160,000,000 €	160,000,000 €
- ISIN	XS0130117459	XS0130117616		
- Type of security	Mezzanine	Mezzanine		
- Class	C1	C2		
- Rating	-	-		
- Nominal value issued	160,000,000 €	160,000,000 €		
- Nominal value at the end of accounting period	360,020,081 €	353,727,938 €		
- ISIN	IT0003355911			
- Type of security	Junior			
- Class	D			
- Rating	n,r,			
- Nominal value issued	448,166,000 €			
- Nominal value at the end of accounting period	448,166,000 €			

Part E - Information on risks and related risk management policies (Continued)

STRATEGIES, PROCESSES AND GOALS:	The goals of the transaction were largely to finance portfolios, diversify sources of funding and improve asset quality.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	The securitization portfolio is monitored on an ongoing basis by the servicing company and is recorded in quarterly reports with a breakdown of security status and the trend of repayments.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	Reporting produced by servicing companies on the monitoring of portfolio collections is forwarded to senior management and the board of directors.
HEDGING POLICIES:	Special purpose vehicles enter into IRS contracts in order to hedge rate risk related to the structure of underlying securities.
OPERATING RESULTS:	The results achieved up to the present are broadly in line with expectations; payments received from the portfolio acquired ensured punctual and full payment to security holders and other parties to the transaction.

NAME	CAESAR FINANCE	
Type of securitisation:	Traditional	
Originator:	Banca di Roma S.p.A.	
Issuer:	Caesar Finance S.A.	
Servicer:	Bank of New York	
Arranger:	Donaldson, Lufkin & Jenrette	
Target transaction:	Funding	
Type of asset:	Collateralised bond obligation	
Quality of asset:	performing	
Closing date:	5.11.1999	
Nominal Value of disposal portfolio:	360,329,000 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	-	
Rating Agencies:	Fitch / Moody's	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	XS0103928452	XS0103929773
- Type of security	Senior	Junior
- Class	A	B
- Rating	AAA/Aaa	n.r.
- Nominal value issued	270,000,000 €	90,329,000 €
- Nominal value at the end of accounting period	0 €	69,585,487 €

ORIGINATOR: UniCredit S.p.A. (ex UniCredit Family Financing Bank S.p.A.)

Transactions from previous periods

NAME	CORDUSIO RMBS UCFIN - SERIE 2009	
Type of securitisation:	Traditional	
Originator:	UniCredit Family Financing Bank S.p.A.	
Issuer:	Cordusio RMBS - UCFin S.r.l	
Servicer:	UniCredit S.p.A.	
Arranger:	Bayerische Hypo und- Vereinsbank, AG London Branch	
Target transaction:	Funding / Counterbalancing capacity	
Type of asset:	Private Mortgage Loans	
Quality of asset:	Performing	
Closing date:	08.11.09	
Nominal Value of disposal portfolio:	3,499,600,824 €	
Net amount of preexinting writedown/writebacks:	3,499,600,824 €	
Disposal Profit & Loss realized:	-	
Portfolio disposal price:	3,499,600,824 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	UniCredit S.p.A. has granted the SPV, with respect to this transaction, two subordinated loans amounting to €122.5 million (at the end of 2011 the principal amount repaid was €1.87 million) and €7 million. On January 4, 2011 UniCredit S.p.A. - London Branch granted a new subordinated loan amounting to €173.7 million.	
Other relevant information:	Self-securitization	
Rating Agencies:	Moody's / Fitch	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	IT0004520489	IT0004520513
- Type of security	Senior	Junior
- Class	A	B
- Rating	Aaa/AAA	n.r.
- Nominal value issued	3,279,000,000 €	220,600,824 €
- Nominal value at the end of accounting period	2,271,570,861 €	220,600,824 €

Part E - Information on risks and related risk management policies (CONTINUED)

NAME	CORDUSIO RMBS SECURITISATION - SERIE 2008	
Type of securitisation:	Traditional	
Originator:	UniCredit Banca per la Casa S.p.A.	
Issuer:	Cordusio RMBS Securitisation S.r.l.	
Servicer:	UniCredit S.p.A.	
Arranger:	Bayerische Hypo und- Vereinsbank, AG London Branch	
Target transaction:	Funding / Counterbalancing capacity	
Type of asset:	Private Mortgage Loans	
Quality of asset:	performing	
Closing date:	11.13.2008	
Nominal Value of disposal portfolio:	23,789,098,370 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	UniCredit S.p.A. has granted three subordinated loan of 730 million euro, 150 million euro and 40 million euro. On January 4th, 2011 UniCredit S.p.A. - London branch has granted a new subordinated loan of 1,109 million euro.	
Other relevant information:	Self-securitization	
Rating Agencies:	Moody's / Fitch (till 01.19.2012) / DBRS (from 12.23.2011)	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	IT0004431208	IT0004431281
- Type of security	Senior	Junior
- Class	A	B
- Rating	Aaa/AAA/AAA	n.r.
- Nominal value issued	22,250,000,000 €	1,539,098,370 €
- Nominal value at the end of accounting period	14,336,627,300 €	1,539,098,370 €

NAME	CORDUSIO RMBS UCFIN - SERIE 2006 (EX CORDUSIO RMBS 3 - UBCASA 1)	
Type of securitisation:	Traditional	
Originator:	UniCredit Banca per la Casa S.p.A.	
Issuer:	Cordusio RMBS UCFin S.r.l. (ex Cordusio RMBS 3 - UBCasa 1 S.r.l.)	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit Banca Mobiliare S.p.A.	
Target transaction:	Funding / Counterbalancing capacity	
Type of asset:	Private Mortgage Loans	
Quality of asset:	performing	
Closing date:	11.20.2006	
Nominal Value of disposal portfolio:	2,495,969,425 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	UniCredit S.p.A. has granted SPV a subordinated loan of 14.976 million euro, at the end of accounting period amount of tranche capital is equal to 0.651 million euro.	
Other relevant information:	-	
Rating Agencies:	Fitch /Moody's / Standard & Poor's	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	IT0004144884	IT0004144892
- Type of security	Senior	Senior
- Class	A1	A2
- Rating	-	AAA/Aaa/AA+ from 01/23/2012
- Nominal value issued	600,000,000 €	1,735,000,000 €
- Nominal value at the end of accounting period	0 €	965,996,297 €
- ISIN	IT0004144900	IT0004144934
- Type of security	Mezzanine	Mezzanine
- Class	B	C
- Rating	AA/Aa1/AA	A+/A1/A+
- Nominal value issued	75,000,000 €	25,000,000 €
- Nominal value at the end of accounting period	75,000,000 €	25,000,000 €
- ISIN	IT0004144959	IT0004144967
- Type of security	Mezzanine	Junior
- Class	D	E
- Rating	BBB+/Baa2/BBB+	n.r.
- Nominal value issued	48,000,000 €	12,969,425 €
- Nominal value at the end of accounting period	48,000,000 €	12,969,425 €

Part E - Information on risks and related risk management policies (CONTINUED)

ORIGINATOR: UniCredit S.p.A. (ex UniCredit Family Financing Bank S.p.A., ex UniCredit Banca S.p.A.)

NAME	CORDUSIO RMBS SECURITISATION - SERIE 2007		CORDUSIO RMBS SECURITISATION - SERIE 2006 (EX CORDUSIO RMBS 2)		CORDUSIO RMBS	
Type of securitisation:	Traditional		Traditional		Traditional	
Originator:	UniCredit Banca S.p.A.		UniCredit Banca S.p.A.		Unicredit Banca S.p.A.	
Issuer:	Cordusio RMBS Securitisation S.r.l.		Cordusio RMBS Securitisation S.r.l. (ex Cordusio RMBS 2 S.r.l.)		Cordusio RMBS S.r.l.	
Servicer:	UniCredit S.p.A.		UniCredit S.p.A.		UniCredit S.p.A.	
Arranger:	Bayerische Hypo und Vereinsbank AG, London Branch		UniCredit Banca Mobiliare S.p.A		Euro Capital Structures Ltd	
Target transaction:	Funding / Counterbalancing capacity		Funding / Counterbalancing capacity		Funding / Counterbalancing capacity	
Type of asset:	Private Mortgage Loans		Private Mortgage Loans		Private Mortgage Loans	
Quality of asset:	performing		performing		performing	
Closing date:	05.24.2007		07.10.2006		05.06.2005	
Nominal Value of disposal portfolio:	3,908,102,838 €		2,544,388,351 €		2,990,089,151 €	
Guarantees issued by the Bank:	-		-		-	
Guarantees issued by Third Parties:	-		-		-	
Bank Lines of Credit:	-		-		-	
Third Parties Lines of Credit:	-		-		-	
Other Credit Enhancements:	UniCredit S.p.A. has granted SPV a subordinated loan of 6.253 million euro. At the end of accounting period that amount si fully reimboursed.		UniCredit S.p.A. has granted SPV a subordinated loan of 6.361 million euro. At the end of accounting period that amount is fully reimboursed.		UniCredit S.p.A. has granted SPV a subordinated loan of 6.127 million euro. At the end of accounting period tha amount is fully reimboursed.	
Other relevant information:	-		-		-	
Rating Agencies:	Fitch /Moody's / Standard & Poor's		Fitch /Moody's / Standard & Poor's		Fitch /Moody's /Standard & Poor's	
Amount of CDS or other supersenior risk transferred:	-		-		-	
Amount and Conditions of tranching:						
- ISIN	IT0004231210	IT0004231236	IT0004087158	IT0004087174	IT0003844930	IT0003844948
- Type of security	Senior	Senior	Senior	Senior	Senior	Senior
- Class	A1	A2	A1	A2	A1	A2
- Rating	-	AAA/Aaa/AA+ from 01.23.2012	-	AAA/Aaa/AA+ from 01.23.2012	-	AAA/Aaa/AA+ from 01.23.2012
- Nominal value issued	703,500,000 €	2,227,600,000 €	500,000,000 €	1,892,000,000 €	750,000,000 €	2,060,000,000 €
- Nominal value at the end of accounting period	0 €	1,054,575,467 €	0 €	879,447,386 €	0 €	646,639,768 €
- ISIN	IT0004231244	IT0004231285	IT0004087182	IT0004087190	IT0003844955	IT0003844963
- Type of security	Senior	Mezzanine	Mezzanine	Mezzanine	Mezzanine	Mezzanine
- Class	A3	B	B	C	B	C
- Rating	AAA/Aaa/AA+ from 01/23/2012	AA/Aa1/AA	AA/Aa1/AA	BBB+/Baa2/BBB	AA+/Aa1/AAA-	BBB/Baa1/BBB
- Nominal value issued	738,600,000 €	71,100,000 €	45,700,000 €	96,000,000 €	52,000,000 €	119,200,000 €
- Nominal value at the end of accounting period	738,600,000 €	71,100,000 €	45,700,000 €	96,000,000 €	52,000,000 €	119,200,000 €
- ISIN	IT0004231293	IT0004231301	IT0004087216		IT0003844971	
- Type of security	Mezzanine	Mezzanine	Junior		Junior	
- Class	C	D	D		D	
- Rating	A/A1/A	BBB-/Baa2/BBB	n.r.		n.r.	
- Nominal value issued	43,800,000 €	102,000,000 €	10,688,351 €		8,889,150 €	
- Nominal value at the end of accounting period	43,800,000 €	102,000,000 €	10,688,351 €		8,889,150 €	
- ISIN	IT0004231319	IT0004231327				
- Type of security	Mezzanine	Junior				
- Class	E	F				
- Rating	CCC/Ba2/BB	n.r.				
- Nominal value issued	19,500,000 €	2,002,838 €				
- Nominal value at the end of accounting period	19,500,000 €	2,002,838 €				

ORIGINATOR: UniCredit S.p.A. (ex UniCredit Family Financing Bank S.p.A., ex Bipop-Carire S.p.A.)

NAME	BIPCA CORDUSIO RMBS	
Type of securitisation:	Traditional	
Originator:	Bipop - Carire S.p.A.	
Issuer:	Capital Mortgage Srl	
Servicer:	UniCredit S.p.A.	
Arranger:	Bipop - Carire S.p.A.	
Target transaction:	Funding / Counterbalancing capacity	
Type of asset:	Private Mortgage Loans	
Quality of asset:	performing	
Closing date:	12.19.2007	
Nominal Value of disposal portfolio:	951,664,009 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	UniCredit S.p.A. has granted SPV a subordinated loan of 9.514 million euro. At the end of accounting period the amount of capital tranche is equal to 8.014 million euro.	
Other relevant information:	All securities issued outstanding as at 12.31.2010 are retained by UniCredit S.p.A.	
Rating Agencies:	S & P / Moody's	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	IT0004302730	IT0004302748
- Type of security	Senior	Senior
- Class	A1	A 2
- Rating	AA+ from 01/23/2012 / Aaa	AA+ from 01/23/2012 / Aaa
- Nominal value issued	666,300,000 €	185,500,000 €
- Nominal value at the end of accounting period	334,408,108 €	185,500,000 €
- ISIN	IT0004302755	IT0004302763
- Type of security	Mezzanine	Mezzanine
- Class	B	C
- Rating	AA+/Aa3	A+/A2
- Nominal value issued	61,800,000 €	14,300,000 €
- Nominal value at the end of accounting period	61,800,000 €	14,300,000 €
- ISIN	IT0004302797	IT0004302854
- Type of security	Mezzanine	Mezzanine
- Class	D	E
- Rating	BBB/Baa1	BB/Baa2
- Nominal value issued	18,000,000 €	5,500,000 €
- Nominal value at the end of accounting period	18,000,000 €	5,500,000 €
- ISIN	IT0004302912	
- Type of security	Junior	
- Class	F	
- Rating	n.r.	
- Nominal value issued	250,000 €	
- Nominal value at the end of accounting period	250,000 €	

Part E - Information on risks and related risk management policies (Continued)

ORIGINATOR: UniCredit S.p.A. (ex UniCredit Family Financing Bank S.p.A., ex Banca di Roma S.p.A.)

NAME	CAPITAL MORTGAGE 2007 - 1	
Type of securitisation:	Traditional	
Originator:	Banca di Roma S.p.A.	
Issuer:	Capital Mortgage S.r.l.	
Servicer:	UniCredit S.p.A.	
Arranger:	UniCredit S.p.A.	
Target transaction:	Funding / Counterbalancing capacity	
Type of asset:	Private Mortgage Loans	
Quality of asset:	performing	
Closing date:	05.16.2007	
Nominal Value of disposal portfolio:	2,183,087,875 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	UniCredit S.p.A. has granted SPV a subordinated loan of 37.19 million euro (as Equity).	
Other relevant information:	Tranching based on an original assets portfolio € 2,479.4 million, reduced to € 2,183.1 million due to checks after closing date.	
Rating Agencies:	S & P / Moody's / Fitch	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	IT0004222532	IT0004222540
- Type of security	Senior	Senior
- Class	A1	A2
- Rating	AA+ from 01/23/2012 / Aa1/AA	AA+ from 01/23/2012 / Aa1/AA
- Nominal value issued	1,736,000,000 €	644,000,000 €
- Nominal value at the end of accounting period	566,203,691 €	644,000,000 €
- ISIN	IT0004222557	IT0004222565
- Type of security	Mezzanine	Mezzanine
- Class	B	C
- Rating	AA/A3-/BB	CCC/B1/CCC
- Nominal value issued	74,000,000 €	25,350,000 €
- Nominal value at the end of accounting period	74,000,000 €	23,350,000 €

ORIGINATOR: UniCredit S.p.A. (ex UniCredit Family Financing Bank S.p.A., ex FinecoBank S.p.A.)

NAME	F-E MORTGAGES 2005		F-E MORTGAGES SERIES 1-2003		HELICONUS	
Type of securitisation:	Traditional		Traditional		Traditional	
Originator:	FinecoBank S.p.A.		FinecoBank S.p.A.		FinecoBank S.p.A.	
Issuer:	F-E Mortgages S.r.l.		F-E Mortgages S.r.l.		Heliconus S.r.l	
Servicer:	UniCredit S.p.A.		UniCredit S.p.A.		UniCredit S.p.A.	
Arranger:	Capitalia S.p.A.		Capitalia S.p.A.		Capitalia S.p.A.	
Target transaction:	Funding / Counterbalancing capacity		Funding / Counterbalancing capacity		Funding / Counterbalancing capacity	
Type of asset:	Private Mortgage Loans		Private Mortgage Loans		Private Mortgage Loans	
Quality of asset:	in bonis		in bonis		in bonis	
Closing date:	04.08.2005		11.28.2003		11.08.2002	
Nominal Value of disposal portfolio:	1.028.683.779 €		748.630.649 €		408.790.215 €	
Guarantees issued by the Bank:	-		-		-	
Guarantees issued by Third Parties:	-		-		-	
Bank Lines of Credit:	-		UniCredit S.p.A. for € 20 million (jointly with The Royal Bank of Scotland Milan Branch).		UniCredit S.p.A. for € 10.220 million.	
Third Parties Lines of Credit:	-		-		-	
Other Credit Enhancements:	UniCredit S.p.A. has granted SPV a subordinated loan of 15.431 million euro (as Equity).		-		-	
Other relevant information:	-		-		-	
Rating Agencies:	S & P / Moody's / Fitch		S & P / Moody's / Fitch		S & P / Moody's / Fitch	
Amount of CDS or other supersenior risk transferred:	-		-		-	
Amount and Conditions of tranching:						
- ISIN	IT0003830418	IT0003830426	IT0003575039	IT0003575070	IT0003383855	IT0003383871
- Type of security	Senior	Mezzanine	Senior	Mezzanine	Senior	Mezzanine
- Class	A	B	A	B	A	B
- Rating	AA+ from 01/23/2012 / Aaa/ AAA	AAA+ from 01/23/2012 / A1/ A+	AA+ from 01/23/2012 / Aaa/ AAA	AA+/A1/A	AA+ from 01/23/2012 / Aaa/ AAA	-- /A2/A+
- Nominal value issued	951,600,000 €	41,100,000 €	682,000,000 €	48,000,000 €	369,000,000 €	30,800,000 €
- Nominal value at the end of accounting period	266,582,651 €	41,100,000 €	160,405,820 €	48,000,000 €	85,018,002 €	30,800,000 €
- ISIN	IT0003830434		IT0003575088	IT0003575096	IT0003383939	
- Type of security	Mezzanine		Mezzanine	Junior	Junior	
- Class	C		C	D	C	
- Rating	BBB+/Baa2/BBB-		A-/Baa2/BBB-	n.r.	n.r.	
- Nominal value issued	36,000,000 €		11,000,000 €	7,630,000 €	8,990,200 €	
- Nominal value at the end of accounting period	36,000,000 €		11,000,000 €	7,630,000 €	8,990,200 €	

Part E - Information on risks and related risk management policies (CONTINUED)

ORIGINATOR: UniCredit Leasing S.p.A (ex LOCAT S.p.A.)

STRATEGIES, PROCESSES AND GOALS:	The main reasons for these transactions are: improved asset allocation, diversification of funding sources and improved Regulatory Ratios.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	Each portfolio is monitored on an ongoing basis and is described in monthly and quarterly reports (required by the agreements) with a break down of loans by status and the trend of repayments.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	Coordination Structure was set up in the Accounts Department. The Board of Directors is provided with a report with a break down of repayments and the status of loans.
HEDGING POLICIES:	The Special Purpose Vehicle bought IRSs as fair value hedge and Basis Swaps as Cash flow hedge (and related back to back between Originator and Counterparty).
OPERATING RESULTS:	Repayments are in line with the schedule provided on issue (business plan) such that the equity tranche yield (including extra spread) is in line with expected yield on investments with similar risk level.

Non transaction 2011

NAME:	LOCAT SV - SERIE 2011	
Type of securitisation:	Traditional	
Originator:	UniCredit Leasing S.p.A. (ex Locat S.p.A.)	
Issuer:	Locat SV S.r.l.	
Servicer:	UniCredit Leasing S.p.A. (ex Locat S.p.A.)	
Arranger:	UniCredit Bank AG London Branch	
Target transaction :	Funding / Counterbalancing capacity	
Type of asset:	Leasing loans bearing car, capital goods and real estate.	
Quality of asset:	in bonis	
Closing date:	02.11.2011	
Nominal Value of reference portfolio:	5,150,822,514 €	
Net amount of preexisting writedown/writebacks:	-	
Disposal Profit & Loss realized:	-	
Portfolio disposal price:	5,150,822,514 €	
Issued guarantees by the Bank:	-	
Issued guarantees by third parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	UniCredit S.p.A. has granted SPV a subordinated loan of 252 million euro.	
Other relevant information:	Self-securitization	
Rating Agencies:	Standard & Poor's / DBRS	
Amount of CDS or other risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	IT0004690753	IT0004690746
- Type of security	Senior	Junior
- Class	A	B
- Rating	AA+ from 01/23/2012 / AAA	-
- Where listed	Dublin	Dublin
- Issue date	11.02.2011	11.02.2011
- Legal maturity	12.12.2028	12.12.2028
- Call option	Early redemption	
- Expected duration	4.4	4.4
- Rate	Euribor 3 m + 135 b.p.	Euribor 3 m + 135 b.p.
- Subordinated level	-	Sub A
- Nominal value issued	3,502,500,000 €	1,648,322,514 €
- Nominal value at the end of accounting period	3,502,500,000 €	1,648,322,514 €
- Security Subscribers	UniCredit S.p.A	UniCredit Leasing S.p.A.
Distribution of securitised assets by area:		
Italy - Northwest	-	
- Northeast	3,252,022,368 €	
- Central	1,223,852,058 €	
- South and Islands	674,948,088 €	
Other European Countries - E.U. countries	-	
- not U.E. countries	-	
America	-	
Rest of the World	-	
TOTAL	**5,150,822,514 €**	
Distribution of securitised assets by business sector of the borrower:		
Governments	-	
Other governments agencies	-	
Banks	-	
Finance Companies	-	
Insurance Companies	-	
Non-financial companies	-	
Other entities	5,150,822,514 €	
TOTAL	**5,150,822,514 €**	

Part E - Information on risks and related risk management policies (Continued)

Transactions from previous periods

NAME	LOCAT SV - SERIE 2006		LOCAT SV - SERIE 2005 (EX LOCAT SECURITISATION VEHICLE 3)		LOCAT SECURITISATION VEHICLE 2 S.R.L.	
Type of securitisation:	Traditional		Traditional		Traditional	
Originator:	Locat S.p.A.		Locat S.p.A.		Locat S.p.A.	
Issuer:	Locat SV S.r.l.		Locat SV S.r.l. (ex Locat Securitisation Vehicle 3 S.r.l.)		Locat Securitisation Vehicle 2 S.r.l.	
Servicer:	Locat S.p.A.		Locat S.p.A.		Locat S.p.A.	
Arranger:	UniCredit Banca Mobiliare S.p.A.		UniCredit Banca Mobiliare S.p.A.		UniCredit Banca Mobiliare S.p.A.	
Target transaction:	Capital Relief / Funding		Capital Relief / Funding		Capital Relief / Funding	
Type of asset:	Leasing loans bearing car, capital goods and real estate.		Leasing loans bearing car, capital goods and real estate.		Leasing loans bearing car, capital goods and real estate.	
Quality of asset:	performing		performing		performing	
Closing date:	11.14.2006		10.14.2005		09.29.2004	
Nominal Value of disposal portfolio:	1,972,909,866 €		2,000,000,136 €		2,525,254,058 €	
Guarantees issued by the Bank:	-		-		-	
Guarantees issued by Third Parties:	-		-		-	
Bank Lines of Credit:	-		-		-	
Third Parties Lines of Credit:	-		-		-	
Other Credit Enhancements:	-		-		-	
Other relevant information:	Revolving		Revolving		Revolving	
Rating Agencies:	Standard & Poor's / Moody's		Standard & Poor's / Moody's		Standard & Poor's / Moody's	
Amount of CDS or other supersenior risk transferred:	-		-		-	
Amount and Conditions of tranching:						
- ISIN	IT0004153661	IT0004153679	IT0003951107	IT0003951115	IT0003733083	IT0003733091
- Type of security	Senior	Senior	Senior	Senior	Senior	Mezzanine
- Class	A1	A2	A1	A2	A	B
- Rating	AAA/Aaa	AA+ from 01/23/2012 / Aa2	AAA / Aaa	AA+ from 01/23/2012 / Aaa	AA+ from 01/23/2012 / Aaa	AA/A2
- Nominal value issued	400,000,000 €	1,348,000,000 €	451,000,000 €	1,349,000,000 €	2,374,000,000 €	126,000,000 €
- Nominal value at the end of accounting period	0 €	395,095,430 €	0 €	142,660,527 €	130,752,323 €	126,000,000 €
- ISIN	IT0004153687	IT0004153695	IT0003951123	IT0003951131	-	
- Type of security	Mezzanine	Mezzanine	Mezzanine	Mezzanine	D.P.P.	
- Class	B	C	B	C	-	
- Rating	A-/Baa3	B+/Caa1	A/Baa1	BB+/B2	-	
- Nominal value issued	152,000,000 €	64,000,000 €	160,000,000 €	33,000,000 €	25,254,058 €	
- Nominal value at the end of accounting period	152,000,000 €	64,000,000 €	160,000,000 €	33,000,000 €	25,254,058 €	
- ISIN	IT0004153885		IT0003951149			
- Type of security	Junior		Junior			
- Class	D		D			
- Rating	n.r.		-			
- Nominal value issued	8,909,866 €		7,000,136 €			
- Nominal value at the end of accounting period	8,909,866 €		7,000,136 €			

ORIGINATOR: Fineco Leasing S.p.A.

STRATEGIES, PROCESSES AND GOALS:	The main goals of these transactions are: better asset allocation, diversification of funding sources and better Regulatory Ratios.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	Each portfolio is monitored on an ongoing basis and is described in quarterly reports (required by the agreements) with a breakdown of loans by status and the trend of repayments, as well as an ad hoc analysis of details of significant aspects of the transactions.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The company established an appropriate structure to monitor the transactions (the Treasury and Securitization Area), which prepares periodic (quarterly) reports and provides an accurate, semi-annual update to senior management. The board of directors receives (semi-annual) reports as required by laws on securitization.
HEDGING POLICIES:	The Special Purpose Vehicle bought IRSs as fair value hedge and Basis Swap as cash flow hedge (and related back to back between Originator and counterparty).
OPERATING RESULTS:	At year-end, the profits from existing securitization transactions largely reflect the trends of similar portfolios at the bank in terms of defaults and prepayments .

Transactions from previous periods

NAME	F-E RED		F-E GOLD		F-E GREEN	
Type of securitisation:	Tradizionale		Traditional		Traditional	
Originator:	Fineco Leasing S.p.A.		Fineco Leasing S.p.A.		Fineco Leasing S.p.A.	
Issuer:	F-E RED S.r.l.		F-E Gold S.r.l.		F-E Green S.r.l.	
Servicer:	Fineco Leasing S.p.A.		Fineco leasing S.p.A.		Fineco Leasing S.p.A.	
Arranger:	Bayerische Hypo und- Vereinsbank, AG London Branch		Capitalia S.p.A.		MCC Capitalia Group; Co-arrangers: ABN Amro e Morgan Stanley	
Target transaction:	Funding		Funding		Funding	
Type of asset:	Leasing loans bearing car, capital goods, real estate and crafts.		Loans relating to leases of property (65.9%), motor vehicles (26.7%) and business assets (7.4%)		Loans relating to leases of property (63.84%), motor vehicles (27.04%) and business assets (9.12%)	
Quality of asset:	performing		performing		performing	
Closing date:	03.06.2009		05.31.2006		06.09.2004	
Nominal Value of disposal portfolio:	1,705,231,215 €		1,019,029,516 €		1,450,061,353 €	
Guarantees issued by the Bank:	-		-		-	
Guarantees issued by Third Parties:	-		-		European Investment Found guarantee on tranche B for € 108.5 million	
Bank Lines of Credit:	-		-		-	
Third Parties Lines of Credit:	-		-		-	
Other Credit Enhancements:	At closing date Fineco Leasing S.p.A. granted the SPV a subordinated loan of € 161 million euro (as equity). Such subordinated loan has been increased during 2011 and its overall amount at the end of the year is equal to 170.9 million euro.		Fineco Leasing S.p.A. granted the SPV a subordinated loan of € 31.6 million (as Equity). At the end of accounting period the amount of capital tranche is equal to 15.3 million euro.		Fineco Leasing S.p.A. granted the SPV a subordinated loan of € 45.7 million (as Equity). At the end of accounting period the amount of capital tranche is equal to 10.9 million euro.	
Other relevant information:	Revolving closed in October 2010		Revolving closed in October 2007		Revolving closed in October 2005	
Rating Agencies:	Fitch / Moody's		Moody's /Fitch		Fitch / Moody's / S & P	
Amount of CDS or other supersenior risk transferred:	-		-		-	
Amount and Conditions of tranching:						
- ISIN	IT0004470503	IT0004470511	IT0004068588	IT0004068612	IT0003675763	IT0003675771
- Type of security	Senior	Junior	Senior	Senior	Senior	Senior
- Class	A	B	A1	A2	A	B
- Rating	AAA / Aaa	n.r.	Aaa / AAA	Aa2 / AAA	AAA / Aaa / AAA	AAA / Aaa / AAA
- Nominal value issued	1,365,000,000 €	340,231,215 €	203,800,000 €	749,000,000 €	1,342,000,000 €	108,500,000 €
- Nominal value at the end of accounting period	951,323,100 €	340,231,215 €	0 €	273,735,532 €	11,158,086 €	108,500,000 €
- ISIN	IT0004470511		IT0004068620	IT0004068638		
- Type of security	Junior		Mezzanine	Mezzanine		
- Class	C		B	C		
- Rating	n.r.		Ba1 / BBB	B2 / BB		
- Nominal value issued	250,046,741 €		56,000,000 €	10,200,000 €		
- Nominal value at the end of accounting period	250,046,741 €		49,449,008 €	9,006,784 €		

Part E - Information on risks and related risk management policies (Continued)

ORIGINATOR: UniCredit Bank AG

STRATEGIES, PROCESSES AND GOALS:	The main motivation for the Bank's securitization programs is the Capital relief and Funding for True Sale Transactions.
INTERNAL MEASUREMENT AND RISK MONITORING SYSTEMS:	Each portfolio is monitored by the servicing department on an ongoing basis and it is illustrated in the form of a monthly or quarterly report (investor report), which provides a break down of the status of loans.
ORGANISATIONAL STRUCTURE AND SYSTEM FOR REPORTING TO SENIOR MANAGEMENT:	The Board Members approve each new transactions and any other related decision. The bank's annual / interim report contain information on the bank's own ABS transactions. The Board member are provided with planning forecast figures and annual performance.
HEDGING POLICIES:	For true sale transactions the issuer hedged portfolio's interest rate risks through Interest Rate Swaps.
OPERATING RESULTS:	The results achieved up to the present are broadly in line with expectations; payments reveived from the portfolio ensured punctual and full payment to security holders and other parties to the transaction.

New transactions 2011

NAME	GELDILUX-TS-2011	
Type of securitisation:	Traditional	
Originator:	UniCredit Bank AG	
Issuer:	Geldilux-TS-2010 S.A. (Luxembourg)	
Servicer:	UniCredit Bank AG	
Arranger:	UniCredit Bank AG (Corporate & Investment Banking)	
Target transaction:	Capital Relief / Funding	
Type of asset:	EURO Loans	
Quality of asset:	Performing	
Closing date:	12.20.2011	
Nominal Value of disposal portfolio:	431,500,000 €	
Net amount of preexinting writedown/writebacks:	-	
Disposal Profit & Loss realized:	-	
Portfolio disposal price:	431,500,000 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	replenishing	
Rating Agencies:	Moody´s	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	XS0677594607	XS0719525924
- Type of security	Senior	Senior
- Class	A1	A2
- Rating	Aaa	Aaa
- Where listed	Luxembourg	Luxembourg
- Issue date	12.20.2011	12.20.2011
- Legal maturity	12.08.2016	12.08.2016
- Call option	Time Call, Clean-up Call, Regulatory Call	
- Expected duration	2,5	2,5
- Rate	3m EURIBOR + 130 bp	3m EURIBOR + 130 bp
- Subordinated level	A1	A2
- Nominal value issued	150,000,000 €	200,000,000 €
- Nominal value at the end of accounting period	150,000,000 €	200,000,000 €
- Security subscribers	sold to an investor	partly retained by UniCredit Luxembourg S.A.
- ISIN	XS0677594946	XS0677595166
- Type of security	Mezzanine	Mezzanine
- Class	B	Liqudity Note
- Rating	Aaa	Aa2
- Where listed	Luxembourg	Luxembourg

Continued: ORIGINATOR: UniCredit Bank AG.

- Issue date	12.20.2011	12.20.2011
- Legal maturity	12.08.2016	12.08.2016
- Call option	Time Call, Clean-up Call, Regulatory Call	
- Expected duration	2.5	2.5
- Rate	3m EURIBOR + 10 bp	3m EURIBOR + 170 bp
- Subordinated level	B	Liqudity Note
- Nominal value issued	42,500,000 €	6,400,000 €
- Nominal value at the end of accounting period	42,500,000 €	6,400,000 €
- Security subscribers	retained by UniCredit Luxembourg S.A.	retained by UniCredit Luxembourg S.A.
- ISIN	XS0677595323	XS0677595596
- Type of security	Mezzanine	Mezzanine
- Class	C	D
- Rating	A2	Baa3
- Where listed	Luxembourg	Luxembourg
- Issue date	12.20.2011	12.20.2011
- Legal maturity	12.08.2016	12.08.2016
- Call option	Time Call, Clean-up Call, Regulatory Call	
- Expected duration	2,5	2,5
- Rate	3m EURIBOR + 10 bp	3m EURIBOR + 10 bp
- Subordinated level	C	D
- Nominal value issued	17,100,000 €	3,500,000 €
- Nominal value at the end of accounting period	17,100,000 €	3,500,000 €
- Security subscribers	retained by UniCredit Luxembourg S.A.	retained by UniCredit Luxembourg S.A.
- ISIN	XS0677595752	XS0686164681
- Type of security	Mezzanine	Junior
- Class	E	F
- Rating	Ba3	n.r.
- Where listed	Luxembourg	Luxembourg
- Issue date	12.20.2011	12.20.2011
- Legal maturity	12.08.2016	12.08.2016
- Call option	Time Call, Clean-up Call, Regulatory Call	
- Expected duration	2.5	2.5
- Rate	3m EURIBOR + 180 bp	3m EURIBOR + 900 bp
- Subordinated level	E	F
- Nominal value issued	4,300,000 €	7,700,000 €
- Nominal value at the end of accounting period	4,300,000 €	7,700,000 €
- Security subscribers	retained by UniCredit Luxembourg S.A.	retained by UniCredit Luxembourg S.A.
Distribution of securitised assets by area:		
Italy - Northwest	-	
- Northeast	-	
- Central	-	
- South and Islands	-	
Other European Countries - E.U. countries	431,500,000 €	
- not U.E. countries	-	
America	-	
Rest of the World	-	
TOTAL	**431,500,000 €**	
Distribution of securitised assets by business sector of the borrower:		
Governments	-	
Other governments agencies	-	
Banks	-	
Finance Companies	-	
Insurance Companies	-	
Non-financial companies	-	
Other entities	431,500,000 €	
TOTAL	**431,500,000 €**	

Part E - Information on risks and related risk management policies (Continued)

NAME	GELDILUX-PP-2011	
Type of securitisation:	Traditional	
Originator:	UniCredit Bank AG	
Issuer:	Geldilux-PP-2010 S.A. (Luxembourg)	
Servicer:	UniCredit Bank AG	
Arranger:	UniCredit Bank AG (Corporate & Investment Banking)	
Target transaction:	Funding	
Type of asset:	EURO Loans	
Quality of asset:	Performing	
Closing date:	12.16.2011	
Nominal Value of disposal portfolio:	1,136,400,000 €	
Net amount of preexinting writedown/writebacks:	-	
Disposal Profit & Loss realized:	-	
Portfolio disposal price:	1,136,400,000 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	private placement	
Rating Agencies:	-	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	PP	PP
- Type of security	Senior	Senior
- Class	A	Liqudity Note
- Rating	nr	nr
- Where listed	not listed	not listed
- Issue date	12.16.2011	12.16.2011
- Legal maturity	12.08.2014	12.08.2014
- Call option	Time Call, Clean-up Call, Regulatory Call	
- Expected duration	2.5	2.5
- Rate	1m EURIBOR + 105 bp	45 bp
- Subordinated level	-	Sub A
- Nominal value issued	1,000,000,000 €	12,500,000 €
- Nominal value at the end of accounting period	1,000,000,000 €	12,500,000 €
- Security subscribers	Institutional Investor	retained by UniCredit Luxembourg S.A.
- ISIN	PP	
- Type of security	Junior	
- Class	B	
- Rating	nr	
- Where listed	Luxembourg	
- Issue date	12.16.2011	
- Legal maturity	12.08.2014	
- Call option	Time Call, Clean-up Call, Regulatory Call	
- Expected duration	2.5	
- Rate	195 bp	
- Subordinated level	Sub A , Liqudity Note	
- Nominal value issued	136,400,000 €	
- Nominal value at the end of accounting period	136,400,000 €	
- Security subscribers	retained by UniCredit Luxembourg S.A.	
Distribution of securitised assets by area:		
Italy - Northwest	-	
- Northeast	-	
- Central	-	
- South and Islands	-	
Other European Countries - E.U. countries	1,148,900,000 €	
- not U.E. countries	-	
America	-	
Rest of the World	-	
TOTAL	**1,148,900,000 €**	

Continued: Geldilux-PP-2011.

Distribution of securitised assets by business sector of the borrower:		
Governments	-	
Other governments agencies	-	
Banks	-	
Finance Companies	-	
Insurance Companies	-	
Non-financial companies	-	
Other entities	1,148,900,000 €	
TOTAL	**1,148,900,000 €**	

Transactions from previous periods

NAME	GELDILUX-TS-2010	
Type of securitisation:	Traditional	
Originator:	UniCredit Bank AG	
Issuer:	Geldilux-TS-2010 S.A. (Luxembourg)	
Servicer:	Bayerische Hypo-und Vereinsbank AG	
Arranger:	UniCredit Bank AG (Corporate & Investment Banking)	
Target transaction:	Capital Relief / Funding	
Type of asset:	EURO Loans	
Quality of asset:	Performing	
Closing date:	09.30.2010	
Nominal Value of disposal portfolio:	606,900,000 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	replenishing	
Rating Agencies:	Moody´s	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	XS0541574876	XS0541580501
- Type of security	Senior	Senior
- Class	A	B
- Rating	Aaa	Aaa
- Nominal value issued	500,000,000 €	60,700,000 €
- Nominal value at the end of accounting period	500,000,000 €	60,700,000 €
- ISIN	XS0541578356	XS0541581731
- Type of security	Mezzanine	Mezzanine
- Class	Liquidity Note	C
- Rating	A1	A1
- Nominal value issued	6,000,000 €	24,300,000 €
- Nominal value at the end of accounting period	3,083,532 €	24,300,000 €
- ISIN	XS0541583430	XS0541584677
- Type of security	Mezzanine	Mezzanine
- Class	D	E
- Rating	Baa2	Ba2
- Nominal value issued	4,900,000 €	6,100,000 €
- Nominal value at the end of accounting period	4,900,000 €	6,100,000 €
- ISIN	XS0541585724	
- Type of security	Junior	
- Class	F	
- Rating	n,r,	
- Nominal value issued	10,900,000 €	
- Nominal value at the end of accounting period	10,668,750 €	

Part E - Information on risks and related risk management policies (CONTINUED)

NAME	ROSENKAVALIER 2008	
Type of securitisation:	Traditional	
Originator:	Bayerische Hypo-und Vereinsbank AG	
Issuer:	Rosenkavalier 2008 GmbH	
Servicer:	Bayerische Hypo-und Vereinsbank AG	
Arranger:	Bayerische Hypo- und Vereinsbank AG (UniCredit Markets & Investment Banking)	
Target transaction:	Liquidity	
Type of asset:	large Corporate and SME corporate loans and mortgage loans	
Quality of asset:	Performing	
Closing date:	12.12.2008	
Nominal Value of disposal portfolio:	8,244,562,524.09 € of which already securitised in synthetic transaction: BUILDING COMFORT 2008 246,279,935.81 € EUROCONNECT LC 2007-1 103,229,228.26 € EUROCONNECT SME 2007 219,252,990.49 € EUROCONNECT SME 2008 299,931,339.23 € PROMISE XXS 2006 184,549,670.53 € PROVIDE-A 2005-1 329,283,179.27 € PROVIDE-A 2006-1 269,912,600.22 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	Self-securitization Transaction executed to create ECB collateral	
Rating Agencies:	S&P / Moody's	
Amount of CDS or other supersenior risk transferred :	-	
Amount and Conditions of tranching:		
- ISIN	DE000A0AEDB2	DE000A0AEDC0
- Type of security	Senior	Junior
- Class	A	B
- Rating	A/A2	nr
- Nominal value issued	9,652,700,000 €	2,293,750,000 €
- Nominal value at the end of accounting period	5,231,751,716 €	1,902,962,531 €

NAME	BUILDING COMFORT 2008	
Type of securitisation:	Synthetic	
Originator:	Bayerische Hypo-und Vereinsbank AG	
Issuer:	Bayerische Hypo-und Vereinsbank AG	
Servicer:	Bayerische Hypo-und Vereinsbank AG	
Arranger:	Bayerische Hypo- und Vereinsbank AG (UniCredit Markets & Investment Banking)	
Target transaction :	Capital Relief	
Type of asset:	Private Mortgage Loans	
Quality of asset:	Performing	
Closing date:	09.30.2008	
Nominal Value of disposal portfolio:	3,497,962,641 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	Synthetic Excess Spread	
Other relevant information:	-	
Rating Agencies:	S & P/ Moody's	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	DE000HV5ADN1	DE000HV5ADP6
- Type of security	Super Senior	Senior
- Class	A+	B+
- Rating	A+/Aaa	A+/Aaa
- Nominal value issued	100,000 €	100,000 €
- Nominal value at the end of accounting period	46,709 €	100,000 €
- Reference position at the end of accounting period	1,476,973,641 €	104,950,000 €
- ISIN	DE000HV5ADQ4	DE000HV5ADR2
- Type of security	Mezzanine	Mezzanine
- Class	C +	D +
- Rating	A+/Aa2	A+/A2
- Nominal value issued	100,000 €	100,000 €
- Nominal value at the end of accounting period	100,000 €	100,000 €
- Reference position at the end of accounting period	129,450,000 €	40,250,000 €
- ISIN	DE000HV5ADS0	DE000HV5ADT8
- Type of security	Mezzanine	Mezzanine
- Class	E +	F
- Rating	A / Baa2	BB / Ba2
- Nominal value issued	100,000 €	14,750,000 €
- Nominal value at the end of accounting period	100,000 €	14,750,000 €
- Reference position at the end of accounting period	21,000,000 €	21,000,000 €
- ISIN	DE000HV5ADU6	
- Type of security	Junior	
- Class	G	
- Rating	nr	
- Nominal value issued	19,250,000 €	
- Nominal value at the end of accounting period	19,250,000 €	

Part E - Information on risks and related risk management policies (Continued)

NAME	GELDILUX-TS-2007	
Type of securitisation:	Traditional	
Originator:	Bayerische Hypo-und Vereinsbank AG	
Issuer:	Geldilux-TS-2007 S.A. (Luxembourg)	
Servicer:	Bayerische Hypo-und Vereinsbank AG / HVB Banque Luxembourg S.A.	
Arranger:	Bayerische Hypo- und Vereinsbank AG (UniCredit Markets & Investment Banking)	
Target transaction:	Capital Relief / Funding	
Type of asset:	EURO Loans	
Quality of asset:	Performing	
Closing date:	05.04.2007	
Nominal Value of disposal portfolio:	2,100,000,000 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	replenishing	
Rating Agencies:	Moody´s/Fitch/S&P	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	XS0294513030	XS0294511760
- Type of security	Senior	Senior
- Class	A	Liquidity Note
- Rating	Aa1/A-/A	Aa1/A-/A
- Nominal value issued	2,024,400,000 €	4,500,000 €
- Nominal value at the end of accounting period	2,024,400,000 €	4,500,000 €
- ISIN	XS0294513113	XS0294513204
- Type of security	Mezzanine	Mezzanine
- Class	B	C
- Rating	Baa2/BB-/BBB	Ba2/B/BB
- Nominal value issued	21,000,000 €	21,000,000 €
- Nominal value at the end of accounting period	21,000,000 €	21,000,000 €
- ISIN	XS0294513543	XS0294513626
- Type of security	Mezzanine	Mezzanine
- Class	D	E
- Rating	B3/B-/B	Caa3/n.r./B-
- Nominal value issued	8,400,000 €	4,200,000 €
- Nominal value at the end of accounting period	8,400,000 €	4,200,000 €
- ISIN	XS0294514194	
- Type of security	Junior	
- Class	F	
- Rating	n.r.	
- Nominal value issued	21,000,000 €	
- Nominal value at the end of accounting period	17,319,000 €	

NAME	PROVIDE-A 2006-1	
Type of securitisation:	Synthetic	
Originator:	Bayerische Hypo-und Vereinsbank AG	
Issuer:	Provide-A 2006-1 GmbH	
Servicer:	Bayerische Hypo-und Vereinsbank AG	
Arranger:	Bayerische Hypo- und Vereinsbank AG (UniCredit Markets & Investment Banking)	
Target transaction:	Capital Relief and Economic Risk Transfer	
Type of asset:	Residential Mortgage Loans	
Quality of asset:	Performing	
Closing date:	12.21.2006	
Nominal Value of disposal portfolio:	2,902,936,108 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	KfW Guarantee/Junior Guarantee	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information :	-	
Rating Agencies:	S&P/Moody's	
Amount of CDS or other supersenior risk transferred:	2,542,336,108 €	
Amount and Conditions of tranching:		
- ISIN	XS0279826118	XS0279828163
- Type of security	Senior	Senior
- Class	A+	A
- Rating	AAA/Aaa	AAA/Aaa
- Nominal value issued	500,000 €	145,200,000 €
- Nominal value at the end of accounting period	179,541 €	145,200,000 €
- ISIN	XS0279829054	XS0279829641
- Type of security	Mezzanine	Mezzanine
- Class	B	C
- Rating	AA+/Aa2	AA/A1
- Nominal value issued	95,800,000 €	43,500,000 €
- Nominal value at the end of accounting period	95,800,000 €	43,500,000 €
- ISIN	XS0279830490	XS0279830904
- Type of security	Mezzanine	Mezzanine
- Class	D	E
- Rating	A/Baa1	BB/Ba2
- Nominal value issued	37,800,000 €	17,400,000 €
- Nominal value at the end of accounting period	37,800,000 €	17,400,000 €
- ISIN	-	
- Type of security	Junior (Swap)	
- Class	F	
- Rating	n.r.	
- Nominal value issued	20,400,000 €	
- Nominal value at the end of accounting period	20,400,000 €	

Part E - Information on risks and related risk management policies (Continued)

ORIGINATOR: UniCredit Bank AG - UniCredit Bank Austria AG

NAME	EUROCONNECT SME 2008	
Type of securitisation:	Synthetic	
Originator:	Bayerische Hypo- und Vereinsbank AG (67.9%), UniCredit Bank Austria AG (32,1%)	
Issuer:	EuroConnect SME 2008 Limited, Bayerische Hypo- und Vereinsbank AG Bank Austria Creditanstalt AG	
Servicer:	Bayerische Hypo-und Vereinsbank AG UniCredit Bank Austria AG	
Arranger:	Bayerische Hypo- und Vereinsbank AG (UniCredit Markets & Investment Banking)	
Target transaction :	Capital Relief / Funding and risk transfer for concentration risks	
Type of asset:	Corporate SME Loans	
Quality of asset:	Performing	
Closing date:	09.30.2008	
Nominal Value of disposal portfolio:	2,488,493,144 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	-	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	Synthetic Excess Spread + Reserve Ledger	
Other relevant information:	Replenishing	
Rating Agencies:	S & P	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- Issuer	Bayerische Hypo- und Vereinsbank AG	
- ISIN	n.a	
- Type of security	SuperSenior	
- Class	A	
- Rating	AAA	
- Reference position at the end of accounting period	1,352,994,405 €	
- ISIN	XS0388966102	XS0388966441
- Type of security	Mezzanine	Mezzanine
- Class	A2	B2
- Rating	AAA	A
- Nominal value issued	100,000 €	100,000 €
- Nominal value at the end of accounting period	100,000 €	100,000 €
- Reference position at the end of accounting period	16,950,000 €	45,800,000 €
- Issuer	**UniCredit Bank Austria AG**	
- ISIN	XS0388966524	XS0388966797
- Type of security	Mezzanine	Mezzanine
- Class	A2	B2
- Rating	AAA	A
- Nominal value issued	100,000 €	100,000 €
- Nominal value at the end of accounting period	92,955 €	85,709 €
- Reference position at the end of accounting period	7,950,000 €	7,950,000 €
- Issuer	**EuroConnect SME 2008 Limited**	
- ISIN	XS0388589128	XS0388589631
- Type of security	Mezzanine	Mezzanine
- Class	C	D
- Rating	A	BBB
- Nominal value issued	24,900,000 €	34,850,000 €
- Nominal value at the end of accounting period	24,900,000 €	34,850,000 €
- ISIN	XS0388589714	XS0388590134
- Type of security	Mezzanine	Junior
- Class	E	F
- Rating	BB	n.r.
- Nominal value issued	24,900,000 €	97,100,000 €
- Nominal value at the end of accounting period	24,900,000 €	97,100,000 €

NAME	EUROCONNECT ISSUER SME 2007		PROMISE XXS-2006-1	
Type of securitisation:	Synthetic		Synthetic	
Originator:	Bayerische Hypo- und Vereinsbank AG (66.09%) - Bank Austria Creditanstalt AG (33.91%)		Bayerische Hypo-und Vereinsbank AG (77%) / Bank Austria Creditanstalt AG (23%)	
Issuer:	EuroConnect Issuer SME 2007 Limited, Bayerische Hypo- und Vereinsbank AG Bank Austria Creditanstalt AG		Promise XXS-2006-1 GmbH	
Servicer:	Bayerische Hypo-und Vereinsbank AG UniCredit Bank Austria AG		Bayerische Hypo-und Vereinsbank AG / UniCredit Bank Austria AG	
Arranger:	Bayerische Hypo- und Vereinsbank AG (UniCredit Markets & Investment Banking)		Bayerische Hypo- und Vereinsbank AG (UniCredit Markets & Investment Banking)	
Target transaction:	Capital Relief / Funding and risk transfer for concentration risks		Capital Relief and increase in ROE	
Type of asset:	Corporate SME loans		Corporate Loans	
Quality of asset:	Performing		Performing	
Closing date:	12.28.2007		12.20.2006	
Nominal Value of disposal portfolio:	3,089,092,361 €		4,492,354,940 €	
Guarantees issued by the Bank:	-		-	
Guarantees issued by Third Parties:	-		KfW Guarantee	
Bank Lines of Credit:	-		-	
Third Parties Lines of Credit:	-		-	
Other Credit Enhancements:	Synthetic Excess Spread + Reserve Ledger		-	
Other relevant information:	replenishing		replenishing	
Rating Agencies:	S & P/ Fitch		S&P/Moody's/Fitch	
Amount of CDS or other supersenior risk transferred:	-		3,896,604,940 €	
Amount and Conditions of tranching:				
Issuer:	**Bayerische Hypo-und Vereinsbank AG**			
- ISIN	n.a		-	
- Type of security	SuperSenior		-	
- Class	A		-	
- Rating	AAA		-	
- Reference position at the end of accounting period	1,065,399,649 €		-	
- ISIN	XS0337935968	XS0337936180	XS0277600663	XS0277602016
- Type of security	Senior	Mezzanine	Senior	Senior
- Class	A2	B2	A+	A
- Rating	AAA	A	AAA/Aaa/AAA	AA+/Aaa/AAA
- Nominal value issued	100,000 €	100,000 €	250,000 €	179,500,000 €
- Nominal value at the end of accounting period	100,000 €	100,000 €	69,607 €	102,694,535 €
- Reference position at the end of accounting period	20,450,000 €	40,850,000 €	-	-
Issuer:	**Bank Austria Creditanstalt AG**			
- ISIN	XS0337946221	XS0337946650	XS0277606272	XS0277606512
- Type of security	Senior	Mezzanine	Mezzanine	Mezzanine
- Class	A2	B2	B	C
- Rating	AAA	A	A+/Aa2/AA	BBB-/A2/A
- Nominal value issued	100,000 €	100,000 €	108,000,000 €	78,500,000 €
- Nominal value at the end of accounting period	87,699 €	79,439 €	61,788,355 €	44,910,980 €
- Reference position at the end of accounting period	10,500,000 €	20,950,000 €	-	-

Part E - Information on risks and related risk management policies (Continued)

Continued: ORIGINATOR: UniCredit Bank AG - UniCredit Bank Austria AG

Issuer:	**EuroConnect Issuer SME 2007 Ltd.**			
- ISIN	XS0336039325	XS0336040331	XS0277606942	XS0277607320
- Type of security	Mezzanine	Mezzanine	Mezzanine	Mezzanine
- Class	A	B2	D	E
- Rating	A	BBB/BB-	BB-/Baa2/BBB	CCC/Ba2/BB
- Nominal value issued	35,550,000 €	43,250,000 €	56,500,000 €	78,500,000 €
- Nominal value at the end of accounting period	35,550,000 €	43,250,000 €	32,324,464 €	59,731,043 €
- ISIN	XS0336040505	XS0336041222	XS0277608211	XS0277608567
- Type of security	Mezzanine	Junior	Mezzanine	Junior
- Class	C	D	F	G
- Rating	BB/B-	n.r. / n.r.	CCC- / B3/ n,r,	n.r.
- Nominal value issued	37,100,000 €	100,400,000 €	45,000,000 €	15,000,000 €
- Nominal value at the end of accounting period	37,100,000 €	100,400,000 €	38,810,367 €	12,786,379 €
- ISIN			XS0278362164	
- Type of security			Junior	
- Class			H	
- Rating			n.r.	
- Nominal value issued			34,500,000 €	
- Nominal value at the end of accounting period			29,408,671 €	

ORIGINATOR: UniCredit Bank AG - UniCredit Bank Austria AG - UniCredit S.p.A. (ex UniCredit Corporate Banking S.p.A.)

Transactions from previous periods

NAME	EUROCONNECT ISSUER LC 2007-1	
Type of securitisation:	Synthetic	
Originator:	Bayerische Hypo- und Vereinsbank AG (45.04%) - Bank Austria Creditanstalt AG (37.78%) - UBI (17.18%)	
Issuer:	EuroConnect Issuer LC 2007-1 Limited	
Servicer:	Bayerische Hypo- und Vereinsbank AG - UniCredit Bank Austria AG - UniCredit Corporate Banking S.p.A.	
Arranger:	Bayerische Hypo- und Vereinsbank AG (UniCredit Markets & Investment Banking)	
Target transaction:	Capital Relief / Funding and risk transfer for concentration risks	
Type of asset:	Corporates	
Quality of asset:	Performing	
Closing date:	08.20.2007	
Nominal Value of disposal portfolio:	6,206,611,098 €	
Guarantees issued by the Bank:	-	
Guarantees issued by Third Parties:	Guarantee for the Super Senior Swap with an institutional investor	
Bank Lines of Credit:	-	
Third Parties Lines of Credit:	-	
Other Credit Enhancements:	-	
Other relevant information:	replenishing	
Rating Agencies:	Moody´s/Fitch/S & P	
Amount of CDS or other supersenior risk transferred:	-	
Amount and Conditions of tranching:		
- ISIN	XS0311810898	XS0311811862
- Type of security	Senior	Mezzanine
- Class	A	B
- Rating	Aaa3/A/BBB+	Baa3/BBB/BB-
- Nominal value issued	310,350,000 €	93,100,000 €
- Nominal value at the end of accounting period	-	-
- ISIN	XS0311813306	XS0311814536
- Type of security	Mezzanine	Mezzanine
- Class	C	D
- Rating	B1/BB/B-	Caa2/B-/CCC-
- Nominal value issued	62,050,000 €	68,300,000 €
- Nominal value at the end of accounting period	-	-
- ISIN	XS0311814619	XS0315224716
- Type of security	Junior	Junior
- Class	E1	E2
- Rating	n.r./n.r./n.r.	n.r./n.r./n.r.
- Nominal value issued	143,950,000 €	5,000,000 €
- Nominal value at the end of accounting period	23,877,385 €	-

Part E - Information on risks and related risk management policies (Continued)

QUANTITATIVE INFORMATION

The tables below do not include information on the so-called "self-securitizations", i.e. securitization transactions in which the Group has acquired all the liabilities issued by the SPVs.

C.1.1 Banking Group - Exposure resulting from securitisation transactions broken down by quality of underlying assets

	BALANCE-SHEET EXPOSURE					
	SENIOR		MEZZANINE		JUNIOR	
QUALITY OF UNDERLYING ASSETS/EXPOSURES	GROSS EXPOSURE	NET EXPOSURE	GROSS EXPOSURE	NET EXPOSURE	GROSS EXPOSURE	NET EXPOSURE
A. With own underlying assets:	**8,390,402**	**6,154,002**	**2,892,118**	**1,485,260**	**2,009,758**	**1,384,447**
a) Impaired	-	-	2,022,115	639,269	838,921	222,176
b) Other	8,390,402	6,154,002	870,003	845,991	1,170,837	1,162,271
B. With third-party underlying assets:	**5,457,591**	**5,218,964**	**4,649,714**	**4,649,842**	**127,434**	**116,731**
a) Impaired	-	-	-	-	-	-
b) Other	5,457,591	5,218,964	4,649,714	4,649,842	127,434	116,731

In-house securitizations not involving derecognition of the assets are accounted for as retained risk, i.e. the difference between sold assets and the corresponding liabilities recognized under IAS 39.

Continued C.1.1 Banking Group - Exposure resulting from securitisation transactions broken down by quality of underlying assets

	GUARANTEES GIVEN					
	SENIOR		MEZZANINE		JUNIOR	
QUALITY OF UNDERLYING ASSETS/EXPOSURES	GROSS EXPOSURE	NET EXPOSURE	GROSS EXPOSURE	NET EXPOSURE	GROSS EXPOSURE	NET EXPOSURE
A. With own underlying assets:	**-**	**-**	**713,651**	**-**	**-**	**-**
a) Impaired	-	-	713,651	-	-	-
b) Other	-	-	-	-	-	-
B. With third-party underlying assets:	**-**	**-**	**-**	**-**	**-**	**-**
a) Impaired	-	-	-	-	-	-
b) Other	-	-	-	-	-	-

Continued C.1.1 Banking Group - Exposure resulting from securitisation transactions broken down by quality of underlying assets

	CREDIT FACILITIES					
	SENIOR		MEZZANINE		JUNIOR	
QUALITY OF UNDERLYING ASSETS/EXPOSURES	GROSS EXPOSURE	NET EXPOSURE	GROSS EXPOSURE	NET EXPOSURE	GROSS EXPOSURE	NET EXPOSURE
A. With own underlying assets:	**-**	**-**	**-**	**-**	**30,220**	**30,220**
a) Impaired	-	-	-	-	-	-
b) Other	-	-	-	-	30,220	30,220
B. With third-party underlying assets:	**479,850**	**479,850**	**50,119**	**50,119**	**155**	**155**
a) Impaired	-	-	-	-	-	-
b) Other	479,850	479,850	50,119	50,119	155	155

C.1.2 Banking Group - Exposure from the main "in-house" securitisation transaction broken down by type of securitised asset and by type of exposure

TYPE OF SECURITISED ASSETS / EXPOSURE	AMOUNTS AS AT 12.31.2011					
	BALANCE-SHEET EXPOSURE					
	SENIOR		MEZZANINE		JUNIOR	
	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised	**116,637**	**-**	**639,269**	**-101,228**	**275,871**	**-**
A.1 CLO/CBO OTHERS	**116,637**	**-**	**-**	**-**	**53,695**	**-**
A.1 1 Caesar Finance	-	-	-	-	53,695	-
A.1 2 Entasi	116,637	-	-	-	-	-
A.2 OTHERS	**-**	**-**	**639,269**	**-101,228**	**222,176**	**-**
A.2 1 Trevi Finance	-	-	226,826	-55,110	-	-
A.2 2 Trevi Finance 2	-	-	155,375	-46,118	-	-
A.2 3 Trevi Finance 3	-	-	257,068	-	222,176	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C. Not-derecognised	**6,037,365**	**-**	**845,991**	**-**	**1,108,576**	**-3,333**
C.1 RMBS Prime	**2,533,579**	**-**	**357,542**	**-**	**471,493**	**-775**
C.1. 1 Building Comfort 2008	1,477,020	-	301,900	-	-	-
C.1. 2 Capital Mortgage 2007 - 1	107,020	-	-	-	152,211	12,579
C.1. 3 Cordusio RMBS	99,666	-	4,500	-	13,422	-984
C.1. 4 Cordusio RMBS UCFin - Serie 2006	192,819	-	15,000	-	83,849	-864
C.1. 5 Cordusio RMBS Securitisation - Serie 2006	179,035	-	-	-	21,354	-3,674
C.1. 6 Cordusio RMBS Securitisation - Serie 2007	409,554	-	-	-	60,685	-6,418
C.1. 7 F-E Mortgages 2003	17,620	-	-	-	36,079	-462
C.1. 8 F-E Mortgages 2005	46,225	-	36,142	-	62,333	-889
C.1. 9 Heliconus	4,620	-	-	-	21,160	-63
C.1. 10 Provide A 2006	-	-	-	-	20,400	-
C.2 CLO/SME	**2,673,355**	**-**	**269,637**	**-**	**6,876**	**-401**
C.2. 1 EuroConnect SME 2007-1	1,190,513	-	135,512	-	3,753	-
C.2. 2 EuroConnect SME 2008	1,441,441	-	134,125	-	3,050	
C.2. 3 Unionfidi	41,401	-	-	-	73	-401
C.3 CLO/CBO Others	**599,115**	**-**	**152,594**	**-**	**172,088**	**-**
C.3. 1 Geldilux TS 2007	388,831	-	4,200	-	17,319	-
C.3. 2 Geldilux TS 2010	3,084	-	96,000	-	10,669	-
C.3. 3 Geldilux TS 2011	194,700	-	31,300	-	7,700	-
C.3. 4 Geldilux PP 2011	12,500	-	-	-	136,400	-
C.3. 5 Promise XXS 2006 - 1	-	-	21,094	-	-	-
C.4 LEASES	**231,316**	**-**	**66,218**	**-**	**458,119**	**-2,157**
C.4. 1 F-E Gold	56,856	-	9,040	-	58,608	-1,395
C.4. 2 F-E Green	1,193	-	-	-	40,546	257
C.4. 3 Locat Securitization Vehicle 2	38,148	-	22,750	-	175,855	1,225
C.4. 4 Locat SV - Serie 2005	31,577	-	24,921	-	86,817	-664
C.4. 5 Locat SV - Serie 2006	103,542	-	9,507	-	96,293	-1,580

The carrying value is the net exposures shown in Table C.1.1. Writed-downs and write-backs, including depreciations and revaluations posted on the income statement or to reserves, refer to financial year 2011 only.

Part E - Information on risks and related risk management policies (Continued)

Continued: C.1.2 Banking Group - Exposure from the main “in-house” securitisation transaction broken down by type of securitised asset and by type of exposure

	AMOUNTS AS AT 12.31.2011					
	GUARANTEES GIVEN					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS / EXPOSURE	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised	**-**	**-**	**-**	**-94.594**	**-**	**-**
A.1 CLO/CBO OTHERS	**-**	**-**	**-**	**-**	**-**	**-**
A.1 1 Caesar Finance	-	-	-	-	-	-
A.1 2 Entasi	-	-	-	-	-	-
A.2 OTHERS	**-**	**-**	**-**	**-94,594**	**-**	**-**
A.2 1 Trevi Finance	-	-	-	-	-	-
A.2 2 Trevi Finance 2	-	-	-	-	-	-
A.2 3 Trevi Finance 3	-	-	-	-94,594	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C. Not-derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C.1 RMBS Prime	**-**	**-**	**-**	**-**	**-**	**-**
C.1. 1 Building Comfort 2008	-	-	-	-	-	-
C.1. 2 Capital Mortgage 2007 - 1	-	-	-	-	-	-
C.1. 3 Cordusio RMBS	-	-	-	-	-	-
C.1. 4 Cordusio RMBS UCFin - Serie 2006	-	-	-	-	-	-
C.1. 5 Cordusio RMBS Securitisation - Serie 2006	-	-	-	-	-	-
C.1. 6 Cordusio RMBS Securitisation - Serie 2007	-	-	-	-	-	-
C.1. 7 F-E Mortgages 2003	-	-	-	-	-	-
C.1. 8 F-E Mortgages 2005	-	-	-	-	-	-
C.1. 9 Heliconus	-	-	-	-	-	-
C.1. 10 Provide A 2006	-	-	-	-	-	-
C.2 CLO/SME	**-**	**-**	**-**	**-**	**-**	**-**
C.2. 1 EuroConnect SME 2007-1	-	-	-	-	-	-
C.2. 2 EuroConnect SME 2008	-	-	-	-	-	
C.2. 3 Unionfidi	-	-	-	-	-	-
C.3 CLO/CBO Others	**-**	**-**	**-**	**-**	**-**	**-**
C.3. 1 Geldilux TS 2007	-	-	-	-	-	-
C.3. 2 Geldilux TS 2010	-	-	-	-	-	-
C.3. 3 Geldilux TS 2011	-	-	-	-	-	-
C.3. 4 Geldilux PP 2011	-	-	-	-	-	-
C.3. 5 Promise XXS 2006 - 1	-	-	-	-	-	-
C.4 LEASES	**-**	**-**	**-**	**-**	**-**	**-**
C.4. 1 F-E Gold	-	-	-	-	-	-
C.4. 2 F-E Green	-	-	-	-	-	-
C.4. 3 Locat Securitization Vehicle 2	-	-	-	-	-	-
C.4. 4 Locat SV - Serie 2005	-	-	-	-	-	-
C.4. 5 Locat SV - Serie 2006	-	-	-	-	-	-

Continued: C.1.2 Banking Group - Exposure from the main "in-house" securitisation transaction broken down by type of securitised asset and by type of exposure

TYPE OF SECURITISED ASSETS / EXPOSURE	AMOUNTS AS AT 12.31.2011					
	CREDIT FACILITIES					
	SENIOR		MEZZANINE		JUNIOR	
	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
A. Totally derecognised	**-**	**-**	**-**	**-**	**-**	**-**
A.1 CLO/CBO OTHERS	**-**	**-**	**-**	**-**	**-**	**-**
A.1 1 Caesar Finance	-	-	-	-	-	-
A.1 2 Entasi	-	-	-	-	-	-
A.2 OTHERS	**-**	**-**	**-**	**-**	**-**	**-**
A.2 1 Trevi Finance	-	-	-	-	-	-
A.2 2 Trevi Finance 2	-	-	-	-	-	-
A.2 3 Trevi Finance 3	-	-	-	-	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C. Not-derecognised	**-**	**-**	**-**	**-**	**30,220**	**-**
C.1 RMBS Prime	**-**	**-**	**-**	**-**	**30,220**	**-**
C.1. 1 Building Comfort 2008	-	-	-	-	-	-
C.1. 2 Capital Mortgage 2007 - 1	-	-	-	-	-	-
C.1. 3 Cordusio RMBS	-	-	-	-	-	-
C.1. 4 Cordusio RMBS UCFin - Serie 2006	-	-	-	-	-	-
C.1. 5 Cordusio RMBS Securitisation - Serie 2006	-	-	-	-	-	-
C.1. 6 Cordusio RMBS Securitisation - Serie 2007	-	-	-	-	-	-
C.1. 7 F-E Mortgages 2003	-	-	-	-	20,000	-
C.1. 8 F-E Mortgages 2005	-	-	-	-	-	-
C.1. 9 Heliconus	-	-	-	-	10,220	-
C.1. 10 Provide A 2006	-	-	-	-	-	-
C.2 CLO/SME	**-**	**-**	**-**	**-**	**-**	**-**
C.2. 1 EuroConnect SME 2007-1	-	-	-	-	-	-
C.2. 2 EuroConnect SME 2008	-	-	-	-	-	
C.2. 3 Unionfidi	-	-	-	-	-	-
C.3 CLO/CBO Others	**-**	**-**	**-**	**-**	**-**	**-**
C.3. 1 Geldilux TS 2007	-	-	-	-	-	-
C.3. 2 Geldilux TS 2010	-	-	-	-	-	-
C.3. 3 Geldilux TS 2011	-	-	-	-	-	-
C.3. 4 Geldilux PP 2011	-	-	-	-	-	-
C.3. 5 Promise XXS 2006 - 1	-	-	-	-	-	-
C.4 LEASES	**-**	**-**	**-**	**-**	**-**	**-**
C.4. 1 F-E Gold	-	-	-	-	-	-
C.4. 2 F-E Green	-	-	-	-	-	-
C.4. 3 Locat Securitization Vehicle 2	-	-	-	-	-	-
C.4. 4 Locat SV - Serie 2005	-	-	-	-	-	-
C.4. 5 Locat SV - Serie 2006	-	-	-	-	-	-

Part E - Information on risks and related risk management policies (Continued)

C.1.3 Banking Group - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure (*)

	AMOUNTS AS AT 12.31.2011					
	BALANCE-SHEET EXPOSURE					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS / EXPOSURE	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
A.1. RMBS PRIME	**2,287,764**	**-63,110**	**380,498**	**5,637**	**-**	**-**
A.1. 1 STORM BV	134,960	668	-	-	-	-
A.1. 2 LUSITANO MORTGAGES PLC	130,807	-5,113	-	-	-	-
A.1. 3 TDA CAM	124,705	-1,530	11,807	227	-	-
A.1. 4 HOLLAND EURO-DENOMINATED MTG BACKED SERIES	124,303	-2,537	10,597	-	-	-
A.1. 5 CELTIC RESIDENTIAL IRISH MORTGAGE SECURITISATION	112,030	-812	-	-	-	-
A.1. 6 FASTNET SECURITIES PLC	69,245	-2,095	-	-	-	-
A.1. 7 GRANITE MASTER ISSUER PLC	61,236	-1,465	37,052	76	-	-
A.1. 8 SAGRES	61,388	-2,105	3,941	38	-	-
A.1. 9 VELA HOME SRL	58,364	-4,330	-	-	-	-
A.1. 10 DUTCH MBS BV	55,676	-	-	-	-	-
A.1. 11 BANCAJA FONDO DE TITULIZACION DE ACTIVOS	55,273	768	-	-	-	-
A.1. 12 OTHER 114 EXPOSURES	1,299,777	-44,559	317,101	5,296	-	-
A.2. RMBS NONCONFORMING	**206,710**	**-854**	**119,900**	**-2,232**	**-**	**-**
A.2. 1 BLUESTONE SECURITIES PLC	-	-	76,524	-2,733	-	-
A.2. 2 OTHER 18 EXPOSURES	206,710	-854	43,376	501	-	-
A.3. RMBS US SUBPRIME	**2,798**	**-914**	**1,106**	**-761**	**-**	**-**
A.3. 1 7 EXPOSURES	2,798	-914	1,106	-761	-	-
A.4. CMBS	**859,796**	**-9,362**	**315,435**	**6,092**	**-**	**-**
A.4. 1 LONDON AND REGIONAL DEBT SEC. PLC	52,224	711	-	-	-	-
A.4. 2 GS MORTGAGE SECURITIES CORPORATION II	-	-	50,714	240	-	-
A.4. 3 OTHER 94 EXPOSURES	807,572	-10,073	264,721	5,852	-	-
A.5. CDO OF ABS/CDO SQUARED	**1,508**	**-25**	**20,991**	**-8,046**	**2**	**-**
A.5. 1 5 EXPOSURES	1,508	-25	20,991	-8,046	2	-
A.6. CDO - BALANCE SHEET	**140,464**	**-10,414**	**-**	**-**	**-**	**-**
A.6. 1 GLENEAGLES FUNDING LTD	140,464	-10,414	-	-	-	-
A.7. CDO - PREFERRED STOCK	**-**	**-**	**57,773**	**-883**	**-**	**-**
A.7. 1 5 EXPOSURES	-	-	57,773	-883	-	-
A.8. CDO - SYNTHETIC ARBITRAGE	**-**	**-**	**-**	**-**	**1**	**-219**
A.8. 1 1 EXPOSURE	-	-	-	-	1	-219
A.9. CRE CDO	**15,832**	**986**	**3,307**	**-4,898**	**-**	**-**
A.9. 1 4 EXPOSURES	15,832	986	3,307	-4,898	-	-
A.10. CDO OTHER	**11,956**	**1,414**	**11,849**	**557**	**22**	**-27**
A.10. 1 8 EXPOSURES	11,956	1,414	11,849	557	22	-27
A.11. CLO SME	**88,840**	**-5,288**	**43,588**	**-4,182**	**1,067**	**201**
A.11. 2 21 EXPOSURES	88,840	-5,288	43,588	-4,182	1,067	201
A.12. CLO ARBITRAGE/BALANCE SHEET	**301,267**	**-73,008**	**98,149**	**2,351**	**1,974**	**608**
A.12. 1 KKR FINANCIAL CLO LTD	70,202	-675	18,497	911	-	-
A.12. 2 HARBOURMASTER CLO	52,975	493	8,114	198	807	608
A.12. 3 OTHER 47 EXPOSURES	178,090	-72,826	71,538	1,242	1,167	-
A.13. CLO / CBO OTHER	**539,385**	**5,803**	**338,508**	**12,157**	**25,621**	**15,073**
A.13. 1 JUBILEE CDO BV	211,825	9,061	11,057	217	-	-
A.13. 2 OTHER 86 EXPOSURES	327,560	-3,258	327,451	11,940	25,621	15,073
A.14. CONSUMER LOANS	**113,634**	**-27,582**	**6,568**	**-5,528**	**-**	**-**
A.14. 1 18 EXPOSURES	113,634	-27,582	6,568	-5,528	-	-
A.15. STUDENT LOANS	**79,406**	**682**	**57,418**	**2,704**	**68,146**	**-**
A.15. 1 NATIONAL COLLEGIATE STUDENT LOAN TRUST	-	-	57,418	2,704	-	-
A.15. 2 STUDENT LOANS	-	-	-	-	63,942	-
A.15. 3 OTHER 7 EXPOSURES	79,406	682	-	-	4,204	-
A.16. LEASES	**68,726**	**-21,838**	**36,494**	**801**	**-**	**-**

Continued: C.1.3 Banking Group - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure (*)

	AMOUNTS AS AT 12.31.2011					
	BALANCE-SHEET EXPOSURE					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS / EXPOSURE	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS	CARRYING VALUE	WRITE-DOWNS/ WRITE-BACKS
A.16. 1 17 EXPOSURES	68,726	-21,838	36,494	801	-	-
A.17. OTHER	**234,265**	**-60,162**	**21,774**	**-3,641**	**19,821**	**-8,116**
A.17. 1 Opus One Corporation Tokyo Branch	187,347	-	-	-	-	-
A.17. 2 OTHER 16 EXPOSURES	46,918	-60,162	21,774	-3,641	19,821	-8,116
A.18. OTHER SPV CONSOLIDATED	**266,613**	**-**	**-**	**-**	**77**	**-**
A.18. 1 The Trans Value Trust Company Ltd (§)	266,613	-	-	-	-	-
A.18. 2 3 EXPOSURES	-	-	-	-	77	-
A.19. CONDUITS	**-**	**-**	**3,136,484**	**-**	**-**	**-**
A.19. 1 SALOME FUNDING PLC (§)	-	-	2,395,322	-	-	-
A.19. 2 ARABELLA FINANCE LIMITED (§)	-	-	741,162	-	-	-

(*) list of details for exposures over €50 million.

(§) exposure of subsidiaries included in the scope of consolidation, but not belonging to the banking group.

The carrying value is the net exposure shown in Table C.1.1. Write-downs and write-backs, including depreciations and revaluations posted on the income statement or to reserves, refer to financial year 2011 only.

Continued: C.1.3 Banking Group - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure (*)

	AMOUNTS AS AT 12.31.2011					
	GUARANTEES GIVEN					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS / EXPOSURE	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A.1. RMBS PRIME	**-**	**-**	**-**	**-**	**-**	**-**
A.1. 1 STORM BV	-	-	-	-	-	-
A.1. 2 LUSITANO MORTGAGES PLC	-	-	-	-	-	-
A.1. 3 TDA CAM	-	-	-	-	-	-
A.1. 4 HOLLAND EURO-DENOMINATED MTG BACKED SERIES	-	-	-	-	-	-
A.1. 5 CELTIC RESIDENTIAL IRISH MORTGAGE SECURITISATION	-	-	-	-	-	-
A.1. 6 FASTNET SECURITIES PLC	-	-	-	-	-	-
A.1. 7 GRANITE MASTER ISSUER PLC	-	-	-	-	-	-
A.1. 8 SAGRES	-	-	-	-	-	-
A.1. 9 VELA HOME SRL	-	-	-	-	-	-
A.1. 10 DUTCH MBS BV	-	-	-	-	-	-
A.1. 11 BANCAJA FONDO DE TITULIZACION DE ACTIVOS	-	-	-	-	-	-
A.1. 12 OTHER 114 EXPOSURES	-	-	-	-	-	-
A.2. RMBS NONCONFORMING	**-**	**-**	**-**	**-**	**-**	**-**
A.2. 1 BLUESTONE SECURITIES PLC	-	-	-	-	-	-
A.2. 2 OTHER 18 EXPOSURES	-	-	-	-	-	-
A.3. RMBS US SUBPRIME	**-**	**-**	**-**	**-**	**-**	**-**
A.3. 1 7 EXPOSURES	-	-	-	-	-	-
A.4. CMBS	**-**	**-**	**-**	**-**	**-**	**-**
A.4. 1 LONDON AND REGIONAL DEBT SEC. PLC	-	-	-	-	-	-
A.4. 2 GS MORTGAGE SECURITIES CORPORATION II	-	-	-	-	-	-
A.4. 3 OTHER 94 EXPOSURES	-	-	-	-	-	-
A.5. CDO OF ABS/CDO SQUARED	**-**	**-**	**-**	**-**	**-**	**-**
A.5. 1 5 EXPOSURES	-	-	-	-	-	-
A.6. CDO - BALANCE SHEET	**-**	**-**	**-**	**-**	**-**	**-**
A.6. 1 GLENEAGLES FUNDING LTD	-	-	-	-	-	-
A.7. CDO - PREFERRED STOCK	**-**	**-**	**-**	**-**	**-**	**-**
A.7. 1 5 EXPOSURES	-	-	-	-	-	-
A.8. CDO - SYNTHETIC ARBITRAGE	**-**	**-**	**-**	**-**	**-**	**-**
A.8. 1 1 EXPOSURE	-	-		-	-	-

Part E - Information on risks and related risk management policies (CONTINUED)

Continued: C.1.3 Banking Group - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure (*)

	AMOUNTS AS AT 12.31.2011					
	GUARANTEES GIVEN					
	SENIOR		MEZZANINE		JUNIOR	
TYPE OF SECURITISED ASSETS / EXPOSURE	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A.9. CRE CDO	**-**	**-**	**-**	**-**	**-**	**-**
A.9. 1 4 EXPOSURES	-	-	-	-	-	-
A.10. CDO OTHER	**-**	**-**	**-**	**-**	**-**	**-**
A.10. 1 8 EXPOSURES	-	-	-	-	-	-
A.11. CLO SME	**-**	**-**	**-**	**-**	**-**	**-**
A.11. 2 21 EXPOSURES	-	-	-	-	-	-
A.12. CLO ARBITRAGE/BALANCE SHEET	**-**	**-**	**-**	**-**	**-**	**-**
A.12. 1 KKR FINANCIAL CLO LTD	-	-	-	-	-	-
A.12. 2 HARBOURMASTER CLO	-	-	-	-	-	-
A.12. 3 OTHER 47 EXPOSURES	-	-	-	-	-	-
A.13. CLO / CBO OTHER	**-**	**-**	**-**	**-**	**-**	**-**
A.13. 1 JUBILEE CDO BV	-	-	-	-	-	-
A.13. 2 OTHER 86 EXPOSURES	-	-	-	-	-	-
A.14. CONSUMER LOANS	**-**	**-**	**-**	**-**	**-**	**-**
A.14. 1 18 EXPOSURES	-	-	-	-	-	-
A.15. STUDENT LOANS	**-**	**-**	**-**	**-**	**-**	**-**
A.15. 1 NATIONAL COLLEGIATE STUDENT LOAN TRUST	-	-	-	-	-	-
A.15. 2 STUDENT LOANS	-	-	-	-	-	
A.15. 3 OTHER 7 EXPOSURES	-	-	-	-	-	-
A.16. LEASES	**-**	**-**	**-**	**-**	**-**	**-**
A.16. 1 17 EXPOSURES	-	-	-	-	-	-
A.17. OTHER	**-**	**-**	**-**	**-**	**-**	**-**
A.17. 1 Opus One Corporation Tokyo Branch	-	-	-	-	-	-
A.17. 2 OTHER 16 EXPOSURES	-	-	-	-	-	-
A.18. OTHER SPV CONSOLIDATED	**-**	**-**	**-**	**-**	**-**	**-**
A.18. 1 The Trans Value Trust Company Ltd (§)	-	-	-	-	-	
A.18. 2 3 EXPOSURES	-	-	-	-	-	-
A.19. CONDUITS	**-**	**-**	**-**	**-**	**-**	**-**
A.19. 1 SALOME FUNDING PLC (§)	-	-	-	-	-	-
A.19. 2 ARABELLA FINANCE LIMITED (§)	-	-	-	-	-	-

Continued: C.1.3 Banking Group - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure (*)

TYPE OF SECURITISED ASSETS / EXPOSURE	AMOUNTS AS AT 12.31.2011					
	CREDIT FACILITIES					
	SENIOR		MEZZANINE		JUNIOR	
	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A.1. RMBS PRIME	**-**	**-**	**-**	**-**	**-**	**-**
A.1. 1 STORM BV	-	-	-	-	-	-
A.1. 2 LUSITANO MORTGAGES PLC	-	-	-	-	-	-
A.1. 3 TDA CAM	-	-	-	-	-	-
A.1. 4 HOLLAND EURO-DENOMINATED MTG BACKED SERIES	-	-	-	-	-	-
A.1. 5 CELTIC RESIDENTIAL IRISH MORTGAGE SECURITISATION	-	-	-	-	-	-
A.1. 6 FASTNET SECURITIES PLC	-	-	-	-	-	-
A.1. 7 GRANITE MASTER ISSUER PLC	-	-	-	-	-	-
A.1. 8 SAGRES	-	-	-	-	-	-
A.1. 9 VELA HOME SRL	-	-	-	-	-	-
A.1. 10 DUTCH MBS BV	-	-	-	-	-	-
A.1. 11 BANCAJA FONDO DE TITULIZACION DE ACTIVOS	-	-	-	-	-	-
A.1. 12 OTHER 114 EXPOSURES	-	-	-	-	-	-
A.2. RMBS NONCONFORMING	**-**	**-**	**-**	**-**	**-**	**-**
A.2. 1 BLUESTONE SECURITIES PLC	-	-	-	-	-	-
A.2. 2 OTHER 18 EXPOSURES	-	-	-	-	-	-
A.3. RMBS US SUBPRIME	**-**	**-**	**-**	**-**	**-**	**-**
A.3. 1 7 EXPOSURES	-	-	-	-	-	-
A.4. CMBS	**-**	**-**	**-**	**-**	**-**	**-**
A.4. 1 LONDON AND REGIONAL DEBT SEC. PLC	-	-	-	-	-	-
A.4. 2 GS MORTGAGE SECURITIES CORPORATION II	-	-	-	-	-	-
A.4. 3 OTHER 94 EXPOSURES	-	-	-	-	-	-
A.5. CDO OF ABS/CDO SQUARED	**-**	**-**	**-**	**-**	**-**	**-**
A.5. 1 5 EXPOSURES	-	-	-	-	-	-
A.6. CDO - BALANCE SHEET	**-**	**-**	**-**	**-**	**-**	**-**
A.6. 1 GLENEAGLES FUNDING LTD	-	-	-	-	-	-
A.7. CDO - PREFERRED STOCK	**-**	**-**	**-**	**-**	**-**	**-**
A.7. 1 5 EXPOSURES	-	-	-	-	-	-
A.8. CDO - SYNTHETIC ARBITRAGE	**-**	**-**	**-**	**-**	**-**	**-**
A.8. 1 1 EXPOSURE	-	-		-	-	-
A.9. CRE CDO	**-**	**-**	**-**	**-**	**-**	**-**
A.9. 1 4 EXPOSURES	-	-	-	-	-	-
A.10. CDO OTHER	**-**	**-**	**-**	**-**	**-**	**-**
A.10. 1 8 EXPOSURES	-	-	-	-	-	-
A.11. CLO SME	**-**	**-**	**-**	**-**	**-**	**-**
A.11. 2 21 EXPOSURES	-	-	-	-	-	-
A.12. CLO ARBITRAGE/BALANCE SHEET	**-**	**-**	**-**	**-**	**-**	**-**
A.12. 1 KKR FINANCIAL CLO LTD	-	-	-	-	-	-
A.12. 2 HARBOURMASTER CLO	-	-	-	-	-	-
A.12. 3 OTHER 47 EXPOSURES	-	-	-	-	-	-
A.13. CLO / CBO OTHER	**-**	**-**	**-**	**-**	**-**	**-**
A.13. 1 JUBILEE CDO BV	-	-	-	-	-	-
A.13. 2 OTHER 86 EXPOSURES	-	-	-	-	-	-
A.14. CONSUMER LOANS	**-**	**-**	**-**	**-**	**-**	**-**
A.14. 1 18 EXPOSURES	-	-	-	-	-	-
A.15. STUDENT LOANS	**17,320**	**-**	**-**	**-**	**-**	**-**
A.15. 1 NATIONAL COLLEGIATE STUDENT LOAN TRUST	-	-	-	-	-	-
A.15. 2 STUDENT LOANS	-	-	-	-	-	
A.15. 3 OTHER 7 EXPOSURES	17,320	-	-	-	-	-
A.16. LEASES	**-**	**-**	**-**	**-**	**-**	**-**
A.16. 1 17 EXPOSURES	-	-	-	-	-	-

Part E - Information on risks and related risk management policies (Continued)

Continued: C.1.3 Banking Group - Exposure resulting from the main third-party securitisation transactions broken down by type of securitised asset and by type of exposure (*)

TYPE OF SECURITISED ASSETS / EXPOSURE	AMOUNTS AS AT 12.31.2011					
	CREDIT FACILITIES					
	SENIOR		MEZZANINE		JUNIOR	
	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS	NET EXPOSURE	WRITE-DOWNS/ WRITE-BACKS
A.17. OTHER	**-**	**-**	**-**	**-**	**-**	**-**
A.17. 1 Opus One Corporation Tokyo Branch	-	-	-	-	-	-
A.17. 2 OTHER 16 EXPOSURES	-	-	-	-	-	-
A.18. OTHER SPV CONSOLIDATED	**-**	**-**	**11,593**	**-**	**155**	**-**
A.18. 1 The Trans Value Trust Company Ltd (§)	-	-	-	-	-	
A.18. 2 3 EXPOSURES	-	-	11,593	-	155	-
A.19. CONDUITS	**462,530**	**-**	**38,526**	**-**	**-**	**-**
A.19. 1 SALOME FUNDING PLC (§)	421,222	-	38,526	-	-	-
A.19. 2 ARABELLA FINANCE LIMITED (§)	41,308	-	-	-	-	-

C.1.4 Banking Group - Exposure resulting from securitisation transactions broken down by portfolio and type

EXPOSURE / PORTFOLIO	AMOUNTS AS AT 12.31.2011						AMOUNTS AS AT 12.31.2010 TOTAL
	TRADING	FAIR VALUE THROUGH PROFIT AND LOSS	AVAILABLE FOR SALE	HELD-TO-MATURITY	LOANS	TOTAL	
1. Balance-sheet exposures	**453,699**	**70,496**	**155,123**	**250,261**	**10,087,735**	**11,017,314**	**8,422,347**
- Senior	390,205	48,730	24,467	181,739	4,740,898	5,386,039	5,963,670
- Mezzanine	63,471	20,599	103,159	64,318	4,987,126	5,238,673	2,169,182
- Junior	23	1,167	27,497	4,204	359,711	392,602	289,495
2. Off-balance-sheet exposures	**-**	**-**	**-**	**-**	**530,124**	**530,124**	**583,643**
- Senior	-	-	-	-	479,850	479,850	90,668
- Mezzanine	-	-	-	-	50,119	50,119	492,975
- Junior	-	-	-	-	155	155	-

This table shows the carrying value only of exposures arising from in-house securitization for which the assets sold have been derecognized as well as securitizations carried out by others.

C.1.5 Banking Group - Securitised assets underlying junior securities or other forms of credit support

ASSET/SECURITIES	AMOUNTS AS AT 12.31.2011	
	TRADITIONAL	SYNTHETIC
A. Own underlying assets:	**14,537,837**	**1,275,331**
A.1 Totally derecognised	**975,880**	**X**
1. Non-performing loans	730,277	X
2. Doubtful loans	-	X
3. Restructured exposures	-	X
4. Past-due exposures	-	X
5. Other assets	245,603	X
A.2 Partially derecognised	**-**	**X**
1. Non-performing loans	-	X
2. Doubtful loans	-	X
3. Restructured exposures	-	X
4. Past-due exposures	-	X
5. Other assets	-	X
A.3 Non-derecognised	**13,561,957**	**1,275,331**
1. Non-performing loans	331,080	15,127
2. Doubtful loans	236,917	11,921
3. Restructured exposures	11,517	-
4. Past-due exposures	31,159	1,059
5. Other assets	12,951,284	1,247,224
B. Third party underlying assets:	**302,776**	**-**
B.1 Non-performing loans	1,535	-
B.2 Doubtful loans	462	-
B.3 Restructured exposures	-	-
B.4 Past-due exposures	-	-
B.5 Other assets	300,779	-

C.1.6 Banking Group - Stakes in special purpose vehicles

NAME	HEADQUARTERS	STAKE %
Augusto S.r.L.	Milan - Via Pontaccio, 10	5%
Colombo S.r.L.	Milan - Via Pontaccio, 10	5%
Diocleziano S.r.L.	Milan - Via Pontaccio, 10	5%
Entasi S.r.L.	Rome - Largo Chigi 5	100%
Eurofinance 2000 S.r.L.	Rome - Largo Chigi 5	100%
Trevi Finance S.p.A.	Conegliano (TV) - via Vittorio Alfieri, 1	60%
Trevi Finance n. 2 S.p.A.	Conegliano (TV) - via Vittorio Alfieri, 1	60%
Trevi Finance n. 3 S.r.L.	Conegliano (TV) - via Vittorio Alfieri, 1	60%

Part E - Information on risks and related risk management policies (Continued)

C.1.7 Banking Group - Servicer activities - Collections of securitised loans and redemptions of securities issued by the special purpose vehicle

		SECURITISED ASSETS (YEAR END FIGURES)		LOANS COLLECTED DURING THE YEAR		PERCENTAGE OF SECURITIES REDEEMED (YEAR END FIGURES)					
						SENIOR		MEZZANINE		JUNIOR	
SERVICER	SPECIAL PURPOSE VEHICLE	IMPAIRED	PERFORMING	IMPAIRED	PERFORMING	IMPAIRED ASSETS	PERFORMING ASSETS	IMPAIRED ASSETS	PERFORMING ASSETS	IMPAIRED ASSETS	PERFORMING ASSETS
Bank Austria Creditanstalt Leasing GmbH	Success 2005 B.V.			2,266	94,835	-	100.00%	-	-	-	-
Bayeriche Hypo-und Vereinsbank AG/ HVB Banque Luxembourg S.A.	Geldilux-TS 2007 S.A.	774	2,095,545		11,637,996 (*)	-	-	-	-	-	-
	Geldilux-TS 2008 S.A.	-	-	3,533	1,489,773 (*)		100.00%		100.00%		100.00%
	Geldilux-TS 2010 S.A.	-	606,656		5,072,634 (*)	-	-	-	-	-	-
	Geldilux-TS 2011 S.A.		425,100		593,972 (*)	-	-	-	-	-	-
	Geldilux-PP 2011 S.A.		1,136,361		1,790,314 (*)	-	-	-	-	-	-
Fineco Leasing S.p.A.	F-E Blue S.r.L.			2,863	13,680	-	100.00%	-	100.00%	-	100.00%
	F-E Green S.r.L.	26,411	102,570	4,857	81,080		91.75%	-	-	-	-
	F-E Gold S.r.L.	40,343	311,093	5,895	101,694		71.27%	-	11.70%	-	-
Leasfinanz GmbH	Galleon Capital LLC		-		55,369		100.00%	-	-	-	-
UniCredit Leasing S.p.A.	Locat Securitisation Vehicle 2 S.r.L.	65,304	365,179	11,050	228,274		94.49%	-	-	-	-
	Locat SV S.r.L. - SERIE 2005	70,066	351,570	12,682	200,183		84.31%	-	-	-	-
	Locat SV S.r.L. - SERIE 2006	111,886	596,121	24,374	273,413		70.69%	-	-	-	-
UniCredit S.p.A.	Capital Mortgage S.r.L.	119,283	1,909,649	5,361	251,132		46.47%	-	-	-	-
	Cordusio RMBS S.r.L.	15,302	809,734	1,921	247,741		76.99%	-	-	-	-
	Cordusio RMBS Securitisation S.r.L.	83,121	3,028,725	6,166	557,039		63.67%	-	-	-	-
	Cordusio RMBS UCFin S.r.L.	49,748	1,117,506	4,157	200,650		58.63%	-	-	-	-
	F-E Mortgage S.r.L.	45,462	590,333	5,390	100,062		70.04%	-	-	-	-
	Heliconus S.r.L.	6,323	126,215	1,297	23,161		76.96%	-	-	-	-
	Trevi Finance S.p.A.	270,234		32,970		100.00%					
	Trevi Finance n. 2 S.p.A.	175,613		35,660		100.00%					
	Trevi Finance n. 3 s.p.A.	284,430	191,078	35,550		100.00%			68.08%		
	Entasi S.r.L.		708,642		7,480						
UniCredit Credit Management Bank S.p.A.	Eris Finance S.r.L.	235,047		33,982		31.84%		-			-
	Quercia Funding S.r.L.	16,831		10,654		100.00%		100%		95%	-

(*) replenishing of short term portfolio (3-6 months).

C.1.8 Special Purpose Vehicle belonging to the Banking Group

NAME	HEADQUARTERS	
Entasi S.r.L.	Rome - Largo Chigi 5	Italy
Eurofinance 2000 S.r.L.	Rome - Largo Chigi 5	Italy
Geldilux TS 2005 S.A.	8-10, rue Mathias Hardt, L-1717 Luxembourg	Luxembourg
Geldilux TS 2007 S.A.	8-10, rue Mathias Hardt, L-1717 Luxembourg	Luxembourg
Geldilux TS 2008 S.A.	8-10, rue Mathias Hardt, L-1717 Luxembourg	Luxembourg
Geldilux TS 2010 S.A.	8-10, rue Mathias Hardt, L-1717 Luxembourg	Luxembourg
Geldilux TS 2011 S.A.	8-10, rue Mathias Hardt, L-1717 Luxembourg	Luxembourg
Geldilux PP 2011 S.A.	8-10, rue Mathias Hardt, L-1717 Luxembourg	Luxembourg
Trevi Finance S.p.A.	Conegliano (TV) - via Vittorio Alfieri, 1	Italy
Trevi Finance n. 2 S.p.A.	Conegliano (TV) - via Vittorio Alfieri, 1	Italy
Trevi Finance n. 3 S.r.L.	Conegliano (TV) - via Vittorio Alfieri, 1	Italy

Attachment to table C.1.8 continued

STATEMENT SUMMARIZING SECURITISED ASSETS AND BONDS ISSUED

(for single subsidiary Special Purpose Vehicle)

Entasi S.r.l.

	12.31.2011	12.31.2010
A. Securitised Assets	**708,642**	**657,036**
A.1 Securities	320,002	320,002
A.2 Accrued interests on securitised securities	388,640	337,034
B. Use of liquid assets resulting from loan operations	**784**	**660**
B.1 Bank current account	1	3
B.2 Accrued interests receivable on swap	779	652
B.4 Other assets	4	5
Due from originator	-	-
Other	4	5
TOTAL ASSETS	**709,426**	**657,696**
C. Bonds issued	**320,000**	**320,000**
C.1 Class "Serie 2001-1" Bonds	160,000	160,000
C.2 Class "Serie 2001-2" Bonds	160,000	160,000
D. Loans received	**-**	**-**
E. Other liabilities	**389,509**	**337,726**
Accrued expenses for fixed payments to swap counterparty	388,640	337,034
Accrued interest expenses on securities	779	652
Other liabilities	90	40
PROFIT (LOSS) BROUGHT FORWARD	**- 30**	**31**
PROFIT (LOSS) FOR THE PERIOD	**- 53**	**- 61**
BALANCING TOTAL	**709,426**	**657,696**
F. Interest expense on bond issued	**7,480**	**5,801**
F.1 Interest expense on bonds issued	7,480	5,801
G. Commissions and fees related to the transaction	**135**	**138**
G.1 For servicing	3	2
G.2 For other services	132	136
H. Other expenses	**51,606**	**47,847**
Other expenses	51,606	47,847
TOTAL COSTS	**59,221**	**53,786**
I. Interest generated by securitised assets	**51,606**	**47,847**
L. Other income	**7,562**	**5,878**
TOTAL REVENUES	**59,168**	**53,725**
PROFIT (LOSS) FOR THE PERIOD	**- 53**	**- 61**

Part E - Information on risks and related risk management policies (CONTINUED)

Continued: Attachment to table C.1.8.

Eurofinance 2000 S.r.L. - Patrimonio Separato "Capricorn 1"

	12.31.2011	12.31.2010
A. Securitised Assets	**-**	**-**
A.1 Principal	-	-
B. Use of liquid assets resulting from loan operations	**-**	**-**
B.1 Bank current account	-	-
B.2 Other financial investments	-	-
B.4 Other assets	-	-
Due from originator	-	-
Other	-	-
TOTAL ASSETS	**-**	**-**
C. Bonds issued	**-**	**-**
C.1 "Class A" Bonds	-	-
C.2 "Class B" Bonds	-	-
C.3 "Class C" Bonds	-	-
D. Loans received	**-**	**-**
E. Other liabilities	**-**	**-**
Due to originator	-	-
Accrued interest expenses on securities	-	-
Other liabilities	-	-
PROFIT (LOSS) BROUGHT FORWARD	**-**	**- 11,173**
PROFIT (LOSS) FOR THE PERIOD	**-**	**11,173**
BALANCING TOTAL	**-**	**-**
F. Interest expense on bond issued	**-**	**24**
F.1 Interest expense on bond issued	-	24
G. Commissions and fees related to the transaction	**-**	**138**
G.1 For servicing	-	1
G.2 For other services	-	137
H. Other expenses	**-**	**37**
Other expenses	-	37
TOTAL COSTS	**-**	**199**
I. Interest generated by securitised assets	**-**	
L. Other income	**-**	**11,372**
TOTAL REVENUES	**-**	**11,372**
PROFIT (LOSS) FOR THE PERIOD	**-**	**11,173**

Continued: Attachment to table C.1.8.

Eurofinance 2000 S.r.L. - Patrimonio Separato "Gemini 1"

	12.31.2011	12.31.2010
A. Securitised Assets	**4,248**	**4,778**
A.1 Principal	4,248	4,778
B. Use of liquid assets resulting from loan operations	**849**	**985**
B.1 Bank current account	816	841
B.2 Other financial investments	-	-
B.4 Other assets	33	144
Due from originator	-	-
Other	33	144
TOTAL ASSETS	**5,097**	**5,763**
C. Bonds issued	**29,162**	**30,496**
C.1 "Class A" Bonds	-	-
C.2 "Class B" Bonds	29,060	30,395
C.3 "Class C" Bonds	102	101
D. Loans received	**-**	**-**
E. Other liabilities	**89**	**171**
Due to originator	57	74
Accrued interest expenses on securities	-	-
Other liabilities	32	97
PROFIT (LOSS) BROUGHT FORWARD	**- 24,904**	**- 25,579**
PROFIT (LOSS) FOR THE PERIOD	**750**	**675**
BALANCING TOTAL	**5,097**	**5,763**
F. Interest expense on bond issued	**-**	**479**
F.1 Interest expense on bond issued	-	479
G. Commissions and fees related to the transaction	**269**	**223**
G.1 For servicing	-	-
G.2 For other services	269	223
H. Other expenses	**1,127**	**987**
Other expenses	1,127	987
TOTAL COSTS	**1,396**	**1,689**
I. Interest generated by securitised assets	**288**	**238**
L. Other income	**1,858**	**2,126**
TOTAL REVENUES	**2,146**	**2,364**
PROFIT (LOSS) FOR THE PERIOD	**750**	**675**

Part E - Information on risks and related risk management policies (CONTINUED)

Continued: Attachment to table C.1.8.

Geldilux TS 2005 S.A.

	12.31.2011	12.31.2010
A. Securitised Assets	**-**	**-**
A.1 Principal	-	-
B. Use of liquid assets resulting from loan operations	**-**	**-**
B.1 Bank current account	-	-
B.2 Other uses	-	-
B.4 Other assets	-	-
Due from originator	-	-
Other	-	-
TOTAL ASSETS	**-**	**-**
C. Bonds issued	**-**	**-**
C.1 "Class A" Bonds	-	-
C.2 "Class B" Bonds	-	-
C.3 "Class C + D" Bonds	-	-
C.4 "Class E + F" Bonds	-	-
D. Loans received	**-**	**-**
E. Other liabilities	**-**	**-**
Due to originator	-	-
Accrued interest on bonds	-	-
Accrued interest on liquidity note	-	-
Other liabilities	-	-
Own funds	-	-
TOTAL LIABILITIES	**-**	**-**
F. Interest expense on bond issued	**-**	**19,150**
Interest on class "A", class "B", class "C", class "D" and Class "E" bonds	-	10,751
Interest expense on derivatives	-	8,399
G. Commissions and fees related to the transaction	**-**	**2,283**
G.1 for servicing	-	2,144
G.2 for other services	-	139
H. Other charges	**-**	**11,592**
Other costs	-	11,592
TOTAL COSTS	**-**	**33,025**
I. Interest generated by securitised assets	**-**	**24,891**
Interest income on derivatives	-	7,187
L. Other revenues	**-**	**947**
TOTAL REVENUES	**-**	**33,025**

Continued: Attachment to table C.1.8.

Geldilux TS 2007 S.A.

	12.31.2011	12.31.2010
A. Securitised Assets	**2,092,638**	**2,099,960**
A.1 Principal	2,092,638	2,099,960
B. Use of liquid assets resulting from loan operations	**23,708**	**16,803**
B.1 Bank current account	16,265	12,104
B.2 Other uses	-	-
B.4 Other assets	7,443	4,699
Due from originator	-	-
Other	7,443	4,699
TOTAL ASSETS	**2,116,346**	**2,116,763**
C. Bonds issued	**2,109,391**	**2,110,350**
C.1 “Class A” Bonds	2,032,036	2,029,402
C.2 “Class B” Bonds	21,084	21,057
C.3 “Class C + D” Bonds	29,562	29,526
C.4 “Class E + F” Bonds + Liquidity note	26,709	30,365
D. Loans received	**-**	**-**
E. Other liabilities	**6,955**	**6,413**
Due to originator	6,924	6,382
Accrued interest on bonds	-	-
Accrued interest on liquidity note	-	-
Other liabilities	31	31
Own funds	-	-
TOTAL LIABILITIES	**2,116,346**	**2,116,763**
F. Interest expense on bond issued	**63,779**	**40,153**
Interest on class “A”, class “B”, class “C” e class “D” bonds	33,478	21,346
Interest expense on derivatives	30,301	18,807
G. Commissions and fees related to the transaction	**4,292**	**4,470**
G.1 for servicing	4,253	4,258
G.2 for other services	39	212
H. Other charges	**19,671**	**19,982**
Other costs	19,671	19,982
TOTAL COSTS	**87,742**	**64,605**
I. Interest generated by securitised assets	**59,232**	**48,234**
Interest income on derivatives	28,460	16,354
L. Other revenues	**50**	**17**
TOTAL REVENUES	**87,742**	**64,605**

Part E - Information on risks and related risk management policies (Continued)

Continued: Attachment to table C.1.8.

Geldilux TS 2008 S.A.

	12.31.2011	12.31.2010
A. Securitised Assets	**-**	**1,499,307**
A.1 Principal	-	1,499,307
B. Use of liquid assets resulting from loan operations	**413**	**45,193**
B.1 Bank current account	-	41,199
B.2 Other uses	-	-
B.4 Other assets	413	3,994
Due from originator	-	-
Other	413	3,994
TOTAL ASSETS	**413**	**1,544,500**
C. Bonds issued	**-**	**1,497,664**
C.1 “Class A” Bonds	-	1,406,656
C.2 “Class B” Bonds	-	14,598
C.3 “Class C + D” Bonds	-	19,101
C.4 “Class E + Liquidity note	-	57,309
D. Loans received	**-**	**-**
E. Other liabilities	**413**	**46,836**
Due to originator	-	30,061
Accrued interest on bonds	-	-
Accrued interest on liquidity note	-	-
Other liabilities	413	16,775
Own funds	-	-
TOTAL LIABILITIES	**413**	**1,544,500**
F. Interest expense on bond issued	**37,009**	**47,821**
Interest on class “A”, class “B”, class “C” e class “D” bonds	24,970	34,584
Interest expense on derivatives	12,039	13,237
G. Commissions and fees related to the transaction	**1,842**	**3,201**
G.1 for servicing	1,842	3,008
G.2 for other services	-	193
H. Other charges	**5,453**	**7,141**
Other costs	5,453	7,141
TOTAL COSTS	**44,304**	**58,163**
I. Interest generated by securitised assets	**22,795**	**31,353**
Interest income on derivatives	20,915	26,758
L. Other revenues	**594**	**52**
TOTAL REVENUES	**44,304**	**58,163**

Continued: Attachment to table C.1.8.

Geldilux TS 2010 S.A.

	12.31.2011	12.31.2010
A. Securitised Assets	**606,425**	**606,887**
A.1 Principal	606,425	606,887
B. Use of liquid assets resulting from loan operations	**11,607**	**10,090**
B.1 Bank current account	9,028	8,202
B.2 Other uses	-	-
B.4 Other assets	2,579	1,888
Due from originator	-	-
Other	2,579	1,888
TOTAL ASSETS	**618,032**	**616,977**
C. Bonds issued	**613,403**	**615,996**
C.1 “Class A” Bonds	502,866	502,383
C.2 “Class B” Bonds	61,067	61,011
C.3 “Class C + D” Bonds	29,392	29,367
C.4 “Class E, F + Liquidity note	20,078	23,235
D. Loans received	**-**	**-**
E. Other liabilities	**4,629**	**981**
Due to originator	4,598	950
Accrued interest on bonds	-	-
Accrued interest on liquidity note	-	-
Other liabilities	31	31
Own funds	-	-
TOTAL LIABILITIES	**618,032**	**616,977**
F. Interest expense on bond issued	**23,031**	**4,251**
Interest on class “A”, class “B” bonds	14,912	3,096
Interest expense on derivatives	8,119	1,155
G. Commissions and fees related to the transaction	**1,383**	**358**
G.1 for servicing	1,330	335
G.2 for other services	53	23
H. Other charges	**3,796**	**621**
Other costs	3,796	621
TOTAL COSTS	**28,210**	**5,230**
I. Interest generated by securitised assets	**17,989**	**3,299**
Interest income on derivatives	10,132	1,887
L. Other revenues	**89**	**44**
TOTAL REVENUES	**28,210**	**5,230**

Part E - Information on risks and related risk management policies (Continued)

Continued: Attachment to table C.1.8.

Geldilux TS 2011 S.A.

	12.31.2011	12.31.2010
A. Securitised Assets	**425,100**	**-**
A.1 Principal	425,100	-
B. Use of liquid assets resulting from loan operations	**6,960**	**-**
B.1 Bank current account	6,542	-
B.2 Other uses	-	-
B.4 Other assets	418	-
Due from originator	-	-
Other	418	-
TOTAL ASSETS	**432,060**	**-**
C. Bonds issued	**431,862**	**-**
C.1 “Class A” Bonds	350,296	-
C.2 “Class B” Bonds	42,521	-
C.3 “Class C + D” Bonds	20,610	-
C.4 “Class E, F + Liquidity note	18,435	-
D. Loans received	**-**	**-**
E. Other liabilities	**198**	**-**
Due to originator	167	-
Accrued interest on bonds	-	-
Accrued interest on liquidity note	-	-
Other liabilities	31	-
Own funds	-	-
TOTAL LIABILITIES	**432,060**	**-**
F. Interest expense on bond issued	**416**	**-**
Interest on class “A”, class “B” bonds	362	-
Interest expense on derivatives	54	-
G. Commissions and fees related to the transaction	**64**	**-**
G.1 for servicing	26	-
G.2 for other services	38	-
H. Other charges	**54**	**-**
Other costs	54	-
TOTAL COSTS	**534**	**-**
I. Interest generated by securitised assets	**108**	**-**
Interest income on derivatives	255	-
L. Other revenues	**171**	**-**
TOTAL REVENUES	**534**	**-**

Continued: Attachment to table C.1.8.

Geldilux PP 2011 S.A.

	12.31.2011	12.31.2010
A. Securitised Assets	**1,136,361**	**-**
A.1 Principal	1,136,361	-
B. Use of liquid assets resulting from loan operations	**13,912**	**-**
B.1 Bank current account	850	-
B.2 Other uses	-	-
B.4 Other assets	13,062	-
Due from originator	-	-
Other	13,062	-
TOTAL ASSETS	**1,150,273**	**-**
C. Bonds issued	**1,150,081**	**-**
C.1 "Class A" Bonds	1,000,948	-
C.2 "Class B" Bonds	136,618	-
C.3 "Class C + D" Bonds	-	-
C.4 Liquidity note	12,515	-
D. Loans received	**-**	**-**
E. Other liabilities	**192**	**-**
Due to originator	161	-
Accrued interest on bonds	-	-
Accrued interest on liquidity note	-	-
Other liabilities	31	-
Own funds	-	-
TOTAL LIABILITIES	**1,150,273**	**-**
F. Interest expense on bond issued	**1,473**	**-**
Interest on class "A", class "B" bonds	1,181	-
Interest expense on derivatives	292	-
G. Commissions and fees related to the transaction	**108**	**-**
G.1 for servicing	94	-
G.2 for other services	14	-
H. Other charges	**25**	**-**
Other costs	25	-
TOTAL COSTS	**1,606**	**-**
I. Interest generated by securitised assets	**593**	**-**
Interest income on derivatives	850	-
L. Other revenues	**163**	**-**
TOTAL REVENUES	**1,606**	**-**

Part E - Information on risks and related risk management policies (Continued)

Continued: Attachment to table C.1.8.

Trevi Finance S.p.A.

	12.31.2011	12.31.2010
A. Securitised Assets	**270,234**	**324,825**
A.1 Loans	270,234	324,825
A.2 Bonds	-	-
B. Use of liquid assets resulting from loan operations	**20,710**	**26,632**
B.1 Bank current account	19,691	25,447
B.2 Other financial investments	1,011	1,177
B.4 Other assets	8	8
Due from originator	-	-
Other	8	8
TOTAL ASSETS	**290,944**	**351,457**
C. Bonds issued	**596,260**	**573,240**
C.1 "Class A" Bonds	-	-
C.2 "Class B" Bonds	-	-
C.3 "Class C" Bonds	423,004	399,984
C.4 "Class D" Bonds	173,256	173,256
D. Loans received	**233,408**	**246,500**
E. Other liabilities	**337,050**	**343,618**
E.1 Due to originator	330,430	326,288
E.2 Accrued interest expenses on securities	1,814	1,813
E.3 Other liabilities	4,806	15,517
PROFIT (LOSS) BROUGHT FORWARD	**- 811,901**	**- 765,214**
PROFIT (LOSS) FOR THE PERIOD	**-63,873**	**- 46,687**
BALANCING TOTAL	**290,944**	**351,457**
F. Interest expense on bond issued	**27,852**	**26,600**
F.1 Interest on "Class C" and "Class D" bonds	27,852	26,600
G. Commissions and fees related to the transaction	**1,876**	**2,454**
G.1 For servicing	1,591	2,221
G.2 For other services	285	233
H. Other expenses	**76,036**	**69,960**
Other expenses	76,036	69,960
TOTAL COSTS	**105,764**	**99,014**
I. Interest generated by securitised assets	**16,377**	**16,808**
L. Other income	**25,514**	**35,519**
TOTAL REVENUES	**41,891**	**52,327**
PROFIT (LOSS) FOR THE PERIOD	**- 63,873**	**- 46,687**

Continued: Attachment to table C.1.8.

Trevi Finance n. 2 S.p.A.

	12.31.2011	12.31.2010
A. Securitised Assets	**175,613**	**218,303**
A.1 Loans	175,613	218,303
A.2 Bonds	-	-
B. Use of liquid assets resulting from loan operations	**22,299**	**27,920**
B.1 Bank current account	21,650	25,555
B.2 Other financial investments	354	2,234
B.4 Other assets	295	131
Due from originator	-	-
Other	295	131
TOTAL ASSETS	**197,912**	**246,223**
C. Bonds issued	**981,407**	**949,098**
C.1 "Class A" Bonds	-	-
C.2 "Class B" Bonds	-	-
C.3 "Class C" Bonds	763,908	731,599
C.4 "Class D" Bonds	217,499	217,499
D. Loans received	**-**	**4,184**
E. Other liabilities	**141,148**	**146,409**
E.1 Due to originator	135,501	130,177
E.2 Accrued interest expenses on securities	2,483	2,483
E.3 Accrued interest expenses on liquidity note	-	-
E.4 Other liabilities	3,164	13,749
PROFIT (LOSS) BROUGHT FORWARD	**- 853,468**	**- 788,709**
PROFIT (LOSS) FOR THE PERIOD	**- 71,175**	**- 64,759**
BALANCING TOTAL	**197,912**	**246,223**
F. Interest expense on bond issued	**56,966**	**54,393**
F.1 Interest on "Class B", "Class C" and "Class D" bonds	56,966	54,393
G. Commissions and fees related to the transaction	**2,011**	**2,508**
G.1 For servicing	1,721	2,268
G.2 For other services	290	240
H. Other expenses	**45,401**	**54,715**
Other expenses	45,401	54,715
TOTAL COSTS	**104,378**	**111,616**
I. Interest generated by securitised assets	**13,771**	**14,767**
L. Other income	**19,432**	**32,090**
TOTAL REVENUES	**33,203**	**46,857**
PROFIT (LOSS) FOR THE PERIOD	**- 71,175**	**- 64,759**

Part E - Information on risks and related risk management policies (Continued)

Continued: Attachment to table C.1.8.

Trevi Finance n. 3 S.r.l.

	12.31.2011	12.31.2010
A. Securitised Assets	**475,508**	**506,654**
A.1 Loans	284,430	326,422
A.2 Bonds	191,078	180,232
B. Use of liquid assets resulting from loan operations	**20,368**	**26,917**
B.1 Bank current account	20,049	25,746
B.2 Other financial investments	292	1,016
B.4 Other assets	27	155
Due from originator	-	-
Other	27	155
TOTAL	**495,876**	**533,571**
C. Bonds issued	**1,161,914**	**1,109,936**
C.1 "Class A" Bonds	-	-
C.2 "Class B" Bonds	-	-
C.3 "Class C" Bonds	713,748	661,770
C.4 "Class D" Bonds	448,166	448,166
D. Loans received	**257,064**	**226,306**
E. Other liabilities	**147,831**	**192,670**
E.1 Due to originator	135,318	123,707
E.2 Accrued interest expenses on securities	4,703	4,872
E.2 Accrued interest expenses on liquidity note	-	-
E.4 Other liabilities	7,810	64,091
PROFIT (LOSS) BROUGHT FORWARD	**- 995,341**	**- 915,920**
PROFIT (LOSS) FOR THE PERIOD	**- 75,592**	**- 79,421**
BALANCING TOTAL	**495,876**	**533,571**
F. Interest expense on bond issued	**64,477**	**61,528**
F.1 Interest on "Class C" and "Class D" bonds	64,477	61,528
G. Commissions and fees related to the transaction	**1,895**	**2,426**
G.1 For servicing	1,606	2,181
G.2 For other services	289	245
H. Other expenses	**67,295**	**83,013**
Other expenses	67,295	83,013
TOTAL COSTS	**133,667**	**146,967**
I. Interest generated by securitised assets	**20,761**	**21,869**
L. Other income	**37,314**	**45,677**
L.1 Interest income	10,848	10,231
L.2 Other income	26,466	35,446
TOTAL REVENUES	**58,075**	**67,546**
PROFIT (LOSS) FOR THE PERIOD	**- 75,592**	**- 79,421**

C.2 Sales Transactions

C.2.1 Banking Group - Financial assets sold and not derecognised

	AMOUNTS AS AT 12.31.2011								
	FINANCIAL ASSETS HELD FOR TRADING			FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS			AVAILABLE FOR SALE FINANCIAL ASSETS		
TYPE / PORTFOLIO	A	B	C	A	B	C	A	B	C
A. Balance-sheet assets	**13,035,670**	**-**	**-**	**14,298,263**	**-**	**-**	**17,561,663**	**-**	**-**
1. Debt securities	12,919,052			14,298,263			17,242,429	-	-
2. Equity securities	116,618	-	-	-	-	-	-	-	-
3. UCIS	-	-	-	-	-	-	319,234	-	-
4. Loans	-	-	-	-	-	-	-	-	-
B. Derivatives	**-**	**-**	**-**	**X**	**X**	**X**	**X**	**X**	**X**
Total 12.31.2011	**13,035,670**	**-**	**-**	**14,298,263**	**-**	**-**	**17,561,663**	**-**	**-**
of which impaired	-	-	-	-	-	-	-	-	-
Total 12.31.2010	**11,708,593**	**-**	**-**	**-**	**-**	**-**	**12,235,092**	**-**	**-**
of which impaired	-	-	-	-	-	-	-	-	-

Continued C.2.1 Banking Group - Financial assets sold and not derecognised

	AMOUNTS AS AT 12.31.2011										
	HELD-TO-MATURITY INVESTMENTS			LOANS AND RECEIVABLES WITH BANKS			LOANS AND RECEIVABLES WITH CUSTOMERS			TOTAL	
TYPE / PORTFOLIO	A	B	C	A	B	C	A	B	C	12.31.2011	12.31.2010
A. Balance-sheet assets	**4,457,859**	**-**	**-**	**123,837**	**-**	**-**	**13,561,000**	**-**	**-**	**63,038,292**	**55,061,258**
1. Debt securities	4,457,859			122,879			-	-	-	49,040,482	28,624,918
2. Equity securities	X	X	X	X	X	X	X	X	X	116,618	-
3. UCIS	X	X	X	X	X	X	X	X	X	319,234	-
4. Loans	-	-	-	958			13,561,000	-	-	13,561,958	26,436,340
B. Derivatives	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	**X**	-	**-**
Total 12.31.2011	**4,457,859**	**-**	**-**	**123,837**	**-**	**-**	**13,561,000**	**-**	**-**	**63,038,292**	**-**
of which impaired	-	-	-	-	-	-	*610,673*	-	-	*610,673*	*X*
Total 12.31.2010	**3,398,724**	**-**	**-**	**1,283,625**	**-**	**-**	**26,435,224**	**-**	**-**	**-**	**55,061,258**
of which impaired							*988,221*	-	-	*X*	*988,221*

LEGEND:
A = Financial assets sold and fully recognized (carrying value).
B = Financial assets sold and partially recognized (carrying value).
C = Financial assets sold and partially recognized (total value).
Loans (A.4) are assets sold and not derecognized under securitizations (see A.3. Table C.1.5.).
Debt securities (A.1) are underlyings of reverse repos.

C.2.2 Banking Group - Financial liabilities relating to financial assets sold and not derecognised

	AMOUNTS AS AT 12.31.2011						
LIABILITIES/ASSETS PORTFOLIOS	FINANCIAL ASSETS HELD FOR TRADING	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS	AVAILABLE FOR SALE FINANCIAL ASSETS	HELD-TO-MATURITY INVESTMENTS	LOANS AND RECEIVABLES WITH BANKS	LOANS AND RECEIVABLES WITH CUSTOMERS	TOTAL
1. Deposits from customers	**5,342,644**	**4,228,478**	**13,221,257**	**2,491,920**	**106,692**	**10,724,079**	**36,115,070**
a) relating to fully recognised assets	5,342,644	4,228,478	13,221,257	2,491,920	106,692	10,724,079	36,115,070
b) relating to partially recognised assets	-	-	-	-	-	-	-
2. Deposits from Banks	**7,761,512**	**10,069,786**	**4,316,053**	**1,943,664**	**15,079**	**-**	**24,106,094**
a) relating to fully recognised assets	7,761,512	10,069,786	4,316,053	1,943,664	15,079	-	24,106,094
b) relating to partially recognised assets	-	-	-	-	-	-	-
3. Debt Securities in issue	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) relating to fully recognised assets	-	-	-	-	-	-	-
b) relating to partially recognised assets	-	-	-	-	-	-	-
Total 12.31.2011	**13,104,156**	**14,298,264**	**17,537,310**	**4,435,584**	**121,771**	**10,724,079**	**60,221,164**
Total 12.31.2010	**11,763,426**	**-**	**12,254,617**	**3,350,107**	**1,242,772**	**11,911,580**	**40,522,502**

Part E - Information on risks and related risk management policies (CONTINUED)

C.3 Covered Bond Transactions

QUALITATIVE INFORMATION

In 2008 the Group initiated a Covered Bond *(OBG* or *Obbligazioni Bancarie Garantite)* Program with residential mortgage loans as the underlying assets, in line with Banca d'Italia instructions dated May 17, as amended on March 24, 2010, the MEF decree dated December 14, 2006 and 2007 Law 130/99.

Under this program
- UniCredit S.p.A. is issuer and also acts as transferor of suitable assets and servicer;
- UniCredit BpC Mortgage s.r.l. (a special purpose vehicle set up within the banking group as expressly authorized by Banca d'Italia) is guarantor of the OBG holders, within the limits of the cover pool; and
- The auditing firm Mazars & Guerard S.p.A. is Asset Monitor.

The Group's main aims in issuing OBGs are to diversify its funding sources and fund at competitive rates. As with the securitizations, the difficulties in the markets made it advisable to use securitization as a means of increasing the Group's counterbalancing capacity by retaining with the Group part of the securities issued by the vehicle.

An integral feature of OBG Program management is maintaining a balance between the characteristics of the assets sold and the issues. This is necessary to maintain the efficacy of the guarantee given by the SPV to the bondholders.

Given the complexity of the transaction, a system of first- and second-level controls and procedures has been set up, as required by Banca d'Italia instructions, to identify units, functions, duties and responsibilities, and specific policies have been issued to this end. The policies were as approved by the competent committees, the Statutory Auditors and the Board of Directors of UniCredit S.p.A..
Responsibility and controls for monitoring risk connected with the OBG Program have been fixed.

As required by Banca d'Italia instructions on controls:
- UniCredit's Risk Management function is charged with the management of the issuer's risks and checks:
  - the quality, suitability and integrity of the assets sold to guarantee the OBGs;
  - that the maximum ratio of OBGs issued to assets sold to guarantee them is adhered to that limits on sales and supplementary sales procedures are followed;
  - the effectiveness and adequacy of the hedges provided by any derivatives contracts entered into in relation to the Program; and
  - the trend in the balance between the cash flow arising from the cover pool and that absorbed by the OBGs in issue.
- The Asset Monitor is an outside independent entity charged with checking at least annually the regularity of the transactions and the integrity of the guarantee to the bondholders.
- UniCredit's internal audit department is responsible for a complete audit (to be conducted at least once a year of the adequacy of the controls performed.
- The results of the audits performed by the Asset Monitor and the issuer's internal audit department are submitted to the governing bodies.

At December 2011 fifteen covered bond tranches had been issued for a total amount of €11.531 billion, of which €2.3 billion within the Group.

It should also be noted that, in order to create counterbalancing capacity, at the end of January 2012 UniCredit S.p.A. initiated a new Covered Bonds *(OBG* or *Obbligazioni Bancarie Garantite)* program ("New OBG Program"), without specific ratings and having residential mortgage loans, commercial mortgage loans and loans to or guaranteed by public administrations as underlyings. The contractual and supervisory structure and the counterparties of this program are modeled on the pre-existing program, with the exception of references to Ratings Agencies and the use of a new Special Purpose Vehicle, UniCredit OBG S.r.l..

Under this new OBG Program, in January 2012 a first sale of residential mortgages to private individuals for an amount of about €8,100 million and a related issue of covered bonds for a maximum total of €7,000 million, entirely retained within the Group, took place.

NAME	COVERED BOND (OBBLIGAZIONI BANCARIE GARANTITE)
Originator:	UniCredit S.p.A. (ex UniCredit Family Financing Bank S.p.A.)
Issuer:	UniCredit S.p.A.
Servicer:	UniCredit S.p.A.
Arranger:	UniCredit Bank AG, London Branch
Target transaction:	*Funding*
Type of asset:	Private Mortgage loans
Quality of asset:	performing
Book value of the underlyng assets at the end of accounting period:	13,982,265,720 €
Covered Bonds issued at the end of accounting period:	11,531,000,000 €
Other client Enhancementes:	UniCredit S.p.A. has granted SPV two subordinated loans of total 11,511,305,803.70 €
Rating Agencies:	S&P - Moody's - Fitch
Rating:	AA+ (from 01.31.2012 / Aa2 (from 02.23.2012) / AA+ (from 02.08.2012)

Information on Sovereign Exposures

In keeping with Consob Notice no. DEM/11070007 dated August 5, 2011 (which is based on ESMA Statement 2011/266 of July 28, 2011) on the information regarding listed companies' exposures to sovereign debt securities and loans to be included in financial statements, and with reference to the evolution of international markets, a detailed description of the Group's sovereign exposures[2] as at December 31, 2011 is provided below.

2. Sovereign exposures are bonds issued by and loans given to central and local governments and governmental bodies. ABSs are not included.

Part E - Information on risks and related risk management policies (Continued)

Overall, the book value of sovereign debt securities as at December 31, 2011 amounted to €87,774 million, of which about 92% concentrated in eight countries; Italy, with €35,087 million, represents 40% of the total. For each one of the eight countries, the table below shows the nominal value, the book value and the fair value of the exposures broken down by portfolio as at December 31, 2011.

Breakdown of Sovereign Debt Securities by Country and Portfolio

(€ '000)

	AMOUNTS AS AT 12.31.2011		
COUNTRY / PORTFOLIO	NOMINAL VALUE	BOOK VALUE	FAIR VALUE
- Italy	**35,404,462**	**35,087,258**	**34,637,964**
financial assets/liabilities held for trading (net exposures*)	4,466,264	5,404,838	5,404,838
financial assets at fair value through profit or loss	145,096	142,214	142,214
available for sale financial assets	27,144,342	25,910,129	25,910,129
loans and receivables	227,838	229,889	170,175
held to maturity investments	3,420,922	3,400,188	3,010,607
- Germany	**25,376,193**	**26,474,948**	**26,473,369**
financial assets/liabilities held for trading (net exposures*)	1,695,622	1,838,885	1,838,885
financial assets at fair value through profit or loss	22,190,732	23,088,588	23,088,588
available for sale financial assets	120,670	124,257	124,257
loans and receivables	1,366,169	1,420,207	1,418,628
held to maturity investments	3,000	3,011	3,011
- Poland	**8,048,949**	**8,107,580**	**8,086,412**
financial assets/liabilities held for trading (net exposures*)	173,057	182,933	182,933
financial assets at fair value through profit or loss	-	-	-
available for sale financial assets	6,232,524	6,268,717	6,268,717
loans and receivables	728,282	736,204	735,684
held to maturity investments	915,086	919,726	899,078
- Turkey (**)	**3,240,805**	**3,245,256**	**3,526,737**
financial assets/liabilities held for trading (net exposures*)	92,993	105,617	105,617
financial assets at fair value through profit or loss	-	-	-
available for sale financial assets	997,825	1,028,134	1,028,134
loans and receivables	-	-	-
held to maturity investments	2,149,987	2,111,506	2,392,987
- Austria	**2,509,644**	**2,357,478**	**2,428,022**
financial assets/liabilities held for trading (net exposures*)	316,294	37,950	37,950
financial assets at fair value through profit or loss	54,827	63,310	63,310
available for sale financial assets	1,895,948	2,068,979	2,068,979
loans and receivables	-	-	-
held to maturity investments	242,575	187,240	257,783
- Spain	**2,265,162**	**2,104,142**	**2,103,816**
financial assets/liabilities held for trading (net exposures*)	237,876	137,214	137,214
financial assets at fair value through profit or loss	408,328	366,633	366,633
available for sale financial assets	1,603,222	1,584,148	1,584,148
loans and receivables	-	-	-
held to maturity investments	15,736	16,146	15,821
- Czech Republic	**1,923,172**	**1,920,471**	**1,920,464**
financial assets/liabilities held for trading (net exposures*)	620,338	579,090	579,090
financial assets at fair value through profit or loss	4,280	4,158	4,158
available for sale financial assets	1,298,146	1,336,802	1,336,802
loans and receivables	-	-	-
held to maturity investments	409	421	415
- Hungary	**1,155,007**	**1,120,900**	**1,119,715**
financial assets/liabilities held for trading (net exposures*)	118,219	92,546	92,546
financial assets at fair value through profit or loss	-	-	-
available for sale financial assets	992,295	982,998	982,998
loans and receivables	27,236	27,477	27,477
held to maturity investments	17,257	17,878	16,693
Total on-balance sheet exposures	**79,923,394**	**80,418,033**	**80,296,499**

(*) Including exposures in Credit Derivatives.
(**) Amounts recognized using proportionate consolidation with reference to the ownership percentage for exposures held by joint ventures.

The weighted duration of the sovereign bonds shown in the table above, divided by the banking[3] and trading book, is the following:

Weighted duration (years)

	BANKING BOOK	TRADING BOOK
- Italy	3.45	0.73
- Germany	2.15	5.06
- Poland	4.05	2.69
- Turkey	5.35	1.78
- Austria	7.18	0.60
- Spain	3.84	0.41
- Czech Republic	4.12	0.89
- Hungary	1.67	0.87

The remaining 8% of the total of sovereign debt securities, amounting to €7,356 million with reference to the book values as at December 31, 2011, is divided into 43 countries, among which the US (€610 million), Ireland (€60 million) and Portugal (€55 million).
These exposures were not subject to impairment at December 31, 2011, with the exception of those towards Greece, whose book amount after the impairment totals €140 million (of which €62 million classified under available-for-sale financial assets, €69 million under held to maturity financial assets and €9 million under financial assets held for trading and those at fair value through profit or loss). See Part A - A.3.2 Fair Value Hierarchy and Part B - Section 4 - Available-for-sale financial assets and Section 5 - Held to maturity investments of the Explanatory Notes for further details on the exposures towards Greece, the valuation method and the consequent economic effects in the 2011.

The fair values used for the valuation of sovereign debt exposure as at December 31, 2011 are classified as level 1 or level 2. The exposures towards Greece held in available-for-sale financial assets are categorized as level 1 in the fair value hierarchy. Likewise, the recoverable amount of held-to-maturity investments towards Greece is calculated based on market prices as at December 31, 2011, as specified in the above-mentioned Part A - A.3.2 Fair Value Hierarchy.

With respect to the "Republic of Greece" risk, it should be noted that financial liabilities held for trading include €174 million net exposures relating to €256 million notional amounts concerning protection sale transactions through "single-name CDS". The risk profile of these exposures is substantially offset by the protection purchase transactions through multi-underlying credit derivatives which include, among others, the Republic of Greece.

The table below shows the classification of bonds belonging to the banking book and their percentage incidence on the total of the portfolio under which they are classified.

Breakdown of Sovereign Debt Securities by Portfolio (€ '000)

	AMOUNTS AS AT 12.31.2011				
	FINANCIAL ASSTES AT FAIR VALUE	AVAILABLE FOR SALE FINANCIAL ASSTES	LOANS	HELD TO MATURITY INVESTMENTS	TOTAL
Book value	24,777,158	42,814,082	2,571,818	7,043,022	77,206,080
% Portfolio	86.56%	73.92%	0.42%	76.01%	10.85%

In addition to the exposures to sovereign debt securities, loans[4] given to central and local governments and governmental bodies must be taken into account.

3. The banking book includes assets at fair value through profit or loss, available-for-sale assets, held to maturity assets and loans.
4. Tax items are not included.

Part E - Information on risks and related risk management policies (CONTINUED)

The table below shows the total amount as at December 31, 2011 of loans given to countries towards which the overall exposure exceeds €150 million, representing more than 97% of the total.

Breakdown of Sovereign Loans by Country

(€ '000)

COUNTRY	AMOUNTS AS AT 12.31.2011 BOOK VALUE
- Germany (*)	13,475,087
- Italy	8,183,220
- Austria (**)	6,575,692
- Croatia	2,010,348
- Poland	1,689,151
- Indonesia	598,565
- Slovenia	300,464
- Hungary	256,645
- Serbia	190,963
Total on-balance sheet exposures	**33,280,135**

(*) of which 1,625,141 in financial assets held for trading and those at fair value through profit or loss.
(**) of which 249,143 in financial assets at fair value through profit or loss.

Lastly, it should be noted that derivatives are traded within the ISDA master agreement and accompanied by Credit Support Annexes, which provide for the use of cash collaterals or low-risk eligible securities.

For more details on the sensitivity analysis of credit spreads and on the results of the stress test please refer to the "Greece default" Scenario, "Sovereign Debt Tension" Scenario and the "Widespread Contagion" Scenario in chapters 2.7 and 2.8. of the following Section 2 - Market risk, while for liquidity management policies see Section 3 - Liquidity risk.

Information on Structured Credit Products and Trading Derivatives with customers

The deterioration of US subprime loans was one of the main causes of the financial markets crisis, which started in H2 2007.
This deterioration caused a general widening of credit spreads and a gradual transformation of the securitized credits market into an illiquid market characterized by forced sales.
Given this situation, the market's need for information on the exposures held by banks increased with structured credit products being traded directly or through SPVs.
This need was advocated also by several international and Italian organizations and regulators (viz., the Financial Stability Board, the EBA - formerly CEBS -, Banca d'Italia and CONSOB) which asked banks to increase their disclosure based on a proposal deriving from the analysis of the best practices on disclosure and reporting.
Starting from the 2008 Consolidated First Half Financial Report, the Group provides the following disclosure on consolidated SPEs (Special Purpose Entities), structured credit products, trading derivatives with customers and fair value measurement policies, whereas information on liquidity risk, sensitivity analysis and stress testing of the trading book, is given in Sections 2 and 3 below.
A glossary of terms and acronyms is included in the annexes hereto.

1. Structured Credit Products

A detailed description of the Group's business in structured credit products is provided below. We firstly analyze the Group's activity as "originator" (through SPVs) of the assets underlying securitization transactions and then the activity of other consolidated and non-consolidated SPVs, which have different underlying assets.
Information on the exposures to monoline insurers and leveraged finance, as well as details on the methods to calculate the fair value of structured credit products are also given below.

1.1 The Group as Originator

The Group's origination consists in the sale of on-balance sheet receivables portfolios to vehicles set up as securitization companies under Law 130/99 or similar non-Italian legislation.
The buyer finances the purchase of the receivables portfolios by issuing bonds of varying seniority and transfers its issue proceeds to the Group.
The yield and maturity of the bonds issued by the buyer therefore mainly depend on the cash flow expected from the assets being sold.
As a further form of security to bondholders, these transactions may include special types of credit enhancement, e.g., subordinated loans, financial guarantees, standby letters of credit or over-collateralization.

The Group's objectives when carrying out these transactions are usually the following:

- to free up economic and regulatory capital by carrying out transactions that reduce capital requirements under current rules by reducing credit risk;
- to reduce funding costs given the opportunity to issue higher-rated bonds with lower interest rates than ordinary senior bonds; and
- to originate securities that can be used to secure repos with Banca d'Italia and the ECB (i.e. counterbalancing capacity).

The Group carries out both traditional securitizations whereby the receivables portfolio is sold to the SPV and synthetic securitizations which use credit default swaps to purchase protection over all or part of the underlying risk of the portfolio.

The Group makes limited use of this type of transactions. The amount of securitized loans[5], net of the transactions in which the Group has acquired all the liabilities issued by the SPVs (the so-called self-securitizations), accounts for 3.46% of the Group's credit portfolio. Self-securitizations in turn account for 7.37% of the loan portfolio.

A Covered Bond (OBG - Obbligazioni Bancarie Garantite) Program was launched in 2008 under the provisions of Italian Law 130/99. The underlying residential mortgage loans were transferred to an SPE set up for this purpose and included in the Banking Group. Fifteen tranches of OBG totaling €11,531 million were issued, of which 2,300 million retained in the Group.

As at 31 December 2011 similar covered bonds under German law (Pfandbriefe) amounted to €37,954,885 thousand, of which €25,456,845 thousand were backed by mortgage loans and €12,498,040 thousand by loans to the public sector.

Under traditional securitizations the Group retains the first loss in the form of junior bonds or similar exposure and in some cases provides further credit enhancement as described above. This enables the Group to benefit from the portion of the sold receivables' yield in excess of the yield due to the senior and mezzanine tranches.

5. We refer to loans sold, also synthetically, but not derecognized from balance sheet.

Part E - Information on risks and related risk management policies (Continued)

Retention by the Group of the first loss risk and the corresponding yield means that most of the risk and return on the portfolio is retained. Consequently these transactions are recognized in the accounts as loans and no profits arising out of the transfer of the assets are recognized and the sold receivables are not derecognized.

Synthetic securitizations also entail retention of the receivables subject to credit default protection on the balance sheet. The swap is recognized in the accounts, as well as any other retained interest.

The following table shows the Group's retained **gross and net cash exposure** under securitizations in which it was the originator, subdivided according to whether or not the receivables were derecognized in the accounts.

The amounts given are mainly interests retained by the originator, net of self-securitizations. ABSs arising out of securitizations and held in the Corporate & Investment Banking Division's and UniCredit Bank Ireland's portfolio are also shown.

Exposures deriving from the securitization of own assets

(€ '000)

	BALANCE SHEET EXPOSURE AS AT		
	12.31.2011		12.31.2010
	GROSS EXPOSURE (*)	NET EXPOSURE (**)	NET EXPOSURE (**)
- Assets sold totally derecognized	3,048,260	1,031,777	1,125,085
- Assets sold but not derecognized	4,732,921	3,221,648	4,172,491
- Synthetic transactions	5,511,097	4,770,284	9,949,648
Total	**13,292,279**	**9,023,709**	**15,247,224**

(*) The gross exposure correspond to "risk retained", which is measured as the difference betwwen the assets sold and the corresponding liabilities as at the sale date.
(**) The net exposure includes the sold loans' amount of yield due but not received in excess of amounts paid on securities places at third counterparties.

Retained tranches break down according to **the level of subordination** as follows:

Exposures deriving from the securitization of own assets broken down by subordination degree

(€ '000)

	AMOUNTS AS AT				
	12.31.2011				12.31.2010
	SENIOR	MEZZANINE	JUNIOR	TOTAL	TOTAL
Balance sheet exposure	**6,154,002**	**1,485,260**	**1,384,447**	**9,023,709**	**15,247,224**
- Assets sold totally derecognized	116,637	639,269	275,871	1,031,777	1,125,085
- Assets sold but not derecognized	1,886,989	253,360	1,081,299	3,221,648	4,172,491
- Synthetic transactions	4,150,376	592,631	27,277	4,770,284	9,949,648
Guarantees given	**-**	**-**	**-**	**-**	**42,623**
- Assets sold totally derecognized	-	-	-	-	42,623
- Assets sold but not derecognized	-	-	-	-	-
- Synthetic transactions	-	-	-	-	-
Credit facilities	**-**	**-**	**30,220**	**30,220**	**160,074**
- Assets sold totally derecognized	-	-	-	-	129,854
- Assets sold but not derecognized	-	-	30,220	30,220	30,220
- Synthetic transactions	-	-	-	-	-

The transactions included under "Assets sold and derecognized" are those in which the Group, while retaining most of the risk and return of the underlying receivables, nevertheless derecognized them because the transaction was prior to January 1, 2002. On first adoption of IFRS the option permitted by IFRS 1 that allows assets sold before January 1, 2004 not to be re-recognized, regardless of the amount of risk and return retained, was taken.

Cash exposures not derecognized decreased to €3,222 million as at 31 December 2011 from €4,172 million as at 31 December 2010 due to both the completion of the Geldilux-TS-2008 transaction and the changes in portfolio holdings, only partially offset by the new Geldilux - TS - 2011 and Geldilux - PP - 2011 transactions.

Moreover, the decrease in cash exposures concerning synthetic transactions from €9,950 million in December 2010 to €4,770 million in December 2011 was mainly due to the finalization of the Provide-A-2005-1 and Cordusio SME 2008-1 transactions and to a lesser extent to the development of the other transactions.

Beside the exposures indicated in the table above, the Group has also carried out traditional transactions concerning performing loans by purchasing the liabilities issued by the SPVs (so-called self-securitizations) for a total amount of €45,406,331 thousand.

Three transactions of this type totaling €17,274 million were handled during the first nine months of 2011: Locat SV - Serie 2011, which had as underlyings real estate, business assets and motor vehicle lease agreements, Consumer One and Impresa One, which had as underlyings Italian consumer loans and corporate loans respectively.

However, assessment and monitoring of risk underlying securitizations are performed with regard not to exposure to the SPV but rather to the sold receivables, which are monitored continuously by means of Interim reports showing status of the receivables and repayment performance.

The following tables give a breakdown of the Group's retained (i.e., non-derecognized) receivables **by region and asset quality**, and **by traditional** (excluding self-securitizations), **and synthetic** securitizations.

Securitized assets broken down by geographical area

(€ '000)

	AMOUNTS AS AT 12.31.2011								
	ITALY	GERMANY	AUSTRIA	OTHER EU COUNTRIES	OTHERS EUROPEAN COUNTRIES (NON EU)	AMERICA	ASIA	REST OF THE WORLD	TOTAL
Assets sold but not derecognized									
- Residential mortgage loans	7,260,965	-	-	-	-	-	-	-	**7,260,965**
- Leasing	2,036,556	-	-	-	-	-	-	-	**2,036,556**
- SME loans									**-**
- Corporate loans	3,000	4,243,091	2,002	10,702	5,642	-	-	-	**4,264,437**
- Others									**-**
Total	**9,300,521**	**4,243,091**	**2,002**	**10,702**	**5,642**	**-**	**-**	**-**	**13,561,958**

Securitized assets broken down by geographical area

(€ '000)

	AMOUNTS AS AT 12.31.2011								
	ITALY	GERMANY	AUSTRIA	OTHER EU COUNTRIES	OTHERS EUROPEAN COUNTRIES (NON EU)	AMERICA	ASIA	REST OF THE WORLD	TOTAL
Synthetic transactions									
- Residential mortgage loans	-	3,086,061	-	-	-	-	-	-	**3,086,061**
- Commercial mortgage loans	-	640,502	-	-	-	-	-	-	**640,502**
- SME loans	42,871	2,324,443	923,537	3,493	-	-	-	-	**3,294,344**
- Corporate loans	28,491	75,178	295,222	6,825	-	-	-	-	**405,716**
- Others	-	292,970	5,049	-	-	-	-	-	**298,019**
Total	**71,362**	**6,419,154**	**1,223,808**	**10,318**	**-**	**-**	**-**	**-**	**7,724,642**

Part E - Information on risks and related risk management policies (Continued)

Securitized assets broken down by asset quality

(€ '000)

	AMOUNTS AS AT 12.31.2011		
	OTHER ASSETS (PERFORMING)	IMPAIRED ASSETS	TOTAL
Assets sold but not derecognized			
- Residential mortgage loans	6,966,448	294,517	**7,260,965**
- Leasing	1,721,174	315,382	**2,036,556**
- SME loans	-	-	**-**
- Corporate loans	4,263,663	774	**4,264,437**
- Others	-	-	**-**
Total	**12,951,285**	**610,673**	**13,561,958**

Securitized assets broken down by asset quality

(€ '000)

	AMOUNTS AS AT 12.31.2011		
	OTHER ASSETS (PERFORMING)	IMPAIRED ASSETS	TOTAL
Synthetic transactions			
- Residential mortgage loans	3,028,099	57,962	**3,086,061**
- Commercial mortgage loans	633,292	7,210	**640,502**
- SME loans	3,076,191	218,153	**3,294,344**
- Corporate loans	358,716	47,000	**405,716**
- Others	289,544	8,475	**298,019**
Total	**7,385,842**	**338,800**	**7,724,642**

Funded securitization structures originated by the Group have as underlyings residential mortgages originated in Italy corporate loans originated in Germany and leasing granted to Italian counterparties.

Synthetic securitization structures have mainly residential mortgages granted to German counterparties, loans to Small Medium Enterprises originated in Germany and Austria and commercial mortgage loans originated in Germany as underlyings.

Performing assets account for 95.50% of traditional securitizations' portfolio and 95.61% of synthetic transactions' portfolio.

The Group is not an originator of securitizations having as underlying US residential mortgages, neither prime nor subprime nor Alt-A.
The fair value of assets sold and not derecognized exceeds the carrying amount by over €1,140 million.

1.2 Other Consolidated SPVs

SPVs which do not perform securitization transactions of Group assets, but whose risks are mainly borne by the Group, which also receives their returns, are consolidated as well, even if they do not belong to the Banking Group.

Consolidation of these vehicles is required by IAS 27, and by the related interpretation SIC 12.
Starting from 2007 when requirements are met, the consolidation perimeter includes vehicle companies sponsored by the Group and issuing commercial papers (so-called Asset Backed Commercial Paper Conduits) and set up both as multi-seller customer conduits to give clients access to the securitization market, and as arbitrage conduits.
In particular, Arabella Finance Ltd., Salome Funding Ltd. and Black Forest Funding Corp. are Customer Conduits, while Bavaria Universal Funding Corp. falls within the category of Arbitrage conduits.

In 2011 UniCredit Bank AG bought Bavaria Universal Funding Corp's portfolio holdings and the vehicle company was therefore closed down. Consequently, the structured credit products acquired by UniCredit Bank AG from Bavaria Universal Funding Corp. are now included in the investments indicated in the following section 1.3 Other non-consolidated SPVs.

Additionally, also the following vehicles are now included in consolidation, as they now meet the requirements provided for by the above mentioned SIC 12 and the consolidation requirements under IFRS (see Part A - Accounting Policies, Section 3 - Consolidation Procedures and Scope): Altus Alpha Plc, Elektra Purchase no. 1 Ltd, Elektra Purchase no. 18 Ltd, Grand Central Funding Corp., Redstone Mortgages Plc, SKB VTMK International Issuer Ltd, The Trans Value Trust Company Ltd (SFCG Scudetto) and a further 11 vehicles operating in Tender Option Bond (TOB).

It should be noted that in 2011:
• the vehicle company Redstone Mortgages Plc, already consolidated in accordance to SIC 12, was fully acquired by UniCredit Bank AG, following the authorization issued by Banca d'Italia, and incorporated in the Group;
• both the aforementioned 11 vehicle companies operating in Tender Option Bond and the SPVs Elektra Purchase no. 1 Ltd and Elektra Purchase no. 18 Ltd, towards which the Group had no more exposures as at December 31, 2011, were closed down;
• the vehicle company SKB VTMK International Issuer Ltd was consolidated.

Customer conduits require the formation and management of a bankruptcy-remote company (i.e., one that would be immune from any financial difficulties of the originator) which directly or indirectly buys receivables created by companies outside the Group.
The receivables underlying these transactions are not bought directly by the conduit set up by the Group, but by a purchase company which in turn is wholly funded by the conduit by means of commercial paper or medium term notes.
In some circumstances purchase companies fund further SPVs which buy loan portfolio.

The main purpose of these transactions is to give corporate clients access to the securitization market and thus to lower funding costs than would be borne with direct funding.
The conduits' purchase of assets is financed by short-term commercial paper and medium-term note issues.

Payment of interest and redemption of the securities issued by the conduit therefore depends on cash flow from the receivables purchased (credit risk) and the ability of the conduit to roll over or replace its market funding on maturity (liquidity risk).

To guarantee prompt redemption of the securities issued by the conduit, these transactions are guaranteed by a standby letter of credit covering the risk of default both of specific assets and of the whole program.
The underwriters of issued securities also benefit from security provided by specific liquidity lines which the conduit may use if it unable to place new commercial paper to repay maturing paper, e.g. during market turmoil.

These liquidity lines may not however be used to guarantee redemption of securities issued by the conduit in the event of default by the underlying assets.

In its role as sponsor, the Group selects the asset portfolios purchased by conduits or purchase companies, provides administration of the assets and both standby letters of credit and liquidity lines.

For these services the Group receives fees and also benefits from the spread between the return on the assets purchased by the SPV and the securities issued.

Starting from H2 2007 the securities issued by these conduits experienced a significant contraction in investor demand. The Group has consequently purchased directly all their outstanding commercial paper.

This trend, which reached its peak in December 2008 with a balance sheet exposure of €5,268 million, is shown in the table below which discloses the **exposures to conduits** sponsored by the Group.

Exposures sponsored by the Group

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
Balance sheet exposures	**3,136,484**	**1,543,835**
- Arabella Finance Ltd (*)	2,395,322	155,647
- Bavaria Universal Funding Corp	-	581,088
- Salome Funding Ltd	741,162	807,100
Credit facilities	**501,056**	**2,076,619**
- Arabella Finance Ltd (*)	459,748	1,954,829
- Bavaria Universal Funding Corp	-	51,675
- Salome Funding Ltd	41,308	70,115

(*) Including positions towards Black Forest Funding Corp.

The lines of credit shown are the difference between total credit lines granted and the amount of commercial paper underwritten by the Group.
This figure is the additional risk exposure incurred by the Group and arising from commercial paper purchased by third parties and commitments to purchase further assets under the program.

Part E - Information on risks and related risk management policies (Continued)

Cash exposures are commercial paper purchased by the Group. These exposures are fully consolidated and therefore not visible in the consolidated accounts, since they were offset.

The assets of the above-mentioned SPVs are as follows: investment fund units for Altus Alpha Plc, intercompany repurchase agreements for Grand Central Funding Corp., warehousing portfolio of UK mortgage loans for Redstone Mortgages Plc, covered bonds issued by a Turkish bank for SKB VTMK International Issuer Ltd and Japanese mortgage loans for The Trans Value Trust Company Ltd.
Due to its activity of loan and credit lines underwriting and the subscription of liabilities issued by these vehicles, also in these cases the Group bears most of the risk and receives most of the returns on this business.

The following table shows the amount of **exposures towards other consolidated SPVs.**

Exposures toward other consolidated SPV

(€ '000)

	AMOUNTS AS AT	
	12.31.2011	12.31.2010
Balance sheet exposures	**2,193,442**	**2,791,583**
- Altus Alpha Plc	398,108	677,772
- Elektra Purchase n. 1 Ltd	-	12,832
- Elektra Purchase n. 18 Ltd	-	275,002
- Grand Central Funding Corp	77	75
- Redstone Mortgages Plc	1,481,606	1,582,427
- The Trans Value Trust Company Ltd (SFCG Scudetto)	266,613	241,571
- TOB Trusts	-	1,904
- SKB VTMK International Issuer Ltd.	47,038	-
Credit facilities	**11,825**	**238,430**
- Altus Alpha Plc	-	-
- Elektra Purchase n. 1 Ltd	-	-
- Elektra Purchase n. 18 Ltd	-	-
- Grand Central Funding Corp	11,825	11,376
- Redstone Mortgages Plc	-	-
- The Trans Value Trust Company Ltd (SFCG Scudetto)	-	-
- TOB Trusts	-	227,054
- SKB VTMK International Issuer Ltd.	-	-

According to the line-by-line consolidation method, the following items should be recognized in Consolidated Accounts:
- assets held by consolidated vehicles in place of the loans provided to them or the liabilities subscribed by Group companies, now eliminated on consolidation;
- loans to purchase companies for non-consolidated subordinated vehicles.

With respect to non-consolidated purchase companies, the Consolidated Accounts, while not including the assets recorded in their account books, show the maximum amount of the risk borne by the Group, which, in the case of purchase companies entirely financed by consolidated conduits, corresponds to the amount of the assets of these same purchase companies.

The following table gives the amount of the **consolidated SPVs' assets by region.**

Consolidated SPVs' assets broken down by geographical area

(€ '000)

	AMOUNTS AS AT 12.31.2011								
	CONSOLIDATED SPVS								
	ITALY	GERMANY	AUSTRIA	OTHER UE COUNTRIES	OTHER EUROPEAN COUNTRIES (NON UE)	AMERICA	ASIA	REST OF THE WORLD	TOTAL
- Residential mortgage loans	-	-	-	1,413,355	-	-	233,261	-	1,646,616
- Commercial mortgage loans	-	-	-	628,076	-	-	-	-	628,076
- Leasing	-	904,603	-	-	-	-	-	-	904,603
- Credit cards	-	-	-	-	-	-	-	-	-
- Consumer loans	511,240	-	-	180,659	-	-	-	-	691,899
- SME loans	-	-	-	-	-	-	-	-	-
- State related entities	-	-	-	-	-	-	-	-	-
- Others	100,201	290,246	-	315,926	-	330,866	33,351	-	1,070,590
- RMBS	-	-	-	-	-	-	-	-	-
- CMBS	-	-	-	-	-	-	-	-	-
- CDO	-	-	-	-	-	-	-	-	-
- CLO / CBO	-	-	-	-	-	-	-	-	-
- Corporate and bank bonds	-	-	-	-	47,038	-	-	-	47,038
- Municipal and local Government bonds	-	-	-	-	-	-	-	-	-
- Investement funds	723	-	-	89,343	-	-	-	227,956	318,022
Total	**612,165**	**1,194,849**	**-**	**2,627,359**	**47,038**	**330,866**	**266,612**	**227,956**	**5,306,844**

The item "Others" comprises corporate loans and short-term commercial loans.

The quality of assets held by consolidated vehicles, which are mainly mortgage loans, corporate and commercial loans, is carried out by specific units using a look-through approach with the aim of analyzing the performance of the underlying receivables portfolios. As at December 31, 2011 impaired loans were €403,585 thousand, attributable to Redstone Mortgage Plc and The Trans Value Trust Company.

The **residual life of consolidated vehicles' underlyings** is given in the following table. Average residual life is in most cases under one year or over five years.

Consolidated SPVs' assets broken down by residual life

(€ '000)

	AMOUNTS AS AT 12.31.2011			
REMAINING AVERAGE LIFE	LESS THAN 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	TOTAL
- Residential mortgage loans	403,585	-	1,243,031	1,646,616
- Commercial mortgage loans	-	628,076	-	628,076
- Leasing	904,603	-	-	904,603
- Credit cards	-	-	-	-
- Consumer loans	691,899	-	-	691,899
- SME loans	-	-	-	-
- State related entities	-	-	-	-
- Others	1,064,668	5,922	-	1,070,590
- RMBS	-	-	-	-
- CMBS	-	-	-	-
- CDO	-	-	-	-
- CLO / CBO	-	-	-	-
- Corporate and bank bonds	-	-	47,038	47,038
- Municipal and local Government bonds	-	-	-	-
- Investement funds	318,022	-	-	318,022
Total	**3,382,777**	**633,998**	**1,290,069**	**5,306,844**

Assets recognized in financial statements, due to consolidation of vehicles, are a marginal portion of the Group's assets.

Part E - Information on risks and related risk management policies (Continued)

The following table shows these **assets by balance sheet classification** and **as a percentage of total assets** in the same class.

Consolidated SPVs broken down by type of financial assets portfolio

(€ '000)

	AMOUNTS AS AT 12.31.2011					
	FINANCIAL ASSETS HELD FOR TRADING	FINANCIAL ASSETS MEASURED AT FAIR VALUE	LOANS AND RECEIVABLES	FINANCIAL ASSETS HELD TO MATURITY	FINANCIAL ASSETS AVAILABLE FOR SALE	TOTAL
Balance sheet amount	365,060	-	4,941,784	-	-	5,306,844
% IAS portfolio	0.28%	0.00%	0.80%	0.00%	0.00%	0.63%

1.3 Other non-consolidated SPVs

The Group is also an investor in structured credit instruments issued by vehicles which are not consolidated, as these instruments do not bear most of the risk and do not receive most of the rewards on the operations carried out by SPVs.
These exposures are mainly held on the books of the Corporate and Investment Banking Division (CIB) and Unicredit Bank Ireland.

This business was particularly affected by the difficult situation on the financial markets, which began in 2007 and determined a transformation of the structured credit product market into an illiquid market.
Against this background, in 2008 the Group ring-fenced these products in a specific Global ABS Portfolio subject to monitoring and reporting of both credit risk and market risk.

This strategy has been reflected in the accounts through the reclassification of most of these positions in the item "loans and receivables to customers" occurred for the most part in the second half of 2008 and, for the remaining, in the first half 2009. See Section 1.4 for information about the effects of this reclassification.

In order to improve the quality of this portfolio, in the second half of 2010 the Group bought selected structured credit products with the aim of improving the overall portfolio quality in terms of expected risk/return profile. These acquisitions were executed in line with the derisking/deleveraging plan defined at end-2008 through the disposal of similar positions already in the portfolio which have been judged as less appealing in prospective terms.

This portfolio shows the following characteristics:
- high *seniority* with an insignificant percentage of junior positions;
- predominance of residential mortgage-backed securities and commercial mortgage-backed securities;
- an insignificant portion of products has US Subprime or Alt-A mortgages as underlyings;
- high rating (over 90% of the positions is classified as "investment grade");
- mainly concentrated in EU Countries.

Main features of structured credit portfolio

(€ '000)

	12.31.2011				12.31.2010			
Measurement	FV/P&L	FV/EQUITY	AMORTISED COST	Total	FV/P&L	FV/EQUITY	AMORTISED COST	Total
Net exposure	524,195	154,955	5,903,191		549,482	83,835	6,695,916	
Seniority	SENIOR	MEZZANINE	JUNIOR		SENIOR	MEZZANINE	JUNIOR	
Net exposure	4,952,338	1,513,351	116,652	6,582,341	5,879,301	1,424,792	25,140	7,329,233
Asset class	RMBS/CMBS	CDO/CLO	OTHER ABS AND LOANS		RMBS/CMBS	CDO/CLO	OTHER ABS AND LOANS	
Net exposure	4,173,299	1,702,793	706,249		4,606,602	1,680,442	1,042,189	
Underlying	US SUBPRIME	US ALT-A	OTHER		US SUBPRIME	US ALT-A	ALTRO	
Net exposure	5,415	6,157	6,570,769		27,195	14,339	7,287,699	

Rating %	AAA	OTHER INVESTMENT GRADE	NON INVESTMENT GRADE		AAA	OTHER INVESTMENT GRADE	NON INVESTMENT GRADE	
% on net exposure	28.85%	61.82%	9.33%	100%	41.89%	52.47%	5.64%	100%
Country %	US	EUROPEAN	OTHER		US	EUROPEAN	OTHER	
% on net exposure	14.95%	79.69%	5.36%		10.60%	83.35%	6.05%	

The following table gives Group's **exposure** to these instruments, which is limited, viz. 0.78% of **total financial instruments.**

Structured credit product exposures broken down by type of financial assets portfolio

(€ '000)

	BALANCE SHEET EXPOSURE AS AT						
	12.31.2011						
	FINANCIAL ASSETS HELD FOR TRADING	FINANCIAL ASSETS MEASURED AT FAIR VALUE	LOANS AND RECEIVABLES	FINANCIAL ASSETS HELD TO MATURITY	FINANCIAL ASSETS AVAILABLE FOR SALE	TOTAL	12.31.2010 TOTAL
Balance sheet amount	453,698	70,497	5,652,929	250,262	154,955	6,582,341	7,329,233
% IAS portfolio	0.35%	0.25%	0.92%	2.70%	0.27%	0.78%	0.87%

A breakdown of the group's **gross and net exposure** to structured credit products.

Structured credit product exposures

(€ '000)

	AMOUNTS AS AT 12.31.2011	
EXPOSURE TYPE	GROSS EXPOSURE (NOMINAL AMOUNT)	NET EXPOSURE (CARRYING AMOUNT)
RMBS	3,105,508	2,998,072
CMBS	1,248,811	1,175,227
CDO	411,731	263,705
CLO/CBO	1,686,526	1,439,088
ABS others	567,500	431,586
Loans	274,663	274,663
Total	**7,294,739**	**6,582,341**

Cash exposure, as mentioned, consists almost entirely of asset backed securities amounting to € 6,307,678 thousand mainly held in the Global ABS portfolio in the books of the CIB and UniCredit Bank Ireland.

Following tables reports, respectively for ABS, loans and guarantees, the exposure amount together with their seniority.

The tables do not show the ABSs originated by UniCredit securitizations, whether synthetic or traditional. These are shown in the table given in the 'Group as Originator' section above.

Structured credit product exposures broken down by subordination degree

(€ '000)

	AMOUNTS AS AT 12.31.2011			
EXPOSURE TYPE	SENIOR	MEZZANINE	JUNIOR	TOTAL
- RMBS	2,496,570	501,502	-	2,998,072
- Prime	2,287,061	380,498	-	2,667,559
- Subprime	2,799	1,106	-	3,905
- Nonconforming	206,710	119,898	-	326,608
- CMBS	859,794	315,433	-	1,175,227
- CDO	169,760	93,920	25	263,705
- CDO of ABS / CDO of CDO	1,508	20,991	2	22,501
- CDO Balance Sheet	140,464	-	-	140,464
- CDO Market Value	-	-	-	-
- CDO Preferred Stock	-	57,773	-	57,773
- CDO Synthetic Arbitrage	-	-	1	1
- CRE CDO	15,832	3,307	-	19,139
- CDO others	11,956	11,849	22	23,827
- CLO/CBO	930,184	480,243	28,661	1,439,088
- CLO SME	89,537	43,588	1,067	134,192
- CLO arbitrage/balance sheet	328,670	105,971	1,975	436,616
- CLO / CBO other	511,977	330,684	25,619	868,280
- Consumer loans	113,632	6,568	-	120,200
- Credit cards	-	-	-	-
- Student loans	79,407	57,417	4,204	141,028
- Leasing	68,726	36,495	-	105,221
- Others	24,518	21,773	18,846	65,137
Total balance sheet exposures	**4,742,591**	**1,513,351**	**51,736**	**6,307,678**

Part E - Information on risks and related risk management policies (Continued)

Loans and guarantees

(€ '000)

EXPOSURE TYPE	AMOUNTS AS AT 12.31.2011							
	ON BALANCE SHEET EXPOSURES				OFF BALANCE SHEET EXPOSURES			
	SENIOR	MEZZANINE	JUNIOR	TOTAL	SENIOR	MEZZANINE	JUNIOR	TOTAL
Loans	**209,747**	**-**	**64,916**	**274,663**	**-**	**-**	**-**	**-**
- Residential mortgages	209,747	-	-	209,747	-	-	-	-
- Commercial mortgages	-	-	-	-	-	-	-	-
- CDO	-			-	-	-	-	-
- CLO	-	-	-	-	-	-	-	-
- Credit Cards	-	-	-	-	-	-	-	-
- Consumer loans	-	-	-	-	-	-	-	-
- Student Loans	-	-	-	-	-	-	-	-
- Others	-	-	64,916	64,916	-	-	-	-
Guarantees given	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Credit facilities	**-**	**-**	**-**	**-**	**17,320**	**-**	**-**	**17,320**

The above table presents the Group's exposure to SPEs, including guarantees given and lines of credit.

This support is generally given when structuring securitizations for third parties as manager or arranger of the transactions.

At December 31, 2011 the Group's exposure in structured credit products was €6,582,341 thousand, a reduction of over 10% from December 31, 2010 when the figure was €7,329,233 thousand.

The exposure in ABSs fell from €7,094,116 thousand at December 31, 2010 to €6,307,678 thousand.

Exposure in the form of loans to vehicles was €274,663 thousand at December 31, 2011. Unutilized portion of credit lines and guarantees given amounts to €17,320 thousand.

In addition to reported exposures, the Group is exposed to Credit Default Swaps having structured credit products as underlyings.
These instruments have a positive fair value of € 56,696 thousand and a notional amount of € 255,492 thousand.

The good credit quality of this portfolio is borne out by the fact that over 79% of these instruments are rated A or better and over 28% of the portfolio is triple-A rated.

At December 31, 2011 over 86% of these exposures were rated A and 41% of the portfolio was rated triple-A.
Over 79% of the exposure is toward countries belonging to European Union.

Exposure to Greece, Ireland, Portugal and Spain accounts for 21.58%, most of which concerns exposures to Spanish underlying assets (12.55%).

The following tables give a breakdown of the **net exposure** at December 31 2011, **by instrument, rating and region.**

Structured credit product exposures broken down by rating class

EXPOSURE TYPE	AAA	AA	A	BBB	BB	B	CCC	CC	C	NR
RMBS	25.69%	30.74%	20.43%	12.10%	9.12%	0.93%	0.99%	0.00%	0.00%	0.00%
CMBS	15.55%	26.22%	35.50%	18.06%	4.43%	0.24%	0.00%	0.00%	0.00%	0.00%
CDO	2.99%	54.07%	0.31%	11.26%	3.22%	4.78%	21.66%	0.01%	1.70%	0.00%
CLO/CBO	56.31%	24.27%	12.93%	3.14%	0.61%	0.35%	0.39%	0.00%	0.00%	2.00%
Other ABS	11.24%	39.14%	15.56%	17.47%	8.34%	0.03%	1.32%	0.00%	0.00%	6.90%
Total	**28.85%**	**29.97%**	**20.35%**	**11.50%**	**6.00%**	**0.77%**	**1.55%**	**0.00%**	**0.07%**	**0.94%**

Structured credit product exposures broken down by geographical area

EXPOSURE TYPE	ITALY	OTHER UE COUNTRIES	OTHER EUROPEAN COUNTRIES (NON UE)	ASIA	USA	REST OF THE WORLD
RMBS	9.08%	81.90%	0.00%	0.85%	0.35%	7.82%
CMBS	5.14%	80.47%	0.00%	0.24%	14.15%	0.00%
CDO	0.00%	15.45%	0.00%	0.73%	83.82%	0.00%
CLO/CBO	0.03%	63.53%	2.90%	0.00%	28.48%	5.06%
Other ABS	29.73%	38.90%	0.00%	0.00%	31.37%	0.00%
Total	**7.31%**	**71.72%**	**0.66%**	**0.48%**	**14.95%**	**4.88%**

The Group's portfolio includes the following:

RMBSs: Residential mortgage backed securities are notes issued by SPVs whose redemption depends on the performance of residential mortgages securitized by a non-Group originator.
An insignificant portion of these instruments has US Subprime or Alt-A mortgages as underlyings.

The following table shows the main characteristics of these instruments as at December 31, 2011 and December 31, 2010.

RMBS

	12.31.2011	12.31.2010
Gross Exposure	3,105,508	3,489,018
Net Exposure	2,998,072	3,352,143
% AAA	*25.69%*	*57.80%*
% Investment grade	*63.27%*	*39.48%*
% Sub Investment grade	*11.04%*	*2.72%*
% USA	0.35%	0.81%
% Europe	90.98%	89.82%
% Rest of the world	8.67%	9.37%
thereof US Subprime	3.905	16.085
there of US Alt-A	6.157	10.740

CMBSs: Commercial mortgage backed securities are notes issued by SPVs whose redemption depends on the performance of commercial mortgages securitized by a non-Group originator.

The following table shows the main characteristics of these instruments as at December 31, 2011 and December 31, 2010.

CMBS

	12.31.2011	12.31.2010
Gross Exposure	1,248,811	1,376,162
Net Exposure	1,175,227	1,254,459
% AAA	*15.55%*	*26.43%*
% Investment grade	*79.78%*	*70.75%*
% Sub Investment grade	*4.67%*	*2.82%*
% USA	14.15%	7.36%
% Europe	85.61%	88.98%
% Rest of the world	0.24%	3.66%
thereof US Subprime	-	-
there of US Alt-A	-	-

Part E - Information on risks and related risk management policies (CONTINUED)

CDOs: Collateralized debt obligations are notes with varying seniority issued by SPVs in respect of debt instruments, including structured credit instruments (CDOs of ABS).
As with all asset-backed securities, redemption of these notes depends on the performance of the underlying assets and any additional security.
The purpose of these instruments is to benefit from the spread between the notes' yield and that of the assets.
An insignificant portion of these instruments has US Subprime or Alt-A mortgages as underlyings.

The following table shows the main characteristics of these instruments as at December 31, 2011 and December 31, 2010.

CDO

	12.31.2011	12.31.2010
Gross Exposure	411,731	550,312
Net Exposure	263,705	352,534
% AAA	*2.99%*	*5.91%*
% Investment grade	*65.64%*	*62.09%*
% Sub Investment grade	*31.37%*	*32.00%*
% USA	83.82%	72.71%
% Europe	15.45%	20.91%
% Rest of the world	0.73%	6.38%
thereof US Subprime	1,510	11,110
there of US Alt-A	-	3,599

CLO/CBO: these instruments are notes issued by SPVs in respect of loans (Collateralized Loan Obligations - CLOs) and corporate bonds (Collateralized Bond Obligations - CBO).

The following table shows the main characteristics of these instruments as at December 31, 2011 and December 31, 2010.

CLO/CBO

	12.31.2011	12.31.2010
Gross Exposure	1,686,526	1,650,326
Net Exposure	1,439,088	1,327,908
% AAA	*56.31%*	*11.90%*
% Investment grade	*40.34%*	*80.35%*
% Sub Investment grade	*3.35%*	*7.75%*
% USA	28.48%	20.01%
% Europe	66.46%	76.80%
% Rest of the world	5.06%	3.19%
thereof US Subprime	-	-
there of US Alt-A	-	-

Other ABS: These instruments are structured credit products issued by SPVs in respect of consumer loans, student loans, leasing loans and other loans.

The following table shows the main characteristics of these instruments as at December 31, 2011 and December 31, 2010.

Other ABS

	12.31.2011	12.31.2010
Gross Exposure	567,500	904,296
Net Exposure	431,586	807,072
% AAA	*11.24%*	*64.88%*
% Investment grade	*72.17%*	*27.96%*
% Sub Investment grade	*16.59%*	*7.16%*
% USA	31.37%	13.68%
% Europe	68.63%	85.80%
% Rest of the world	0.00%	0.52%
thereof US Subprime	-	-
there of US Alt-A	-	-

Exposure to US Subprime and Alt-A Mortgages

The Group's exposure to US Subprime and Alt-A mortgages was restricted to the above RMBSs and CDOs with these underlyings.
The Group has no mortgages classified as sub-prime in its loan book nor guarantees of such exposure.
The following table summarizes **exposure** to **US Subprime** and **Alt-A mortgages**, which was €11,572 thousand at December 31, 2011, i.e. a reduction from both December 31, 2010 when this figure was €41,534 thousand.

US Subprime and Alt-A exposures

(€ '000)

	AMOUNTS AS AT 12.31.2011		
UNDERLYNG / EXPOSURE TYPE	CDO OF ABS	RMBS	TOTAL
US Alt-A	-	6,157	6,157
US Subprime	1,510	3,905	5,415
Total	**1,510**	**10,062**	**11,572**

Instruments with US subprime underlyings have a coverage ratio of 83.4%. Instruments with Alt-A mortgages underlyings have a coverage ratio of 11.5%
Percentage **composition of the vintage** of **US Subprime and Alt-A** exposures is reported in the following tables.

US Subprime and Alt-A percentage of exposures broken down by vintage

UNDERLYING / VINTAGE	BEFORE 2005	2005	2006
US Alt-A	7.21%	92.79%	0.00%
US Subprime	59.39%	20.15%	20.46%
Total	**31.63%**	**58.80%**	**9.57%**

1.4 Reclassification of Structured Credit Products

In 2008 and in H1 2009 most structured credit products were reclassified from financial assets held for trading or available for sale to "loans and receivables with customers", pursuant to the amendments to IAS 39 endorsed by Regulation EC 1004/2008 (see Part A - 3.1. Transfers between portfolios).

Part E - Information on risks and related risk management policies (Continued)

The following table shows the amounts of these instruments which were subject to reclassification, the amounts which would have been recognized in the year if they had not been reclassified, as well as the amounts actually recognized in the year.

ACCOUNTING PORTFOLIO BEFORE RECLASSIFICATION	ACCOUNTING PORTFOLIO AFTER RECLASSIFICATION	CARRYING AMOUNT AS AT	FAIR VALUE AS AT	INCOME/EXPENSES ABSENT RECLASSIFICATION (BEFORE TAXES)		INCOME/EXPENSE RECOGNIZED DURING THE PERIOD (BEFORE TAXES)	
		12.31.2011	12.31.2011	FROM MEASUREMENT	OTHER	FROM MEASUREMENT	OTHER
Available for sale	Loans to customers	108,869	65,347	- 44,857	33,706	-	23,502
Held for Trading	Loans to customers	4,605,956	3,785,761	- 31,293	247,929	2,999	168,840
Total		**4,714,825**	**3,851,108**	**- 76,150**	**281,635**	**2,999**	**192,342**

These data include a non-significant amount of asset backed securities from own synthetic securitizations or in respect of which the underlying assets were derecognized from the balance sheet.

1.5 The Fair Value of Structured Credit Products

Structured credit products classified as financial assets held for trading, designated at fair value and available for sale are valued at their market value, in line with the general rules described in Part A.3 - Information on Fair Value.
The deterioration of market conditions since H2 2007 made it particularly complex to valuate these products due to the gradual disappearance of a liquid secondary market characterized by executable prices that could be used for valuation purposes.

As described in Part A.3, in order to react to this new market environment, the Group has resorted to *Indipendent Price Verification* and *Fair Value Adjustment* processes.

In respect of structured credit products, this process requires that the prices for trading positions be verified monthly by Risk Management units that are independent from the units that assume the risk exposure, and that the fair value be adjusted in order to consider the subjectivity resulting from the use of illiquid parameters.

As a result of the valuation process described above, structured credit products are valued by using as a reference the prices of the main price providers (MarkIt). However, these valuations should be considered as “second-level” as they are not necessarily executable (for further information on fair value levels see Part A.3.2. Fair Value Hierarchy).

Absent this type of prices for the instrument being valued, its fair value is determined by using cash-flow discounting models.

These models discount the instrument’s estimated cash flows at a rate that considers an adequate risk spread, whose determination is therefore fundamental for the valuation process. In particular, the spread used is the average spread applied to instruments which are similar to that being valued in terms of asset class, rating, underlying geography.

Where it is impossible to identify similar instruments, the spread is anyway determined by considering instruments which are similar to that being valued, adjusted (through interpolation and extrapolation processes) to take into account the differences noted.
The value resulting from the described valuation models is based on inputs and prices which are not necessarily executable on the market.
The value is therefore subject to further fair value adjustments to consider the risks associated to the use of non-executable inputs and prices.
This adjustment, which is proportionate to the observability of prices/inputs used in the valuation, is determined according to the economic effects of a one notch downgrade of the instrument being valued, i.e. the use of a spread which is appropriate to a level of rating immediately lower than that used.

The fair value determined by using these valuation techniques is classified as level-2 or level-3 according to the degree of similarity between the spread and the instrument being valued, and the consequent significance of the calculated value adjustments.

87.06% of the portfolio is priced using level 2 methods and the remaining 12.94% according to level 3 methods.

Structured credit product exposures: fair value hierarchy

EXPOSURE TYPE	LEVEL 2	LEVEL 3
RMBS	99.28%	0.72%
CMBS	98.18%	1.82%
CDO	0.00%	100.00%
CLO	85.21%	14.79%
Other ABS	51.83%	48.17%
Total	**87.06%**	**12.94%**

1.6 Group Exposure to Monoline Insurers

The Group has limited exposure to monoline insurers.
It is not the usual practice of the Group to manage credit risk arising from ABS exposures through credit derivatives, or other guarantees with monoliners.
The Group has direct exposure to certain baskets of names which include monoliners.

The following table gives the amount of these **exposures** by **monoliner**.

Exposures to monoliners

(€ '000)

	AMOUNTS AS AT	
COUNTERPARTY	12.31.2011	12.31.2010
AMBAC Financial Group	-	12,802
Assured Guaranty Corporation	9	2,136
MBIA Insurance Corporation	94,938	27,898
Radian Group Inc.	53,469	338
The PMI Group Inc.	1,306	-
Total	**149,722**	**43,174**

The Group's portfolio includes asset-backed securities and other debt securities amounting to €629,704 thousand, which are guaranteed also by monoline insurers.

1.7 Group Exposure to Leveraged Finance

As part of its lending business, the Group grants loans or credit lines that may be classified as leveraged finance, in that they finance the acquisition of significant stakes in target companies, which are usually subsequently absorbed by the borrower.

Repayment and debt service depend largely on the cash flow generated by the new company post-absorption.

These transactions bear good yields in terms of both interest and fees. However, the risk is higher given the borrower's greater leverage.

The Group is generally involved in leveraged finance through participation in syndicated loans made by a banking syndicate.

As at December 2011, the net book value of these transactions, mainly carried out by Corporate and Investment Banking (CIB), amounted to €7,905 million.

These exposures are monitored continuously for credit quality by analyzing the borrower's business performance indicators and fulfillment of budget objectives in order to detect any lasting impairment losses.

In the case of further future syndications through the sale of a portion of the loan to third parties, at the same paying a portion of fees already received, these fees are not recognized as income.

2. OTC Trading Derivatives with Customers

The business model governing OTC derivatives trading with customers provides for centralization of market risk in the CIB Division, while credit risk is assumed by the Group company which, under the divisional or geographical segmentation model, manages the relevant customer's account.

Part E - Information on risks and related risk management policies (CONTINUED)

The Group's operational model provides for customer trading derivatives business to be carried on, as part of each subsidiary's operational independence:
- by the commercial banks and divisions (Retail, F&SME, AM) that close transaction in OTC derivatives in order to provide non-institutional clients with products to manage currency, interest-rate and price risk. Under these transactions, the commercial banks transfer their market risks to the CIB Division by means of equal and opposite contracts, retaining only the relevant counterparty risk. The commercial banks also place or collect orders on behalf of others for investment products with embedded derivatives (e.g., structured bonds);
- by the CIB Division operating with large corporate and financial institutions, in respect of which it assumes and manages both market and counterparty risk;
- by CEE Banks, which transact business directly with their customers.

UniCredit Group trades OTC derivatives on a wide range of underlyings, e.g.: interest rates, currency rates, share prices and indexes, commodities (precious metals, base metals, petroleum and energy materials) and credit rights.

OTC derivatives offer considerable scope for personalization: new payoff profiles can be constructed by combining several OTC derivatives (for example, a plain vanilla IRS with one or more plain vanilla or exotic options). The risk and the complexity of the structures obtained in this manner depend on the respective characteristics of the components (reference parameters and indexation mechanisms) and the way in which they are combined.

Credit and market risk arising from OTC derivatives business is controlled by the Chief Risk Officer competence line (CRO) in the Parent and/or in the Division or subsidiary involved. This control is carried out by means of guidelines and policies covering risk management, measurement and control in terms of principles, rules and processes, as well as by setting VaR limits.

This business with non-institutional clients does not entail the use of margin calls, whereas with institutional counterparties (dealt with by the CIB Division) recourse may be made to credit risk mitigation techniques, for example "netting" and/or collateral agreements.

Write-downs and write-backs of derivatives to take account of counterparty risk are determined in line with the procedure used to assess other credit exposure, specifically:
- performing exposure to non-institutional clients of the Italian commercial banks is valued in terms of PD (Probability of Default) and LGD (Loss Given Default), in order to obtain a value in terms of 'expected loss' to be used for items designated and measured at fair value;
- non-performing positions are valued in terms of estimated expected future cash flow according to specific indications of impairment (which are the basis for the calculation of the amount and timing of the cash flow).

Here follows the breakdown of balance-sheet asset item 20. "Financial assets held for trading" and of balance-sheet liability item 40. "Financial liability held for trading".

To make the distinction between customers and banking counterparties, the definition contained in Banca d'Italia Circular No. 262 as firstly updated on November 18, 2009 (which was used for the preparation of the accounts) was used as a reference.

Structured products were defined as derivative contracts that incorporate in the same instrument forms of contracts that generate exposure to several types of risk (with the exception of cross currency swaps) and/or leverage effects.

The balance of item 20. "Financial assets held for trading" of the consolidated accounts with regard to derivative contracts totaled €101,055 million (with a notional value of €1,957,244 million) including €41,293 million with customers. The notional value of derivatives with customers amounted to €672,282 million including € 656,312 million in plain vanilla (with a fair value of €40,654 million) and €15,970 million in structured derivatives (with a fair value of €639 million). The notional value of derivatives with banking counterparties totaled €1,284,962 million (fair value of €59,762 million) including €136,592 million related to structured derivatives (fair value of €2,093 million).

Customers entered into a total of 2,152 structured derivative contracts with the Group that are reported in balance-sheet asset item 20. "Financial assets held for trading". Of these, the largest 20. customers in terms of exposure cover 26.6% of overall exposure (generating exposure of €170 million for the Group).

The balance of item 40. "Financial liabilities held for trading" of the consolidated accounts with regard to derivative contracts totaled €103,929 million (with a notional value of €1,756,546 million) including €35,336 million with customers. The notional value of derivatives with customers amounted to €499,752 million including €488,974 million in plain vanilla (with a fair value of €35,006 million) and €10,778 million in structured derivatives (with a fair value of €330 million). The notional value of derivatives with banking counterparties totaled €1,256,794 million (fair value of €68,593 million) including €116,401 million related to structured derivatives (fair value of €1,483 million).

Section 2 - Market Risk

Market risk derives from the effect that changes in market variables (interest rates, securities prices, exchange rates, etc.) can cause to the economic value of the Group's portfolio, including the assets held both in the trading book, as well as those posted in the banking book, both on the operations characteristically involved in commercial banking and in the choice of strategic investments. Market risk management within the UniCredit Group accordingly includes all activities related to cash transactions and capital structure management, both for the Parent company, as well as for the individual companies making up the group.

The current organizational model guarantees the ability to steer, to coordinate and to control the activities of some aggregated risks (so-called Portfolio Risks), through dedicated responsibility centers (Portfolio Risk Managers), completely focused and specialized on such risks, under a Group and interdivisional perspective.

According to this organization, the structures at first level of reporting to "Group Risk Management", dedicated to market risk governance, are:
- "Group Trading Risks", regarding market risk related to Trading Book positions;
- "Group Balance Sheet & Liquidity Risk", regarding market risk related to Banking Book positions.

Risk Management Strategies and Processes

The Parent Company's Board of Directors lays down strategic guidelines for taking on market risks by calculating capital allocation for the Parent company and its subsidiaries, depending on risk appetite and value creation objectives in proportion to risks assumed.
The Parent's Group Risks Committee provides advice and recommendations in respect of decisions taken by the Chief Executive Officer and in drawing up proposals made by the Chief Executive Officer to the Board of Directors with regard to the following topics:
- the Group's risk appetite, including capitalization objectives, capital allocation criteria, risk-taking capacity, cost of equity and dividends policy, as well as internal capital limits;
- general strategies for the optimization of risks, general guidelines and general policies for Group risk management;
- internal models for measuring all types of risks to calculate regulatory capital;
- structure of limits by type of risk;
- strategic policies and funding plans.

The Group Risk Committee is responsible for the Group strategic risk decisions at Group level and proposes to the Board of Directors the structure of limits by type of risk.

Furthermore, it decides on the following topics:
- the definition of guidelines relative to Group financial policies (asset and liability management strategies, including the Group-wide duration profile);
- the allocation of risk to the Business Units and to the Entities, specific risk-related guidelines and strategies and consequently setting of limits for achieving objectives in terms of risk appetite and limits by type of risk;
- methods for the measurement and control of the Group's aggregate risks (deriving from the aggregation of individual types of risk);
- guidelines, policies and strategies for real estate risk, financial investment risk and business risk;
- intervention plans in the event of critical aspects shown in the initial validation reports and over time;
- topics involving the implementation of Basel II standards, as well as the respective project and process activities.

In addition to GRC, with reference to management of Market Risks, the responsible Committees are:
- Group Market Risk Committee;
- Group Assets & Liabilities Committee.

The "Group Market Risk Committee" is responsible for monitoring Market Risks at Group level, for evaluating the impact of transactions - approved by the competent bodies - significantly affecting the overall Market Risk portfolio profile, for submitting to the "Group Risk Committee" - for approval or information - market risk strategies, policies, methodologies and limits as well as regular reporting on market risk portfolio.
The Committee is also responsible for ensuring consistency in Market Risk policies, methodologies and practices across Divisions, Business Units and Legal Entities. It controls and monitors the Group market risk portfolio.

The "Group Assets and Liabilities Committee" is responsible for monitoring liquidity risk, Banking Book interest rate and FX risks, submitting to the "Group Risk Committee", for either approval or information, the strategies for assets and liabilities management - including duration profile at Group level - the overall overview of the Group ALM positioning, as well as strategies, policies, methodologies and limits for liquidity, Banking book interest rate and FX risks.
The Committee is responsible for ensuring consistency in liquidity, Banking book interest rate and FX risk policies, methodologies and practices across Regional Liquidity Centers, Divisions, Business Units and Legal Entities, with the objective to optimize the utilization of financial resources such as liquidity and capital and to reconcile the demand for them with business strategies across the Group. Moreover, it monitors the evolution of assets and liabilities of the whole Group and the execution of the funding plan. It analyses the impact of interest rate movements, liquidity constraints and foreign exchange exposures.

Part E - Information on risks and related risk management policies (Continued)

Trading Book

The Trading Book includes the positions in financial instruments and commodities held either with trading intent or in order to hedge other elements of the trading book itself. To be eligible for trading book capital treatment, financial instruments must either be free of any restrictive covenants on their tradability or able to be hedged completely. In addition, positions should be frequently and accurately valued, and the portfolio should be actively managed.

The risk that the value of a financial instrument (an asset or a liability, cash or derivative) changes over time is determined by the following five standard market risk factors:
- Credit risk: the risk that the value of the instrument decreases due to credit spreads changes;
- Equity risk: the risk that the value of the instrument decreases due to stock or index prices changes;
- Interest rate risk: the risk that the value of the instrument decreases due to interest rates changes;
- Currency risk: the risk that the value of the instrument decreases due to foreign exchange rates changes;
- Commodity risk: the risk that the value of the instrument decreases due to commodity prices (e.g. gold, crude oil) changes.

UniCredit group manages and monitors market risk trough the following measures:
- Loss Warning Level, which is defined as the 60 days rolling period accumulated economic P&L of a risk taker;
- Combined Stress Test Warning Level, which represents the potential loss in value of a portfolio calculated on the basis of a distressed scenario;
- Value at Risk (VaR), which represents the potential loss in value of a portfolio over a defined period for a given confidence interval;
- Sensitivities, which represent the change in the market value of a financial instrument due to moves of the relevant market risk factors.

On the basis of these measures, two sets of limits are defined:
- Global Market Risk limits (Loss Warning Levels, Combined Stress Test Warning Level, VaR): which are meant to establish a boundary to the economic capital absorption and to the economic loss accepted for activities under trading activities regime; these limits have to be consistent with the assigned budget of revenues and the defined risk taking capacity;
- Granular Market Risk limits (Sensitivity limits): which exist independently of, but act in concert with Global Market Risk limits and operate in a consolidated fashion across the Legal Entities (if applicable); in order to control more effectively and more specifically different risk types, desks and products, these limits are generally granular sensitivity or stress-related limits.

Banking Book

The bank hedges the interest rate risk in the Banking Book mainly originated by its client business, while taking actively into account the changes in the market circumstances. Hedge strategies aim to take into account the consumer behavior as for example prepayment of mortgages and other loans. The view on the interest rate risk position of the Banking Book is reviewed at least on a monthly basis by the Group ALCO. The committee's involvement in Interest rate risk management includes:
- Limit setting and monitoring;
- Hedge strategies;
- Guidelines and policies;
- Funds transfer pricing decisions;
- Risk Methodologies and Measurement.

It should be noted that Group ALCO sets the guidelines and Risk Framework for the Regional Centres. Their ALCOs fill in the process for their perimeter, while Group ALCO monitors the overall position.
Risk Management proposes the limits that require approval from the Group Risk Committee.

Structure and Organization

Trading Book

With reference to trading book risks governance, that is market risk originated by Group functions authorized to manage trading positions, the "Group Trading Risks" department has been created, as responsible for the governance and control of these type of risks at Group level, through the definition of the strategies and the limits, the drafting process of the related Group Regulations and the monitoring for their implementation at Group's Legal Entities level, the development of the methodologies for measuring the risks, the execution of the stress-test activities and the portfolio analysis.
The aforementioned department is also responsible for a managerial coordination, within its area of competence, of the corresponding functions at Group's Legal Entities level, according to Internal Regulations ("GMGR[6]" and "GMGR Evolution") and to address the choice of the correct pricing methodologies/models for financial instruments by coordinating activities for the development of "pricing libraries" and their integration in the front-office systems.

6. "Group Managerial Golden Rules".

This control is ensured through an organizational structure that consists, in particular, in the following units:

- "Market Risk Management" department responsible for the governance and control of the Group's market risks through:
  - the definition of strategies and risk limits, the execution of stress-test activities and portfolio analysis;
  - market risk control for UniCredit S.p.A and at consolidated level.

  The department breaks down as follows:
  - "Group Market Risk Management" unit responsible for:
    - ¤ coordinating (in cooperation with the Legal Entities' Market Risk functions) the iterative process for the setting of global and granular limits to be submitted for approval to the Committees and competent deliberative bodies, both at local and at Parent Company level;
    - ¤ monitoring day-by-day global and granular limits, activating escalation process in the event of limits being reached or overtaken, determining also the right countermeasures/mitigation actions to be taken, if necessary;
    - ¤ analyzing day-by-day P&L on the basis of the reports provided by Group Entities;
    - ¤ defining the IPV[7] and FVA[8] methodologies that the Group Entities will be made to adopt;
    - ¤ assessing market risks pertaining to new products and formulating non-binding opinions on the issuance of such products;
    - ¤ managing the activities connected to the independent pricing validation (IPV) for non-listed or non-liquid securities and for market conformity check of the illiquid ones;
    - ¤ providing the "Risk Integration & Capital Adequacy" unit with the data necessary for monitoring and planning for the risk appetite and the EVA.
  - "Products Evaluation, Special Projects & Support" unit responsible for:
    - ¤ adequately supporting the Bank in the activities related to MiFID application, which require the use of the methodologies developed within Risk Management;
    - ¤ defining the stress test program through: the definition of new scenarios, the aggregation of the stress tests results supplied by the Group Legal Entities, the analysis the results of the stress tests and the identification of suitable corrective actions (such as risk mitigation activities, generation of new scenarios);
    - ¤ monitoring and managing market risk pertaining to non-core portfolios de-leveraging / de-risking;
    - ¤ leading special market risk initiatives;
    - ¤ reporting on market risk, in cooperation with the competent functions of the "Group Risks Operating Office" department, providing an updated view, at Group level, of the risks both in normal and stress scenarios.

- Market Risk Policies, Methodologies & Architecture unit responsible for:
  - developing methodologies for market risks management (e.g. VaR, Stressed VaR, Incremental Risk Charge, Comprehensive Risk Measure, Credit Counterparty Risk, Expected Positive Exposure, etc.), making sure the models used within the Group are mutually consistent and calculating the metrics in collaboration with the related structures of the Legal Entities;
  - drawing up Group Rules concerning trading risks;
  - verifying that operating policies on market risks issued by the Legal Entities are coherent and compliant with the strategies and the Group Rules defined by "Group Trading Risks" department;
  - monitoring, according to the current Group Internal Regulation in place, the approval and implementation, within the Group Legal Entities, of the Group Rules on market risk;
  - monitoring the results of the back testing carried out by the Legal Entities and of the back testing done at a consolidated level;
  - developing prototypes for new technologies in order to manage market risks;
  - setting up and updating, in collaboration with the relevant structures of the Legal Entities, the infrastructure for the management of market data and documenting and monitoring the relative processes (data collection, management and storage).

Banking Book

The control of market risks in the Banking Book is under responsibility of the "Balance Sheet Risks Control" unit in Group Risk Management. Responsibilities include:

- drawing up Group Rules on balance sheet risk related to the banking book;
- verifying that operational policies on balance sheet risks related to the Banking Book, issued by the Legal Entities, are coherent and compliant with the strategies and the Group Rules;
- proposing to the competent bodies the limits for managing the balance sheet risks related to the Banking Book, taking care of the related sub allocation of limits, in order to maintain the Group risk profile within the risk appetite framework approved by the Board of Directors and other competent bodies;
- monitoring the respect of balance sheet risk limits related to the Banking Book and medium-long term liquidity limits set by the competent bodies at Group and regional center level, proposing corrective actions in order to maintain the Group risk profile within the risk appetite framework approved by the Board of Directors;
- ensuring the substantial Groupwide harmonization of the measurement frameworks used for IRR Management and Behavioral models;
- monitoring the right application of fund transfer prices among the Units and the RCS of the Group.

7. Independent Price Valuation.
8. Fair Value Adjustment.

Part E - Information on risks and related risk management policies (Continued)

Risk measurement and reporting systems

Trading Book
During 2011, the Group continued to develop and expand existing models with the aim of achieving increasing accuracy in the representation of the Group's risk profiles for portfolios of complex financial products. In particular, in compliance with the new Basel Committee regulations and guidelines and in order to properly address the shortcomings of the standard VaR framework, UniCredit Group completed during 2011 the development of internal models for Incremental Risk Charge (IRC) and Comprehensive Risk Measure (CRM) estimation, and updated the capital charge calculation including the Stressed VaR component.

The monitoring of these risk profiles was made even more efficient and rapid with the introduction of individual risk limits, in addition to VaR limits, in relation to primary investment banking operations.

In the same way, and in an effort to achieve product/portfolio assessments based on more rigorous standards of prudence, methodologies for establishing valuation reserves for loan products were refined and made more specific with a special focus on structured loans.

Within the organizational context described above, the policy implemented by the UniCredit group within the scope of market risk management is aimed at the gradual adoption and use of common principles, rules and processes in terms of appetite for risk, ceiling calculations, model development, pricing and risk model scrutiny.

Market Risk Management department is specifically required to ensure that principles, rules and processes are in line with industry best practice and consistent with standards and uses in the various countries in which they are applied.
The main tool used by the UniCredit group to measure market risk on trading positions is Value at Risk (VaR), calculated using the historical simulation method. Please refer to Table 11 for further detail on risk models.

Market risk reporting standards are set by the Group Risk Committee under the proposal of the Market Risk function. Market Risk Management defines market risk reporting standards, both in terms of contents and recurrence, and provides timely information to senior management and regulators regarding the market risk profile on a consolidated level.

Banking Book
The primary responsibility of the monitoring and control of the risk management for Market Risk in the Banking Book lies in the Bank's competent Bodies. For instance, the Parent Company is in charge of monitoring Market Risks for the Banking Book at the consolidated level. As such, defines structure, data and frequency of the necessary Group reporting.
The Banking Book interest rate risk measures cover both the value and net interest income risk aspects.
More precisely, the different, and complementary, perspectives involve:
- *Economic value perspective:* variation in interest rates can affect the economic value of assets and liabilities. The economic value of the bank can be viewed as the present value of the bank's expected net cash flows, defined as the expected cash flows on assets minus the expected cash flows on liabilities;
- *Income perspective:* the focus of analysis is the impact of changes of interest rates on accrual or reported Net Interest Income that is the difference between revenues generated by interest sensitive assets and the cost related to interest sensitive liabilities. An example of a measure of risks used are Net Interest Income sensitivity.

In addition a framework is set up to measures other Market Risk types such foreign exchange risk, equity risk, value risk due to credit spread fluctuations.

Stress tests: they are an important risk management tool that provides UniCredit with an indication of how much capital might be needed to absorb losses in case of large financial shocks. Stress testing forms an integral part of the internal capital adequacy assessment process (ICAAP), which requires UniCredit to undertake rigorous, forward-looking stress testing that identifies possible events or changes in market conditions that could adversely impact the bank.

Hedging policies and risk mitigation

Trading Book
On a monthly basis a set of risk indicators is provided to the Group Risk Committee through the Enterprise Risk Management Report; these include VaR, Stressed-VaR, IRC and CRM usages, Sensitivities and Stress Test results.

At the same time limit breaches are reported both to the Group Market Risk Committee and to the Group Risk Committee, the escalation process being ruled by the Special Group Policy for Market Risk Limits Management of Trading Book activities which defines the nature of the various thresholds/ limits applied as well as the relevant bodies to involve to establish the most appropriate course of action to restore exposure within the approved limits.

If required, focus is provided from time to time on the activity of a specific business line/desk in order to ensure the highest level of comprehension and discussion of the risks in certain areas which are deemed to deserve particular attention.

Banking Book

ALCO discusses the main Market Risk drivers on a monthly basis. It receives an update about the current status of the Banking Book risk measures both from a value and income perspective.

Limits and warning levels are monitored by Risk Management Function. Breaches are reported, upon occurrence, to the relevant bodies. Consequently the escalation process is activated in line with the procedures set in the Policy, to establish the most appropriate course of action to restore exposure within the approved limits.

Execution of structural hedges to mitigate the interest rate risk exposure on client business are executed by the Treasury. Strategic transactions in the banking book can be executed by the Asset and Liability Management department.

Internal Model for Price, Interest Rate and Exchange Rate Risk of the Regulatory Trading Book

The policy implemented by the UniCredit Group within the scope of market risk management is aimed at the gradual adoption and use of common principles, rules and processes in terms of appetite for risk, ceiling calculations, model development, pricing and risk model scrutiny.

Group Trading Risks is required to ensure that principles, rules and processes are in line with industry best practice and consistent with standards and uses in the various countries in which they are applied.

The Directive 2010/76/EU (CRD III) introduced several improvements to the capital regime for trading book positions fully receiving the proposal from the Basel Committee. CRD III enhances the current value-at-risk (VaR) based framework with other risk measures: an incremental risk capital charge (IRC), a comprehensive risk measure (CRM) specific to the correlation trading portfolio (CTP), a stressed value-at-risk (sVaR).

Incremental risk capital charge captures default risk as well as migration risk for unsecuritised credit products, while comprehensive risk measure covers credit risk (i.e. default, migration and credit spread) for trading positions in the correlation trading portfolio. Additional capital charge for securitizations and credit products not covered by either IRC or CRM is evaluated through the standardized approach. The additional stressed VaR requirement is expected to help reduce the pro-cyclicality of the minimum capital requirements for market risk.

UniCredit group calculates both VaR and sVaR for market risk on trading positions using the Historical simulation method.

The Historical simulation method provides for the daily revaluation of positions on the basis of trends in market prices over an appropriate observation period. The empirical distribution of profits/losses deriving therefrom is analyzed to determine the effect of extreme market movements on the portfolios. For a given portfolio, probability and time horizon, VaR is defined as a threshold value such that the probability that the mark-to-market loss on the portfolio over the given time horizon not exceeding this value (assuming normal markets and no trading in the portfolio) has the given confidence level. The parameters used to calculate the VaR are as follows: 99% confidence level; 1 day time horizon; daily update of time series; observation period of 500 days. Use of a 1-day time-horizon makes it possible to make an immediate comparison with profits/losses realized.
Analogously stressed VaR is calculated with 99% confidence level and 1 day time horizon on a weekly basis, but over a stressed observation period of 250 days. The chosen historical period identifies the 1-year observation period which produces the highest resulting measure for the current portfolio. Over all the 2011 the so-called Lehman crisis period (from 2008-04-15 to 2009-03-30) has been the stressed observation period within the entire UniCredit group.
For regulatory capital calculation the 1-day VaR and sVaR are properly scaled to a 10-days' time horizon while the 1-day measures are actively used for market risk management.

UniCredit group calculates IRC over a one-year capital horizon at 99.9% confidence level using a multivariate version of a Merton-type model (e.g. Moody's KMV) in which both migration and default events are accounted for. Default is indeed seen as a particular migration to an absorbing state. Migration events are simulated on the capital horizon, taking into account the liquidity horizon of individual positions. However over 2011 a conservative liquidity horizon of one year has been applied to all positions.

Since the CRM measure should cover all price risk on the CTP perimeter, UniCredit group implemented a two components measure in order to catch all the required risk facets. Therefore CRM is obtained as the sum of two partially overlapping components. In more detail:

- CRM.IRC: The IRC component simulates migrations and defaults, extending the IRC framework to account for stochastic recovery rates and the effect of multiple defaults. This part of the measure embeds a credit spread dynamics that has a jump component to it; it indeed simulates changes in spread levels as a result of rating migrations occurring in a through-the-cycle real-world probabilistic set up.

Part E - Information on risks and related risk management policies (CONTINUED)

- CRM.VaR: The VaR component of the measure accounts for the credit spread risk and for the implied correlation one. Spread dynamics is specified both at individual issuer level and at index level. Credit spreads are evolved by means of a diffusive mean-reverting stochastic process calibrated to CDS spread series and is hence closer to a risk neutral perspective. Base correlations are simulated by means of a mean reverting diffusive multivariate process evolving the standard capital structure of two major indices. Implied correlation basis between standard tranches and bespoke ones is not explicitly simulated. Base correlation for standard tranches is calibrated from available market quotes and used to generate scenarios for both standard and bespoke CDOs.

The confidence level at which the CRM charge is calculated is 99.9% over the Capital Horizon of one year. Liquidity Horizon is set equal to the Capital Horizon for both the IRC-like and the VaR-like components. This basically embraces the constant position assumption suggested in the IRC guidelines.

Both of the measure's components include a spread-risk element.

IRC needs to meet soundness standard comparable to IRB. The charge was indeed compared to the IRB requirement for a subset of the top 50 issuers resulting into a 20% higher number (i.e. IRC=1.2IRB). As for the CRM, no real benchmark is specified. Robustness was assessed - among others - via a stress scenario that showed that level of capitalization implied by the model would account for the simultaneous sudden default of the top 50 names in the portfolio.

Group Internal Validation performed its analyses in order to evaluate the conceptual soundness of the IRC and CRM models, to supplement the available analyses on that topic and to ensure the compliance of the resulting risk management environment against all the relevant regulatory requirements and internal standards.
As already remarked by the regulation, traditional back testing procedures, regarding the 99.9% one-year soundness standard for IRC, are simply not applicable. Consequently, while validation of the IRC and CRM model relied heavily on indirect methods (including stress tests, sensitivity analysis and scenario analysis) in order to assess the qualitative and quantitative reasonableness of the model, special focus has indeed been given to the specific situation of the UniCredit portfolios.
Group Internal Validation kept the scope of their analysis as wide as possible in order to comprise the many diverse issues that are acting concurrently in such a model (general model design, regulatory compliance, numerical implementation, outcomes explanation).
In particular, among the topics Group Internal Validation addressed, we should mention model parameterization (such as credit migration matrices and their regularization to liquidity horizon shorter than one year, dependence structure, sensitivities analysis with regard to the most relevant model parameters, stability analysis with regard to potentially hard-to-estimate model inputs), model design, model replication, portfolio structure, processes and model outputs.

During 2011 the college of supervisors authorized UniCredit group to the use of internal models for the calculation of capital requirements for market risk. In details both UCB AG and BA AG are then allowed to calculate their regulatory capital by means of internal models for VaR, stressed VaR and IRC; the additional CRM capital charge is relevant for UCB AG only. As of the end of 2011 UCI, UCI Ireland and Bank Pekao are still using the standardized approach for calculating capital requirements related to trading positions. As part of the progressive extension of the internal models approach to all Group companies, however, the VaR is already used for the management of market risk in these latter companies.

The standardized measurement method is also applied to the calculation of capital covering the risk of holding banking book exposure in foreign currencies for the subsidiaries that do not perform trading activities.

In order to validate the coherence of VaR internal models, used in calculating capital requirements on market risks, backtesting is performed on a daily basis by applying an approach based on the framework suggested by the regulators, which is also the most straightforward procedure for comparing risk measures with the trading outcomes, i.e. calculating the number of times that the trading outcomes are not covered by the risk measures ("exceptions") over the most recent twelve months of data (250 daily observations). This test consists of comparing the estimated VaR with hypothetical P&L data, i.e. simulated changes in portfolio value that would occur were end-of-day positions to remain unchanged. Whenever the number of exceptions exceeds over the last year what forecasted by the confidence level assumed, a careful revision of model parameters and assumptions is initiated.

Trading portfolios are subject to Stress tests according to a wide range of scenarios for managerial reporting, which are described in dedicated paragraph below. According to national regulations, some relevant scenarios are also a matter of regulatory reporting on a quarterly basis. Moreover, substitute risk measures, i.e. sensitivities, defined stress scenarios or the indication of nominal amounts, are considered and included in the regulatory reporting for the estimation of risks that are not covered by the VaR simulation of UCB AG internal model.

As for internal scenario analysis policies and procedures (i.e. "stress testing"), these procedures have been entrusted to the individual legal entities. Overall, however, a set of scenarios common to the Group as a whole, is applied to all positions in order to check on a monthly basis the potential impact that their occurrence could have on the global trading portfolio.

Procedures and methodologies for Valuation of Trading Book positions

UniCredit ensures that the value applied to each trading book position appropriately reflects the current fair (market) value, i.e. the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of each financial instrument is based on, or derived from, observable market prices or inputs.
The availability of observable prices or inputs differs by product and market, and might change over time.

In case observable prices or parameters are readily and regularly available (i.e. satisfying adequate liquidity requirements), they are directly employed in the determination of fair value (mark-to-market) without any subjective component (e.g. liquid securities or equities, exchange traded derivatives). This includes instruments whose fair value is derived from valuation models which represent industry standard and whose inputs are directly observable (e.g. plain vanilla swap and a number of option contracts).

In non-active markets or for certain instruments, for which observable prices or inputs are not available, fair value is calculated leveraging on valuation techniques appropriate for the specific instrument (mark-to-model). This approach involves estimation and expert judgment and, therefore, might require valuation adjustments which take into account bid-ask spreads, liquidity and counterparty risk, besides the employed pricing model. In addition, each pricing model used for fair value calculation need to be validated by a dedicated function independent from business units.

According to Group Market Risk Governance Guidelines, in order to ensure the adequate separation between functions in charge of development activities and functions in charge of validation, all pricing models developed by Legal Entities front - office functions are centrally and independently tested and validated by the Holding Company Market Risk functions. Model validation is also carried out centrally for any novel system or analysis framework whose utilization has a potential impact on the bank's economic results.

In addition to daily marking to market or marking to model, Independent Price Verification (IPV) shall be performed. This is the process by which market prices or model inputs are regularly verified for accuracy and independence. While daily marking to market may be performed by dealers, verification of market prices and model inputs has to be performed by a function independent of the trading floor, at least monthly (or more frequently, depending on the nature of the market/trading activity). Where independent pricing sources are not available or pricing sources are too subjective, appropriate prudent measures such as fair valuation adjustments are set (FVA).

Information on pricing models used for fair value calculation

The following paragraph details the methodologies used for fair value calculation, focusing on those instruments whose prices are not immediately observable or regularly available.

Fixed Income Securities

Fixed Income Securities are priced in a two tier process depending on the liquidity in the respective market. Liquid instruments in active markets are marked to market and consequently positions in these instruments are disclosed in reference to Fair Value Hierarchy under Level 1. Instruments not traded in active markets are marked to model based on implied credit spread curves derived from the former Level 1 instruments. The model maximizes the use of observable input and minimizes the use of unobservable inputs. With this respect, depending on the proximity of the credit spread curve applied, the bonds are disclosed as Level 2 or Level 3 respectively; Level 3 is applied in case a significant unobservable credit spread is used. Under fair value accounting, fair value adjustments for liquidity and model deficiencies compensate for the lack of market observables for the Level 2 and Level 3 positions.
In the global bond IPV process market prices of Level 1 bonds and pricing models for illiquid bonds are regularly verified for accuracy.

OTC derivatives

Market value of OTC derivatives is calculated through pricing models, whose input parameters need to be regularly assessed through the monitoring process described above.
Pricing models used for OTC derivatives marking-to-market include Black and Scholes (European Options, Commodity Vanilla products), Stochastic Volatility and Stochastic Volatility with embedded local volatility (path dependent single asset products), Stochastic Volatility incorporating jumps and large downward jumps (path dependent single-asset products with dependency to forward skew), Stochastic Volatility incorporating asset-asset correlations (Path dependent multi-asset products), two-factor Stochastic-EQ/Stochastic-IR model (Convertible Bonds), Equity/IR hybrid model (CPPI).
In order to determine the fair value, mark-to-market need to be adjusted by Credit Value Adjustment (CVA) in order to take into account the probability of the counterparty to default.

Part E - Information on risks and related risk management policies (Continued)

Structured Credit Products

Back in 2009, UniCredit approved the "Structured Credit Bonds Valuation Group Policy" centred on two pillars:
- extension and implementation across all the Group's Legal Entities of the new Independent Price Verification (IPV) process suited to the changed market conditions for Structured Credit Bonds;
- integration of current Fair Value Adjustments Policy.

The core assumption of the IPV process is that the quality of a price is assessed by the availability of several quotes of independent market players for identical assets. For this reason, the process relies in the first instance on MarkIt as the most reliable collector and distributor of market quotes.
As a second step "fallback" prices are assessed by matrix pricing, i.e. by benchmarking each security to a pool of similar securities with available market quotes. An alternative approach relies on getting to the evaluation by means of a mathematical pricing model, applicable whenever the information about market participants assumptions concerning the model inputs are reasonably available without undue cost and effort.
The IPV represents the theoretical foundation of the FVA approach: FVA is regarded as a reserve against Model Risk and is calculated assuming that one-notch price downgrade might be taken as a measure of uncertainty.

CDO

CDO are currently priced with a stochastic recovery Gaussian copula model. The recovery rate is determined as a function of the common systemic factor that drives all underlying names. Pricing of tranches is semi-analytic and uses some approximations to speed up quadratures.

Risk measures

VaR data

Shown below are the VaR data on the overall market risk for the trading book. VaR, being a single metric, thus quantifies overall market risk, which means that breaking it down into interest rate risk, price risk and exchange rate risk components is unnecessary.

In aggregating the various risk profiles of the different risk taking units of the Group, the diversification arising from positions taken by different group companies has conservatively been disregarded when calculating the overall risk.

Risk on trading book 12.30.2011

Daily VaR on Trading Book

(€ million)

		2011			2010
	12.30.2011	AVERAGE	MAX	MIN	AVERAGE
UniCredit S.p.A.*	2.0	2.3	3.9	1.1	2.6
UCI - Ireland*	0.2	0.2	0.2	0.2	0.2
Fineco Bank*	0.3	0.2	0.3	0.1	0.2
Bank Pekao SA*	0.4	0.5	0.9	0.3	0.8
BA Group	2.3	8.8	15.1	2.2	10.4
UCB AG	34.5	27.8	44.4	16.8	26.8
UniCredit group Total (1)	**39.7**	**39.8**	**55.3**	**28.0**	**41.0**

(1) Total Var is computed as simply the sum of the different components, without taking into account differentiation effect among the various Entitles.
* For managerial purpose only.

SVaR data

Shown below are the SVaR data on the overall market risk for the trading book within the Internal Model perimeter.

In aggregating the various risk profiles of the different risk taking units of the Group, the diversification arising from positions taken by different group companies has conservatively been disregarded when calculating the overall risk.

Risk on trading book 12.30.2011

SVaR on Trading Book

(€ million)

	12.30.2011	2011 AVERAGE	2011 MAX	2011 MIN
BA Group	8.3	21.9	34.0	8.3
UCB AG	29.6	56.1	125.2	27.6
UniCredit Group Total (1)	**37.8**	**78.1**	**148.7**	**37.7**

(1) Total SVaR is computed as simply the sum of the different components, without taking into account differentiation effect among the various Entities.

IRC data

Shown below are the IRC data on the overall market risk for the trading book within the Internal Model perimeter.

In aggregating the various risk profiles of the different risk taking units of the Group, the diversification arising from positions taken by different group companies has conservatively been disregarded when calculating the overall risk.

Risk on trading book 12.30.2011

IRC on Trading Book

(€ million)

	12.30.2011	2011 AVERAGE	2011 MAX	2011 MIN
BA Group	69.9	134.6	305.7	58.3
UCB AG	590.7	484.6	590.7	364.7
UniCredit Group Total (1)	**660.6**	**619.2**	**740.3**	**553.1**

(1) Total IRCis computed as simply the sum of the different components, without taking into account differentiation effect among the various Entities.

CRM data

Shown below are the CRM data on the CTP perimeter.

Risk on trading book 12.30.2011

CRM on Correlation Trading Portfolio

(€ million)

	12.30.2011	2011 AVERAGE	2011 MAX	2011 MIN
UCB AG	358.8	390.5	496.4	283.0

VaR backtesting

In 2011, UniCredit Group's market risk remained relatively stable, although some renewed volatility, particularly in the second half of the year, of credit spreads occurred which still represent the principal risk factor characterizing overall exposure. Volatility also affected other risk factors (interest rate risk, share prices and exchange rate risk).
At the same time the strategy of gradual reduction of exposure to non-core businesses has proceeded in line with set targets.

Part E - Information on risks and related risk management policies (CONTINUED)

The following graphs analyze the back-testing results referred to the market risk on the trading book, in which VaR results for the last twelve months are compared to the theoretical profit and loss results for each main risk taker unit:

UCB AG

In UCB AG no negative overdrafts were recorded in 2011.

BA Group

In BA AG no negative overdrafts were recorded in 2011. VaR reduction in mid-November was due to the move of Own Credit Spread (OCS) portfolio from trading to banking book.

2.1 Interest Rate Risk - Regulatory trading book

QUALITATIVE INFORMATION

A. General information

Interest rate risk arises from financial positions taken by Group specialist centers holding assigned market risk limits within certain levels of discretion. Apart from use of internal models in calculating capital requirements on market risks, risk positions in the Group are monitored and subject to limits assigned to the portfolios on the base of managerial responsabilities and not purely on regulatory criteria.

B. Risk Management Processes and Measurement Methods

For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyze exposure, please refer also to introduction on internal models.
The Group conducts sensitivity analysis weekly to determine the effect on the income statement of changes in the value of individual risk factors or several risk factors of the same type. The analysis covers the CIB division's entire portfolio (both trading and banking book), since it includes the most significant portion of regulatory trading book and might be subject to the largest changes over time. Results are reported to top management on a weekly basis.
In addition to the sensitivity of financial instruments to changes in the underlying risk factor, the Group also calculates sensitivity to the volatility of interest rates assuming a positive of 50% or negative change of 30% in volatility curves or matrixes.

QUANTITATIVE INFORMATION

Sensitivity to changes in interest rates is determined using both parallel shifts of interest-rate curves, and changes in the curve itself. The curves are analyzed using parallel shifts of +1 basis point, ±10bps and ±100bps.
For each 1bp shift, sensitivity is calculated for a series of time-buckets.
Sensitivity for changes in the steepness of the rate curve is analyzed by clockwise turning (Turn CW), i.e. an increase in short-term rates and a simultaneous fall in long-term rates, and by counter-clockwise turning (Turn CCW), whereby short-term rates fall and long-term rates rise.
Currently, clockwise and counter-clockwise turning use the following increases/decreases:
- +50bps/-50bps for the one-day bucket;
- 0 bps for the one-year bucket;
- -50bps/+50bps for the 30-year plus bucket;
- for each of the above buckets, the change to be set is found by linear interpolation.

EUR remains the main risk factor, but, with respect to the end of 2010, sensitivity to interest rates decreased particularly in parallel shift scenarios.

(€ million)

INTEREST RATES	+1BPS LESS THAN 3 MONTHS	+1BPS 3 MONTHS TO 1 YEAR	+1BPS 1 YEAR TO 2 YEARS	+1BPS 2 YEARS TO 5 YEARS	+1BPS 5 YEARS TO 10 YEARS	+1BPS OVER 10 YEARS	+1 BPS TOTAL	-100 BPS	-10 BPS	+10 BPS	+100 BPS	CW	CCW
Total	**0.6**	**- 0.5**	**0.3**	**0.3**	**0.1**	**- 0.3**	**0.5**	**91.3**	**- 17.4**	**- 10.8**	**60.6**	**- 19.2**	**- 14.0**
of which: EUR	0.7	- 0.3	0.2	0.3	- 0.1	- 0.3	0.6	68.6	- 18.6	- 10.1	69.4	- 6.9	- 24.7
USD	- 0.1	- 0.1	-	-	0.1	-	-	9.8	0.4	- 0.5	- 5.6	- 7.3	6.9
GBP	-	- 0.1	0.1	-	-	-	0.1	- 0.7	- 0.5	0.5	5.0	- 1.9	2.0
CHF	- 0.1	-	-	- 0.1	0.1	-	-	11.0	0.5	0.1	0.1	- 2.9	1.8
JPY	-	-	-	-	-	-	- 0.1	0.6	0.5	- 0.5	- 4.8	0.8	- 1.0

With regard to the sensitivity to the volatility of interest rates, the scenario characterized by a 30% reduction in volatility for EUR would produce a higher profit with respect to end of 2010.

(€ million)

	-30%	+50%
Interest Rates	**14.9**	**10.1**
of which: EUR	14.0	10.4
USD	- 0.1	0.9
GBP	0.1	- 0.1
CHF	0.6	- 0.6
JPY	0.1	- 0.1

Part E - Information on risks and related risk management policies (CONTINUED)

2.2 Interest Rate Risk - Banking Book

QUALITATIVE INFORMATION

A. General aspects, operational processes and methods for measuring interest rate risk
Interest rate risk consists of changes in interest rates that are reflected in:
- interest income sources, and thus, the bank's earnings (cash flow risk);
- the net present value of assets and liabilities, due to their impact on the present value of future cash flows (fair value risk).

The Group measures and monitors this risk within the framework of a banking book interest rate risk policy that establishes consistent methodologies and models and limits or thresholds to focus on with regard to the sensitivity of net interest income and the Group's economic value.
Interest rate risk has an impact on all owned positions resulting from business operations and strategic investment decisions (banking book).
At December 31, 2011, the sensitivity of interest income to an immediate and parallel shift of +100bps was +€191 million (and -€237 million for a shift of -100bps).
The sensitivity of the economic value of shareholders' equity to an immediate and parallel change in interest rates ("parallel shift") of +200 bp was -€ 987 million at December 31, 2011[9].
The main sources of interest rate risk can be classified as follows:
- repricing risk - the risk resulting from timing mismatches in maturities and the repricing of the bank's assets and liabilities; the main features of this risk are:
  - yield curve risk - risk resulting from exposure of the bank's positions to changes in the slope and shape of the yield curve;
  - basis risk - risk resulting from the imperfect correlation in lending and borrowing interest rate changes for different instruments that may also show similar repricing characteristics;
- optionality risk - risk resulting from implicit or explicit options in the Group's banking book positions.

Some limits have been set out, in the above described organization, to reflect a risk propensity consistent with strategic guidelines issued by the Board of Directors. These limits are defined in terms of VaR (calculated using the methodology described above in relation to the trading portfolio), Sensitivity or Gap Repricing for each Group bank or company, depending on the level of sophistication of its operations. Each of the Group's banks or companies assumes responsibility for managing exposure to interest rate risk within its specified limits. Both micro- and macro-hedging transactions are carried out for this purpose.

At the consolidated level, Group HQ's Asset Liability Management Unit takes the following measures:
- It performs operating sensitivity analysis in order to measure any changes in the value of shareholders' equity based on parallel shocks to rate levels for all time buckets along the curve;
- Using static gap analysis (i.e., assuming that positions remain constant during the period), it performs an impact simulation on interest income for the current period by taking into account different elasticity assumptions for demand items;
- It analyses interest income using dynamic simulation of shocks to market interest rates;
- It develops methods and models for better reporting of the interest rate risk of items with no contractual maturity date (i.e., demand items).

Group Risk Management performs second-level controls on the above mentioned analyses.

The Market and Balance Sheet Risks Portfolio Management Area sets interest rate risk limits using VaR methodologies and verifies compliance with these limits on a daily basis.

B. Fair value hedging operations
Hedging strategies aimed at complying with interest rate risk limits for the banking portfolio are carried out with listed or unlisted derivative contracts, and the latter, which are commonly interest rate swaps, are the type of contracts used the most.
Macro-hedging is generally used, meaning hedges related to the amounts of cash contained in asset or liability portfolios. Under certain circumstances, the impact of micro-hedges related to securities issued or individual financial assets are recognized (especially when they are classified in the available-for-sale portfolio).

C. Cash flow hedging operations
In certain instances, cash flow hedging strategies are also used as an alternative to fair value hedging strategies in order to stabilize income statement profits in the current and future years. Macro-hedging strategies are mainly used and they may also refer to the interest rate risk of the core portion of financial assets "on demand".

9. Excluding UC Leasing and other minor Legal Entities. The figures include modeled sensitivity estimates for assets and liabilities with not well-defined maturities, such as sight and savings deposits.

QUANTITATIVE INFORMATION

1. Banking portfolio: distribution by maturity (repricing date) of financial assets and liabilities

(€ '000)

	AMOUNTS AS AT 12.31.2011							
TYPE / RESIDUAL MATURITY	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	UNSPECIFIED MATURITY
1. Balance-sheet assets	**143,347,142**	**232,925,988**	**44,110,317**	**51,154,879**	**131,150,128**	**59,026,438**	**46,979,029**	**6,411,078**
1.1 Debt securities	147,330	28,721,217	10,978,643	11,058,538	44,214,041	11,765,897	6,405,970	165,815
- With prepayment option	2,000	937,777	172,032	53,730	123,169	110,388	-	-
- Other	145,330	27,783,440	10,806,611	11,004,808	44,090,872	11,655,509	6,405,970	165,815
1.2 Loans to banks	20,738,203	23,698,871	1,769,312	1,252,934	2,343,095	690,053	410,175	403,025
1.3 Loans to customers	122,461,609	180,505,900	31,362,362	38,843,407	84,592,992	46,570,488	40,162,884	5,842,238
- Current accounts	52,676,107	2,140,393	686,781	1,564,426	3,419,902	1,651,673	501,498	242,524
- Other loans	69,785,502	178,365,507	30,675,581	37,278,981	81,173,090	44,918,815	39,661,386	5,599,714
- With prepayment option	*36,979,105*	*39,451,808*	*8,734,564*	*4,243,906*	*16,799,435*	*7,229,719*	*10,134,643*	*654*
- Other	*32,806,397*	*138,913,699*	*21,941,017*	*33,035,075*	*64,373,655*	*37,689,096*	*29,526,743*	*5,599,060*
2. Balance-sheet liabilities	**256,450,148**	**237,170,046**	**34,604,035**	**30,526,379**	**84,821,975**	**30,293,841**	**17,713,447**	**2,634,699**
2.1 Deposits from customers	238,005,440	107,950,106	16,526,155	14,075,107	18,458,953	2,889,755	2,222,706	2,042,866
- Current accounts	218,627,986	12,106,826	1,652,630	1,216,010	318,357	756	-	110,686
- Other loans	19,377,454	95,843,280	14,873,525	12,859,097	18,140,596	2,888,999	2,222,706	1,932,180
- With prepayment option	*557,330*	*471,417*	*227,951*	*343,726*	*145,545*	*11,430*	*35*	-
- Other	*18,820,124*	*95,371,863*	*14,645,574*	*12,515,371*	*17,995,051*	*2,877,569*	*2,222,671*	*1,932,180*
2.2 Deposits from banks	15,512,195	74,318,241	5,066,073	3,773,963	18,863,951	7,497,885	6,317,359	188,953
- Current accounts	11,820,788	293,505	8,338	9,465	8,736	1,239	-	-
- Other loans	3,691,407	74,024,736	5,057,735	3,764,498	18,855,215	7,496,646	6,317,359	188,953
2.3 Debt securities in issue	2,903,168	54,901,699	13,011,807	12,677,309	47,499,071	19,906,201	9,173,382	402,880
- With prepayment option	-	1,744,106	118,600	162,498	4,431,424	1,875,217	703,665	-
- Other	2,903,168	53,157,593	12,893,207	12,514,811	43,067,647	18,030,984	8,469,717	402,880
2.4 Other liabilities	29,345	-	-	-	-	-	-	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	29,345	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 Phisically settled financial derivatives								
- Option								
+ Long positions	-	-	-	3,872	-	-	-	-
+ Short positions	-	-	-	4,244	-	-	-	-
- Other derivatives								
+ Long positions	65,239	4,505,708	741,435	660,310	2,851,633	157,861	160,000	-
+ Short positions	65,239	4,505,708	1,032,375	660,310	2,560,693	157,861	160,000	-
3.2 Cash settled financial derivatives								
- Option								
+ Long positions	-	34,267	15,626	221,758	180,078	74,000	1,139,000	-
+ Short positions	-	34,471	16,236	222,593	180,078	74,000	1,139,000	-
- Other derivatives								
+ Long positions	36,307	32,478,254	6,152,419	3,407,235	19,098,258	4,320,739	1,502,226	-
+ Short positions	-	35,289,129	6,474,660	3,514,188	15,855,832	4,566,659	1,223,176	-

This distribution is made on the basis of the period between the balance sheet date and the first following yield review date. For fixed-rate transactions the residual life is the period from the balance sheet date to final maturity. On balance sheet items are disclosed at their carrying value. Derivatives are shown, under the double entry method, at settlement value for those with underlying securities and at the notional value for those without underlying securities; options are shown at their delta equivalent value.

Part E - Information on risks and related risk management policies (Continued)

1.1 Banking portfolio: distribution by maturity (repricing date) of financial assets and liabilities - Currency: Euro

(€ '000)

	AMOUNTS AS AT 12.31.2011							
TYPE / RESIDUAL MATURITY	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	UNSPECIFIED MATURITY
1. Balance-sheet assets	**131,730,273**	**177,211,986**	**34,871,354**	**43,115,724**	**110,763,333**	**50,794,348**	**32,811,804**	**5,312,239**
1.1 Debt securities	114,365	22,875,002	9,050,357	8,392,339	36,795,849	9,805,636	4,979,181	165,039
- With prepayment option	2,000	718,449	47,902	39,251	790	67,691	-	-
- Other	112,365	22,156,553	9,002,455	8,353,088	36,795,059	9,737,945	4,979,181	165,039
1.2 Loans to banks	19,367,001	16,008,491	1,177,090	838,456	1,975,915	618,030	385,596	259,653
1.3 Loans to customers	112,248,907	138,328,493	24,643,907	33,884,929	71,991,569	40,370,682	27,447,027	4,887,547
- Current accounts	47,712,599	1,743,839	615,015	1,439,837	3,400,114	1,651,559	501,497	224,143
- Other loans	64,536,308	136,584,654	24,028,892	32,445,092	68,591,455	38,719,123	26,945,530	4,663,404
- With prepayment option	*36,128,111*	*39,139,079*	*8,534,012*	*3,953,343*	*15,762,678*	*6,724,477*	*8,743,018*	*553*
- Other	*28,408,197*	*97,445,575*	*15,494,880*	*28,491,749*	*52,828,777*	*31,994,646*	*18,202,512*	*4,662,851*
2. Balance-sheet liabilities	**229,838,075**	**196,676,715**	**28,352,176**	**26,097,395**	**75,157,182**	**27,145,413**	**16,973,149**	**1,023,256**
2.1 Deposits from customers	212,637,947	79,138,107	12,593,094	11,715,853	14,910,473	2,672,410	2,078,716	586,098
- Current accounts	195,460,914	1,452,040	140,833	148,293	52,509	-	-	106,423
- Other loans	17,177,033	77,686,067	12,452,261	11,567,560	14,857,964	2,672,410	2,078,716	479,675
- With prepayment option	*552,895*	*63,882*	*30,309*	*39,391*	*25,916*	*77*	*13*	-
- Other	*16,624,138*	*77,622,185*	*12,421,952*	*11,528,169*	*14,832,048*	*2,672,333*	*2,078,703*	*479,675*
2.2 Deposits from banks	14,284,962	64,568,699	4,119,102	2,723,034	14,941,809	6,948,160	6,230,972	34,279
- Current accounts	11,286,090	8,850	-	-	-	1,141	-	-
- Other loans	2,998,872	64,559,849	4,119,102	2,723,034	14,941,809	6,947,019	6,230,972	34,279
2.3 Debt securities in issue	2,885,821	52,969,909	11,639,980	11,658,508	45,304,900	17,524,843	8,663,461	402,879
- With prepayment option	-	1,030,926	118,600	162,498	4,104,732	1,422,195	703,665	-
- Other	2,885,821	51,938,983	11,521,380	11,496,010	41,200,168	16,102,648	7,959,796	402,879
2.4 Other liabilities	29,345	-	-	-	-	-	-	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	29,345	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 Phisically settled financial derivatives								
- Option								
+ Long positions	-	-	-	3,872	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	60,114	413,447	86,722	7,279	1,142,516	71,094	160,000	-
+ Short positions	5,125	1,456,317	338,199	344,137	851,576	71,094	160,000	-
3.2 Cash settled financial derivatives								
- Option								
+ Long positions	-	34,267	15,626	221,758	175,950	74,000	1,139,000	-
+ Short positions	-	7,077	-	216,000	175,950	74,000	1,139,000	-
- Other derivatives								
+ Long positions	36,307	25,074,280	4,060,427	1,535,012	9,722,234	3,378,538	1,066,819	-
+ Short positions	-	30,042,014	3,765,948	1,112,102	6,386,098	3,558,842	948,580	-

1.2 Banking portfolio: distribution by maturity (repricing date) of financial assets and liabilities - Currency: Dollars (€ '000)

	AMOUNTS AS AT 12.31.2011							
TYPE / RESIDUAL MATURITY	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	UNSPECIFIED MATURITY
1. Balance-sheet assets	**2,580,923**	**11,463,261**	**2,454,494**	**1,607,021**	**8,781,900**	**2,312,983**	**2,335,743**	**396,579**
1.1 Debt securities	-	199,336	125,078	659,740	4,630,709	250,841	1,173,181	10
- With prepayment option	-	29,090	115,958	-	9	-	-	-
- Other	-	170,246	9,120	659,740	4,630,700	250,841	1,173,181	10
1.2 Loans to banks	613,978	1,336,509	543,373	289,683	112,833	-	-	109,984
1.3 Loans to customers	1,966,945	9,927,416	1,786,043	657,598	4,038,358	2,062,142	1,162,562	286,585
- Current accounts	942,460	50,241	24	4,716	4,269	26	1	13,072
- Other loans	1,024,485	9,877,175	1,786,019	652,882	4,034,089	2,062,116	1,162,561	273,513
- With prepayment option	*624,361*	*152,609*	*101,673*	*126,250*	*642,008*	*224,133*	*123,391*	*5*
- Other	*400,124*	*9,724,566*	*1,684,346*	*526,632*	*3,392,081*	*1,837,983*	*1,039,170*	*273,508*
2. Balance-sheet liabilities	**4,628,092**	**12,347,398**	**2,181,764**	**1,524,856**	**6,257,609**	**2,266,187**	**331,817**	**397,669**
2.1 Deposits from customers	3,879,435	6,192,091	1,457,042	819,774	2,407,837	157,073	113,319	273,825
- Current accounts	3,604,954	1,181,973	154,229	146,205	22,628	-	-	892
- Other loans	274,481	5,010,118	1,302,813	673,569	2,385,209	157,073	113,319	272,933
- With prepayment option	*1,905*	*205,442*	*123,991*	*254,042*	*73,928*	*9,477*	*14*	-
- Other	*272,576*	*4,804,676*	*1,178,822*	*419,527*	*2,311,281*	*147,596*	*113,305*	*272,933*
2.2 Deposits from banks	748,578	5,354,633	565,265	692,349	3,222,836	364,432	-	123,844
- Current accounts	153,430	9,041	-	-	-	-	-	-
- Other loans	595,148	5,345,592	565,265	692,349	3,222,836	364,432	-	123,844
2.3 Debt securities in issue	79	800,674	159,457	12,733	626,936	1,744,682	218,498	-
- With prepayment option	-	498,318	-	-	-	453,022	-	-
- Other	79	302,356	159,457	12,733	626,936	1,291,660	218,498	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 Phisically settled financial derivatives								
- Option								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	4,244	-	-	-	-
- Other derivatives								
+ Long positions	-	1,277,960	130,408	244,291	1,415,841	86,767	-	-
+ Short positions	-	943,658	272,178	207,824	1,415,841	86,767	-	-
3.2 Cash settled financial derivatives								
- Option								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	27,394	16,236	6,593	-	-	-	-
- Other derivatives								
+ Long positions	-	4,069,795	667,600	1,302,396	7,957,633	21,000	435,407	-
+ Short positions	-	2,972,222	870,671	1,448,442	8,193,784	37,266	235,341	-

Part E - Information on risks and related risk management policies (Continued)

1.3 Banking portfolio: distribution by maturity (repricing date) of financial assets and liabilities - Currency: Other currencies (€ '000)

	AMOUNTS AS AT 12.31.2011							
TYPE / RESIDUAL MATURITY	ON DEMAND	UP TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	5 TO 10 YEARS	OVER 10 YEARS	UNSPECIFIED MATURITY
1. Balance-sheet assets	**9,035,946**	**44,250,741**	**6,784,469**	**6,432,134**	**11,604,895**	**5,919,107**	**11,831,482**	**702,260**
1.1 Debt securities	32,965	5,646,879	1,803,208	2,006,459	2,787,483	1,709,420	253,608	766
- With prepayment option	-	190,238	8,172	14,479	122,370	42,697	-	-
- Other	32,965	5,456,641	1,795,036	1,991,980	2,665,113	1,666,723	253,608	766
1.2 Loans to banks	757,224	6,353,871	48,849	124,795	254,347	72,023	24,579	33,388
1.3 Loans to customers	8,245,757	32,249,991	4,932,412	4,300,880	8,563,065	4,137,664	11,553,295	668,106
- Current accounts	4,021,048	346,313	71,742	119,873	15,519	88	-	5,309
- Other loans	4,224,709	31,903,678	4,860,670	4,181,007	8,547,546	4,137,576	11,553,295	662,797
- With prepayment option	*226,633*	*160,120*	*98,879*	*164,313*	*394,749*	*281,109*	*1,268,234*	*96*
- Other	*3,998,076*	*31,743,558*	*4,761,791*	*4,016,694*	*8,152,797*	*3,856,467*	*10,285,061*	*662,701*
2. Balance-sheet liabilities	**21,983,981**	**28,145,933**	**4,070,095**	**2,904,128**	**3,407,184**	**882,241**	**408,481**	**1,213,774**
2.1 Deposits from customers	21,488,058	22,619,908	2,476,019	1,539,480	1,140,643	60,272	30,671	1,182,943
- Current accounts	19,562,118	9,472,813	1,357,568	921,512	243,220	756	-	3,371
- Other loans	1,925,940	13,147,095	1,118,451	617,968	897,423	59,516	30,671	1,179,572
- With prepayment option	*2,530*	*202,093*	*73,651*	*50,293*	*45,701*	*1,876*	*8*	-
- Other	*1,923,410*	*12,945,002*	*1,044,800*	*567,675*	*851,722*	*57,640*	*30,663*	*1,179,572*
2.2 Deposits from banks	478,655	4,394,909	381,706	358,580	699,306	185,293	86,387	30,830
- Current accounts	381,268	275,614	8,338	9,465	8,736	98	-	-
- Other loans	97,387	4,119,295	373,368	349,115	690,570	185,195	86,387	30,830
2.3 Debt securities in issue	17,268	1,131,116	1,212,370	1,006,068	1,567,235	636,676	291,423	1
- With prepayment option	-	214,862	-	-	326,692	-	-	-
- Other	17,268	916,254	1,212,370	1,006,068	1,240,543	636,676	291,423	1
2.4 Other liabilities	-	-	-	-	-	-	-	-
- With prepayment option	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 Phisically settled financial derivatives								
- Option								
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives								
+ Long positions	5,125	2,814,301	524,305	408,740	293,276	-	-	-
+ Short positions	60,114	2,105,733	421,998	108,349	293,276	-	-	-
3.2 Cash settled financial derivatives								
- Option								
+ Long positions	-	-	-	-	4,128	-	-	-
+ Short positions	-	-	-	-	4,128	-	-	-
- Other derivatives								
+ Long positions	-	3,334,179	1,424,392	569,827	1,418,391	921,201	-	-
+ Short positions	-	2,274,893	1,838,041	953,644	1,275,950	970,551	39,255	-

2. Bank portfolio: internal models and other sensitivity analysis methodologies

Please refer to paragraph "2.1 Interest Rate Risk - Regulatory trading book" - Quantitative information" for the aggregate sensitivity analysis model, used to measure the different risks.

2.3 - Price Risk - Regulatory trading book

QUALITATIVE INFORMATION

A. General Information

As described above, price risk relating to equities, commodities, investment funds and related derivative products included in the trading book, originates from positions taken by Group specialist centers holding assigned market risk limits within certain levels of discretion.
Price risk deriving from own trading of these instruments is managed using both directional and relative value strategies via direct sale and purchase of securities, regulated derivatives and OTCs and recourse to security lending. Volatility trading strategies are implemented using options and complex derivatives.

B. Risk Management Processes and Measurement Methods

For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyze exposure, please refer to introduction on internal models. The sensitivity analysis covers the CIB division's entire portfolio (both trading and banking book), since it includes the most significant portion of regulatory trading book and might be subject to the largest changes over time.

QUANTITATIVE INFORMATION

Share-price sensitivity is expressed in two ways:
- as a "Delta cash-equivalent", i.e. the euro equivalent of the quantity of the underlying that would expose the bank to the same risk arising from its actual portfolio;
- as the economic result of a rise or fall in spot prices of 1%, 5%, 10% and 20%.

The Delta cash-equivalent and the Delta 1% (i.e. the economic impact of a 1% rise in spot prices) are calculated both for each geographical region (assuming that all stock markets in the region are perfectly correlated) and on the total (assuming therefore that all stock markets are perfectly correlated). The sensitivity arising from changes of 5%, 10% and 20% is calculated solely on the total.
In addition, sensitivity to commodity price changes is calculated according to the above criteria. Given its secondary importance as compared to other risk exposures, this is calculated as a single class.

(€ million)

	DELTA CASH EQUIVALENT	-20%	-10%	-5%	-1%	+1%	+5%	+10%	+20%
Equities									
All markets	**- 3.2**	**1.7**	**2.6**	**1.0**	**0.1**	**-**	**- 0.9**	**- 4.1**	**- 22.0**
Europe	- 30.7					- 0.3			
US	- 2.7					-			
Japan	9.7					0.1			
United Kingdom	1.4					-			
Switzerland	6.8					0.1			
CEE	4.7					-			
Others	3.1					-			
Commodities all markets	**23.6**	**- 4.7**	**- 2.4**	**- 1.2**	**- 0.2**	**0.2**	**1.2**	**2.4**	**4.7**

Sensitivity to equity decreased in 2011. In particular, a downturn by 20% would produce a small profit (€ 1.7 million), compared to a € 36 million loss as of end of 2010. Exposure to commodities increased.

Sensitivity to equities' volatility is virtually unchanged.

(€ million)

	-30%	+50%
Equities	**- 35.6**	**3.2**

Part E - Information on risks and related risk management policies (Continued)

2.4 Price Risk - Banking Book

QUALITATIVE INFORMATION

A. General Aspects, Price Risk Management Processes and Measurement Methods

Banking book price risk primarily originates in equity interests held by the Parent company and its subsidiaries as a stable investment, as well as units in mutual investment funds not included in the trading book in so far as they are also held as a stable investment.

As far as these last instruments are concerned, internal price risk management and measurement processes are in line with what has already been represented for the regulatory trading book.

2.5 Exchange Rate Risk - Regulatory trading book

QUALITATIVE INFORMATION

A. General Information, Risk Management Processes and Measurement Methods

As described above, risk relating to exchange rates and related derivative products included in the trading book, originates from positions taken by Group specialist centers holding assigned market risk limits within certain levels of discretion.
Risk deriving from own trading of these instruments is managed using both directional and relative value strategies via direct sale and purchase of securities, regulated derivatives and OTC. Volatility trading strategies are implemented using options.

For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyze exposure, please refer to introduction on internal models. The sensitivity analysis covers the CIB division's entire portfolio (both trading and banking book), since it includes the most significant portion of regulatory trading book and might be subject to the largest changes over time.

QUANTITATIVE INFORMATION

Exchange-Rate Sensitivity assesses the economic impact of the appreciation or depreciation by 1%, 5% and 10% of each currency against all the others. Exposure to the various currencies is indicated as the "Delta cash equivalent" in euros: this is the euro equivalent of the currency amount which would expose the bank to the same exchange-rate risk arising in its actual portfolio.

(€ million)

EXCHANGE RATES	DELTA CASH-EQUIVALENT	-10%	-5%	-1%	+1%	+5%	+10%
EUR		27.4	5.1	0.0	0.3	1.1	8.3
USD	245.8	- 13.8	- 6.4	- 1.9	2.5	15.3	40.6
GBP	- 169.1	16.8	7.4	1.7	- 1.7	- 7.6	- 13.2
CHF	- 13.1	- 0.4	- 1.1	0.1	- 0.1	1.3	5.9
JPY	- 14.1	5.2	1.7	0.1	- 0.1	- 1.0	- 2.5

With respect to end 2010, USD position is longer, while exposure to CHF and JPY has been reduced. As for the sensitivity to the volatility of exchange rates, EUR_USD is still the main risk factor.

(€ million)

	-30%	+50%
Interest Rates	**- 9.5**	**16.8**
of which: EUR_USD	- 13.3	22.1
EUR_JPY	1.5	- 1.3
EUR_ZAR	0.3	- 0.5
CHF_EUR	0.4	0.3
AUD_USD	- 0.2	0.5
PLN_USD	0.2	- 0.4
EUR_PLN	- 0.3	0.2
JPY_USD	- 0.4	0.1

2.6 - Exchange Rate Risk - Banking book

QUALITATIVE INFORMATION

A. General Aspects, Exchange Rate Risk Management Processes and Measurement Methods

As it has already been said in the introduction, exchange rate risk also originates from positions taken by Group specialist centers holding assigned market risk limits within certain levels of discretion.

Exchange risk originates from currency trading activities performed through the negotiation of the various market instruments, and is constantly monitored and measured by using internal models developed by group companies. These models are, in addition, used to calculate capital requirements on market risks corresponding to this type of risk.

B. Hedging Exchange Rate Risk

The Parent company implements a policy of hedging profits created by the Group's Polish subsidiaries (which constitute the main subsidiaries not belonging to the euro zone), as well as dividends relating to the previous year.

This hedging policy is implemented using foreign exchange derivative products aimed at protecting against fluctuations in the Euro/Zloty exchange rate.

QUANTITATIVE INFORMATION

(Regulatory Trading Book and Banking Book)

1. Distribution by currency of assets and liabilities and derivatives

(€ '000)

	AMOUNTS AS AT 12.31.2011					
	CURRENCIES					
ITEMS	US DOLLAR	ZLOTY	YEN	TURKISH LIRA	SWISS FRANC	OTHER CURRENCY
A. Financial assets	**63,432,096**	**24,830,905**	**4,282,507**	**10,917,457**	**20,839,869**	**52,849,872**
A.1 Debt securities	10,590,079	7,515,957	206,678	1,651,903	418,135	8,074,842
A.2 Equity securities	227,353	42,826	1,258,865	2,666	115,777	743,888
A.3 Loans to banks	14,951,907	1,520,906	510,665	1,339,953	1,691,224	9,297,719
A.4 Loans to customers	37,642,204	15,751,019	2,306,026	7,922,935	18,559,804	33,769,603
A.5 Other financial assets	20,553	197	273	-	54,929	963,820
B. Other assets	**424,324**	**34,057**	**1,960**	**7,075**	**6,200**	**825,907**
C. Financial liabilities	**54,805,052**	**22,065,341**	**1,935,240**	**7,253,196**	**3,956,706**	**39,131,767**
C.1 Deposits from banks	27,606,550	889,813	309,016	819,405	2,518,165	9,445,533
C.2 Deposits from customers	22,050,122	20,434,133	533,955	6,227,843	653,986	25,303,770
C.3 Debt securities in issue	4,788,504	741,338	1,092,269	204,597	694,596	4,181,985
C.4 Other financial liabilities	359,876	57	-	1,351	89,959	200,479
D. Other liabilities	**460,102**	**143,295**	**1,465**	**17,599**	**4,672**	**3,121,667**
E. Financial derivatives						
- Options						
- Long positions	*85,509,111*	*2,954,993*	*17,978,240*	*-*	*21,622,691*	*48,148,248*
- Short positions	*85,155,927*	*2,961,918*	*17,947,912*	*-*	*21,579,891*	*48,149,132*
- Other						
- Long positions	*117,450,244*	*21,367,956*	*9,336,710*	*85,750*	*44,359,641*	*63,198,538*
- Short positions	*128,394,405*	*20,152,832*	*11,749,191*	*266,953*	*64,547,513*	*64,070,158*
Total assets	**266,815,775**	**49,187,911**	**31,599,417**	**11,010,282**	**86,828,401**	**165,022,565**
Total liabilities	**268,815,486**	**45,323,386**	**31,633,808**	**7,537,748**	**90,088,782**	**154,472,724**
Difference (+/-)	**(1,999,711)**	**3,864,525**	**(34,391)**	**3,472,534**	**(3,260,381)**	**10,549,841**

2.7 - Credit Spread Risk - Regulatory trading book

QUALITATIVE INFORMATION

A. General Information

As described above, risk relating to credit spreads and related credit derivative products included in both trading book and banking book, originates from positions taken by Group specialist centers holding assigned market risk limits within certain levels of discretion.

Risk deriving from own trading of these instruments is managed using both directional and relative value strategies via direct sale and purchase of securities, regulated derivatives and OTC.

Part E - Information on risks and related risk management policies (CONTINUED)

B. Risk Management Processes and Measurement Methods

For both a description of internal processes for monitoring and managing risk and an illustration of the methodologies used to analyze exposure, please refer to introduction on internal models. The sensitivity analysis covers the CIB division's entire portfolio (both trading and banking book), since it includes the most significant portion of regulatory trading book and might be subject to the largest changes over time.

QUANTITATIVE INFORMATION

Credit spread sensitivity is calculated by assuming a worsening of creditworthiness seen in a parallel shift of +1bp/+10bps/+100bps in the credit spread curves.
These sensitivities are calculated both inclusively, assuming a parallel shift of all the credit spread curves, and in respect of specific rating classes and economic sectors.
In addition to the foregoing, the sensitivity resulting from a deterioration of creditworthiness (i.e. a change of relative +50%) or an improvement (i.e. a change of relative -50%) is calculated; in this case the shape of the credit spread curves is also changed, since the change in bps of higher spreads will be greater than that of lower spreads.
Exposure to credit spreads is virtually unchanged with respect to end of 2010.

(€ million)

	+1BP LESS THAN 6 MONTHS	+1BP 6 MONTHS TO 2 YEARS	+1BP 2 YEARS TO 7 YEARS	+1BP OVER 7 YEARS	+1 BPS TOTAL	+10BPS	+100BPS	-50%	+50%
Total	**- 0.4**	**- 1.3**	**- 3.0**	**- 1.9**	**- 6.6**	**- 67.7**	**- 664.0**	**1,157.6**	**- 936.1**
Rating									
AAA	-	- 0.5	- 1.8	- 1.2	- 3.5	- 36.2	- 353.3	550.1	- 446.0
AA	-	- 0.3	- 0.5	- 0.1	- 0.8	- 8.3	- 81.4	125.4	- 107.1
A	- 0.2	- 0.5	- 0.8	- 0.4	- 1.9	- 19.5	- 188.0	384.0	- 309.9
BBB	- 0.1	- 0.1	-	- 0.1	- 0.3	- 4.3	- 38.5	67.6	- 57.2
BB	-	-	0.1	-	0.1	0.6	6.3	23.5	- 12.3
B	-	-	-	-	-	0.4	3.3	4.9	- 2.5
CCC and NR	-	-	- 0.1	-	- 0.1	-	- 0.1	0.1	- 0.1
Sector									
Non Dev. Sovereigns & Related	-	-	-0.1	-0.1	-0.3			28.0	- 25.1
ABS and MBS	-	- 0.2	- 0.7	- 0.6	- 1.6			558.9	- 428.4
Jumbo and Pfandbriefe	-	- 0.3	- 1.1	- 0.7	- 2.0			182.2	- 151.0
Financial Services	- 0.2	- 0.9	- 1.3	- 0.4	- 2.8			363.4	- 318.5
All Corporates	- 0.1	0.1	0.2	-	0.1			22.0	- 10.9
- Automotive	-	-	-	-	-			*6.7*	*- 5.8*
- Consumer Goods	-	-	*0.1*	-	-			*- 7.5*	*7.9*
- Pharmaceutical	-	-	-	-	-			*1.8*	*- 0.8*
- Industries	-	-	-	-	-			*6.2*	*- 3.7*
- Telecommunications	-	-	-	-	-			*11.3*	*- 8.3*
- Utilities and Energy Sources	-	-	-	-	-			*6.6*	*- 3.4*
- All other Corporates	-	-	*0.1*	-	*0.1*			*- 2.7*	*2.9*
Total Developed Sovereigns					**- 8.0**	**- 80.2**			

2.8 Stress test

Stress tests complement the sensitivity analysis and VaR results in order to assess the potential risks in a different way. A stress test performs the evaluation of a portfolio under both simple scenarios (assuming change to single risk factors) and complex scenarios (assuming simultaneous changes in a number of risk factors).

What follows contains the description of complex scenarios, which combine changes in interest rate, price, exchange-rate and credit spread risk factors. For the description of simple scenarios, please refer to the previous paragraphs. As far as complex scenarios are concerned, so far, different scenarios have been applied to the whole CIB portfolio on a monthly basis and reported to top management. In addition, a number of new scenarios have been defined as part of the "firm-wide" stress test exercise and are applied to the whole trading book.

Greece Default Scenario

The Greece Default scenario was introduced at the beginning of 2010 as a consequence of the growing worries about the prospect of the current Greece crisis possibly forcing Greek sovereign debt to default.

As a consequence of Greece sovereign debt default, European Peripheral Countries' sovereign debt is expected to suffer the most vis-à-vis other EU countries. CEE countries and Turkey are assumed to be put under severe pressure. Flight to quality is foreseen especially towards Germany and US government debts.

To account for the low liquidity in the market, the time horizon for this scenario was extended to cover a period of one quarter.

In terms of macro-economic variables, this scenario assumes:

- credit spreads are expected to deteriorate substantially across the board (rating/sector) with low credit ratings assumed to be hit the most;
- european stock markets to plunge (fall); this would combine with an increase in equity volatilities. US markets instead are expected to slightly gain;
- USD interest rate curve is expected to steepen while EUR interest rate curve is expected to flatten. In this scenario, an increase in interest rate volatilities is also assumed;
- USD is expected to appreciate, mostly against EUR.

Sovereign Debt Tension Scenario

In this scenario, introduced in June 2010 and updated in December 2011, we envisage the occurrence of an escalation of the sovereign debt crisis, with no systemic contagion. This is motivated by the fact that, while the setup of the European Financial Stability Facility and the liquidity injection by the ECB seem to have ruled out the possibility of an outright default, market tensions still persist. Such tensions may create a challenging environment at a time in which many European countries are consolidating their public finances. In such a scenario, the EMU sovereign debt crisis would have spillover effects on the US economy as well and the flight-to-quality would lead to a further bond rally on both sides of the Atlantic. In terms of financial market variables, this scenario assumes:

- credit spreads: higher risk aversion would imply a tightening of core issuers versus swap. Periphery would be under pressure: Italy spreads would widen further while Spanish bonds would be less under pressure; all credit spreads, in the corporate bond universe, would come under pressure;
- world stock markets to plunge (fall); this would combine with an increase in equity volatilities;
- USD and EUR interest rate curve are expected to flatten. In this scenario, an increase in interest rate volatilities is also assumed;
- USD is expected to appreciate, mostly against EUR; depreciation of CEE currencies against EUR.

Widespread Contagion Scenario

This scenario, introduced in December 2010 and updated in December 2011, assumes an escalation of the debt crisis towards a systemic level, with severe contagion spreading to Spain and Italy. Large-scale ECB government bond buying is not able to stop the widening of sovereign spreads, with the market increasingly focusing on the weakest points of the two countries - in Spain, the banking sector and the contingent liabilities for the government, in Italy the high level of the debt-to-GDP ratio in a context of modest potential growth. This would lead to severe disruption in the eurozone financial markets and a consequent massive tightening in financial conditions area-wide. Due to the important trade linkages between eurozone countries, the financial shock would be amplified and cause a deeper recession than the one envisaged under the risk scenario labeled as "Sovereign Tensions".

This scenario assumes, for the market variables, the following changes:

- ECB reacts lowering the refi rate by 50bp and EUR/USD mid/long term rates fall (flight-to-quality), thus determining a curve flattening, in response to the deteriorated growth and inflation outlook. GBP curve is expected to steepen, reflecting a negative perception by investors on the capabilities to achieve further consolidation in the fiscal side;
- on the FX front, the EUR-USD would be hit hard by the loss of confidence in the EMU, and the CHF would gain vs. most currencies as in times of risk aversion, the Swiss currency is always a popular asset. The Yen would similarly appreciate given the repricing in risk preferences; EUR-GBP may suffer as sterling may be perceived as a EMU hedge;
- increasing risk aversion will be a penalizing factor for risky assets, weighing on the performance of major Equity indices which also experience higher level of volatilities;
- as for Credit spreads, sovereigns experience a dramatic widening (especially PIIGS) with the exception of Germany and US (flight-to-quality); spreads of financials and corporates widen accordingly.

Emerging Markets Slowdown

This scenario, introduced in June 2011, covers the period 2011, 2012 and 2013. It assumes a shock coming from the real economy, namely a severe emerging economies slowdown in the growth rate starting in 2011 and intensifying during 2012. This negatively affects EMU GDP growth and, to a lesser extent, the US, where the weight of the manufacturing sector and trade openness is lower. As a result of weaker economic activity and lower oil prices, inflation would slow down. The combination of weaker GDP growth and lower inflation would lead to a considerable slowdown in the normalization of monetary policy rates.

Part E - Information on risks and related risk management policies (CONTINUED)

In terms of macro-economic variables, this scenario assumes:
- credit spreads: as for European sovereign spreads the deteriorated is not severe compared to the Sovereign Tensions scenario because the shock should affect credit-risk premium only indirectly. The shock would reflect more on oil companies and on companies which are not included in the "iTraxx main". The widening of the iTraxx Financial Senior and Sub are also important;
- the shock has no impact on the Japanese yield curve. The impact on the US, EU and UK curves is that of a fall in yields which will bull flatten as the time bucket increases. This reflects the worsening growth outlook and the resulting more benign inflation outlook. The Euribor curve is the most reactive of the three as the risk aversion gives further support to Bunds;
- the performance of stock markets will lower and equity volatilities will increase;
- the EUR is expected to depreciate against the Us dollar, Japanese yen and Swiss frank (because of the demand for safe-havens) and to appreciate versus the others European currencies and Turkish lira.

Stress Test on trading book December 30, 2011

Scenario

(€ million)

	2011			
	GREECE DEFAULT	SOVEREIGN DEBT TENSIONS	WIDESPREAD CONTAGION	EMERGING MARKET SLOWDOWN
UniCredit S.p.A.	- 14	- 17	- 38	- 11
UCI - Ireland	-	-	-	-
Fineco Bank	-	-	-	-
Pekao	- 2	- 9	- 11	- 9
BA Group	- 51	- 55	- 89	- 23
UCB AG	- 48	- 436	- 424	- 515
UniCredit Group Total	**- 114**	**- 516**	**- 562**	**- 559**

The difference in Stress Test results with respect to the previous year is mainly due to the update of scenarios (Sovereign Debt Tension and Widespread Contagion).

2.9 Derivative instruments

A. Financial Derivatives

A.1 Regulatory trading portfolio: end of period notional amounts

(€ '000)

	AMOUNTS AS AT 12.31.2011		AMOUNTS AS AT 12.31.2010	
DERIVATIVE INSTRUMENT TYPES/UNDERLYINGS	OVER THE COUNTER	CLEARING HOUSE	OVER THE COUNTER	CLEARING HOUSE
1. Debt securities and interest rate indexes	**2,788,920,415**	**129,818,988**	**2,783,798,699**	**124,183,006**
a) Options	485,235,976	59,935,000	460,532,927	127,000
b) Swap	2,130,239,046	162,034	2,101,719,708	-
c) Forward	76,225,278	-	106,230,045	-
d) Futures	34,393	69,721,954	119,665	124,056,006
e) Others	97,185,722	-	115,196,354	-
2. Equity instruments and stock indexes	**77,502,727**	**37,880,312**	**87,522,480**	**53,743,814**
a) Options	64,749,878	32,188,310	67,574,121	49,068,627
b) Swap	11,931,000	-	19,464,522	-
c) Forward	8,292	-	4,688	-
d) Futures	54,095	5,691,854	30,079	4,675,064
e) Others	759,462	148	449,070	123
3. Gold and currencies	**583,716,358**	**102,702**	**629,445,644**	**602,483**
a) Options	105,846,192	-	102,931,682	-
b) Swap	222,136,546	-	219,844,708	-
c) Forward	255,733,620	-	306,602,774	-
d) Futures	-	102,702	-	602,483
e) Others	-	-	66,480	-
4. Commodities	**3,697,013**	**1,147,178**	**3,028,501**	**1,491,426**
5. Other underlyings	**2,524,207**	**-**	**4,034,675**	**-**
Total	**3,456,360,720**	**168,949,180**	**3,507,829,999**	**180,020,729**
Avarage amounts	**3,482,095,360**	**174,484,955**	**3,433,776,577**	**187,884,630**

This table refers to the notional values of financial derivatives according to classification within regulatory trading book applied by any separate Legal Entity belonging to Banking Group only. Derivatives belonging to this portfolio may not be the same as derivatives classified in the held for trading portfolio for accounting purposes (see Table A.2.2).

A.2. Banking portfolio: end of period notional amounts

A.2.1 Banking portfolio: end of period notional amounts - Hedging derivatives

(€ '000)

	AMOUNTS AS AT 12.31.2011		AMOUNTS AS AT 12.31.2010	
DERIVATIVE INSTRUMENT TYPES/UNDERLYINGS	OVER THE COUNTER	CLEARING HOUSE	OVER THE COUNTER	CLEARING HOUSE
1. Debt securities and interest rate indexes	**38,562,372**	**3,178,000**	**35,140,482**	**5,434,000**
a) Options	1,371,500	-	852,500	-
b) Swap	37,015,036	-	34,195,982	-
c) Forward	175,836	-	92,000	-
d) Futures	-	3,178,000	-	5,434,000
e) Others	-	-	-	-
2. Equity instruments and stock indexes	**1,928,000**	**-**	**186,100**	**-**
a) Options	3,000	-	5,100	-
b) Swap	123,000	-	181,000	-
c) Forward	-	-	-	-
d) Futures	-	-	-	-
e) Others	1,802,000	-	-	-
3. Gold and currency	**6,839,125**	**-**	**10,918,338**	**-**
a) Options	213,000	-	-	-
b) Swap	3,388,577	-	2,712,678	-
c) Forward	3,237,548	-	8,205,660	-
d) Futures	-	-	-	-
e) Others	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**
5. Other underlyings	**-**	**-**	**-**	**-**
Total	**47,329,497**	**3,178,000**	**46,244,920**	**5,434,000**
Avarage amounts	**46,787,209**	**4,306,000**	**128,668,310**	**5,149,500**

This table refers the notional value of hedging financial derivatives belonging to regulatory banking book in accordance with classification applied by any separate Legal Entity belonging to the Banking Group only.

Part E - Information on risks and related risk management policies (Continued)

A.2.2 Banking book: end of period notional amounts - Other derivatives

(€ '000)

DERIVATIVE INSTRUMENT TYPES/UNDERLYINGS	AMOUNTS AS AT 12.31.2011		AMOUNTS AS AT 12.31.2010	
	OVER THE COUNTER	CLEARING HOUSE	OVER THE COUNTER	CLEARING HOUSE
1. Debt securities and interest rate indexes	**21,228,795**	**-**	**15,411,728**	**-**
a) Options	191,799	-	312,404	-
b) Swap	21,036,996	-	15,099,324	-
c) Forward	-	-	-	-
d) Futures	-	-	-	-
e) Others	-	-	-	-
2. Equity instruments and stock indexes	**8,979,383**	**-**	**7,302,490**	**-**
a) Options	8,979,383	-	7,246,025	-
b) Swap	-	-	-	-
c) Forward	-	-	-	-
d) Futures	-	-	-	-
e) Others	-	-	56,465	-
3. Gold and currency	**6,245,029**	**-**	**14,047,776**	**-**
a) Options	72,863	-	109,985	-
b) Swap	586,734	-	19,119	-
c) Forward	5,585,336	-	13,918,672	-
d) Futures	-	-	-	-
e) Others	96	-	-	-
4. Commodities	**-**	**-**	**658**	**-**
5. Other underlyings	**-**	**-**	**-**	**-**
Total	**36,453,207**	**-**	**36,762,652**	**-**
Avarage amounts	**36,607,930**	**-**	**28,542,040**	**-**

This table refers to the Banking Group only and gives the notional value of the contracts being presented within Held for Trading portfolio and belonging to regulatory banking book (in particular Held for Trading contracts connected with Asset/Liabilities carried at Fair value through PnL and embedded derivative contracts bifurcated from banking book cash instruments presented within Section B Table 2.1 and 4.1 in lines.

A.3 Financial derivatives: gross positive fair value - breakdown by product

(€ '000)

TRANSACTION TYPES/UNDERLYINGS	POSITIVE FAIR VALUE			
	AMOUNTS AS AT 12.31.2011		AMOUNTS AS AT 12.31.2010	
	OVER THE COUNTER	CLEARING HOUSE	OVER THE COUNTER	CLEARING HOUSE
A. Regulatory trading portfolio	**114,040,377**	**2,196,581**	**83,049,274**	**2,449,833**
a) Options	14,632,791	2,148,689	14,200,064	2,448,950
b) Interest rate swaps	87,204,973	47,545	56,634,161	-
c) Cross currency swap	5,622,256	-	6,700,636	-
d) Equity swaps	191,000	-	248,006	-
e) Forward	5,221,299	-	5,076,456	-
f) Futures	47,395	346	5,783	880
g) Others	1,120,663	1	184,168	3
B. Banking portfolio - Hedging derivatives	**742,611**	**-**	**640,521**	**-**
a) Options	23,000	-	3,000	-
b) Interest rate swaps	463,615	-	361,719	-
c) Cross currency swap	87,247	-	75,658	-
d) Equity swaps	6,000	-	18,000	-
e) Forward	42,749	-	182,144	-
f) Futures	-	-	-	-
g) Others	120,000	-	-	-
C. Banking portfolio - other derivatives	**192,739**	**51**	**156,847**	**-**
a) Options	1,712	-	1,798	-
b) Interest rate swaps	89,689	-	-	-
c) Cross currency swap	-	-	-	-
d) Equity swaps	-	-	-	-
e) Forward	101,336	-	135,067	-
f) Futures	-	-	-	-
g) Others	2	51	19,982	-
Total	**114,975,727**	**2,196,632**	**83,846,642**	**2,449,833**

This table presents distribution by product of the positive financial derivatives' fair values in accordance with regulatory classification applied by any separate Legal Entity belonging to the Banking Group only.

A.4 Financial derivatives: gross negative fair value - breakdown by product

(€ '000)

PORTFOLIOS/DERIVATIVE INSTRUMENT TYPES	NEGATIVE FAIR VALUE			
	AMOUNTS AS AT 12.31.2011		AMOUNTS AS AT 12.31.2010	
	OVER THE COUNTER	CLEARING HOUSE	OVER THE COUNTER	CLEARING HOUSE
A. Regulatory trading portfolio	**110,744,518**	**3,044,488**	**81,831,298**	**4,160,908**
a) Options	13,653,592	3,043,367	15,348,324	4,160,908
b) Interest rate swaps	83,456,185	1,116	53,150,207	-
c) Cross currency swap	6,392,730	-	7,820,710	-
d) Equity swaps	240,000	-	287,000	-
e) Forward	5,752,376	-	4,733,109	-
f) Futures	45,376	2	-	-
g) Others	1,204,259	3	491,948	-
B. Banking portfolio - Hedging derivatives	**1,957,592**	**1,355**	**1,276,809**	**783**
a) Options	66,000	-	71,017	-
b) Interest rate swaps	1,561,704	655	1,039,777	-
c) Cross currency swap	235,686	-	103,280	-
d) Equity swaps	-	700	5,000	783
e) Forward	94,202	-	57,735	-
f) Futures	-	-	-	-
g) Others	-	-	-	-
C. Banking portfolio - Other derivatives	**440,136**	**-**	**243,168**	**-**
a) Options	196,571	-	159,068	-
b) Interest rate swaps	89,840	-	9,242	-
c) Cross currency swap	11,827	-	823	-
d) Equity swaps	-	-	-	-
e) Forward	141,898	-	74,035	-
f) Futures	-	-	-	-
g) Others	-	-	-	-
Total	**113,142,246**	**3,045,843**	**83,351,275**	**4,161,691**

This table presents distribution by product of the negative financial derivatives' fair values in accordance with regulatory classification applied by any separate Legal Entity belonging to the Banking Group only.

A.5 OTC Financial derivatives: regulatory trading portfolio - notional amounts, positive and negative gross fair value by counterparty - contracts not included in netting agreement

(€ '000)

CONTRACTS NOT INCLUDED IN NETTING AGREEMENT	AMOUNTS AS AT 12.31.2011						
	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC-SECTOR ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1) Debt securities and interest rate indexes	**1,839**	**49,374,759**	**83,180,164**	**106,436,814**	**21,441,958**	**66,542,024**	**2,162,952**
- notional amount	1,816	43,680,632	77,761,643	97,262,900	21,260,451	62,771,131	2,084,602
- positive fair value	9	3,722,244	1,642,623	4,354,064	90,203	3,044,282	50,918
- negative fair value	-	1,570,765	3,043,232	3,768,670	47,954	224,924	5,820
- future exposure	14	401,118	732,666	1,051,180	43,350	501,687	21,612
2) Equity instruments and stock indexes	**-**	**275,000**	**22,306,505**	**1,159,261**	**590,174**	**546,257**	**493,325**
- notional amount	-	231,000	20,817,352	1,053,050	535,339	387,739	460,640
- positive fair value	-	10,000	114,474	19,600	4,000	97,999	3,481
- negative fair value	-	16,000	39,327	11,011	9,220	49,129	13,498
- future exposure	-	18,000	1,335,352	75,600	41,615	11,390	15,706
3) Gold and currencies	**1,590,170**	**1,384,000**	**59,394,233**	**6,865,340**	**136,841**	**19,201,989**	**1,370,874**
- notional amount	1,547,714	1,083,000	55,997,747	6,120,164	131,852	17,926,496	1,250,143
- positive fair value	29,174	37,000	1,183,503	173,976	2,062	496,765	57,815
- negative fair value	283	204,000	1,356,539	455,073	491	398,828	13,559
- future exposure	12,999	60,000	856,444	116,127	2,436	379,900	49,357
4) Other instruments	**-**	**43,000**	**3,504,615**	**1,399,000**	**-**	**776,373**	**20,331**
- notional amount	-	39,000	1,796,535	691,000	-	621,913	19,203
- positive fair value	-	-	766,565	251,000	-	70,835	413
- negative fair value	-	1,000	794,017	383,000	-	24,654	41
- future exposure	-	3,000	147,498	74,000	-	58,971	674

Tables A.5, A.6, A.7 e A.8 refer to OTC derivatives' contracts belonging to Banking Group Legal Entities (excluded those contracts negotiated within listed markets and supported by margining process thus overriding counterparty risks exposure).

Part E - Information on risks and related risk management policies (Continued)

A.6 OTC Financial Derivatives: Regualatory trading portfolio - notional amounts, positive and negative gross fair value by counterparty - contracts included in netting agreement

(€ '000)

CONTRACTS INCLUDED IN NETTING AGREEMENT	AMOUNTS AS AT 12.31.2011						
	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC-SECTOR ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1) Debt securities and interest rate indexes	**536,259**	**500,763**	**2,017,399,048**	**591,164,215**	**4,164,120**	**38,689,754**	**607,515**
- notional amount	502,700	435,979	1,889,749,242	552,170,237	3,891,604	36,779,410	568,070
- positive fair value	25,136	61,132	63,219,096	19,848,575	45,502	1,510,715	38,000
- negative fair value	8,423	3,652	64,430,710	19,145,403	227,014	399,629	1,445
2) Equity instruments and stock indexes	**-**	**-**	**40,328,070**	**18,547,000**	**717,504**	**234,000**	**5,070**
- notional amount	-	-	37,134,070	15,950,000	695,465	233,000	5,070
- positive fair value	-	-	1,525,000	1,303,000	2,000	-	-
- negative fair value	-	-	1,669,000	1,294,000	20,039	1,000	-
3) Gold and currencies	**384,696**	**69,677**	**438,862,660**	**34,545,005**	**709,000**	**45,579,685**	**576,233**
- notional amount	329,196	55,951	422,002,100	33,124,495	691,000	42,961,265	495,233
- positive fair value	19,402	13,615	7,282,456	857,747	16,000	1,850,110	79,000
- negative fair value	36,098	111	9,578,104	562,763	2,000	768,310	2,000
4) Other instruments	**-**	**-**	**1,074,000**	**138,000**	**-**	**2,126,239**	**-**
- notional amount	-	-	942,000	120,000	-	1,991,565	-
- positive fair value	-	-	29,000	14,000	-	77,889	-
- negative fair value	-	-	103,000	4,000	-	56,785	-

A.7 OTC Financial derivatives: banking portfolio - notional amounts, positive and negative gross fair value by counterparty - contracts not included in netting agreement

(€ '000)

CONTRACTS NOT INCLUDED IN NETTING AGREEMENT	AMOUNTS AS AT 12.31.2011						
	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC-SECTOR ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1) Debt securities and interest rate indexes	**-**	**17,000**	**14,201,618**	**18,877,296**	**40,000**	**343,801**	**1,570,647**
- notional amount	-	17,000	13,755,328	18,535,763	39,000	312,642	1,474,073
- positive fair value	-	-	154,082	94,842	-	14,000	-
- negative fair value	-	-	260,573	150,323	-	13,144	92,167
- future exposure	-	-	31,635	96,368	1,000	4,015	4,407
2) Equity instruments and stock indexes	**-**	**-**	**2,276,408**	**55,127**	**-**	**105,501**	**9,496,028**
- notional amount	-	-	2,004,157	50,960	-	100,841	8,625,426
- positive fair value	-	-	120,047	88	-	570	7
- negative fair value	-	-	32	-	-	88	187,875
- future exposure	-	-	152,172	4,079	-	4,002	682,720
3) Gold and currencies	**-**	**-**	**9,856,238**	**-**	**-**	**526,016**	**76,566**
- notional amount	-	-	9,216,906	-	-	353,165	72,863
- positive fair value	-	-	131,673	-	-	70,661	-
- negative fair value	-	-	344,321	-	-	16,152	2,974
- future exposure	-	-	163,338	-	-	86,038	729
4) Other instruments	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-

A.8 OTC Financial derivatives: banking portfolio - notional amounts, positive and negative gross fair value by counterparty - contracts included in netting agreements

(€ '000)

CONTRACTS INCLUDED IN NETTING AGREEMENT	AMOUNTS AS AT 12.31.2011						
	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC-SECTOR ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1) Debt securities and interest rate indexes	**-**	**-**	**25,298,578**	**1,133,000**	**254,000**	**488,285**	**-**
- notional amount	-	-	23,997,953	1,074,000	245,000	340,407	-
- positive fair value	-	-	266,555	33,000	5,000	7,825	-
- negative fair value	-	-	1,034,070	26,000	4,000	140,053	-
2) Equity instruments and stock indexes	**-**	**-**	**-**	**129,000**	**-**	**5,000**	**-**
- notional amount	-	-	-	123,000	-	3,000	-
- positive fair value	-	-	-	6,000	-	2,000	-
- negative fair value	-	-	-	-	-	-	-
3) Gold and currencies	**-**	**-**	**3,254,179**	**342,000**	**-**	**-**	**-**
- notional amount	-	-	3,112,221	329,000	-	-	-
- positive fair value	-	-	19,000	10,000	-	-	-
- negative fair value	-	-	122,958	3,000	-	-	-
4) Other instruments	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-

A.9 OTC financial derivatives - residual life: notional amounts

(€ '000)

UNDERLYING/RESIDUAL MATURITY	UP TO 1 YEAR	OVER 1 YEAR UP TO 5 YEAR	OVER 5 YEARS	TOTAL
A. Regulatory trading portfolio	**1,107,733,654**	**1,420,709,686**	**927,917,385**	**3,456,360,725**
A.1 Financial derivative contracts on debt securities and interest rates	703,427,744	1,224,117,993	861,374,680	2,788,920,417
A.2 Financial derivative contracts on equity securities and stock indexes	38,395,364	35,715,103	3,392,260	77,502,727
A.3 Financial derivative contracts on exchange rates and gold	362,956,130	158,001,785	62,758,445	583,716,360
A.4 Financial derivative contracts on other values	2,954,416	2,874,805	392,000	6,221,221
B. Banking portfolio	**32,831,368**	**37,753,798**	**13,197,537**	**83,782,703**
B.1 Financial derivative contracts on debt securities and interest rates	20,509,708	29,465,576	9,815,883	59,791,167
B.2 Financial derivative contracts on equity securities and stock indexes	2,874,883	5,918,247	2,114,253	10,907,383
B.3 Financial derivative contracts on exchange rates and gold	9,446,777	2,369,975	1,267,401	13,084,153
B.4 Financial derivative contracts on other values	-	-	-	-
Amounts as at 12.31.2011	**1,140,565,022**	**1,458,463,484**	**941,114,922**	**3,540,143,428**
Amounts as at 12.31.2010	**1,463,187,325**	**1,341,791,500**	**785,858,747**	**3,590,837,572**

This table refers to OTC derivatives' contracts belonging to Banking Group Legal Entities (excluded those contracts negotiated within listed markets and supported by margining process overriding counterparty risks exposure).

Part E - Information on risks and related risk management policies (Continued)

B. Credit Derivatives

B.1 Credit derivatives: end of period notional amounts

(€ '000)

TRANSACTION CATEGORIES	REGULATORY TRADING PORTFOLIO		BANKING PORTFOLIO	
	WITH A SINGLE COUNTERPARTY	WITH MORE THAN ONE COUNTERPARTY (BASKET)	WITH A SINGLE COUNTERPARTY	WITH MORE THAN ONE COUNTERPARTY (BASKET)
1. Protection buyer's contracts				
a) Credit default products	72,223,000	31,068,000	446,000	-
b) Credit spread products	-	-	-	-
c) Total rate of return swap	184,000	-	-	-
d) Other	2,050,000	253,000	5,000	-
Amounts as at 12.31.2011	**74,457,000**	**31,321,000**	**451,000**	**-**
Avarage amounts	**75,871,750**	**41,073,200**	**732,706**	**135,348**
Amounts as at 12.31.2010	**77,286,500**	**50,825,400**	**1,014,412**	**270,695**
2. Protection seller's contracts				
a) Credit default products	73,642,973	40,361,000	426,000	-
b) Credit spread products	234,158	-	-	-
c) Total rate of return swap	61,000	-	-	-
d) Other	294,000	526,000	-	-
Amounts as at 12.31.2011	**74,232,131**	**40,887,000**	**426,000**	**-**
Avarage amounts	**76,089,319**	**51,513,500**	**498,000**	**-**
Amounts as at 12.31.2010	**77,946,506**	**62,140,000**	**570,000**	**-**

This table refers to the notional values of credit derivatives according to classification within regulatory trading or banking book applied by any separate Legal Entity belonging to Banking Group only.

B.2 Credit derivatives: gross positive fair value - breakdown by product

(€ '000)

PORTFOLIOS/DERIVATIVE INSTRUMENT TYPES	POSITIVE FAIR VALUE	
	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
A. Regulatory trading portfolio	**5,095,539**	**3,977,578**
a) Credit default products	4,934,254	3,951,588
b) Credit spread products	1,285	1,990
c) Total rate of return swap	-	-
d) Others	160,000	24,000
B. Banking portfolio	**73,000**	**39,000**
a) Credit default products	73,000	39,000
b) Credit spread products	-	-
c) Total rate of return swap	-	-
d) Others	-	-
Total	**5,168,539**	**4,016,578**

This table presents distribution by product of the positive financial derivatives' fair values in accordance with regulatory classification applied by any separate Legal Entity belonging to the Banking Group only.

B.3 Credit derivatives: gross negative fair value - breakdown by product

(€ '000)

PORTFOLIOS/DERIVATIVE INSTRUMENT TYPES	NEGATIVE FAIR VALUE	
	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010
A. Regulatory trading portfolio	**5,370,012**	**4,453,286**
a) Credit default products	5,290,295	4,443,153
b) Credit spread products	4,717	133
c) Total rate of return swap	2,000	-
d) Others	73,000	10,000
B. Banking portfolio	**68,293**	**55,545**
a) Credit default products	68,000	55,000
b) Credit spread products	-	-
c) Total rate of return swap	-	-
d) Others	293	545
Total	**5,438,305**	**4,508,831**

This table presents distribution by product of the negative financial derivatives' fair values in accordance with regulatory classification applied by any separate Legal Entity belonging to the Banking Group only.

B.4 OTC Credit derivatives: gross FV (positive and negative) by counterpart - contracts not in netting agreement

(€ '000)

CONTRACTS NOT INCLUDED IN NETTING AGREEMENT	AMOUNTS AS AT 12.31.2011						
	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC-SECTOR ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
Regulatory trading portfolio							
1) Protection purchase	**-**	**-**	**3,014,231**	**2,848,000**	**-**	**-**	**-**
- notional amount	-	-	2,674,000	2,559,000	-	-	-
- positive fair value	-	-	168,000	33,000	-	-	-
- negative fair value	-	-	15,231	9,000	-	-	-
- future exposure	-	-	157,000	247,000	-	-	-
2) Protection sale	**-**	**-**	**1,279,160**	**6,140,048**	**-**	**-**	**-**
- notional amount	-	-	1,149,158	5,490,973	-	-	-
- positive fair value	-	-	2,285	1,000	-	-	-
- negative fair value	-	-	73,717	102,064	-	-	-
- future exposure	-	-	54,000	546,011	-	-	-
Banking portfolio							
1) Protection purchase	**-**	**-**	**-**	**1,000**	**-**	**-**	**5,293**
- notional amount	-	-	-	1,000	-	-	5,000
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	293
2) Protection sale	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- notional amount	-	-	-	-	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	-	-	-	-	-

Tables B.4 and B.5 refer to OTC derivatives' contracts belonging to Banking Group Legal Entities (excluded those contracts negotiated within listed markets and supported by margining process thus overriding counterparty risks exposure).

B.5 OTC Credit derivatives: gross FV (positive and negative) by counterpart - contracts in netting agreement

(€ '000)

CONTRACTS INCLUDED IN NETTING AGREEMENT	AMOUNTS AS AT 12.31.2011						
	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC-SECTOR ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
Regulatory trading portfolio							
1) Protection purchase	**-**	**-**	**75,101,255**	**30,336,000**	**-**	**-**	**-**
- notional amount	-	-	71,705,000	28,840,000	-	-	-
- positive fair value	-	-	3,161,255	1,380,000	-	-	-
- negative fair value	-	-	235,000	116,000	-	-	-
2) Protection sale	**-**	**-**	**77,594,000**	**36,053,000**	**1,000**	**-**	**-**
- notional amount	-	-	73,974,000	34,504,000	1,000	-	-
- positive fair value	-	-	221,000	129,000	-	-	-
- negative fair value	-	-	3,399,000	1,420,000	-	-	-
Banking portfolio							
1) Protection purchase	**-**	**-**	**439,000**	**79,000**	**-**	**-**	**-**
- notional amount	-	-	383,000	62,000	-	-	-
- positive fair value	-	-	56,000	17,000	-	-	-
- negative fair value	-	-	-	-	-	-	-
2) Protection sale	**-**	**-**	**465,000**	**29,000**	**-**	**-**	**-**
- notional amount	-	-	401,000	25,000	-	-	-
- positive fair value	-	-	-	-	-	-	-
- negative fair value	-	-	64,000	4,000	-	-	-

Part E - Information on risks and related risk management policies (CONTINUED)

B.6. Credit derivatives residual life: notional amount

(€ '000)

	UP TO 1 YEAR	OVER 1 YEAR UP TO 5 YEARS	OVER 5 YEARS	TOTAL
A. Regulatory trading portfolio	**69,424,807**	**132,993,324**	**18,479,000**	**220,897,131**
A.1 Credit derivatives with "qualified reference obligation"	33,476,807	74,006,324	8,599,000	116,082,131
A.2 Credit derivatives with "not qualified reference obligation"	35,948,000	58,987,000	9,880,000	104,815,000
B. Banking portfolio	**308,000**	**569,000**	**-**	**877,000**
B.1 Credit derivatives with "qualified reference obligation"	308,000	385,000	-	693,000
B.2 Credit derivatives with "not qualified reference obligation"	-	184,000	-	184,000
Total 12.31.2011	**69,732,807**	**133,562,324**	**18,479,000**	**221,774,131**
Total 12.31.2010	**38,021,920**	**197,742,498**	**34,289,095**	**270,053,513**

This table refers to OTC derivatives' contracts belonging to Banking Group Legal Entities (excluded those contracts negotiated within listed markets and supported by margining process overriding counterparty risks exposure).

C. Credit and Financial Derivatives

C.1 OTC Financial and credit derivatives: net fair value and future exposure by counterparty

(€ '000)

	AMOUNTS AS AT 12.31.2011						
	GOVERNMENTS AND CENTRAL BANKS	OTHER PUBLIC-SECTOR ENTITIES	BANKS	FINANCIAL COMPANIES	INSURANCE COMPANIES	NON-FINANCIAL COMPANIES	OTHER ENTITIES
1) Netting agreements related to Financial Derivatives	**88,634**	**68,602**	**664,060**	**42,204**	**4,133**	**1,699,258**	**445**
- positive fair value	40,018	30,811	87,849	17,177	-	616,880	-
- negative fair value	-	-	575,701	324	1,229	169,756	445
- future exposure	4,299	3,490	108	3,763	1,452	147,872	-
- net counterparty risk	44,317	34,301	402	20,940	1,452	764,750	-
2) Netting agreements related to Credit Derivatives	**-**	**-**	**510**	**-**	**-**	**-**	**-**
- positive fair value	-	-	255	-	-	-	-
- negative fair value	-	-	-	-	-	-	-
- future exposure	-	-	-	-	-	-	-
- net counterparty risk	-	-	255	-	-	-	-
3) Cross Product netting agreements	**42,619**	**5,618**	**53,298,648**	**13,845,907**	**356,914**	**6,494,226**	**420,733**
- positive fair value	-	554	7,327,484	2,408,106	35,399	2,250,097	187,588
- negative fair value	40,303	4,118	12,922,818	1,397,502	255,694	463,714	2,284
- future exposure	1,158	196	15,007,481	4,604,263	24,476	768,259	21,593
- net counterparty risk	1,158	750	18,040,865	5,436,036	41,345	3,012,156	209,268

Section 3 - Liquidity Risk

QUALITATIVE INFORMATION

1. General aspects, operational processes and methods for measuring liquidity risk

Liquidity risk is defined as the risk that the Group may find itself unable to fulfil its expected or unexpected payment obligations (by cash or delivery) current and future without jeopardizing its day-to day operations or its financial condition.

The key principles

The Liquidity Centres

The Group aims to maintain liquidity at the level enabling to conduct safe operations, to fund its operations at the best rate conditions under normal operating circumstances, and to remain always in a position to meet payment obligations.
To this end, the Group complies accurately with the legal and regulatory provisions imposed by the national Central Banks and by the national authorities of each country where it operates.

In addition to local legal and regulatory requirements the Group, through the Parent Company and under the responsibility of its Group Risk Management, defines policies and metrics to be applied at the Group-wide level, to ensure that liquidity position of any Entity meets the requirements of the Group.

For these reasons, the Group is organized on a managerial perspective, according to the concept of the Liquidity Centres.
The Liquidity Centres are Legal Entities that act in their responsibility as liquidity hub. They are in charge:

- of the liquidity management and concentration process of liquidity flows of the Legal Entities falling within their perimeter of responsibility;
- of the funding optimization carried out on the relevant local markets and are responsible to coordinate the access to short term and medium long term markets of the legal entities belonging to their perimeter;
- finally, of the implementation of the Group's liquidity rules at local level in line with Group's Governance Guideline and Policy and with local regulations.

A particularly important role is played by the Parent Company, as a "supervisory and overarching liquidity centre" with its role of steering, coordinating, and controlling all the aspects regarding liquidity for the whole Group. The Parent Company, moreover, acts as the Liquidity Centre Italy.

The principle of "self-sufficiency"

The liquidity available at country level could be subject to restrictions due to legal, regulatory and political constraints. The so called "Large Exposure Regime", applied throughout Europe, along with specific national laws like the "German Stock Corporation Act", are examples of legal constraints to the free circulation of funds within a cross-border banking Group[10].

As a general rule, the Large Exposure Regime, which came into force on 31 December 2010, limits interbank exposures to a maximum of 25% of own funds: this rule is also applicable to intra-group exposures.
However, there are significant differences in the way in which this EU regulation has been implemented in the various countries. In many CEE countries the limit of 25% of free funds is valid, with some countries showing even stricter rules (e.g. Serbia); in Austria, according to the National law, the "25% of own funds limit" is not applied to exposures towards the parent company, if located in the European Economic Area; finally, in Germany the national Regulator has set up a process to apply for a waiver, exempting intra-group exposures from the large exposure limitation.

In the absence of official limits valid at National level, Austrian and German Regulators reserve the right to judge the exposure level on a case-by-case basis. In the current economic environment, in many of the territories in which the Group operates, Banking Regulatory Authorities are adopting measures aimed at reducing the exposure of their National banking system towards foreign jurisdictions with potential negative impacts on the ability of the Group to finance its activities.

For these reasons, the Group Liquidity Policy provides for a further principle in order to enhance a sound liquidity risk management; that is, each Legal Entity (in particular those located in a country different from the one of its Liquidity Centre of reference), has to increase its liquidity self-sufficiency in an on-going basis and under stressed conditions, fostering each Legal Entity to exploit its strengths, in order to optimize the cost of funds of the Group.

This type of organization allows the Group that the Legal Entities are self-sufficient by accessing the local and global markets for liquidity in a controlled and coordinated way, whilst optimizing: i) the liquidity surpluses and deficits within the Group's legal entities ii) the overall costs of funding across the Group.

10. Also the Bank of Italy Rules, Circolare 263, provides that the liquidity reserves shall be kept in each Legal Entity in order to minimize the transfers of cash reserves (Title V, Chapter 2, Section III. 7 second last paragraph).

Part E - Information on risks and related risk management policies (CONTINUED)

Roles and responsibilities

At Group level, three main functions are identified in the management of the liquidity: the Group Risk Management competence line, the "Finance" function (within Planning, Finance & Administration competence line), and the "Treasury" function (within the "Markets" Business Unit), each with different roles and responsibilities. In particular, the operational responsibilities reside in the Finance and the Treasury functions, while the Risk Management function has responsibilities of independent controls and independent reporting compared to the operational functions (in line with the requirements of Bank of Italy 263 Circular).

More specifically, Group Treasury acts as main coordinator in the management of infra-group flows, stemming from liquidity deficits or surplus of the various Group's Legal Entities, and applies the appropriate transfer prices to such funds movements. By doing so, Group Treasury ensures a disciplined and efficient access to the markets.

Optimisation of liquidity risks is pursued through the setting of specific limits on the standard banking activity of transforming short, medium and long-term maturities. This is implemented in accordance with legal and regulatory framework in each country and internal rules and policies of the Group companies through management models in place within the individual Liquidity Centres.

Such models are subject to analyses carried out by the local Risk Management or equivalent structure with the same responsibilities in coordination with the Group's Risk Management to ensure that they comply with the metrics and the objectives of the Group's Liquidity Framework.
Moreover, the regional rules must conform to national law and regulatory requirements.

Risk measurement and reporting systems

Techniques for risk measurement

Liquidity risk, for its particular nature, is addressed by means of gap analyses, liquidity stress testing, and complementary measures (mainly through a set of ratios: e.g. loan to deposit, leverage). In particular, gap analyses are performed within two distinct time horizons:
- liquidity imbalance mismatch approach on a daily basis, which controls for the short term liquidity risk arising from the overnight up to a 3 months maturity;
- gap ratios on a monthly basis, which control the medium to long term risk (structural liquidity) from the 1Y maturity onwards.

The liquidity metrics

The Group's Liquidity Framework is based upon the Liquidity Risk Mismatch Model which is characterized by the following fundamental principles:
- Short-term liquidity risk management (operational liquidity), which considers the events that will impact upon the Group's liquidity position from 1 day up to one year. The primary objective is to maintain the Group's capacity to fulfill its ordinary and extraordinary payment obligations while minimizing the relevant costs.
- Structural liquidity risk management (structural risk), which considers the events that will impact upon the Group's liquidity position over one year. The primary objective is to maintain an adequate ratio between medium/long term liabilities and medium to long-term assets, with a view to avoiding pressures on short-term funding sources (both current and future), while in the meantime optimizing the cost of funding.
- Stress tests: Liquidity risk is a low probability, high impact event. Therefore stress testing is an excellent tool to reveal potential vulnerabilities in the Balance Sheet. The Bank uses several scenarios ranging from general market crisis to idiosyncratic crisis, and combinations hereof.

In this context, the Parent Company takes into account all of the assets, liabilities, off-balance sheet positions and present and future events which generate certain or potential cash flows for the Group, thereby protecting the Group Banks/Companies from risks related to the transformation of maturity.

Short term liquidity management

Consolidated short-term liquidity management aims at ensuring that the Group remains in a position to fulfill its cash payment obligations, whether expected or unexpected, focused on the exposure for the first 12 months.

The standard measures taken for such purposes are the following:
- management of the access to payment systems (operational liquidity management);
- management of cash payments to be made and monitoring of the level of liquidity reserves and the extent of their utilization (analysis and active management of the maturity ladder).

These principles are applicable at Group level and have to be used across the Liquidity Centres.

The Group adopts also the indicator "Cash Horizon" as a synthetic indicator of the short term liquidity risk levels; this indicator is monitored through the Operative Maturity Ladder, which measures the cash-in and outflows affecting the monetary base. The Cash Horizon identifies the number of days after which the relevant Entity is no longer able to meet its liquidity obligations as expressed in the operative Maturity Ladder, after having exhausted the available Counterbalancing Capacity. The objective of the Group during the reporting period has been to guarantee a cash horizon of at least 3 months. The Cash Horizon is one of the liquidity metrics included in the Group's Risk Appetite Framework. At the same time, a sensitivity analysis is performed aimed to verify the impact of 1 and 2 billion Euro inflows or outflows on the Cash Horizon.

Structural liquidity management

The Group's structural liquidity management aims to limit refinancing exposures with respect to maturities exceeding one year and thus reducing refinancing needs in the shorter term. The structural Liquidity Ratio over 1 year is one of the liquidity metrics included in the Group's Risk Appetite Framework. The maintenance of an adequate ratio between medium to long-term liabilities and assets aims to avoid pressures on short-term sources, whether present or future.

The standard measures taken for such purposes are the following:

- the spreading of the maturity of funding operations in order to reduce the usage of less stable funding sources, while in the meantime optimizing the cost of funding (integrated management of strategic liquidity and tactical liquidity);
- the financing of growth through strategic funding activities, setting the most appropriate maturities (Yearly Funding Plan);
- the balancing of medium- to long-term wholesale funding requirements with the need to minimize costs, by diversifying sources, national markets, currencies of issuance and instruments used (realization of the Yearly Funding Plan).

Liquidity Stress Test

Stress testing is a risk management technique used to evaluate the potential effects on an institution's financial condition of a specific event and/or movement in a set of financial variables. As a forward looking tool, liquidity stress testing diagnostics the institution's liquidity risk. In particular the results of the Stress tests are used to:

- assess the adequacy of liquidity limits both in quantitative and qualitative terms;
- plan and carry out alternative sourcing transactions for purposes of off-setting liquidity outflows;
- structure/modify the liquidity profile of the Group's assets;
- provide support to the development of the liquidity contingency plan.

In order to execute Stress tests that are consistent across the Liquidity Centres, the Group has a centralised approach to stress testing, requiring each local Liquidity Centre to run the same scenario set under the coordination of the Group Risk Management. At the Liquidity Centre level the use of statistical/quantitative behavioural models are accepted, provided they are validated by the local Risk Management or equivalent structure with same responsibilities. The Group runs liquidity scenarios and sensitivity analyses on a regular basis, the latter by assessing the impact on an institution's financial condition of a move in one particular risk factor, the source of the shock not being identified, whereas scenario tests tend to consider the impact of simultaneous moves in a number of risk factors, based on a hypothetical, well defined and consistent stress scenario.

Liquidity scenarios

At macro level the Group identifies three basic different classes of potential liquidity crisis:

- market (<u>systemic</u>, global o sector) related crisis: Market Downturn Scenario. This scenario consists of a sudden turmoil in a monetary and capital market, which may be caused by closure (or limited access) to market/settlement system, critical political events, country crisis, credit crunch, etc.;
- <u>specific</u> to the Group, or part of it: name crisis, and downgrade scenarios; the assumption could be operational risk, event related to the worsen perception of the Group reputation risk and a downgrade in UniCredit S.p.A. rating;
- a <u>combination</u> of market and specific crisis: combined scenario. The survival period of the combined liquidity stress test scenario is one of the liquidity metrics included in the Group's Risk Appetite Framework.

The results of the stress test may highlight the needs of setting up specific limits concerning, for instance, unsecured funding, the ratio between cash-in/cash-out flows and counterbalancing capacity, the ratio between eligible and non-eligible securities, among others.

Monitoring and reporting

The short term liquidity limits and the Cash Horizon are monitored and reported on a daily basis. The structural liquidity ratios and its exposure against limits are monitored and reported on a monthly basis. The survival period and the result of the liquidity Stress test are reported and monitored on a weekly basis.

Risk mitigation

Mitigation factors

It is generally accepted that liquidity risk cannot be mitigated by capital. As such liquidity risk does not add to the economic capital usage, nevertheless it is considered as an important risk category also for the risk appetite determination of the Group.

Part E - Information on risks and related risk management policies (CONTINUED)

The main liquidity mitigation factors for UniCredit group are:
• an accurate short term and medium to long term liquidity planning monitored monthly;
• an effective Contingency Liquidity Policy (CLP) with feasible and up-to-date Contingency Action Plan (CAP) to be executed in case of market crisis;
• a liquidity buffer to face unexpected outflows;
• robust and regular up to date stress testing performed on a high frequency.

Funding Plan

The Funding Plan plays a fundamental role in the overall liquidity management influencing both the short term and the structural position. The Funding Plan, defined at each level (i.e. Group, Liquidity Center and Legal Entity level), is developed consistently with a sustainable uses and sources analysis both on short term and structural position. One of the objectives of accessing the medium and long term channels is to avoid also the pressure on the short term liquidity position. The Funding Plan is updated at least on a yearly basis and is approved by the Board of Directors. Moreover, it is aligned with the Budgeting process and the Risk Appetite framework.
The Parent Company is the responsible for accessing the market for Group Bank Capital Instruments.
The Parent Company, through the Planning Finance and Administration (PFA) function, coordinates the market access of the Liquidity Centres and Legal Entities, while the Liquidity Centres coordinate the access of the Legal Entities falling within their perimeter.
Each Legal Entity or Liquidity Centre, under the responsibility of PFA, can access the markets for medium and long term funding, in order to increase its self-sufficiency, exploit market opportunities and functional specialization, safeguarding the optimization of cost of funds of the Group.
PFA is responsible for the elaboration of the Funding Plan. Risk Management is responsible for providing an independent assessment of the Funding Plan.

Group Contingency Liquidity Policy

A liquidity crisis is a high impact, low probability event. Therefore, a crisis-mode governance model that can be activated effectively in case of crisis according to an approved procedure has to be defined. In order to be able to proceed timely, a set of mitigating actions have to be pre-defined. Depending on the situation some of these actions can then be approved for execution.
The ability to act in time is essential to minimize the potentially disruptive consequences of a liquidity crisis. The analytics of the Stress tests will form a valuable tool to identify the expected consequences and to define up front the most suitable actions in a certain crisis scenario. In combination with Early Warning Indicators (EWI) the organization may even be able to reduce the liquidity effects in the initial stages of a crisis.

Liquidity crises usually develop quickly and the relevant signals may be either difficult to interpret or may even be lacking; it is, therefore, important to identify clearly players, powers, responsibilities, communication and reporting criteria, in order to increase significantly the probability of overcoming the state of emergency successfully. A liquidity crisis could be classified as systemic (e.g. overall capital and money market disruption) or specific (e.g. specific within the sphere of the bank), or a combination of both.

The Group Contingency Liquidity Policy (CLP) has the objective of ensuring effective interventions starting from the very outset (initial hours) of the liquidity crisis, through the clear identification of individuals, powers, responsibilities, communication, and reporting criteria, with a view of increasing significantly the probability of successfully overcoming the state of emergency. This is achieved through:
• activation of extraordinary liquidity governance and operating model;
• consistent internal and external communication;
• a set of available standby mitigating liquidity actions;
• a set of early warning indicators that may point towards a developing crisis.

A fundamental part of the Contingency Liquidity Policy is the Contingency Funding Plan. Such a plan consists of a set of potential but concrete management actions. Such actions should be described in terms of a menu of actions together with sizes, instruments, and timing of execution aimed at improving the bank's liquidity position mainly during times of crisis. The Contingency Funding Plan has to be developed on the basis of the annual Funding Plan. Group Risk Committee (GRC) gives the final approval and decides whether the Board of Directors has to be informed.

Early Warning Indicators

A system of Liquidity Early Warning Indicators is necessary in order to continuously monitor situations of stress, which may, among others, be originated by market, sector or name specific events. That is, they could be based either on macroeconomic or microeconomic variables, internal or external, depending on the prevailing macroeconomic context, and by taking into account the monetary policy of the Central Banks. The system of Liquidity Early Warning Indicators should support the management decisions in case of deteriorating of Liquidity position or stressed situations. The associated reports should communicate in an efficient manner the main results of the indicators.

QUANTITATIVE INFORMATION

1.Time breakdown by contractual residual maturity of financial assets and liabilities

(€ '000)

	AMOUNTS AS AT 12.31.2011									
ITEMS/MATURITIES	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO 1 MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	UNSPECIFIED MATURITY
Balance sheet assets	**95,483,135**	**21,015,877**	**10,186,563**	**40,400,399**	**51,901,684**	**40,146,316**	**51,719,043**	**212,530,349**	**220,048,732**	**15,897,029**
A.1 Government securities	40,482	52,416	33,938	483,755	5,688,689	5,587,352	7,840,582	19,174,214	11,922,810	16
A.2 Other debt securities	46,520	3,032,919	408,803	616,976	1,671,649	1,400,524	3,386,216	42,743,386	27,913,484	894,673
A.3 Units in investment funds	1,012,679	11,627	-	-	1,030	-	-	138	70,505	2,132,683
A.4 Loans	94,383,454	17,918,915	9,743,822	39,299,668	44,540,316	33,158,440	40,492,245	150,612,611	180,141,933	12,869,657
- Banks	16,007,689	3,492,494	3,093,942	9,152,153	8,067,686	2,273,443	1,837,016	4,697,641	2,528,467	696,688
- Customers	78,375,765	14,426,421	6,649,880	30,147,515	36,472,630	30,884,997	38,655,229	145,914,970	177,613,466	12,172,969
Balance sheet liabilities	**241,415,749**	**46,427,229**	**20,116,370**	**53,119,043**	**62,872,118**	**36,843,687**	**38,422,180**	**138,923,406**	**74,500,890**	**7,550,172**
B.1 Deposits and current accounts	233,357,592	10,944,663	11,460,191	25,860,162	34,599,316	17,281,588	14,834,772	21,856,602	3,464,939	153,139
- Banks	11,669,999	5,406,668	2,110,199	3,676,142	1,398,455	1,724,096	723,165	5,948,468	1,856,211	17,180
- Customers	221,687,593	5,537,995	9,349,992	22,184,020	33,200,861	15,557,492	14,111,607	15,908,134	1,608,728	135,959
B.2 Debt securities	325,007	1,059,748	1,089,252	2,186,483	8,359,395	11,962,643	15,553,008	81,499,016	52,121,434	979,958
B.3 Other liabilities	7,733,150	34,422,818	7,566,927	25,072,398	19,913,407	7,599,456	8,034,400	35,567,788	18,914,517	6,417,075
Off-balance sheet "transactions"										
C.1 Physically settled financial derivatives										
- Long positions	85,016	16,299,292	9,294,085	8,016,448	19,831,419	11,542,570	6,741,583	14,650,301	11,239,100	14,487
- Short positions	84,792	15,656,898	9,434,952	11,825,533	19,291,680	12,470,148	7,120,182	13,664,452	9,274,180	11,676
C.2 Cash settled financial derivatives										
- Long positions	119,468,730	2,135,061	1,165,413	1,859,927	9,442,028	6,403,437	4,878,395	22,934,933	7,393,108	147,365
- Short positions	117,258,242	2,135,061	1,165,451	1,859,643	9,435,987	6,409,211	4,886,836	22,953,710	7,380,608	147,365
C.3 Deposit to be received										
- Long positions	6,185,936	4,396,027	-	-	-	-	-	-	-	-
- Short positions	-	8,342,975	8,700	-	1,309,210	907,577	13,499	-	-	-
C.4 Irrevocable commitments to disburse funds										
- Long positions	37,674,987	1,853,692	275,154	1,199,655	3,554,742	3,557,199	13,336,819	18,765,353	5,213,344	3,387,405
- Short positions	60,047,027	1,091,640	269,137	414,659	1,371,842	1,463,880	8,889,229	10,990,955	852,037	3,387,331
C.5 Written guarantees	1,621,844	93,193	1,986	52,542	207,564	151,811	321,875	1,142,094	1,436,272	-

Part E - Information on risks and related risk management policies (Continued)

1.1 Time breakdown by contractual residual maturity of financial assets and liabilities - Currency: euro

(€ '000)

	AMOUNTS AS AT 12.31.2011									
ITEMS/MATURITIES	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO 1 MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	UNSPECIFIED MATURITY
Balance sheet assets	**85,986,469**	**13,486,643**	**7,671,535**	**30,580,061**	**40,067,856**	**28,588,546**	**40,855,108**	**180,436,004**	**185,694,719**	**14,539,474**
A.1 Government securities	26,018	9,144	3,242	412,764	4,934,338	5,049,079	6,051,748	12,333,474	9,875,430	6
A.2 Other debt securities	29,356	198,815	163,561	509,865	1,195,529	1,067,372	2,640,086	40,518,205	24,180,826	893,252
A.3 Units in investment funds	765,993	11,617	-	-	347	-	-	-	61,578	2,016,035
A.4 Loans	85,165,102	13,267,067	7,504,732	29,657,432	33,937,642	22,472,095	32,163,274	127,584,325	151,576,885	11,630,181
- Banks	12,437,822	2,023,975	2,122,556	7,331,784	6,408,932	1,682,952	1,389,710	4,267,745	2,394,629	687,730
- Customers	72,727,280	11,243,092	5,382,176	22,325,648	27,528,710	20,789,143	30,773,564	123,316,580	149,182,256	10,942,451
Balance sheet liabilities	**213,094,819**	**41,624,526**	**12,205,843**	**40,415,057**	**51,344,838**	**31,109,660**	**34,434,491**	**127,517,342**	**68,836,391**	**5,656,660**
B.1 Deposits and current accounts	205,631,950	8,216,842	4,091,575	13,725,133	26,647,118	13,422,356	11,801,097	18,202,427	2,867,769	145,160
- Banks	10,701,685	4,350,671	961,094	2,227,653	737,193	1,543,599	533,777	5,367,203	1,581,402	17,180
- Customers	194,930,265	3,866,171	3,130,481	11,497,480	25,909,925	11,878,757	11,267,320	12,835,224	1,286,367	127,980
B.2 Debt securities	324,928	1,044,006	1,059,711	2,116,770	8,039,294	10,823,697	15,273,959	78,127,391	47,684,195	962,689
B.3 Other liabilities	7,137,941	32,363,678	7,054,557	24,573,154	16,658,426	6,863,607	7,359,435	31,187,524	18,284,427	4,548,811
Off-balance sheet "transactions"										
C.1 Physically settled financial derivatives										
- Long positions	30,847	7,678,489	6,082,245	5,888,156	9,198,286	3,645,713	2,002,572	3,268,696	7,377,038	9,173
- Short positions	53,772	6,450,121	1,858,261	4,871,470	8,312,666	6,902,196	4,360,785	6,124,148	7,438,900	4,500
C.2 Cash settled financial derivatives										
- Long positions	118,343,611	1,956,044	707,635	578,812	7,515,039	4,122,793	623,270	7,360,742	2,806,361	147,365
- Short positions	116,187,732	1,956,044	706,569	578,528	7,508,411	4,128,581	630,827	7,379,238	2,793,861	147,365
C.3 Deposit to be received										
- Long positions	6,078,974	4,270,311	-	-	-	-	-	-	-	-
- Short positions	-	8,197,706	8,700	-	1,224,196	905,183	13,499	-	-	-
C.4 Irrevocable commitments to disburse funds										
- Long positions	33,029,568	1,818,324	26,669	824,179	2,768,747	1,260,156	6,449,491	13,641,142	4,406,264	3,294,534
- Short positions	52,127,351	984,604	22,376	318,817	714,060	261,241	2,383,888	7,146,570	225,020	3,294,534
C.5 Written guarantees	1,606,656	77,523	1,555	41,473	143,605	87,051	207,045	885,488	771,606	-

1.2 Time breakdown by contractual residual maturity of financial assets and liabilities - Currency: dollars

(€ '000)

	AMOUNTS AS AT 12.31.2011									
ITEMS/MATURITIES	ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO 1 MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	UNSPECIFIED MATURITY
Balance sheet assets	**2,425,846**	**1,850,440**	**503,043**	**3,005,150**	**3,200,935**	**2,158,750**	**2,545,573**	**11,073,313**	**5,252,803**	**357,683**
A.1 Government securities	53	-	266	65	242,729	6,479	651,829	3,882,032	237,600	10
A.2 Other debt securities	128	-	22	26,470	11,443	119,958	37,746	754,484	1,383,386	654
A.3 Units in investment funds	147,637	-	-	-	683	-	-	-	8,927	111,983
A.4 Loans	2,278,028	1,850,440	502,755	2,978,615	2,946,080	2,032,313	1,855,998	6,436,797	3,622,890	245,036
- Banks	680,757	587,109	43,523	340,063	201,788	543,408	320,738	187,288	1,778	1,087
- Customers	1,597,271	1,263,331	459,232	2,638,552	2,744,292	1,488,905	1,535,260	6,249,509	3,621,112	243,949
Balance sheet liabilities	**4,858,990**	**1,155,001**	**1,010,531**	**4,189,571**	**4,449,863**	**1,601,935**	**1,556,323**	**6,477,783**	**3,336,280**	**7,850**
B.1 Deposits and current accounts	4,542,476	1,118,365	869,123	4,064,158	1,877,810	1,081,571	1,010,649	2,286,953	523,803	5,034
- Banks	496,405	588,330	89,483	918,042	183,749	55,838	3,418	383,679	274,711	-
- Customers	4,046,071	530,035	779,640	3,146,116	1,694,061	1,025,733	1,007,231	1,903,274	249,092	5,034
B.2 Debt securities	79	230			13,861	160,618	14,623	752,751	2,621,811	
B.3 Other liabilities	316,435	36,406	141,408	125,413	2,558,192	359,746	531,051	3,438,079	190,666	2,816
Off-balance sheet "transactions"										
C.1 Physically settled financial derivatives										
- Long positions	54,114	6,340,225	2,497,530	982,134	7,079,688	4,955,165	2,493,700	4,077,348	597,797	1,993
- Short positions	30,965	5,635,245	5,686,470	4,795,820	8,593,542	4,019,039	1,863,119	5,218,605	1,347,869	7,137
C.2 Cash settled financial derivatives										
- Long positions	611,394	22,609	60,073	341,884	468,266	90,064	1,198,288	7,488,640	10,049	-
- Short positions	536,687	22,609	60,100	341,884	468,877	90,078	1,199,172	7,488,920	10,049	-
C.3 Deposit to be received										
- Long positions	104,568	92,743	-	-	-	-	-	-	-	-
- Short positions	-	112,296	-	-	85,014	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- Long positions	205,529	18,633	13	83,177	331,654	560,407	923,071	1,106,148	115,844	11,364
- Short positions	1,621,494	91,629	13	2,158	160,208	72,067	660,855	697,179	38,948	11,290
C.5 Written guarantees	2,051	950	129	10,321	18,563	24,467	19,877	74,650	483,005	-

Part E - Information on risks and related risk management policies (Continued)

1.3 Time breakdown by contractual residual maturity of financial assets and liabilities - Currency: other currency

(€ '000)

ITEMS/MATURITIES	AMOUNTS AS AT 12.31.2011 ON DEMAND	1 TO 7 DAYS	7 TO 15 DAYS	15 DAYS TO 1 MONTH	1 TO 3 MONTHS	3 TO 6 MONTHS	6 MONTHS TO 1 YEAR	1 TO 5 YEARS	OVER 5 YEARS	UNSPECIFIED MATURITY
Balance sheet assets	**7,070,820**	**5,678,794**	**2,011,985**	**6,815,188**	**8,632,893**	**9,399,020**	**8,318,362**	**21,021,032**	**29,101,210**	**999,872**
A.1 Government securities	14,411	43,272	30,430	70,926	511,622	531,794	1,137,005	2,958,708	1,809,780	-
A.2 Other debt securities	17,036	2,834,104	245,220	80,641	464,677	213,194	708,384	1,470,697	2,349,272	767
A.3 Units in investment funds	99,049	10	-	-	-	-	-	138	-	4,665
A.4 Loans	6,940,324	2,801,408	1,736,335	6,663,621	7,656,594	8,654,032	6,472,973	16,591,489	24,942,158	994,440
- Banks	2,889,110	881,410	927,863	1,480,306	1,456,966	47,083	126,568	242,608	132,060	7,871
- Customers	4,051,214	1,919,998	808,472	5,183,315	6,199,628	8,606,949	6,346,405	16,348,881	24,810,098	986,569
Balance sheet liabilities	**23,461,940**	**3,647,702**	**6,899,996**	**8,514,415**	**7,077,417**	**4,132,092**	**2,431,366**	**4,928,281**	**2,328,219**	**1,885,662**
B.1 Deposits and current accounts	23,183,166	1,609,456	6,499,493	8,070,871	6,074,388	2,777,661	2,023,026	1,367,222	73,367	2,945
- Banks	471,909	467,667	1,059,622	530,447	477,513	124,659	185,970	197,586	98	-
- Customers	22,711,257	1,141,789	5,439,871	7,540,424	5,596,875	2,653,002	1,837,056	1,169,636	73,269	2,945
B.2 Debt securities	-	15,512	29,541	69,713	306,240	978,328	264,426	2,618,874	1,815,428	17,269
B.3 Other liabilities	278,774	2,022,734	370,962	373,831	696,789	376,103	143,914	942,185	439,424	1,865,448
Off-balance sheet "transactions"										
C.1 Physically settled financial derivatives										
- Long positions	55	2,280,578	714,310	1,146,158	3,553,445	2,941,692	2,245,311	7,304,257	3,264,265	3,321
- Short positions	55	3,571,532	1,890,221	2,158,243	2,385,472	1,548,913	896,278	2,321,699	487,411	39
C.2 Cash settled financial derivatives										
- Long positions	513,725	156,408	397,705	939,231	1,458,723	2,190,580	3,056,837	8,085,551	4,576,698	-
- Short positions	533,823	156,408	398,782	939,231	1,458,699	2,190,552	3,056,837	8,085,552	4,576,698	-
C.3 Deposit to be received										
- Long positions	2,394	32,973	-	-	-	-	-	-	-	-
- Short positions	-	32,973	-	-	-	2,394	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- Long positions	4,439,890	16,735	248,472	292,299	454,341	1,736,636	5,964,257	4,018,063	691,236	81,507
- Short positions	6,298,182	15,407	246,748	93,684	497,574	1,130,572	5,844,486	3,147,206	588,069	81,507
C.5 Written guarantees	13,137	14,720	302	748	45,396	40,293	94,953	181,956	181,661	-

The Group has originated self-securitization transactions in which it has acquired all the liabilities issued by the SPVs (the so-called self-securitizations).
At December 31, 2011 underlying assets amounted to €45,406,331. Information on these transactions is provided in paragraph C.1 - Securitization transactions in the above Section 1 - Credit Risk.

Section 4 - Operational Risk

QUALITATIVE INFORMATION

A. General aspects, operational processes and methods for measuring operational risk

Operational risk

Operational risk is the risk of loss due to errors, infringements, interruptions, damages caused by internal processes or personnel or systems or caused by external events. This definition includes legal and compliance risks, but excludes strategic and reputational risk.

For example, losses arising from the following can be defined as operational: internal or external fraud, employment practices and workplace safety, client claims, products distribution, fines and penalties due to regulation breaches, damage to the company's physical assets, business disruption and system failures, process management.

Group operational risk framework

UniCredit Group sets the operational risk management framework as a combination of policies and procedures for controlling, measuring and mitigating the operational risk of the Group and controlled entities.
The operational risk policies, applying to all Group entities, are common principles defining the roles of the company bodies, the operational risk management function as well as the relationship with other functions involved in operational risk monitoring and management.

The Parent company coordinates the Group entities according to the internal regulation and the Group operational risk control rulebook. Specific risk committees (Group Risk Committee, Group ALCO, Group Operational and Reputational Risk Committee) are set up to monitor risk exposure, mitigating actions and measurement and control methods.

The methodology for data classification and completeness verification, scenario analysis, risk indicators, reporting and capital at risk measurement is set by the Holding company Group Operational & Reputational Risks department and applies to all Group entities. A pivot element of the risk control framework is the operational risk management application, allowing the collection of the data required for operational risk control and capital measurement.

The compliance of the Group Operational risk control and measurement system with external regulations and Group standards is assessed through an internal validation process under the responsibility of the Group Internal Validation department of the Holding company and independent from the Group Operational & Reputational Risks department.

In March 2008, UniCredit Group received authorization to use the AMA model (Advanced Measurement Approach) for calculating operational risk capital. The use of this method will in time be rolled out to the main entities of the Group.

Organizational structure

Senior Management is responsible for approving all aspects relating to the Group operational risk framework and verifying the adequacy of the measurement and control system and is regularly updated on changes to the risk profile and operational risk exposure, with support from the appropriate risk committees if required.

The Group Operational & Reputational Risk Committee, chaired by the Holding company's head of Group Credit, Operational & Reputational Risks department is made up of permanent and guest members. The list of participants of the Committee has been updated in 2011, also in the light of the changes in the organizational structure of the Group.

The mission of the Group Operational & Reputational Risk Committee relative to operational risk is to define proposals and opinions for the Group Risk Committee, for:
- the Group risk appetite, including the goals and criteria of the operational risk capital allocation in the Group;
- the structure and definition of operational risk limits and their allocation to the Business Units and legal entities;
- initial approval and fundamental modifications of risk control and measurement systems and applications for operational risk, including possible action plans, processes, IT and data quality requirements, supported by the related internal validations;
- overall strategies for operational risk optimization, "Governance Guidelines" and general "Policies" for the management of Group operational risk;
- action plans to address possible critical findings related to risk control and measurement system resulting from "Group Internal Validation" and Internal Audit activities, with regard to internal control system and risk measurement;
- status update of relevant Basel II project activities on operational risk topics;
- ICAAP topics for operational risks;
- yearly Regulatory Internal Validation Report on operational risk.

Part E - Information on risks and related risk management policies (CONTINUED)

The Group Operational & Reputational Risk Committee, relative to operational risk, meets with approval functions instead for the following topics:
- special operational and reputational risk "Policies";
- corrective actions for balancing the Group operational risk positions, including the planned mitigation actions, within the limits defined by the competent Bodies;
- Group insurance strategies, including renewals, limits and deductibles;
- initial approval and fundamental modifications of the methodologies for the measurement and control of operational risk, supported by the related internal validations.

In the Holding company, the Group Operational & Reputational Risks department reports to Group Credit, Operational & Reputational Risks department and supervises and manages the overall profile of the operational and reputational risks in the Group by defining the strategies, methodologies and limits.

Regarding the operational risk management function, the department has two organizational units. The Operational Risk Methodologies and Control unit is responsible for the methodologies, the calculation model for the Group operational capital at risk and the guidelines for operational risk control activities; it is also supporting and controlling the legal entities' Operational Risk Management functions, in order to verify that Group standards are met in the implementation of control processes and methodologies.
The Operational Risk Strategies and Mitigation unit is responsible for the definition and monitoring of the risk limits and for the identification of strategies and mitigation actions and the monitoring of their implementation.

The Operational Risk Management functions of the controlled entities provide specific operational risk training to staff, also with the use of intranet training programs, and are responsible for the correct implementation of the Group framework elements.

Internal validation process
In compliance with external regulations, the Unicredit Group operational risk control, management and measurement system is subject to the internal validation process in order to verify its compliance with minimum requirements and Group standards. This process owned by the Pillar II Risks and Operational Risk Validation unit, inside the Group Internal Validation department, includes the centralized validation of the Group methodologies for measuring and allocating the capital at risk as well as of the operational risk management and control standards. The validation of the implementation of the operational risk control and management system within the authorized Legal Entities is instead carried out by each local Operational Risk Management functions through a self-assessment process ruled by specific instructions and guidelines issued by the Group Internal Validation (GIV). The results of such self-assessment are subject to review by GIV which expresses a Non-Binding Opinion for each Legal Entity with regard to the adequacy and compliance of local systems with the minimum requirements and Group standards, also on the basis of independent controls of data and documentation. The self-assessments results, Group NBO and internal audit outcomes are then submitted to the Board of Directors of relevant Legal Entities to resolve on the local system compliance with minimum regulatory requirements.

Results of the validation activity on the Group methodology for capital at risk measurement and on the control and management systems of each Legal Entity are annually consolidated in a document, that along with the annual Internal Audit report, is submitted to the UniCredit Board of Directors. Eventually, the Board of Directors resolves on the Group system compliance with minimum regulatory requirements, also taking into consideration the related decisions taken by individual Governing Bodies of the controlled Legal Entities.

Reporting
A reporting system has been developed to inform senior management and relevant control bodies on the Group operational risk exposure and the risk mitigation actions.
In particular, quarterly updates are provided on operational losses, capital-at-risk estimates, the main initiatives undertaken to mitigate operational risk in the various business areas, operational losses suffered in the credit linked processes ("cross-credit" losses). A summary of the trend of the most important risk indicators is distributed each month.
The results of the main scenario analyses carried out at Group level and the relevant mitigation actions, as well as the validation results, are submitted to the attention of the Group Operational & Reputational Risk Committee.

Operational risk management
Operational risk management exploits process reengineering to reduce the risk exposure and insurance policies management, defining proper deductibles and policies limits. Regularly tested business continuity plans assure sound operational risk management in case of interruption of main business services.

In the Legal entities, the Risk Committee (or other bodies in accordance to local regulations) reviews risks tracked by the Operational Risk functions with the support of functions involved in daily operational risk control, and monitors the risk mitigation initiatives.

Risk capital measurement and allocation mechanism

UniCredit developed an internal model for measuring the capital requirements. The system for measuring operational risk is based on internal loss data, external loss data (consortium and public data) scenario loss data and risk indicators.

Capital at risk is calculated per event type class. For each risk class, severity and frequency of loss data are separately estimated to obtain the annual loss distribution through simulation, considering also insurance coverage. The severity distribution is estimated on internal, external and scenario loss data, while the frequency distribution is determined using only the internal data. An adjustment for key operational risk indicators is applied to each risk class. Annual loss distributions of each risk class are aggregated through a copula functions based method. Capital at risk is calculated at a confidence level of 99.9% on the overall loss distribution for regulatory purposes and at a confidence level of 99.97% for economic capital purposes.

Through an allocation mechanism, the individual legal entities' capital requirements are identified, reflecting the entities' risk exposure.

The AMA approach has been formally approved by the Supervisory Authority and is currently expected to be rolled out in all the relevant Group entities before the end of 2012. The entities not yet authorised to use the advanced methods contribute to the consolidated capital requirement on the basis of the standard (TSA) or basic (BIA) model.

B. Legal Risks

UniCredit S.p.A. and other UniCredit group companies are involved in legal proceedings. From time to time, past and present directors, officers and employees may be involved in civil or criminal proceedings the details of which the UniCredit group may not lawfully know about or communicate.

The Group is also required to deal appropriately with various legal and regulatory requirements in relation to issues such as conflicts of interest, ethical issues, anti-money laundering laws, US and international sanctions, privacy and information security rules and others. Failure to do so may lead to additional litigation and investigations and subject the Group to damages claims, regulatory fines, other penalties or reputational damage. In addition, one or more Group companies is subject to investigations by the relevant supervisory authority in a number of countries in which it operates. These include investigations relating to aspects of systems and controls and instances of actual and potential regulatory infringement by the relevant Group companies or its clients.

In many cases, there is substantial uncertainty regarding the outcome of the proceedings and the amount of any possible losses.

These cases include criminal proceedings, administrative proceedings brought by the relevant supervisory authority and claims in which the petitioner has not specifically quantified the penalties requested (for example, in putative class action in the United States). In such cases, given the infeasibility of predicting possible outcomes and estimating losses (if any) in a reliable manner, no provisions have been made. However, where it is possible to reliably estimate the amount of possible losses and the loss is considered likely, provisions have been made in the financial statements based on the circumstances and consistent with international accounting standards IAS.

To protect against possible liabilities that may result from pending lawsuits (excluding labour law, tax cases or credit recovery actions), the UniCredit group has set aside a provision for risks and charges of €1,496 million as at December 31, 2011. The estimate for reasonably possible liabilities and this provision are based upon currently available information but, given the numerous uncertainties inherent in litigation, involve significant elements of judgment. In some cases it is not possible to form a reliable estimate, for example where proceedings have not yet been initiated or where there are sufficient legal and factual uncertainties to make any estimate purely speculative. Therefore, it is possible that this provision may not be sufficient to entirely meet the legal costs and the fines and penalties that may result from pending legal actions, and the actual costs of resolving pending lawsuits may prove to be substantially higher.

Consequently it cannot be excluded that an unfavourable outcome of such legal proceedings or such investigations may have a negative impact on the results of the UniCredit group and/or its financial situation.

Set out below is a summary of information relating to matters involving the UniCredit group which are not considered groundless or in the ordinary course. Please note that labour law, tax and credit recovery actions are excluded from this section.

Part E - Information on risks and related risk management policies (CONTINUED)

Madoff
Background
In March 2009 Bernard L. Madoff ("**Madoff**"), former chairman of the NASDAQ Exchange and owner of Bernard L. Madoff Investment Securities LLC ("**BMIS**"), a broker-dealer registered with the Securities Exchange Commission (the "**SEC**") and the Financial Industry Regulatory Authority ("**FINRA**"), pled guilty to crimes, for which he was sentenced to 150 years in prison, that included securities fraud, investment adviser fraud, and providing false information to the SEC in connection with his operation of what has been described as a Ponzi scheme. In December of 2008, shortly after Madoff's arrest, a bankruptcy administrator (the "**SIPA Trustee**") for the liquidation of BMIS was appointed in accordance with the U.S. Securities Investor Protection Act of 1970.

Following Madoff's arrest, several criminal and civil suits were filed in various countries against financial institutions and investment advisers by, or on behalf of, investors, intermediaries acting as brokers for investors and public entities in relation to losses incurred.

As at the date of Bernard L. Madoff's arrest, and since mid-2007, the Alternative Investments division of Pioneer ("**PAI**"), an indirect subsidiary of UniCredit S.p.A. acted as investment manager and/or investment adviser for the Primeo funds (including the Primeo Fund Ltd (now in Official Liquidation),"**Primeo**") and various funds-of-funds ("**FoFs**"), which were non-U.S. funds that had invested in other non-U.S funds with accounts at BMIS. Pioneer also owned the founder shares of Primeo since 2007. Previously, the investment advisory functions had been performed by BA Worldwide Fund Management Ltd ("**BAWFM**"), an indirect subsidiary of UniCredit Bank Austria AG ("**BA**"). For a period of time, BAWFM had previously performed investment advisory functions for Thema International Fund plc, a non-U.S. fund that had an account at BMIS.

UniCredit Bank AG (then HypoVereinsbank) issued tranches of debt securities whose potential yield was calculated based on the yield of a hypothetical structured investment (synthetic investment) in the Primeo funds. Some BA customers purchased shares in Primeo funds that were held in their accounts at BA. BA owned a 25 percent. stake in Bank Medici AG (**Bank Medici**), a defendant in certain proceedings described below. Bank Medici is alleged to be connected, *inter alia*, to the Herald Fund SPC, a non-U.S. fund that had an account at BMIS.

Proceedings in the United States
Purported Class Actions
UniCredit S.p.A., BA, PAI and Pioneer Global Asset Management S.p.A. ("**PGAM**"), a UniCredit S.p.A. subsidiary were named among some 70 defendants in three putative class action lawsuits filed in the United States District Court for the Southern District of New York (the Southern District) between January and March 2009, purporting to represent investors in three investment fund groups (the "**Herald**" funds, "**Primeo**" and the "**Thema**" funds) which were invested, either directly or indirectly, in BMIS.

The three cases were later consolidated for pre-trial purposes and in February of 2010 amended complaints were filed in each case.
In April of 2011, permission was sought from the Court further to amend each of the three complaints, principally to withdraw certain claims under the United States federal securities laws, and, in one case, to add a claim under the United States Racketeer Influenced and Corrupt Organizations Act ("**RICO**"), as further described below.

The amended "Herald" complaint claimed on behalf of investors in Herald Fund SPC-Herald USA Segregated Portfolio One and/or Herald (Lux) on 10 December 2008, or who invested in those funds from 12 January 2004 to 10 December 2008. It was principally alleged that defendants, including UniCredit S.p.A., BA and Bank Medici breached common law duties by failing to safeguard the claimants' investment in the face of "red flags" that, it is claimed, should have alerted them to Madoff's fraud. The plaintiffs also requested the Court's permission to add claims that defendants, including UniCredit S.p.A., violated RICO by allegedly participating in a plan to enrich themselves by feeding investors' money into Madoff's Ponzi scheme.
The plaintiffs alleged that the proposed class lost approximately $2.0 billion in the Madoff Ponzi scheme, which they sought to recover trebled under RICO.

The amended "Primeo" complaint claimed on behalf of investors in Primeo Select Fund and/or Primeo Executive Fund on 10 December 2008, or who invested in those funds from 12 January 2004 to 12 December 2008. It was principally alleged that the defendants, including UniCredit S.p.A., BA, Bank Medici, BAWFM, PAI and PGAM breached common law duties misrepresenting the monitoring that would be done of Madoff and claimants' investments and disregarding "red flags" of Madoff's fraud.

The amended "Thema" complaint claimed on behalf of investors in Thema International Fund plc and/or Thema Fund on 10 December 2008, or who invested in those funds from 12 January 2004 to 14 December 2008. It was principally alleged that defendants including UniCredit S.p.A., BAWFM and Bank Medici committed common law torts by, inter alia, recklessly or knowingly making or failing to prevent untrue statements of material fact and/or failing to exercise due care in connection with the claimants' investments in the Thema fund.

In the Herald, Primeo and Thema cases, the plaintiffs sought damages in unspecified amounts (other than under RICO in the case of the Herald complaint, as noted above), interest or lost profits punitive damages, costs and attorneys' fees, as well as an injunction preventing defendants from using fund assets to defend the action or otherwise seeking indemnification from the funds.

On November 29, 2011, the Southern District dismissed at the request of UniCredit S.p.A., PGAM, PAI, BA and other defendants all three purported class action complaints on grounds, with respect to UniCredit S.p.A., PGAM, PAI and BA, that the United States is not the most convenient forum for resolution of plaintiffs' claims.

Claims by the SIPA Trustee

In December of 2010, the SIPA Trustee filed two cases (the "**HSBC**" and the "**Kohn**" case, respectively) in the United States Bankruptcy Court in the Southern District of New York against several dozen defendants. Both cases were later removed to the non-bankruptcy federal trial court in the Southern District at the request of UniCredit S.p.A., PAI and certain other defendants.

In the HSBC case, the SIPA Trustee sought to recover from some 60 defendants, including UniCredit S.p.A., BA, BAWFM, PAI, and Bank Medici seeking amounts to be determined at trial, allegedly representing so-called avoidable transfers to initial transferees of funds from BMIS, subsequent transfers of funds originating from BMIS (in the form of alleged management, performance, advisory, administrative and marketing fees, among other such payments, said to exceed $400 million in aggregate for all defendants), and compesatory and punitive damages against certain defendants on a joint and several basis, including the five abovementioned, alleged to be in excess of $2 billion.
In addition to avoidable transfers, the SIPA Trustee sought to recover in the HSBC action unspecified amounts (said to exceed several billion dollars) for common law claims of unjust enrichment, aiding and abetting BMIS's breach of fiduciary duty and BMIS's fraud and contribution. However, on July 28 2011, the Southern District Court dismissed, at the request of UniCredit S.p.A., PAI, BA and certain other defendants the common law claims for aiding and abetting Madoff's fraud and breach of fiduciary duty, for unjust enrichment and for contribution. The SIPA Trustee has appealed the Southern District's order finalizing the dismissal of those claims to the Second Circuit. Certain claims brought by the SIPA Trustee which were not addressed in the motion to dismiss remain pending in the bankruptcy court.

In the Kohn case, the SIPA Trustee seeks to recover from more than 70 defendants, including UniCredit S.p.A., BA, PGAM, BAWFM, Bank Medici, Bank Austria Cayman Islands, and several persons affiliated with UniCredit S.p.A. and BA, unspecified avoidable transfers from BA as an initial transferee from BMIS and as from UniCredit S.p.A, BA and other UniCredit S.p.A. affiliated defendants as subsequent transferees of funds likewise originating from BMIS. The complaint further asserts common law claims, including unjust enrichment and conversion, as well as violations of the RICO statute as the alleged result of the defendants' directing investors' money into Madoff's Ponzi scheme.
The SIPA Trustee seeks treble damages under RICO (three times the reported net $19.6 billion losses allegedly suffered by all BMIS investors), alleged retrocession fees, management fees, custodial fees, compensatory, exemplary and punitive damages, and costs of suit as against the defendants on a joint and several basis.
UniCredit S.p.A., BA, PGAM and Alessandro Profumo (former CEO of UniCredit S.p.A.) moved to dismiss the common law and RICO claims, and oral argument on that application took place on October 5 2011. Certain claims brought by the SIPA Trustee which were not addressed in the motion to dismiss remain pending.
UniCredit S.p.A. and its affiliated defendants intend to continue defending these proceedings vigorously.

Proceedings Outside the United States

On July 22 2011, the Joint Official Liquidators of Primeo (the "**Primeo Liquidators**") issued a writ of summons against PAI in the Grand Court of the Cayman Islands, Financial Services Division. In that claim the Primeo Liquidators allege that PAI is liable under the terms of an investment advisory agreement between Primeo and PAI as a result of alleged breaches of duties by PAI and also as a result of alleged acts and omissions by BMIS for which PAI is alleged to be vicariously liable. The Primeo Liquidators also allege that fees paid to PAI were paid under a mistake of fact and claim restitution from PAI of those fees. In aggregate, the Primeo Liquidators claim approximately $262 million plus additional unquantified damages, as well as interest and costs.

Civil proceedings have been initiated in Austria by numerous investors related to Madoff's fraud in which BA, among others, was name. In one proceeding, Pioneer Investments Austria GmbH (PIA) has also been named as a defendant. In a separate proceeding, PAI and "BA Worldwide Limited" have been named as defendants (in addition to BA). The plaintiffs invested in funds that, in turn, invested directly or indirectly with BMIS. No final judgments handed down thus far have been against BA, PIA, PAI or BA Worldwide Limited. Two interim judgments were handed down in favour of the plaintiffs against BA. In one of those cases the claim has since been withdrawn and in the other case BA has appealed the interim judgment.

In respect of the Austrian civil proceedings pending as against BA, which relates to Madoff's fraud, BA has made provisions for an amount considered appropriate to the current risk.

Part E - Information on risks and related risk management policies (Continued)

A criminal investigation is ongoing in Austria in relation to the Madoff case. This investigation, which includes BA as well as other persons, was initiated by a complaint filed by the FMA (the Austrian Financial Market Authority) to the Austrian prosecutor.
Subsequently complaints were filed by purported investors in funds which were invested, either directly or indirectly with BMIS. These complaints allege, amongst other things, that BA breached provisions of the Austrian Investment Fund Act as prospectus controller of Primeo. This investigation is still at an early stage and no indictments have been issued.
Legal proceedings were brought in Germany against UniCredit Bank AG regarding synthetic debt securities issued by UniCredit Bank AG and connected to Primeo. One of these lawsuits has since been abandoned by the plaintiff.

A Chilean investor in synthetic debt securities connected to Primeo has filed a complaint with the Chilean prosecutor. The case is at an investigative phase only. No indictments have been issued. Written questions have been addressed to seven employees or former employees of UniCredit S.p.A. or its affiliates.

Subpoenas and Investigations
UniCredit S.p.A. and several of its subsidiaries have received subpoenas orders and requests to produce information and documents from the SEC, the U.S. Department of Justice and the SIPA Trustee in the United States, the Austrian Financial Market Authority, the Irish Supervisory Authority for financial markets and BaFin in Germany related to their respective investigations into Madoff's fraud. Similar such subpoenas, orders and requests may be received in the future by UniCredit S.p.A. its affiliates, and some of their employees or former employees, in the foregoing markets or in places where proceedings related to Madoff investments are pending from time to time.

Certain Potential Consequences
In addition to the foregoing proceedings stemming from the Madoff case against UniCredit S.p.A., its subsidiaries and some of their respective employees and former employees, additional Madoff-related actions have been threatened and are in the process of being and may be filed in the future in said countries or in other countries by private investors or local authorities. The pending or future actions may have negative consequences for the UniCredit Group.

UniCredit S.p.A. and its subsidiaries intend to defend themselves vigorously against the Madoff-related claims and charges.
Save as described above, for the time being it is not possible to estimate reliably the timing and results of the various actions, nor determine the level of responsibility, if any responsibility exists. Presently, and save as described above, in compliance with international accounting standards, no provisions have been made for specific risks associated with Madoff disputes.

Proceedings Related to and Arising out of the Purchase of HVB by UniCredit - Damages Claims
On 27 June 2007, the HVB annual Shareholders' Meeting passed a resolution to claim damages against UniCredit S.p.A., its legal representatives, and (former) members of HVB's management board and supervisory board, alleging damage to HVB due to the sale of its shareholding in Bank Austria and the Business Combination Agreement ("**BCA**") entered into with UniCredit S.p.A. during the integration process. A Special Representative (the "**Special Representative**") was appointed to take this forward. Although a shareholder, UniCredit S.p.A. was prohibited from voting at the meeting.

On 20 February 2008, the Special Representative filed a claim against UniCredit S.p.A and others, requiring the return of the shares in BA to HVB along with compensation to HVB for any additional losses suffered and, in the alternative €13.9 billion in damages. The claim was subsequently amended to include an additional amount of €2.98 billion (plus interest) in addition to any damage that may have resulted from the capital increase resolved by HVB in April 2007 in the context of contributing of the allegedly overvalued banking business of the former UBM to HVB.

The Special Representative has now been removed and no longer has the authority to take forward these claims. The claims have not been formally removed as yet and a decision will be taken by HVB on next steps.

Cirio
In April 2004, the extraordinary administration of Cirio Finanziaria S.p.A. (formerly Cirio S.p.A.) served notice on Sergio Cragnotti and various banks, including Capitalia S.p.A. (absorbed by UniCredit S.p.A.) and Banca di Roma S.p.A. (now UniCredit S.p.A.), of a petition to declare invalid an allegedly illegal agreement with Cirio S.p.A. regarding the sale of the dairy company Eurolat to Dalmata S.r.l. (**Parmalat**).
The extraordinary administration subsequently requested that Capitalia S.p.A. and Banca di Roma S.p.A. jointly refund €168 million and that all defendants jointly pay damages of €474 million. In the alternative, it sought the revocation of the settlement made by Cirio S.p.A. and/or repayment by the banks of the amount paid for the agreement in question, on the grounds of "undue profiteering".

Despite no preliminary investigation being conducted, in February 2008, the Court ordered Capitalia S.p.A. (currently UniCredit S.p.A.) and Sergio Cragnotti to pay €223.3 million plus currency appreciation and interest from 1999. UniCredit appealed the decision. It also requested a stay of execution of the lower court's judgment which was successfully obtained in January 2009. The next hearing is scheduled on 11 November 2014.

Provisions have been made for an amount considered appropriate to the current risk of the proceedings.

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In April 2007, certain Cirio group companies in extraordinary administration filed a petition against Capitalia S.p.A. (now UniCredit S.p.A.), Banca di Roma S.p.A., UBM (now UniCredit S.p.A.) and other banks for compensation for damage resulting from their role as arrangers of bond issues by Cirio group companies, although, according to the claimants, they were already insolvent at the time.
Damages were quantified as follows:
- the damages incurred by the petitioners due to a worsening of their financial condition were calculated within a range of €421.6 million to €2.082 billion (depending upon the criteria applied);
- the damages incurred because of the fees paid to the lead managers for bond placements were calculated at a total of €9.8 million;
- the damages, to be determined during the proceedings, incurred by Cirio Finanziaria S.p.A. (formerly Cirio S.p.A.), for losses related to the infeasibility of recovering, through post-bankruptcy clawback, at least the amount used between 1999 and 2000 to cover the debt exposure of some of the Cirio group companies, plus interest and currency revaluation from the date owed to the date of payment.

In the ruling of 3 November 2009, the judge denied the claimants' claim that the companies of the Cirio group in extraordinary administration be held jointly liable for reimbursement of legal expenses, in favour of the defendant banks. The extraordinary administration has appealed against the ruling and the hearing for the conclusions is set for 27 January 2016.

UniCredit S.p.A. believes the action to be groundless. Accordingly, no provisions have been made.

Qui Tam Complaint Against Vanderbilt LLC and other UniCredit Group Companies

On 14 July 2008, claimants Frank Foy ("**Foy**") and his wife filed a complaint on behalf of the State of New Mexico ("**Qui Tam Statute**") seeking recovery of false claims for payment made upon the State in relation to certain investments made by the New Mexico Educational Retirement Board ("**ERB**") and the State of New Mexico Investment Council ("**SIC**") in Vanderbilt Financial LLC ("**VF**"), an indirect UniCredit S.p.A. investee company. The complaint states that Frank Foy was the Chief Investment Officer of ERB and that he submitted his resignation in March 2008.

The claimants have standing to sue on behalf of the State of New Mexico under the State qui tam statute, the New Mexico Fraud Against Taxpayers Act ("**FATA**") and seek compensation for damages in an amount of $360 million. The claimants assert that the Vanderbilt VF defendants (see below) and the other defendants persuaded ERB and SIC to invest $90 million in Vanderbilt products (i) by knowingly providing false information on the nature and risk level of the VF investment and (ii) by guaranteeing improper contributions to the Governor of the State of New Mexico, Bill Richardson, and other State officials, to convince them to make the investment. In addition to the entire initial investment of $ 90 million (as consequential damages), Foy requests an additional $30 million for loss of profit.

Defendants include - inter alia - the following:
- Pioneer Investment Management USA Inc. ("**PIM US**"), a wholly owned subsidiary of PGAM;
- Vanderbilt Capital Advisors, LLC ("**VCA**"), a wholly-owned indirect subsidiary of **PIM US**;
- Vanderbilt Financial, LLC ("**VF**"), a special purpose vehicle in which PIM US has an 8 per cent. holding (VF has since been liquidated);
- PGAM, a wholly owned subsidiary of UniCredit S.p.A.;
- UniCredit S.p.A.;
- various directors and officers of VCA, VF and PIM US;
- law firms, external auditors, investment banks and State of New Mexico officials.

At present, an assessment on the economic impact that may result from the proceedings is premature and thus no provisions have been made. The complaint was originally served on the American companies, including VCA, PIM US (both part of UniCredit Group) and VF, and the natural persons called as defendants. On 24 September 2009 UniCredit S.p.A. and on 17 December 2009 PGAM were also served.
All the defendants filed motions to dismiss on procedural and substantive grounds.

Part E - Information on risks and related risk management policies (CONTINUED)

On 8 March 2010, the Foys filed a purported amended complaint seeking to add one additional claimant, several additional defendants, and over 50 additional claims. Foy also sought to put in issue other Vanderbilt CDOs in which the State of New Mexico public funds invested and which increased the claimed losses from $90 million to $ 243.5 million. The defendants have challenged whether the amended complaint was properly filed, and on 26 March 2010, the court ruled that it will not consider the amended complaint, and the defendants need not respond to it, until after the court has addressed the previously submitted motions to dismiss the original complaint.

On 28 April 2010, Judge Pfeffer issued an order dismissing all of the claims brought by the original complaint. The Judge had already expressed concerns that retroactive application of the New Mexico Qui Tam Statute ("**FATA**") would violate prohibitions against constitutional ex post facto protections, and this was the basis for his ruling dismissing all the FATA claims. The Judge also dismissed Foy's claims under the state Unfair Practices Act ("**UPA**") on grounds that claims were based on securities transactions not within the scope of the protections offered by the UPA.

In May 2010, Foy filed a package of seven motions requesting Judge Pfeffer to reconsider the dismissal on various grounds and, alternatively, requesting him to certify the legal question regarding the retroactive application of FATA for an interlocutory appeal to the New Mexico State Appeals Court. The Vanderbilt defendants and the other defendants filed oppositions to all of these motions, and asked the Court to strike the amended complaint and dispose of the entire case. On 2 September 2010, Judge Pfeffer issued his decisions. He certified the legal question for interlocutory appeal, but ordered the claimant to strip the amended complaint of all allegations that were inconsistent with his rulings that FATA could not be applied retroactively and that no claims survived under the UPA.

Foy filed a request for interlocutory review with the New Mexico Court of Appeals on 16 September 2010 and the revisions to the amended complaint with the lower court on 17 September 2010. The defendants opposed the request for interlocutory appeal. On October 21st, the New Mexico Court of Appeals refused Foy's request for an interlocutory appeal. On February 7, 2011, the court ruled that Foy could proceed with the amended complaint to the extent it challenged conduct occurring after FATA's effective date. On March 31, 2011, all of the Group defendants filed motions to dismiss the remaining claims, and the individual defendants, PGAM and UniCredit S.p.A. also filed renewed motions to dismiss based on lack of personal jurisdiction.

On May 6 2011, the Attorney General of the State of New Mexico exercised its right to intervene in a qui tam case brought under FATA and moved to dismiss all of the claims in the Foy litigation alleging that the SIC had made investments following improper contributions to state officials the "pay to play" claims. Foy opposed the AG's action. The Group defendants took no position on the AG's motion, which, even if successful, would leave intact most of the surviving claims against them. Judge Pfeffer ruled in the Attorney General's favour and an order granting partial dismissal was issued.

On or around August 30, 2011, a related development occurred in a second lawsuit brought by Foy under FATA against a different group of financial services companies, Foy v. Austin Capital Management ("**Austin**"). The Austin court had followed Judge Pfeffer in refusing to apply FATA retroactively, but while the NM Court of Appeals had refused to review that decision in Foy, it agreed to hear the issue on appeal in Austin. A decision is not expected for many months, but when issued, it will apply to Foy as well.

On October 4 2011, Judge Pfeffer issued a series of identical orders deferring decision on the various defendants' personal jurisdiction motions and permitting discovery to go forward on facts relevant to those motions. The parties have begun discussions aimed at clarifying the scope and timing of permitted discovery.

In January 2010, a purported class or derivative action entitled Donna J. Hill vs. Vanderbilt Capital Advisors, LLC, was filed in the state court in Santa Fe, New Mexico. the lead claimant, a beneficiary of the New Mexico Educational Retirement Fund (the "**Fund**"), seeks to recover on behalf of the Fund or its plan participants the money that the Fund lost on its investment in Vanderbilt Financial, LLC ("**VF**").

In February 2010, a parallel case by another plan participant, entitled Michael J. Hammes vs. Vanderbilt Capital Advisors, LLC, was filed in the same court making virtually identical allegations. The Hill and Hammes cases make factual allegations similar to those asserted in the Foy case, but they bring their claims under common law theories of fraud, breach of fiduciary duty (against the Educational Retirement Board ("**ERB**") members), and aiding and abetting breaches of duty by those board members.

The Hill and Hammes cases originally named VCA, VF, PIM US and various current or former officers and directors of VCA, VF and/or PIM, several current or former ERB board members and other parties unconnected to Vanderbilt. Neither PGAM nor UniCredit were named as defendants in these cases. In February 2010, the Hill case was removed by one of the ERB board member defendants to the United States District Court for the District of New Mexico. Subsequently, the deadline for defendants to respond was indefinitely extended in the Hammes case by agreement of the parties. Hammes remains in state court. In addition, the Hill claimants' agreed to dismiss from the case, without prejudice (so reinstatement is possible), PIM US and the individual officers named as defendants. Neither the Hill nor Hammes complaint

specifies the amount of damages claimed, but the total invested by the ERB in VF was $40 million; moreover this amount is subsumed within the damages claimed in the Foy lawsuit. On 31 August 2010 the Vanderbilt defendants filed a motion to dismiss all of the claims in Hill. Claimants opposed the motion, and a hearing was held in New Mexico federal district court on 29 October 2010. Some months later, plaintiffs informed the court that the ERB Board had met and determined not to enter the case.
After requesting and obtaining updates from the Vanderbilt defendants regarding the progress in Foy, on September 30, 2011, the Hill court issued a lengthy opinion dismissing the federal court case for lack of subject matter jurisdiction and remanding it to New Mexico state court. The opinion contains a detailed, negative commentary on the plaintiffs' standing to bring suit, but does not rule on the issue.

The Hill plaintiffs are appealing the lower court's decision. Their brief was held in late February 2012.

Divania S.r.l.

In 2007, Divania S.r.l. (now in bankruptcy) filed a suit in the Court of Bari Italy against UniCredit Banca d'Impresa S.p.A. (then redenominated UniCredit Corporate Banking S.p.A. and, following the implementation of the One4C project,now merged into UniCredit S.p.A.) alleging violations of law and regulation in relation to certain rate and currency derivative transactions created between January 2000 and May 2005 first by Credito Italiano S.p.A. and subsequently by UniCredit Banca d'Impresa S.p.A. (now UniCredit S.p.A.).

The petition requests that the contracts be declared non existent, or failing that, null and void or to be cancelled or terminated and that UniCredit Banca d'Impresa S.p.A. (now UniCredit S.p.A.) pay the claimant a total of €276.6 million as well as legal fees and interest. It also seeks the nullification of a settlement the parties reached in 2005 under which Divania S.r.l had agreed to waive any claims in respect of the transactions.

UniCredit S.p.A. rejects Divania S.r.l.'s demands. Without prejudice to its rejection of liability, it maintains that the amount claimed has been calculated by aggregating all the debits made (for an amount much larger than the actual amount), without taking into account the credits received that significantly reduce the claimant's demands.

In April 2010 the report of the Court named expert witness submitted a report which broadly confirms UniCredit's position stating that there was a loss on derivatives amounting to about €6.400.000 (which would increase to about €10.884.000 should the out-of-court settlement, challenged by the claimant, be judged unlawful and thus null and void). The expert opinion states that interest should be added in an amount between €4.137.000 (contractual rate) and €868.000 (legal rate).

UniCredit S.p.A. has made a provision for an amount consistent with the lawsuit risk.
Another two lawsuits have also been filed by Divania, one for €68.9 million (which was subsequently increased up to €80.5 million ex art 183 c.p.c.) and the second for €1.6 million. Both are considered to be groundless and therefore no provisions have been made.
Due to Divania S.r.l.'s bankruptcy, which was declared in June 2011, all these proceedings were stayed. In November 2011 proceedings resumed with respect to the claim for €68.9 million (€80.5).

Acquisition of Cerruti Holding Company S.p.A. by Fin.Part S.p.A.

At the beginning of August 2008, the Trustee in Bankruptcy of Fin.Part S.p.A. ("**Fin.Part**") brought a civil action against UniCredit S.p.A., UniCredit Banca S.p.A. (now UniCredit S.p.A.), UniCredit Corporate Banking S.p.A. (now UniCredit S.p.A.) and one other bank not belonging to the UniCredit group for contractual and tortious liability. Fin.Part's claim against each of the defendant banks, jointly and severally or alternatively, each to the extent applicable, is for damage allegedly suffered by Fin.Part and its creditors as a result of the acquisition of Cerruti Holding Company S.p.A. **(Cerruti)** by Fin Part.

The claimant alleges that the financial obligations arising out of the Cerruti acquisition financing brought about Fin Part's bankruptcy and that the banks therefore acted unlawfully.
The claim is for €211 million plus all fees, commissions and interest earned in connection with the allegedly unlawful activities.
On 23 December 2008 the Trustee in Bankruptcy of C Finance S.A. intervened in the case.

It maintains that C Finance S.A. was insolvent at the time of its establishment because of the transfer of bond loan's incomes to Fin.part obtaining in exchange valueless assets and that it was the banks and their executives, in devising and executing the transaction, who contributed in causing C Finance S.A. to become insolvent. Accordingly, it seeks damages as follows: a) the total bankruptcy liabilities (€308.1 million); or, alternatively, b) the amounts disbursed by C Finance S.A. to Fin.Part and Fin.Part International (€193 million); or, alternatively, c) the amount collected by UniCredit S.p.A. (€123.4 million).

Part E - Information on risks and related risk management policies (CONTINUED)

The banks are also requested to pay damages for the amounts collected (equivalent to €123.4 million, plus €1.1 million in fees and commissions) for the alleged invalidity and illegality of the transaction in question and the payment of Fin.Part's debts to UniCredit S.p.A. using the proceeds from the C Finance S.A. bond issue. In addition, the claimant alleges that the transaction was a means for evading Italian law regarding limits and procedures for bond issues.
In January 2009, the judge rejected a writ of attachment against the defendant not belonging to UniCredit group.

In addition, on 2 October 2009, the receivership of Fin.Part subpoenaed in the Court of Milan UniCredit Corporate Banking S.p.A. (now UniCredit S.p.A.), in order that (i) the invalidity of the "payment" of €46 million made in September 2001 by Fin.Part to the former Credito Italiano be recognised and consequently, (ii) the defendant be sentenced to return such amount in that it relates to an exposure granted by the bank as part of the complex financial transaction under dispute in the prior proceedings.
At the hearing held on 21 February 2012 the two lawsuits were joined, the conclusions were filed and the Court named an expert witness.
UniCredit S.p.A, on the basis, inter alia, of the information supplied by their legal counsel, believes the claims are groundless and/or lacking in an evidentiary basis. Provisions have been made for an amount considered adequate to cover the costs.

Valauret S.A.

In 2001, Valauret S.A. and Hughes de Lasteyrie du Saillant, bought shares in the French company Rhodia S.A. They filed a civil claim in 2004 for losses resulting from the drop in the Rhodia S.A. share price between 2002 and 2003, allegedly caused by earlier fraudulent actions by members of the company's board of directors and others.

BA (as successor to Creditanstalt) was joined as the fourteenth defendant in 2007 on the basis that Creditanstalt was banker to one of the defendants.
Valauret S.A. is seeking damages of €129.8 million in addition to legal costs and Hughes de Lasteyrie du Saillant damages of €4.39 million.
In 2006, before the action was extended to BA, the civil proceedings were stayed following the opening of criminal proceedings by the French State that are on going. In December 2008, the civil proceedings were also stayed against BA.
In BA's opinion, the claim is groundless and no provisions have been made.

Treuhandanstalt

BA has joined in litigation in Switzerland in support of the defendant AKB Privatbank Zürich AG (formerly known as BA (Schweiz) AG and then a subsidiary of BA) in a suit brought by Bundesanstalt für vereinigungsbedingte Sonderaufgaben ("**BvS**"). BvS is one of the successors of the former Treuhandanstalt a German public body responsible for managing the assets of the former East Germany.

BvS claims that BA's former subsidiary is liable for the unauthorised transfer of funds from the accounts of two former East German companies by their former CEO in the early 1990s. BvS claims damages of approximately €128 million, plus interest dating back to 1992, plus costs.

On 25 June 2008, the Zurich District Court in large part rejected BvS's claim Both parties appealed the judgment. On 25 March 2010, the Court of Appeal of Zurich (Obergericht) granted BvS's appeal and ordered BA and its former subsidiary to pay approximately €230 million (calculated as of 30 March 2010).

BA and its former subsidiary filed an appeal before the Court of Cassation of the Zurich Canton and also requested, inter alia, a stay of execution. The stay was granted on 14 may 2010. On 30 November 2011, the Court of Cassation granting the appeal of BA, quashed the decision of the Court of Appeal of Zurich (Obergericht) of 25 March 2010 and remitted the matter back to the Court of Appeal of Zurich (Obergericht) for a new decision, the outcome of which it is not possible to predict at this stage.

On 1 February 2011 BA filed an application for the revision of the judgment of the Court of Appeal of Zurich (based on new facts in order to obtain the dismissal of BvS's claim and, in alternative, to reduce the amount claimed) with the Court of Appeal of Zurich. The Court has stayed this proceeding pending any final decision on the merits.

BA's former subsidiary is also taking steps in respect of the disputed matters against BvS in Germany. This includes filing claims against BvS in the German Courts.

A provision has been made for an amount consistent with the currently estimated risk of the lawsuit.

Association of Small Shareholders of NAMA d.d. in bankruptcy; Slobodni sindiKat.
Zagrebacka banka ("**ZABA**") is being sued before the Zagreb Municipal Court by two parties: (i) the association of small shareholders of NAMA d.d. in bankruptcy; and (ii) Slobodni SindiKat. It is said that ZABA violated the rights of NAMA d.d., as minority shareholder of ZABA until 1994 by, inter alia, not distributing to NAMA d.d. profits in the form of ZABA shares. The claimants seek shares in compensation or alternatively damages of approximately €124 million.

ZABA maintains that the claimants do not have legal standing in that they have never been ZABA shareholders, nor the holders of the rights allegedly violated.

On 16 November 2009, the judge rejected the claimants' claim, without dealing with the merits, on the basis that the claimants did not have standing.

The decision has been appealed.

No provisions have been made.

GBS S.p.A.
At the beginning of February 2008, General Broker Service S.p.A. ("**GBS S.p.A**.") initiated arbitration proceedings against UniCredit S.p.A. for the alleged unlawful behaviour of the Bank with regards to the insurance brokerage relationship allegedly deriving from the exclusive agreement signed in 1991.

In a decision issued on 18 November 2009, UniCredit S.p.A. was ordered to pay GBS S.p.A. €144 million, as well as legal costs and the costs of an expert's report. UniCredit S.p.A. determined that the decision ordered by the arbitrator was unsound and groundless, and has lodged an appeal together with a request for a stay of execution.

On 8 July 2010, the Court granted a stay of execution in respect of amounts exceeding €10 million. UniCredit S.p.A. paid such amount in favour of GBS S.p.A., pending the outcome of the appeal.
The next hearing is scheduled for 5 November 2013.

A provision has been made for an amount consistent with what currently appears to be the potential risk resulting from the award issued.

ADDITIONAL RELEVANT INFORMATION
The following section sets out further pending proceedings against UniCredit S.p.A. and other companies of the UniCredit group that UniCredit considers relevant and which, at present, are not characterised by known economic demand or for which the economic request cannot be quantified.

Proceedings arising out of the purchase of HVB by UniCredit S.p.A. and the group reorganization
Voidance action challenging the transfer of shares of Bank Austria Creditanstalt AG (BA) held by HVB to UniCredit S.p.A. (Shareholders' Resolution of 25 October 2006)
Numerous minority shareholders of HVB have filed petitions challenging the resolutions adopted by HVB's Extraordinary Shareholders' Meeting of 25 October 2006 approving various Sale and Purchase Agreements (S.p.A.) transferring the shares held by HVB in BA and in HVB Bank Ukraine to UniCredit S.p.A. and the shares held by HVB in International Moscow Bank and AS UniCredit Bank Riga to BA and the transfer of the Vilnius and Tallin branches to AS UniCredit Bank Riga, asking the Court to declare these resolutions null and void. The actions are based on purported defects in the formalities relating to the calling for and conduct of the Extraordinary Shareholders' Meeting held on 25 October 2006, and on the allegation that the sale price for the shares was too low.

In the course of this proceeding, certain shareholders asked the Regional Court of Munich to state that the BCA, entered into between HVB and UniCredit S.p.A., should be regarded as a de facto domination agreement.

In the judgment of 31 January 2008, the Court declared the resolutions passed at the Extraordinary Shareholders' Meeting of 25 October 2006 to be null and void for formal reasons. The Court did not express an opinion on the issue of the alleged inadequacy of the purchase price but expressed the opinion that the BCA entered into between UniCredit S.p.A. and HVB in June 2005 should have been submitted to HVB's Shareholders' Meeting as it represented a "concealed" domination agreement.

Part E - Information on risks and related risk management policies (CONTINUED)

HVB filed an appeal against this judgment since it is believed that the provisions of the BCA would not actually be material with respect to the purchase and sale agreements submitted to the Extraordinary Shareholders' Meeting of 25 October 2006, and that the matter concerning valuation parameters would not have affected the purchase and sales agreements submitted for the approval of the shareholders' meeting. HVB also believes that the BCA is not a "concealed" domination agreement, due in part to the fact that it specifically prevents entering into a domination agreement for five years following the purchase offer.

The HVB shareholder resolution could only become null and void when the Court's decision becomes final.

Moreover, it should be noted that, in using a legal tool recognised under German law, and pending the aforementioned proceedings, HVB asked the Shareholders' Meeting held on 29 and 30 July 2008 to reconfirm the resolutions that were passed by the Extraordinary Shareholders' Meeting of 25 October 2006 and which were contested (so-called Confirmatory Resolutions). If these Confirmatory Resolutions became final and binding, they would make the alleged improprieties in the initial resolutions irrelevant.

The Shareholders' Meeting approved these Confirmatory Resolutions, which, however, were in turn challenged by several shareholders in August 2008. In February 2009, an additional resolution was adopted that confirmed the adopted resolutions.

In the judgment of 10 December 2009, the Court rejected the voidance action against the first Confirmatory Resolutions adopted on 29 and 30 July 2008. Appeals filed by several former shareholders against this judgment were rejected by Higher Regional Court (Oberlandesgericht) of Munich on 22 December 2010. The case is now pending before the German Federal Supreme Court (Bundesgerichtshof). A final judgment has not yet been issued.

In light of the above events, the appeal proceedings initiated by HVB against the judgment of 31 January 2008 were suspended until a final judgment is issued in relation to the Confirmatory Resolutions adopted by HVB's Shareholders' Meeting of 29 and 30 July 2008.

Squeeze-out of HVB minority shareholders (Appraisal Proceedings)

Approximately 300 former minority shareholders of HVB filed a request to have a review of the price obtained in the squeeze-out (Appraisal Proceedings). The dispute mainly concerns profiles regarding the valuation of HVB.
The first hearing took place on 15 April 2010. The proceedings are still pending and are expected to last for a number of years.

Squeeze-out of Bank Austria's minority shareholders

After a settlement was reached on all legal challenges to the squeeze-out in Austria, the resolution passed by the BA shareholders' meeting approving the squeeze-out of the ordinary shares held by minority shareholders (with the exception of the so-called "golden shareholders" holding the registered shares in BA) was recorded in the Vienna Commercial Register on 21 May 2008.

The minority shareholders received the squeeze-out payment of approximately €1,045 million including the related interest.

Several shareholders then initiated proceedings before the Commercial Court of Vienna claiming that the squeeze-out price was inadequate, and asking the Court to review the adequacy of the amount paid (appraisal proceedings). At present the proceedings are pending before the Commercial Court of Vienna which appointed a panel, the so called "**Gremium**", to investigate the facts of the case in order to review the adequacy of the cash compensation This expert, employing six different methods, determined that adequate compensation would have been in a range from an amount lower than that actually paid by UniCredit S.p.A. and an amount that is Euro 10 per share higher than that amount. UniCredit, considering the nature of the valuation methods employed, still believes that the amount paid to the minority shareholders was adequate. Nevertheless, it is not possible to predict how the Gremium will decide upon concluding its investigation.

Should the parties fail to reach an agreement, the Commercial Court will issue a decision, which could result in UniCredit S.p.A. having to pay a greater cash compensation.

In addition to the Court and the Gremium proceedings, a minority shareholder has initiated a parallel arbitration procedure before an arbitral tribunal. If the outcome of the arbitration is unfavorable for UniCredit,it is possible that the Group could be negatively impacted.

Cirio and Parmalat criminal proceedings

Between the end of 2003 and the beginning of 2004, criminal investigations of some former Capitalia group (now UniCredit group) officers and managers were conducted in relation to the insolvency of the Cirio group. This resulted in certain executives and officers of the former Capitalia S.p.A. (now UniCredit S.p.A.) being committed to trial.

Cirio S.p.A.'s extraordinary administration and several bondholders joined the criminal proceedings as civil complainants without quantifying the damages claimed. UniCredit S.p.A., also as the universal successor of UniCredit Banca di Roma S.p.A., was cited as "legally liable".

On 23 December 2010, UniCredit S.p.A.- without any admission of responsibility - proposed a settlement to approximately 2,000 bondholders.

In March 2011, Cirio S.p.A.'s extraordinary administration filed its conclusions against all defendants and against UniCredit S.p.A. as "legally liable"- all the defendants jointly and severally - requesting damages in an amount of €1.9 billion. UniCredit S.p.A. believes the request is groundless both in fact and law and the officers involved in the proceedings in question maintain that they performed their duties in a legal and proper manner.

Negotiations aimed at settling all Cirio related matters in their entirety have to date proved unsuccessful and, on 4 July 2011 the Court of Rome ordered UniCredit, together with the individuals involved, to pay the extraordinary administration €200 million as provisional payment. The reasons for the Court's decision are yet to be released. An appeal will be considered once the reasons are known.

With regard to the insolvency of the Parmalat group, from the end of 2003 to the end of 2005, investigations were conducted against certain executives and officers of the former Capitalia S.p.A. (now UniCredit S.p.A.), who had been committed for trial within the scope of three distinct criminal proceedings known as "Ciappazzi", "Parmatour" and "Eurolat".

Companies of the Parmalat group in extraordinary administration and numerous Parmalat bondholders are the claimants in the civil suits in the aforementioned proceedings. All of the civil claimants' lawyers have reserved the right to quantify damages at the conclusion of the first instance trials.

In the "Ciappazzi" and "Parmatour" proceedings, several companies of the UniCredit group have been cited as legally liable.

Upon execution of the settlement of 1 August 2008 between UniCredit group and Parmalat S.p.A., and as Parmalat group companies are in extraordinary administration, all civil charges were either waived or revoked.

The officers involved in the proceedings in question maintain that they performed their duties in a legal and proper manner.

On 11 June 2010, UniCredit S.p.A. reached an agreement with the Association of Parmalat Bondholders of the Sanpaolo IMI group (the **Association**) aimed at settling, without any admission of responsibility, the civil claims brought against certain banks of the UniCredit group by the approximately 32,000 Parmalat bondholders who are members of the Association. In October 2010, that agreement has been extended to the other bondholders who had joined the criminal proceedings as civil complainants (approximately 5,000).

On 4 October 2011 UniCredit S.p.A.reached a settlement agreement with the trustee of Cosal S.r.l..

On 29 November 2011 (Parmalat) and on 20 December 2011 (Parmatour) the Court of Parma issued a judgment ordering UniCredit, severally with other involved parties, a provisional payment, in favor of the bondholders and shareholders of Parmalat and Parmatour - civil complainants in the criminal proceedings - in an amount equal to 4% of the nominal value of the securities owned.

Taking into account the above mentioned transactions with bondholders in 2010, these decisions apply only to a limited number of investors.

For the Parmalat and Cirio cases provisions have been made for an amount consistent with what currently appears to be the potential risk of liability for UniCredit S.p.A. as legally liable.

Medienfonds

Various customers bought shares in VIP Medienfonds 4 Gmbh & Co. KG ("**Medienfonds**").
HVB did not sell shares in the fund, but granted loans to all private investors for a part of the amount invested in the fund; moreover, to collateralize the fund, HVB assumed specific payment obligations of certain film distributors with respect to the fund.

When certain expected tax benefits associated with this type of investment were revoked, many investors brought various kinds of legal proceedings against HVB and others. The investors argue that HVB did not disclose to them the risks of the tax treatment being revoked and assert HVB, together with other parties, including the promoter of the fund, is responsible for the alleged errors in the prospectus used to market the fund. Additionally some plaintiffs invoke also rights under German consumer protection laws.

The courts of first and second instance have passed various sentences, of which several were unfavourable for HVB.
On 30 December 2011 The District Higher Court of Munich decided the issue relating to prospectus liability through a specific procedure pursuant to the Capital Markets Test Case Act (Kapitalanleger-Musterverfahrensgesetz). The Court stated that the prospectus was incorrect concerning the description of tax risks, loss risk and the fund´s forecast; the Court further holds HVB liable along with the promoter of Medienfons for such errors.

Part E - Information on risks and related risk management policies (CONTINUED)

HVB filed an appeal to the Federal Court. Any final decision in this proceeding will affect only few pending cases since with the vast majority of the investors a general settlement has already been closed.

Aside from the civil proceedings, the fiscal courts have not yet issued a final decision as to whether the tax benefits were rightfully revoked in the first place.

HVB has made provisions which are, at present, deemed appropriate.

CODACONS Class actions

With a petition served on 5 January 2010, CODACONS (Coordination of the associations for the defence of the environment and the protection of consumer rights), on behalf of one of its applicants, submitted a class action to the Court of Rome against UniCredit Banca di Roma S.p.A. (now UniCredit S.p.A.) pursuant to article 140-bis of the Consumer Code (Legislative Decree no. 206 dated 6 September 2005). This action, which was brought for an amount of €1,250 (plus unspecified non-material damages), is based on the allegations of AGCM, according to which Italian banks would have compensated for the abolition of maximum overdraft commission by introducing new and more costly commissions for clients. The applicant asked the Court of Rome to allow the action specifying the criteria for being included in the class action and setting a period of not more than 120 days within which the parties may join the class action. If the Court considers the class action admissible, the amount requested could significantly increase based on the number of adhesions of current account holders of UniCredit Banca di Roma S.p.A. who consider that they have suffered damages as a result of the behaviour at issue.

Another class action - together with a request to join the two actions - was filed on 9 August 2010 by CODACONS on behalf of one of its members, before the Court of Rome against UniCredit Banca di Roma S.p.A. (now UniCredit S.p.A.) based on the same claims and asking for an amount of €1,110 (including non-material damages).
The only difference between the two actions is that this claimant had a credit current account.

The Court of Rome, in two separate decisions taken on 25 March 2011, granting UniCredit's the motions, rejected the request to join filed by CODACONS and dismissed the two class actions.
In July 2011, the CODACONS appealed both decisions in the Court of Appeal of Rome. The next hearing, for discussions, is set for the beginning of 2012.
UniCredit S.p.A. believes it has consistently operated in compliance with the law in relation to its commission policy.

Derivatives

In Germany and Italy, there is a tendency for derivative contracts to be challenged most notably by non-institutional investors where those contracts are out of the money. This is affecting the financial sector generally and is not specific to UniCredit and its group companies.
Due to the current uncertainty, it is impossible to assess the full impact of such challenges on the Group.

Other Significant events

There has been increasing scrutiny of the financial institutions sector, especially by US authorities, with respect to combating money laundering and terrorist financing and enforcing compliance with economic sanctions. The US Treasury Department Office of Foreign Assets Control ("OFAC") administers US laws and regulations in relation to US economic sanctions against designated foreign countries, nationals and others. A member of the UniCredit Group is currently responding to a third party witness subpoena from the New York County District Attorney's Office in connection with an on-going investigation regarding certain, persons and/or entities believed to have engaged in sanctionable conduct. The relevant UniCredit Group member also has disclosed to OFAC information that it has provided to the District Attorney's office and is involved in on-going discussions with these authorities and is cooperating fully. In addition, the relevant UniCredit Group member is also conducting an on-going internal review of the accounts and transactions that are the subject of the investigation. It is not possible at this time to predict the outcome of the on-going investigation, including the timing and any potential financial impact it may have upon the operating results of the Company in any future financial period.

Client Proceeding related to German Tax Credits

A client has filed claims against UCB AG with an amount in dispute of €124 million based on alleged incorrect advice and breach of duties relating to transactions in German equity securities. Such transactions were entered into by the client based on the expectation of receiving dividend withholding tax credits on dividends in relation to German equities which were traded around dividend dates. Pursuant to a tax audit of the client, the tax authorities have demanded payment from the client, who is primarily liable vis-à-vis the tax authorities, of the withholding tax credit previously granted to the client plus interest summing up to the amount in dispute. UCB AG understands that the client and its tax advisor are challenging the tax authorities' position. The client in his claim requests UCB AG to indemnify him against said and potential future payment obligations vis-à-vis the tax authorities with respect to the transactions. The client recently extended his claim asking for the release of collateral pledged to UCB AG. The tax authorities served upon UCB AG a secondary liability notice requesting payment of the tax credits previously granted to the client including interest summing up to €124 million on the basis of alleged issuer liability for tax certificates. UCB AG has challenged the notice.

There is a risk that UCB AG could be held liable for damages to the client in the civil proceeding or to the tax authorities on the basis of the liability notice. In addition, UCB AG could be subject to interest claims in relation to this matter, as well as fines and profit claw backs, and/or criminal exposure. UCB meanwhile has taken certain legal steps under civil law which UCB and its advisers considered appropriate in order to protect its position in the context of the above-mentioned matters.

RELEVANT EVENTS OCCURRED AFTER DECEMBER 31, 2011

Madoff

Purported Class Actions

On or about January 11, 2012, all three groups of plaintiffs appealed the judgment of the Southern District to the United States Court of Appeals for the Second Circuit (the "**Second Circuit**"), which appeals are now in progress.

Claims by the SIPA Trustee

In the Kohn case on February 21, 2012, the District Court, at the request of UniCredit S.p.A., BA, PGAM and Alessandro Profumo (former CEO of UniCredit S.p.A.), dismissed the RICO and common law claims asserted in the Kohn action, and returned to the Bankruptcy Court the remaining avoidance claims. On March 21, 2012, the SIPA Trustee filed a notice of appeal to the Second Circuit of the decision.
On March 22, 2012 UniCredit S.p.A., BA and PGAM requested that the District Court withdraw the reference from the Bankruptcy Court in respect of the claims that the District Court had returned to the Bankruptcy Court following the decision by the District Court to dismiss the RICO and common law claims, as noted above. In the HSBC case, on March 22, 2012 UniCredit S.p.A., BA and PAI requested that the District Court withdraw the reference from the Bankruptcy Court in respect of the claims that the District Court had returned to the Bankruptcy Court following the decision by the District Court on July 28, 2011 to dismiss the common law claims.

Proceedings Outside the United States

In Austria a further interim judgment which partly granted the claim made against BA was handed down. This interim judgment will be appealed by BA.

The one remaining lawsuit which had been brought in Germany against UniCredit Bank AG regarding synthetic debt securities issued by UniCredit Bank AG and connected to Primeo was rejected in its entirety by the Munich Regional Court. A new lawsuit has since been commenced against UniCredit Bank AG. This new lawsuit also relates to the synthetic debt securities issued by UniCredit Bank AG that are connected to Primeo.

Merckle

In February 2012 two customers belonging to the same group of companies have filed claims against UCB AG with a total amount in dispute of €491.4 million (plus interest). The dispute results from the termination of their repo-transactions with UCB AG. The claimants assert that the compensation paid by UCB AG to the clients following the clients' default was insufficient. The bank intends to defend itself against said claims.

Treuhandanstalt

On 30 November 2011, the Court of Cassation had granted the appeal of BA, had quashed the decision of the Court of Appeal of Zurich (Obergericht) of 25 March 2010 and had remitted the matter back to the Court of Appeal of Zurich (Obergericht) for a new decision.
On 20 March 2012 (decision served on March 23, 2012) the Court of Appeal again granted the appeal of BvS and ordered BA's former subsidiary - which Bank Austria is obliged to indemnify - to pay approx. €247 million (including accrued interest and costs calculated as at March 23, 2012). BA is appealing against this judgment before the Swiss Federal Court. A provision has been made for an amount consistent with the currently estimated risk of the lawsuit.

C. Risks arising from employment law cases

The Group is involved in employment law disputes. In general, for all employment law disputes provisions have been made in order to meet any disbursements incurred and in any case the Group does not believe that any liabilities related to the outcome of the pending proceedings could have a significant impact on its economic and/or financial standing.

D. Tax disputes

The 2010 Consolidated Financial Statements and the consolidated interim reports as at June 30, 2011 and as at September 30, 2011 (Part E - Information on risks and related risk management policies) give an account of some assessment notices related to structured finance transactions carried out in 2004 and 2005.

These notices were given to UniCredit S.p.A. on its own behalf and in its capacity as the holding company of Capitalia S.p.A., UniCredit Banca S.p.A., Banco di Sicilia S.p.A. and UniCredit Banca di Roma S.p.A..

Part E - Information on risks and related risk management policies (Continued)

As reported in the 2010 Consolidated Financial Statements and in the consolidated interim reports as at June 30, 2011 and as at September 30, 2011 (Part E - Information on risks and related risk management policies), in financial years 2007, 2008 and 2009, in differing amounts and subject to differing pricing conditions, UniCredit Banca S.p.A., UniCredit Corporate Banking S.p.A. and UniCredit Banca di Roma S.p.A. carried out a certain type of structured finance transaction with the Milan Branch of the British bank Barclays Plc.
This type of transaction - which has been called “Brontos” by the British bank - consists in a Repo carried out between the Milan Branch of Barclays Plc and the aforementioned banks of the UniCredit Group, with underlying financial instruments denominated in Turkish lira issued by a Luxembourg company wholly-owned by the Barclays Group.

In the first half of 2009, the Milan prosecutor’s office launched an investigation into such transactions and is examining the alleged criminal offense pursuant to Art. 3 of Legislative Decree No. 74 of March 10, 2000, and Articles 81 and 112, clauses 1 and 2, of the Penal Code. On October 18, 2011, at the request of the Milan prosecutor’s office, the preliminary investigations judge served UniCredit S.p.A. with an interim freezing order, pursuant to Art. 321, section 2 of the Code of Criminal Procedure, for the total amount of €245,956,118.49 exercisable on the accounts of UniCredit S.p.A. with the Bank of Italy, Milan branch. On November 28, 2011 the Milan Court of Review revoked the freezing order and UniCredit regained control of the sums previously seized. The prosecutor appealed to the Cassation Court against this decision on December 29, 2011. The hearing has been scheduled for September 19, 2012.

On October 27, 2011 both the external counsel acting for the individuals who are being investigated and the individuals themselves were notified that the prosecutor had concluded his investigations; on February 2, 2012 the Milan prosecutor’s office requested that all defendants be remanded for trial. The hearing before the preliminary investigations judge has been scheduled for May 22, 2012.

In March 2011 the Italian Tax Police (Guardia di Finanza) started a tax assessment of structured finance transactions conducted by some Group Banks between 2006 and 2008, including the “Brontos” transaction described above. Following the assessment, on June 21, 2011 the Italian Tax Police (Guardia di Finanza) served UniCredit S.p.A. with the tax audit reports related to the aforementioned transactions, broken down by year and by company name. The reports show a tax liability totaling €445 million, of which €269 million related to the “Brontos” transaction.

With respect to the transactions other than “Brontos”, after careful examination of all available information and any costs/opportunities, UniCredit S.p.A. has deemed it appropriate:
- to contest all the assessment notices UniCredit Banca was served with related to financial year 2004, worth €136 million (IRES - Corporate Income Tax - and IRAP - Regional Tax on Productive Activities); since the risk has been deemed ‘possible’, no provisions have been made;
- to make, in May 2011, a tax settlement proposal with regard to financial year 2005 and pay a total of €106 million (of which €27 million were sanctions and interests);
- to settle, on December 6, 2011, its back tax liability in relation to the tax audit reports served by the Italian Tax Police (Guardia di Finanza) on June 21, 2011 with respect to financial year 2006. The sum paid, €85 million (of which €18 million were sanctions and interests), was entirely covered by a specific provision made in financial year 2011;
- to make an adequate provision for financial year 2007, consistent with the amounts paid to settle back tax liabilities related to financial years 2005 and 2006 and/or taking account of any other relevant circumstances.

With reference to the so-called “Brontos” transactions, UniCredit contested the tax audit reports by filing defense briefs at the competent offices of the Revenue Agency during the month of August 2011. Having said that, since the potential risk arising from this dispute is significant, it was deemed appropriate to make an adequate tax provision.

Other pending tax cases

At the end of 2011 UniCredit S.p.A., on its own behalf and in its capacity as the holding company of various entities, was served with some assessment notices related to taxes and sanctions totaling €43 million.

Specifically, UniCredit received a €33 million notice as the consolidating entity of Pioneer Investment Management SGR, mainly with reference to issues connected with the transaction prices.

The company has appealed to the competent local tax commissions against these notices.

Believing that the risk represented by these liabilities is remote and only potential, UniCredit decided not to make a provision.

Tax Proceedings in Germany

UCB AG is currently subject to tax audits in Germany for the fiscal years 2002 through 2004, which are close to being finalised, and for the fiscal years 2005 through 2008. UniCredit believes that adequate tax provisions have been accrued.

In addition, UCB AG has notified the Munich tax authorities of the possibility of certain proprietary trading of UCB AG undertaken close to dividend dates and related withholding tax credits claimed by UCB AG. In this context, and in parallel, the Supervisory Board of UCB AG has commissioned external advisors to conduct an audit of such matters. This audit is fully supported by UniCredit.

Given that UCB AG has proactively disclosed this matter to the Munich tax authorities, UCB AG expects that the German Central Federal Tax Authority (*Bundeszentralamt für Steuern*) and the Munich tax authorities are likely to examine such transactions. Although German tax authorities have recently denied withholding tax credits in certain types of trades undertaken near dividend dates, there is no clear guidance from the highest German tax court on the tax treatment of such transactions. At this time, the impact of any review by the Federal Tax Authority and Munich tax authorities is unknown. Because the audit commissioned by the Supervisory Board is at a very early stage, it is not possible at this time to predict the outcome, including timing for any findings.

In relation to the above-described securities transactions, UCB AG could be subject to substantial tax and interest claims in relation to these matters, as well as fines and profit claw backs, and/or criminal exposure.

UCB AG is in communication with its relevant regulators regarding this matter.

Tax Proceedings in Austria

On December 6, 2011 a general tax audit involving Bank Austria related to the financial years from 2003 to 2007 inclusive was completed. The outcome of the audit was formalized and its economic impact was €20.6 million.

Società Petrolifera Gioia Tauro

On 11 November 2005 Società Petrolifera Gioia Tauro received two notices of assessment from the Catanzaro Tax Agency, relating to tax years 1997 (IRPEG and ILOR) and 1999 (IRPEG and IRAP) for a total of €7.3 million, of which €3.8 million were for interest and fines.

The Tax Agency's findings were based on the tax treatment of grants or subsidies received by the company under Law 488/1992, and were challenged by the company before the Catanzaro Province Tax Commission, which allowed the appeals.

The appeals lodged by the Catanzaro Tax Agency were then allowed by the Regional Tax Commission in Catanzaro in two judgments deposited on 22 July 2011.

Società Petrolifera Gioia Tauro has appealed to the Court of Cassation (Supreme Court) and is awaiting the Court's decision.

It is believed that the two appeals to the Supreme Court will overturn the judgments of the Regional Tax Commission in Catanzaro. For this reason no provision has been made in these Accounts.

In November 2011 the Tax Agency presented Società Petrolifera Gioia Tauro with two demands for payment of a total of €8,612,100 following the judgments of the Regional Tax Commission in Catanzaro.

In March 2012, Equitalia seized the property of Società Petrolifera Gioia Tauro by means of a writ of attachment of March 7, 2012.

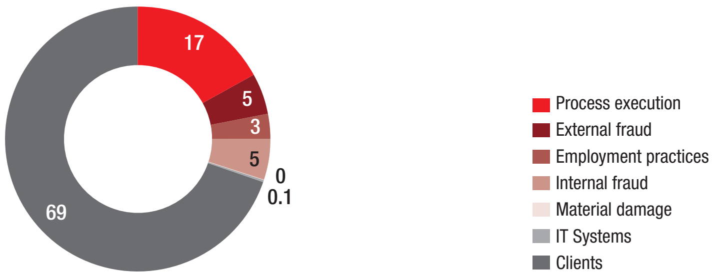
Part E - Information on risks and related risk management policies (Continued)

QUANTITATIVE INFORMATION

Detailed below is the percentage composition, by type of event, of operational risk sources as defined by the New Basel Capital Accord and acknowledged by the New Regulations for the Prudential Supervision of Banks issued by the Bank of Italy in December 2006 (Circular No. 263) and in successive updates.

The major categories are as follows:
- internal fraud: losses owing to unauthorized activity, fraud, embezzlement or violation of laws, regulations or business directives that involve at least one internal member of the bank;
- external fraud: losses owing to fraud, embezzlement or violation of laws by subjects external to the bank;
- employment practices and workplace safety: losses arising from actions in breach of employment, health and workplace safety laws or agreements, from personal injury compensation payments or from cases of discrimination or failure to apply equal treatment;
- clients, products and professional practices: losses arising from non-fulfillment of professional obligations towards clients or from the nature or characteristics of the products or services provided;
- damage from external events: losses arising from external events, including natural disasters, acts of terrorism and vandalism;
- business disruption and system failures: losses owing to business disruption and system failures or interruptions;
- process management, execution and delivery: losses owing to operational or process management shortfalls, as well as losses arising from transactions with commercial counterparties, sellers and suppliers.

The event type categories are (%)



In 2011, the main source of operational risk was “Clients, products and professional practices”, a category which includes losses arising from the non-fulfillment of professional obligations towards clients or from the nature or characteristics of the products or services provided, as well as any sanctions for violating tax regulations. The second largest contribution to losses came from errors in process management, execution and delivery due to operational or process management shortfalls. There were also, in decreasing order, losses stemming from internal fraud, external fraud and employment practices. The residual risk categories were damage to physical assets from external events and IT systems related problems.

Section 5 - Other Risks

The types of risk described above are the primary risks, but there are other the Group considers to be significant which include:
- business risk;
- real-estate risk;
- financial investment risk;
- strategic risk;
- reputational risk.

These risks are defined as follows:
- **Business risk** is defined as adverse, unexpected changes in business volume and/or margins that are not due to credit, market and operational risks. Business risk can result, above all, from a serious deterioration in the market environment, changes in the competitive situation or customer behavior, but may also result from changes in the legal framework;
- **Real estate risk** is defined as the potential losses resulting from market value fluctuations of the Group's real estate porfolios, including real estate special purpose vehicles. It does not take into consideration properties held as collateral;
- **Financial investment risk** originates in equity held in companies not included in the Group or held in the trading book**;**
- **Strategic risk** is the risk of suffering potential losses due to decisions or radical changes in the business environment, improper implementation of decisions, lack of responsiveness to changes in the business environment, which result in negative impacts to the risk profile, capital and earnings as well as the overall direction and scope of a bank over the long run;
- **Reputational risk**: this is the current or future risk of a decline in profits as a result of a negative perception of the Bank's image by customers, counterparties, bank shareholders, investors or the regulator.

Within the Internal Capital Adequacy Assessment Process (ICAAP), in line with the proportionality principle defined in Pillar II of Basel II, the risk profile of the main companies of the Group is calculated analytically, while for small ones is used a synthetic approach (top down approach).

Credit, market, operational, business, real estate and financial investment risks are measured quantitatively, using:
- economic capital and aggregation as an input for internal capital and;
- stress tests.

Internal Capital is the capital set aside as a buffer against the potential losses inherent in the Group's business activities and it takes into consideration all risk types identified by the Group as quantified in terms of Economic Capital in line with Pillar II requirements (credit, market, operational, business, financial investment and real estate risks including the effects of diversification between risk types ('interdiversification') and within each portfolio type ('intradiversification') and a prudential cushion against the model risk and the variability of the economic cycle).

Internal Capital is calculated using the Bayesian Copula approach for aggregation with a one-year time horizon and 99.97% confidence level in line with the Group rating target. The distribution of correlation matrixes that represents the dependence structure between risks is achieved combining expert opinions with empirical correlation coefficient calculated relying on the time series of specific risk factors.
For control purposes, Internal Capital is calculated quarterly or ad hoc if needed; it is also projected for budgeting purposes.

The multi-dimensional nature of risk makes it necessary to supplement the measurement of economic capital with stress testing, not only in order to estimate losses in certain scenarios, but also to ascertain the impact of their determinants. Stress testing is carried out on both individual risk types and their aggregation, providing as output conditional losses and stressed economic capital. The combined stress test calculation covers the changes on the amount of the individual risk types and of the diversification benefit in crisis conditions.

The adequacy of the risk measurement methodologies supporting the ICAAP, including stress testing and risk aggregation, is checked by internal validation.

Under the corporate governance system, the Parent Group Risk Management is responsible for the Group Economic and Internal Capital methodology development and their measurement at Group and divisional level, moreover the Parent is responsible to set and implement the Group related processes.
The "Group Rules", after the approval is sent to interested LEs for approval and implementation.

Part E - Information on risks and related risk management policies (CONTINUED)

Internal Capital Adequacy Assessment Process (ICAAP)

Measuring the risk profile is a fundamental element of the Internal Capital Adequacy Assessment Process under Basel II Pillar II.

The Group's approach to ICAAP relies on the definition of the "Risk Governance", as a preliminary requirement, while the process consists of following phases:
- perimeter definition and risk identification;
- risk profile measurement;
- risk appetite[11] setting and capital allocation; and
- monitoring and reporting.

Capital adequacy is assessed considering the balance between the assumed risk, both Pillar I and Pillar II, and the available capital.
With respect to Pillar II, the relevant metric is the Risk Taking Capacity, which is the ratio between available capital (Available Financial Resources, AFR) and Internal Capital.

The internal economic capital measurements and the resulting Risk Taking Capacity show an adequate capitalization at Group level, especially considering the capital increase finalized in 2012.

The Group defines the risk appetite as the variability in terms of results, both short and long term, that Senior Management is willing to accept to support a defined strategy.

The risk appetite framework is based on three dimensions:
- Capital adequacy;
- Profitability and risks; and
- Liquidity and funding.

The risk appetite is approved by Board of Directors and is regularly monitored and reported, at least quarterly, to the relevant committees.

In addition, the Company is required to draft a yearly consolidated report on capital adequacy in accordance with Banca d'Italia guidelines and including an overview of the main Group companies.

Reputational Risk

UniCredit Group has identified reputational risk as the current or future risk of a decline in profits as a result of a negative perception of the Bank's image by customers, counterparties, bank shareholders, investors or the regulator.

In August 2010 the UniCredit S.p.A. Board of Directors approved the Group Reputational Risk Governance Guidelines, which aim at defining a general set of principles and rules for measuring and controlling reputational risk. In the Parent Company the Reputational Risk Methodologies and Control unit is formally appointed within the Group Operational and Reputational Risks department.

The Governance Guidelines were distributed to the UniCredit Group Legal Entities for implementation, through a letter signed by the CEO and the Head of Group Risk Management.
The primary role of Reputational Risk Methodologies and Control is:
- developing methodologies for the measurement and control of reputational risk (RRM), and facilitating the task of identifying, valuing and measuring such risk;
- monitoring the implementation - in the Legal Entities - of methodologies of reputational risk (general guidelines for the management and control of reputational risk), defining the tasks to be carried out on a regular basis;
- proposing mitigation actions to the competent functions and bodies;
- defining the methodology for evaluating the reputational risk of products.

Moreover, the set up of the Group Operational and Reputational Risk Committee ensures consistency in reputational risk policies, methodologies and practices across Divisions, Business Units and Legal Entities, controlling and monitoring the Group Reputational Risk portfolio. Furthermore the Transactional Credit Committees are in charge of evaluating possible reputational risks inherent transactions, on the basis of the current reputational risk guidelines and policies.

The current policies mitigating specific Reputational risk topics regard "Defense/Weapons Industry", "Nuclear Energy" and "Non Co-operative Jurisdictions". Two new policies have been developed in 2011 and they will be implemented starting from 2012. The new policies intend to regulate the financing of the mining and water infrastructure (dams) sectors. Eventually the Human Rights Commitment aims to identify and manage human rights risks and reduce potential human rights violations.

11. Risk Appetite can be defined as the variability in results, on both short and long term, which an organization and its senior executives are prepared to accept in support of a stated strategy. The main purpose of UCG's risk appetite is to ensure that the business develops within the risk tolerance set by the BoD in respect of national and international regulations. The aim is not to prevent risk taking, but to pursue the execution of UCG's strategy consistently with the risk tolerance set by the BoD.

Part F - Consolidated Shareholders' Equity

Part F - Consolidated Shareholders' Equity

Section 1 - Consolidated Shareholders' Equity

A. QUALITATIVE INFORMATION

The UniCredit group has made a priority of capital management and allocation on the basis of the risk assumed in order to expand the Group's operations and create value. These activities are part of the Group planning and monitoring process and comprise:

- planning and budgeting processes:
  - proposals as to risk propensity and capitalization objectives;
  - analysis of risk associated with value drivers and allocation of capital to business areas and units;
  - assignment of risk-adjusted performance objectives;
  - analysis of the impact on the Group's value and the creation of value for shareholders;
  - preparation and proposal of the financial plan and dividend policy;
- monitoring processes:
  - analysis of performance achieved at Group and business unit level and preparation of management reports for internal and external use;
  - analysis and monitoring of limits;
  - analysis and performance monitoring of the capital ratios of the Group and individual companies.

The Group has set itself the goal of generating income in excess of that necessary to remunerate risk (cost of equity), and thus of creating value for its shareholders by allocating capital to the various business areas and business units on the basis of specific risk profiles. In support of planning and monitoring processes, the Group has adopted a methodology based on risk-adjusted performance measurement (Rapm) which provides a number of indicators that combine and summarize the operating, financial and risk variables to be considered.

Capital and its allocation are therefore extremely important in defining strategies, since on the one hand it represents the shareholders' investment in the Group which must be adequately remunerated, on the other hand it is a scarce resource on which there are external limitations imposed by regulatory provisions.

The definitions of capital used in the allocation process are as follows:

- Risk or employed capital: this is the equity component provided by shareholders (employed capital) for which a return that is greater than or equal to expectations (cost of equity) must be provided;
- Capital at risk: this is the portion of capital and reserves that is used (the budgeted amount or allocated capital) or was used to cover (at period-end - absorbed capital) risks assumed to pursue the objective of creating value.

If capital at risk is measured using risk management methods, it is defined as economic capital, if it is measured using regulatory provisions, it is defined as regulatory capital.

Economic capital and regulatory capital differ in terms of their definition and the categories of risk covered. The former is based on the actual measurement of exposure assumed, while the latter is based on schedules specified in regulatory provisions.

Economic capital is set at a level that will cover adverse events with a probability of 99.97% (confidence interval), while regulatory capital is quantified on the basis of a Core Tier 1 target ratio in line with that of major international banking groups and taking into account the impacts of the supervisory regulations which will be adopted (Basel 3, Global Systemically Important Financial Institutions: G-SIFIs, etc.).

The process of capital allocation is based on a "dual track" logic, considering both economic capital, measured through the full evaluation of risks by risk management models, and regulatory capital, quantified applying internal capitalization targets to regulatory capital requirements.

The purpose of the capital management function performed by the Capital Management unit of Planning, Strategy and Capital Management is to define the target level of capitalization for the Group and its companies in line with regulatory restrictions and the propensity for risk.

Capital is managed dynamically: the Capital Management unit prepares the financial plan, monitors capital ratios for regulatory purposes and anticipates the appropriate steps required to achieve its goals.
On the one hand, monitoring is carried out in relation to both shareholders' equity and the composition of capital for regulatory purposes (Core Tier 1, Tier 1, Lower and Upper Tier 2 and Tier 3 Capital), and on the other hand, in relation to the planning and performance of risk-weighted assets (RWA).

The dynamic management approach aims to identify the investment and capital-raising instruments and hybrid capital instruments that are most suitable for achieving the Group's goals. If there is a capital shortfall, the gaps to be filled and capital generation measures are indicated, and their cost and efficiency are measured using RAPM. In this context, value analysis is enhanced by the joint role played by the Capital Management unit in the areas of regulatory, accounting, financial, tax-related, risk management and other aspects and the changing regulations[1] affecting these aspects so that an assessment and all necessary instructions can be given to other Group HQ areas or the companies asked to perform these tasks.

1. E.g. Basel II/III, IAS/IFRS etc.

B. QUANTITATIVE INFORMATION

B.1 Consolidated Shareholders' Equity: breakdown by type of company

(€ '000)

NET EQUITY ITEMS	AMOUNTS AS AT 12.31.2011 BANKING GROUP	INSURANCE COMPANIES	OTHER COMPANIES	CONSOLIDATION ADJUSTMENTS AND ELIMINATIONS	TOTAL
Share Capital	12,574,986	71	43,172	(2,454)	12,615,775
Share premium reserve	38,584,643	1,412	5,266	(5)	38,591,316
Reserves	16,346,472	13,739	(904,062)	1,027,315	16,483,464
Equity instruments	-	-	-	-	-
(Treasury shares)	(7,960)	-	-	-	(7,960)
Revaluation reserves	(4,046,751)	(553)	(20,746)	24,715	(4,043,335)
- Available for sale financial assets	(2,467,902)	(553)	(20,746)	1,219	(2,487,982)
- Property, plant and equipment	-	-	-	-	-
- Intangible assets	-	-	-	-	-
- Hedges of foreing investments	-	-	-	-	-
- Cash-flow hedge	744,361	-	-	-	744,361
- Exchange difference	(2,410,306)	-	-	-	(2,410,306)
- Non current assets classified held for sale	(1,323)	-	-	-	(1,323)
- Actuarial gains (losses) on defined benefits plans	-	-	-	-	-
- Valuation reserves from investments accounted for using the equity method	(189,444)	-	-	23,496	(165,948)
- Special revaluation laws	277,863	-	-	-	277,863
Profit (loss) of the year - Minority interests	(8,842,591)	16,222	(94,341)	79,028	(8,841,682)
Shareholders' Equity	**54,608,799**	**30,891**	**(970,711)**	**1,128,599**	**54,797,578**

B.2 Revaluation reserves for available-for-sale assets: breakdown

(€ '000)

ASSETS/VALUES	AMOUNTS AS AT 12.31.2011 BANKING GROUP POSITIVE RESERVE	BANKING GROUP NEGATIVE RESERVE	INSURANCE COMPANIES POSITIVE RESERVE	INSURANCE COMPANIES NEGATIVE RESERVE	OTHER COMPANIES POSITIVE RESERVE	OTHER COMPANIES NEGATIVE RESERVE	CONSOLIDATION ADJUSTMENTS AND ELIMINATIONS POSITIVE RESERVE	CONSOLIDATION ADJUSTMENTS AND ELIMINATIONS NEGATIVE RESERVE	TOTAL POSITIVE RESERVE	TOTAL NEGATIVE RESERVE
1. Debt securities	484,023	(3,309,988)	238	(791)	-	-	(390)	1,611	483,871	(3,309,168)
2. Equity securities	515,241	(138,813)	-	-	809	(21,555)	69	(73)	516,119	(160,441)
3. Units in investment fund	21,995	(39,139)	-	-	-	-	(6)	-	21,989	(39,139)
4. Loans	14	(1,235)	-	-	-	-	1	7	15	(1,228)
Total 12.31.2011	**1,021,273**	**(3,489,175)**	**238**	**(791)**	**809**	**(21,555)**	**(326)**	**1,545**	**1,021,994**	**(3,509,976)**
Total 12.31.2010	**764,482**	**(1,482,417)**	**2,048**	**(287)**	**-**	**(17,777)**	**(2)**	**1,616**	**766,528**	**(1,498,865)**

B.3 Revaluation reserves for available-for-sale assets: annual change

(€ '000)

	CHANGES IN 2011 DEBT SECURITIES	EQUITY SECURITIES	UNITS IN INVESTMENTS FUNDS	LOANS
1. Opening balance	**(990,103)**	**248,643**	**10,415**	**(1,292)**
2. Positive changes	**1,070,648**	**271,039**	**12,897**	**112**
2.1 Fair value increases	949,170	232,592	8,309	64
2.2 Reclassification through profit or loss of negative reserves	98,757	10,432	4,588	48
- due to impairment	*9,491*	*5,325*	*1,802*	-
- following disposal	*89,266*	*5,107*	*2,786*	*48*
2.3 Other changes	22,721	28,015	-	-
3. Negative changes	**(2,905,842)**	**(164,004)**	**(40,462)**	**(33)**
3.1 Fair value reductions	(2,787,187)	(108,241)	(35,595)	(26)
3.2 Impairment losses	(108)	(1,588)	(367)	-
3.3 Reclassification throught profit or loss of positive reserves: following disposal	(109,931)	(28,504)	(2,669)	-
3.4 Other changes	(8,616)	(25,671)	(1,831)	(7)
4. Closing balance	**(2,825,297)**	**355,678**	**(17,150)**	**(1,213)**

Part F - Consolidated Shareholders' Equity (Continued)

Section 2 - Shareholders' Equity and banking regulatory ratios

2.1 Regulatory framework

The prudential scope of consolidation, defined by regulatory rules (Bank of Italy regulations n. 263 - December 27, 2006 and n. 155 - December 18, 1991, and subsequent updates), includes subsidiaries with the following characteristics:

- Banks, financial companies and ancillary banking services companies directly or indirectly controlled to which the line-by-line consolidation method is applied;
- Banks, financial companies and ancillary banking services companies directly or indirectly participated for a share equal or more than the 20% when they are jointly controlled with other entities, to these subsidiaries has to be applied the proportional consolidation method;
- The following entities are consolidated with equity method:
  - banks or financial companies directly or indirectly participated for a share equal or more than the 20% or anyway subjected to significant influence;
  - to companies, different from banks, financial companies and ancillary banking services companies directly or indirectly controlled exclusively or jointly or subjected to significant influence.

Further prudential treatments provided by the regulation are: the deduction of the value of the subsidiary from the capital and the sum of the subsidiary value to the Risk Weighted Assets.
The prudential scope of consolidation is different from the scope of the Financial Statement, defined by IAS/IFRS rules.

2.2 Capital for regulatory purposes

A. QUALITATIVE INFORMATION

1. Tier 1

The following instruments are included in tier 1:

INTEREST RATE	MATURITY	STARTING DATE OF PREPAYMENT OPTION	AMOUNT IN ORIGINAL CURRENCY (MLN)		AMOUNT INCLUDED IN REGULATORY EQUITY (EURO '000)	STEP-UP	OPTION TO SUSPEND INTEREST PAYMENT	ISSUED THROUGH A SPV SUBSIDIARY
9.375%	31-Dec-50	Jul-20	EUR	500	495,584	yes	yes	no
7.055%	perpetual	Mar-12	EUR	600	324,203	yes	yes	yes
4.028%	perpetual	Oct-15	EUR	750	749,990	yes	yes	yes
5.396%	perpetual	Oct-15	GBP	300	323,459	yes	yes	yes
8.5925%	31-Dec-50	Jun-18	GBP	350	380,202	yes	yes	no
8.125%	31-Dec-50	Dec-19	EUR	750	749,415	yes	yes	no
8.741%	30-Jun-31	Jun-29	USD	300	93,480	no	yes	yes
7.760%	13-Oct-36	Oct-34	GBP	100	41,201	no	yes	yes
9.00%	22-Oct-31	Oct-29	USD	200	70,554	no	yes	yes
3.500%	31-Dec-31	Dec-29	JPY	25,000	249,502	no	yes	yes
10y CMS (°) +0.10%. cap 8.00 %	perpetual	Oct-11	EUR	250	248,507	no	yes	no
10y CMS (°) +0.15%. cap 8.00 %	perpetual	Mar-12	EUR	150	149,008	no	yes	no
Total					**3,875,105**			

(°) Constant Maturity Swap.

2. Tier 2

The following table shows upper tier 2 instruments, which account for more then 10% of the total issued amount:

INTEREST RATE	MATURITY	STARTING DATE OF PREPAYMENT OPTION	AMOUNT IN ORIGINAL CURRENCY (MLN)		AMOUNT INCLUDED IN REGULATORY EQUITY (EURO '000)	STEP-UP	OPTION TO SUSPEND INTEREST PAYMENT
3.95%	1-Feb-16	not applicable	EUR	900	896,261	not applicable	yes (°)
5.00%	1-Feb-16	not applicable	GBP	450	537,744	not applicable	yes (°)
6.70%	5-Jun-18	not applicable	EUR	1,000	996,573	not applicable	yes (°)
6.10%	28-Feb-12	not applicable	EUR	500	499,936	not applicable	yes (°)

(°) - if dividend is not paid, payment of intertest is suspended (deferral of interest)
- if losses take share capital and reserves under the threshold set by Banca d'Italia to authorize banking business, face value abd interests are proportionally reduced.

3. Tier 3
There are no values to be disclosed.

B. QUANTITATIVE INFORMATION

Regulatory Capital Breakdown

(€ '000)

REGULATORY CAPITAL	12.31.2011	12.31.2010
A. Tier 1 before prudential filters	**46,354,217**	**46,646,150**
A.1 Tier 1 positive items:	71,381,206	72,391,578
A.1.1 - Capital (°)	11,927,702	9,974,637
A.1.2 - Share premium account	38,562,472	41,085,295
A.1.3 - Reserves	16,346,472	16,126,727
A.1.4 - Innovative capital instruments and non-innovative capital instruments with maturity date	495,584	496,293
A.1.5 - Non-innovative capital instruments computable up to the limit of 50% (°)	609,085	-
A.1.6 - Instruments subject to transitional provisions (grandfathering)	3,439,891	3,855,889
A.1.7 - Net income of the year/Interim profit	-	852,737
A.2 Tier 1 negative items:	(25,026,989)	(25,745,428)
A.2.1 - Treasury stocks	(7,960)	(4,218)
A.2.2 - Goodwill	(12,676,344)	(21,687,385)
A.2.3 - Other intangible assets	(3,304,950)	(4,053,825)
A.2.4 - Loss of the year/Interim loss	(9,037,735)	-
A.2.5 - Other negative items:	-	-
* Value adjustments calculated on the supervisory trading book	-	-
* Others	-	-
B. Tier 1 prudential filters	**(682,629)**	**(1,091,687)**
B.1 Positive IAS/IFRS prudential filters (+)	66,197	55,632
B.2 Negative IAS/IFRS prudential filters (-)	(748,826)	(1,147,319)
C. Tier 1 capital gross of items to be deducted (A+B)	**45,671,588**	**45,554,463**
D. Items to be deducted	**2,754,567**	**2,517,321**
E. Total TIER 1 (C-D)	**42,917,021**	**43,037,142**
F. Tier 2 before prudential filters	**17,952,485**	**18,317,190**
F.1 Tier 2 positive items:	19,505,609	18,856,974
F.1.1 - Valuation reserves of tangible assets	-	-
F.1.2 - Valuation reserves of available-for-sale securities	294,807	222,335
F.1.3 - Non-innovative capital instruments not eligible for inclusion in Tier 1 capital	-	-
F.1.4 - Innovative capital instruments not eligible for inclusion in Tier 1 capital	-	-
F.1.5 - Hybrid capital instruments	3,163,769	3,307,134
F.1.6 - Tier 2 subordinated liabilities	14,824,299	14,606,208
F.1.7 - Surplus of the overall value adjustments compared to the expected losses	944,871	443,434
F.1.8 - Net gains on participating interests	-	-
F.1.9 - Other positive items	277,863	277,863
F.2 Tier 2 negative items	(1,553,124)	(539,784)
F.2.1 - Net capital losses on participating interests	(57,085)	-
F.2.2 - Loans	-	-
F.2.3 - Other negative items	(1,496,039)	(539,784)
G. Tier 2 prudential filters:	**(147,404)**	**(111,168)**
G.1 Positive IAS/IFRS prudential filters (+)	-	-
G.2 Negative IAS/IFRS prudential filters (-)	(147,404)	(111,168)
H. Tier 2 capital gross of items to be deducted (F+G)	**17,805,081**	**18,206,022**
I. Items to be deducted	**2,754,567**	**2,517,321**
L. Total TIER 2 (H-I)	**15,050,514**	**15,688,701**
M. Deductions from Tier 1 and Tier 2	**994,305**	**1,071,064**
N. Capital for regulatory purposes (E+L-M)	**56,973,230**	**57,654,779**
O. Tier 3 Capital	**-**	**-**
P. Capital for regulatory purposes included Tier 3 (N+O)	**56,973,230**	**57,654,779**

(°) The ordinary shares underlying to the "CASHES" transaction are accounted under *"Share capital"* for a total amount od €2,373,915 thousands, and under *"Non-innovative capital instruments computable up to the limit of 50%"* for a total amount of €609,085 thousands, after the capital increase for no consideration for a nominal amount of € 2,499,217.96 thousands approved by the EGM on December 15, 2011. The CASHES are equity-linked instruments, issued for a counter value of €2,983,000 thousand in February 2009 by The Bank of New York (Luxembourg) SA, with a maturity on December 15, 2050 and convertible, under certain conditions, into n° 96,756,406 ordinary shares of UniCredit S.p.A. (reduced from n° 967,564,061 after the reverse split occurred on December 23, 2011) underwritten by Mediobanca in the context of the capital increase approved by the UniCredit Extraordinary Shareholders' Meeting on November 14, 2008. Therefore, since such shares are already issued, they are fully loss absorbing as any other ordinary share.

Part F - Consolidated Shareholders' Equity (Continued)

2.3 Capital adequacy

A. QUALITATIVE INFORMATION

See the above "Section 1 - Consolidated Shareholders' Equity" for qualitative information on the procedures adopted by the Banking Group to assess the adequacy of regulatory capital supporting current and future activities.

B. QUANTITATIVE INFORMATION

Capital Adequacy

(€ '000)

CATEGORIES/ITEMS	NON WEIGHTED ASSETS 12.31.2011	NON WEIGHTED ASSETS 12.31.2010	WEIGHTED ASSETS 12.31.2011	WEIGHTED ASSETS 12.31.2010
A. RISK ASSETS				
A.1 Credit and counterparty risk	**890,776,785**	**875,576,304**	**376,783,794**	**395,636,268**
1. Standardized approach	384,468,813	407,916,124	189,327,110	216,239,490
2. IRB approaches	491,935,921	444,552,841	183,182,476	173,791,755
2.1 Foundation	*25,024,203*	-	*11,546,461*	-
2.2 Advanced	*466,911,718*	*444,552,841*	*171,636,015*	173,791,755
3. Securitizations	14,372,051	23,107,339	4,274,208	5,605,023
B. CAPITAL REQUIREMENTS				
B.1 Credit and counterparty risk			**30,142,704**	**31,650,901**
B.2 Market Risk			**2,518,627**	716,179
1. Standardized approach			396,134	302,209
2. Internal models			2,122,493	413,970
3. Concentration risk			-	-
B.3 Operational risk			**4,116,396**	**4,020,892**
1. Basic indicator approach (BIA)			304,605	281,675
2. Traditional standardized approach (TSA)			286,670	475,782
3. Advanced measurement approach (AMA)			3,525,121	3,263,435
B.4 Other capital requirements			**-**	-
B.5 Other calculation elements			**53,861**	-
B.6 Total capital requirements			**36,831,588**	**36,387,972**
C. RISK ASSETS AND CAPITAL RATIOS				
C.1 Weighted risk assets			**460,394,842**	**454,849,656**
C.2 TIER 1 capital/Weighted risk assets (TIER 1 capital ratio)			**9.32%**	**9.46%**
C.3 Capital for regulatory purposes (included TIER 3)/Weighted risk assets (Total capital ratio)			**12.37%**	**12.68%**

Part G - Business Combinations

Part G - Business Combinations

Section 1 - Business combinations completed in the period

Business combinations with counterparties outside the Group are carried out using the "purchase method" prescribed by IFRS 3 - Business Combinations.

In August 2011 the Group acquired control of Compagnia ItalPetroli S.p.A. through the purchase of another 51% stake bringing its full investment to 100%, in the context of a wider transaction that determined the sale of AS Roma S.p.A. by Compagnia Italpetroli to Neep Roma Holding S.p.A., a company in which UniCredit S.p.A. holds 40%.

The transaction determined the recognition of goodwill for €61.6 million, equal to the difference between:
- cost of the investment, equal to €30 million and;
- fair value of assets and liabilities of Compagnia Italpetroli determined contextually with the First Time Adoption by the company of IFRS. The net assets arising from First Time Adoption of IFRS was further adjusted so to consider the inter-company share of the gains arisen from the sale of AS Roma to Neep Holding and other inter-company relationship.

Goodwill was fully impaired on December 31, 2011, due to the absence of business plans and considering the intent to liquidate the investment.

Under its reorganization program the Group carried out combinations involving companies or businesses already controlled directly or indirectly by UniCredit S.p.A. (Business Combination Under Common Control).

These transactions had no economic substance and were accounted for in the acquirer's and acquired entity's accounts in accordance with the continuity principle.

Under this principle the acquirer purchases the net assets acquired at their carrying value in the acquired entity's accounts.
These transactions have no effect on consolidated profit.

The main transactions of this kind carried out in 2011 were:
- absorption by UniCredit Credit Management Bank S.p.A. of Aspra Finance S.p.A.;
- transfer of the divisions "Card Payment Solutions" of UniCredit S.p.A., "Global Operation Line Cards " and "Country Operations Line Cards" of UniCredit Business Partner S.C.p.A., and "Moneta" of UniCredit Global Information Services S.C.p.A. to Quercia Software S.p.A.;
- transformation of Quercia Software S.p.A. into a joint venture corporation and absorption of the company by UniCredit Global Information Services S.C.p.A.;
- Incorporation by Cordusio S.p.A. of Cordusio SIM - Advisory & Family Office S.p.A.;
- transfer of CJSC BankSibir from JSC ATF Bank to ZAO UniCredit Bank Russia.

Section 2 - Business combinations completed after December 31, 2011

The internal reorganization carried out after the year-end consisted in:
- the acquisition by UniCredit S.p.A. of the "Supervisory reporting division" from UniCredit Business Partner S.C.p.A.;
- the acquisition by UniCredit Business Partner S.C.p.A. of administrative and accounting activities related to consumer credit products and personal loans secured on one-fifth of net income carried out by UniCredit S.p.A.;
- the absorption of UniCredit Business Partner S.C.p.A. into UniCredit Global Information Services S.C.p.A. and renaming of the latter to UniCredit Business Integrated Solutions S.C.p.A.;
- the absorption of UniCredit Real Estate S.C.p.A. into UniCredit S.p.A.;
- the transfer to UniCredit Business Integrated Solutions S.C.p.A. UniCredit S.p.A.'s divisions "ICT, Security, Global Sourcing and Operations" and "Servizi Generali Immobliari" (General Real Estate Services);
- the absorption of UniCredit Business Partner GmbH by UniCredit Business Integrated Solutions Austria Gmbh;
- the partial spin-off in favor of UniCredit S.p.A. of the going concern related to the segregate accounts for private banking clients of Pioneer Investment Management SGRp.A.

Part H - Related-Party Transactions

Part H - Related-Party Transactions

As required by the Commission Regulation (EU) No. 632/2010 of July 19, 2010, the revised IAS 24 - which simplifies and clarifies the definition of related party and the criteria aimed at identifying correctly the nature of the relationship with the reporting entity - is applied to financial reporting for annual periods beginning on or after January 1, 2011. Pursuant to IAS 24, UniCredit S.p.A.'s related parties include:
- companies belonging to the UniCredit group and companies controlled by UniCredit but not consolidated;
- associates and joint ventures;
- UniCredit's "key management personnel";
- close family members of key management personnel and companies controlled (or jointly controlled) by key management personnel or their close family members;
- Group employee post-employment benefit plans.

Details of key management personnel's remuneration and of related-party transactions are given below, pursuant to IAS 24. Key management personnel are persons having authority and responsibility for planning, directing, and controlling UniCredit's activities, directly or indirectly.
Key management personnel include the Chief Executive Officer and the other members of the Board of Directors, the Standing Auditors, the General Manager and the other members of UniCredit's Executive Management Committee, as well as the Head of Internal Audit in office in 2011.

1. Details of Top Managers' Compensation

Total compensation paid to Directors and top managers in 2011 is given below pursuant to IAS 24 and to the circular no. 262 issued by Banca d'Italia on December 22, 2005 (and updated on November 18, 2009) requiring that also the Statutory Auditors' compensation be included.

Compensation paid to key management personnel

(€ '000)

	YEAR 2011	YEAR 2010
a) short term benefits	22,248	27,363
b) post retirement benefits	1,896	2,270
of which under defined benefit plans	-	-
of which under defined contribution plans	*1,896*	*2,270*
c) other long term benefits	33	49
d) termination benefits	-	51,165
e) share-based payment	5,760	7,776
Total	**29,937**	**88,623**

Compensation paid to Directors (€8,108), Statutory Auditors (€676), the General Manager (€2,137) and other Managers with strategic responsibility (€7,819), as shown in the Annual compensation report enclosed in the 2012 Group compensation Policy, and €11,197 relating to other costs borne in 2011 (the company share of social security contributions, allocations to severance pay funds and share-based payments using UniCredit and its subsidiaries' equity instruments).

The year on year cost reduction is primarily linked to the fact that, in 2011, no severances have been paid to Key Management Personnel in consideration of the termination of employment relationships. The reduction is also fostered by zeroing - for the chief Executive Officer and General Manager - and a very severe decrease for the other Executives with Strategic Responsibilities, of the amounts payable under the 2011 Group Incentive System, as well as of the costs linked to equity based incentive systems.

2. Related-Party Transactions

In order to ensure full compliance with legislative and regulatory provisions currently in effect as regards disclosure of transactions with related parties, UniCredit adopted a procedure for identifying related-party transactions. Under this procedure, the decision-making bodies provide appropriate information, to enable compliance with the obligations of the Directors of UniCredit, as a listed company and the Parent Company of the Group.

In November 2010 UniCredit's Board of Directors approved new regulations concerning related-party transactions, in compliance with the CONSOB Regulation approved by Resolution No. 17221 of March 12, 2010, as subsequently updated, which sets out the principles to be complied by Italian companies whose shares are listed on regulated Italian or other EU countries and with shares widely distributed among the public, in order to ensure transparency and substantial and procedural fairness of related party transactions. Specific guidelines have been distributed to the company's functions and Group Entities in order to systematically abide to the above-mentioned reporting requirements starting from January 1, 2011.

It must be pointed out that during the period under consideration no related-party transaction that would qualify as major according to the "Related-party transactions procedures" referred to earlier was carried out.
In 2011, transactions carried out within the Group and/or generally with Italian and foreign related parties were executed, as a rule, on the same terms and conditions as those applied to transactions entered into with independent third parties. Intra-group transactions were carried out based on assessments of a mutual economic advantage, and the determination of applicable terms and conditions took place in compliance with substantial

correctness, keeping in mind the common goal of creating value for the entire UniCredit group. The same principle was also applied to the provision of services, combined with the principle of charging for such services at minimal rate solely to recover related production costs.

Further information on related party transactions, and in particular on procedures implemented by the Group, is provided in the Report on Operations, chapter "Corporate Governance".

The following table sets out the assets, liabilities and guarantees as at December 31, 2011, for each group of related parties, pursuant to IAS 24.

Related party transactions

(€ '000)

	AMOUNT AS AT 12.31.2011						
	NON-CONSOLIDATED SUBSIDIARIES	NON-CONSOLIDATED JOINT VENTURES	ASSOCIATES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% ON CONSOLIDATED
Financial asset held for trading	-	-	211,080	-	-	211,080	0.16%
Financial asset designated at fair value	-	-	42,584	-	-	42,584	0.15%
Available for sale financial asset	33	-	80,798	-	-	80,831	0.14%
Held to maturity investments	-	-	-	-	-	-	0.00%
Loans and receivables with banks	-	20	583,470	-	1,733,834	2,317,324	4.11%
Loans and receivables with customers	31,827	6,285	1,573,546	2,808	56,187	1,670,653	0.30%
Other assets	9,113	-	47,072	-	701	56,886	0.56%
Total Assets	**40,973**	**6,305**	**2,538,550**	**2,808**	**1,790,722**	**4,379,358**	**0.51%**
Deposits from banks	-	27,019	11,402,218	-	59,942	11,489,179	8.72%
Deposits from customers	43,888	9,081	455,698	5,368	101,804	615,839	0.15%
Debt securities in issue	-	-	221,103	-	10,041	231,144	0.08%
Other liabilities	947	78	11,082	3	32,135	44,245	0.22%
Total Liabilities	**44,835**	**36,178**	**12,090,101**	**5,371**	**203,922**	**12,380,407**	**1.48%**
Guarantees given and commitments	335	2,600	106,220	-	25,872	135,027	0.07%

The following table sets out the impact of transactions with related parties on the main Income Statement items, for each group of related parties.

Related party transactions: Profit and Loss items

(€ '000)

	AMOUNT AS AT 12.31.2011						
	NON-CONSOLIDATED SUBSIDIARIES	NON-CONSOLIDATED JOINT VENTURES	ASSOCIATES	KEY MANAGEMENT PERSONNEL	OTHER RELATED PARTIES	TOTAL	% ON CONSOLIDATED
Interest income and similar revenues	871	248	257,141	41	27,322	285,623	0.96%
Interest expense and similar charges	(1,759)	(146)	(257,703)	(112)	(9,929)	(269,649)	1.90%
Fee and commission income	1,360	12	602,593	240	5,941	610,146	6.06%
Fee and commission expense	(228)	(413)	(62,831)	(10)	(5,900)	(69,382)	3.95%
Impairment losses on:	(10,854)	(45)	(92,137)	-	(3,641)	(106,677)	1.68%
a) loans	(10,854)	-	(91,806)	-	(3,641)	(106,301)	1.81%
b) available for sale financial assets	-	(45)	(331)	-	-	(376)	0.08%
Operating costs	(220)	(1,208)	(26,953)	-	(6,348)	(34,729)	0.20%

Note that the "key management personnel" are persons having authority and responsibility for planning, directing, and controlling UniCredit's activities, directly or indirectly (i.e. members of the Board of Directors, including the Chief Executive Officer, the Standing Auditors, members of the Executive Management Committee and the Head of Internal Audit in office during the period under consideration).

The "other related parties" category includes:
- close family members of key management personnel (i.e. those family members who, as is expected, may influence - or be influenced by - the person in question);
- companies controlled (or jointly controlled) by, or associated with, key management personnel or their close family members;
- Group employee post-employment benefit plans.

As required by the Commission Regulation (EU) No. 632/2010 of July 19, 2010, the revised IAS 24 - which extends, simplifies and clarifies the definition of related party and the criteria aimed at identifying correctly the nature of the relationship with the reporting entity - is applied to financial reporting for annual periods beginning on or after January 1, 2011. The revised version of IAS 24 also makes clear that the provided information must relate, *inter alia*, to the transactions entered into with the subsidiaries of associates and of *joint ventures*.

Part H - Related-Party Transactions (CONTINUED)

The revised IAS 24 also requires disclosures about the existing relationships between the reporting entity and its related parties and provides exemption from disclosure for entities controlled or subject to significant influence by a state.

Not all related-parties falling into the definition provided by IAS 24 are subject to disclosure requirements pursuant to Consob "Regulations containing provisions relating to transactions with related parties" (adopted with Resolution No. 17221, later amended by Resolution no. 17389 of 2010, which are based on the definition of related party contained in the old IAS 24, in force when the Consob Regulation became effective).

Specifically, below are some observations on major related-party transactions:

It should be noted that UniCredit S.p.A. has given UniCredit Bank AG shares worth €7.05 billion representing equity investments in foreign subsidiaries belonging to the Group as collateral against financial exposures.

Mediobanca S.p.A. ("Mediobanca") - The relationships with Mediobanca include transactions falling within the ordinary course of business and financial activity.
UniCredit S.p.A. has entered into a thirty-year usufruct agreement on UniCredit shares with Mediobanca, under which Mediobanca gives back to UniCredit, in return for a consideration (recorded as a reduction in Shareholders' Equity), the right to vote and receive dividends on the UniCredit shares subscribed for by Mediobanca in January 2009, as part of the capital increase approved by UniCredit in November 2008. These shares were concomitantly used in support of the issuance of convertible securities denominated "CASHES".
Following the resolutions of UniCredit S.p.A.'s Extraordinary Meeting of December 2011, the number of shares underlying the usufruct agreement and the formula for calculating the remuneration fees in favor of Mediobanca have been adjusted to reflect (i) the reverse split of UniCredit shares and (ii) the free capital increase of December 2011 carried out through the allocation to capital of an equivalent amount transferred from the issue-premium reserve recorded in January 2009.
As part of the "CASHES" transaction Mediobanca also acts as a custodian of the shares issued by UniCredit.
Since the conditions for an impairment test were met, the value in use of the equity investment in Mediobanca was determined, according to the methods described in Part A of the Notes to the Consolidated Accounts. The value in use so determined was lower than the carrying value of the investment and resulted in the recognition in the 2011 consolidated accounts of an impairment loss of €404 million, corresponding to the implicit goodwill of the investment.
It should also be noted that Mediobanca took part in the underwriting syndicate as a "joint global coordinator" as part of the capital increase completed by UniCredit S.p.A. in January 2012 and supported the placement of the new shares.

Compagnia Italpetroli S.p.A. ("Italpetroli") - As also reported in Part G of the Notes to the Consolidated Accounts, in August 2011 the Group acquired control of Italpetroli through the acquisition of a further 51% stake, bringing its holding to 100%.
Starting from that date, Italpetroli Group has been fully consolidated.
As at December 31, 2011 the exposure to Italpetroli Group, classified under the intra-group transactions, consisted mainly of the credit exposure (net of the specific bad debt provision) and its economic effects.
It should be noted that in 2011 UniCredit conducted two transactions consisting in the waiver of certain loans in favor of Italpetroli - in order to allow the company to meet the minimum capital requirements provided for by the Civil Code – totaling approximately €114 million. The waived loans had already been fully written down.

NEEP ROMA HOLDING S.p.A. ("NEEP") - NEEP, in which UniCredit holds a 40% stake, acquired control of the companies already belonging to the division "Media" of Italpetroli Group (A.S. Roma S.p.A., ASR Real Estate S.r.l. and Brand Management S.r.l.).
It should be noted that NEEP and some of its subsidiaries were granted credit lines and loans. Specifically, the loans granted to NEEP were classified as "loans with Shareholders" and can be converted by NEEP into equity instruments. The return on these loans is linked to the company's profitability.

As described more comprehensively in the "Report on Operations – Other transactions involving subsidiaries and associates", as a result of the agreements signed with the company Premafin Finanziaria S.p.A. ("Premafin"), in July 2011 UniCredit, exercising the option rights acquired by Premafin, subscribed for new shares of Fondiaria-SAI S.p.A. (Fonsai) and now holds 6.6% of share capital after the capital increase. The investment totaled €170 million, of which €161 million attributable to the investment and €9 million as the initial counter value of the right to receive from Premafin a future payment linked to the stock price performance of Fonsai. Pursuant to the existing shareholder agreements, the investment was classified under the investments in companies subject to significant influence and therefore consolidated using the equity method.
Since the conditions for an impairment test were met, the value in use of the equity investment in Fonsai was determined, according to the methods described in Part A of the Notes to the Consolidated Accounts. The value in use so determined was lower than the carrying value of the investment and resulted in the recognition in the 2011 consolidated accounts of a €42 million impairment loss, corresponding to the implicit goodwill of the investment.
Please note that major transactions have been entered into with Fonsai and its subsidiaries.
Lastly, it should be noted that on March 22, 2011 Mr. Salvatore Ligresti handed in his resignation as a member of the Board of Directors of UniCredit and therefore from that date the relationships with Mr. Salvatore Ligresti, his close relatives and the companies controlled by them, even though

involving significant amounts, have not been classified as related-party transactions.
It should be noted that in 2011 distribution agreements concerning insurance products were signed with the following associates:
• Aviva S.p.A.
• CNP UniCredit Vita S.p.A.
• Creditras Assicurazioni S.p.A.
• Creditras Vita S.p.A.

The amounts related to fees and commissions received from the aforementioned associates under the above-mentioned agreements have been classified on a consolidated basis as intra-group transactions with companies consolidated using the equity method.

The relationships with other related parties include the relationships with UniCredit employee pension funds, external since they have separate legal personality. These transactions were conducted on the same terms and conditions as those applied to transactions with independent third parties and are almost entirely represented by the relationships included in Deposits from customers and reported in the tables concerning the Related-party Transactions.

Part I - Share-Based Payment

Part I - Share-Based Payment

A. QUALITATIVE INFORMATION

1. Description of payment agreements based on own equity instruments

1.1 Outstanding instruments

Group Medium & Long Term Incentive Plans for selected employees include the following categories:

- **Equity-Settled Share Based Payments;**
- **Cash Settled Share Based Payments[1].**

The first category includes the following:

- **Stock Options** allocated to selected Top & Senior Managers and Key Talents of the Group;
- **Performance Stock Options & Performance Shares** allocated to selected Top & Senior Managers and Key Talents of the Group and represented respectively by Options and free UniCredit ordinary shares that the Parent Company undertakes to grant, conditional upon achieving performance targets approved by the Parent Company's Board;
- **Employee Share Ownership Plan (ESOP)** that offers to eligible Group employees the possibility to buy UniCredit ordinary shares with the following advantages: granting of free ordinary shares ("Discount Shares" and "Matching Shares" or, for the second category, rights to receive them) measured on the basis of the shares purchased by each Participant ("Investment Shares") during the "Enrolment Period" . The granting of free ordinary shares is subordinated to vesting conditions (other than market conditions) stated in the Plan Rules;
- **Group Executive Incentive System** that offer to eligible Group Executive a variable remuneration for which payment will be made in four years. For the first two years the beneficiary will receive the payment by cash and for the second two years they will receive the payment by Unicredit shares; the payment are related to the achievement of performance condition (other than marked conditions) stated in the Plan Rules.

The second category includes synthetic "Share Appreciation Rights" linked to the share-value and performance results of some Group-Companies[2].

1.2 Measurement model

1.2.1 Stock Options and Performance Stock Options

The Hull and White Evaluation Model has been adopted to measure the economic value of Stock Options.
This model is based on a trinomial tree price distribution using the Boyle's algorithm and estimates the early exercise probability on the basis of a deterministic model connected to:

- reaching a Market Share Value equals to an exercise price- multiple (M);
- probability of beneficiaries' early exit (E) after the end of the Vesting Period.

The following table shows the measurements and parameters used in relation to the Performance Stock Options granted in 2011.

Measurement of Performance Stock Options 2011

	PERFORMANCE STOCK OPTION 2011
Exercise Price [€][3]	18.07
UniCredit Share Market Price [€][3]	18.07
Date of granting Board resolution (Grant Date)	22-Mar-2011
Vesting Period Start-Date	1-Jan-2011
Vesting Period End-Date	31-Dec-2013
Expiry Date	31-Dec-2020
Exercise price - Multiple (M)	1.5
Post Vesting Exit-Rate (E)	3.73%
Dividend Yield	2.583%
Volatility	42.755%
Risk Free Rate	3.314%
Performance Stock Options' Fair Value per unit @ Grant Date [€]	**6.019**

1. Linked to the economic value of instruments representing a subsidiary's Shareholders' Equity.
2. Pioneer Global Asset Management at the end of 2010.
3. The data was adjusted after regrouping operation.

Parameters are calculated as follows:
- **Exit Rate:** annual percentage of Stock Options forfeited due to termination;
- **Dividend Yield:** next four years average dividend-yield;
- **Volatility:** historical daily average volatility for a period equals to four years;
- **Exercise Price:** arithmetic mean of the official market price of UniCredit shares during the month preceding the granting Board resolution;
- **UniCredit Share Market Price**; set equals to the Exercise Price, in consideration of the "at-the-money" allocation of Stock Options at the date of the grant.

1.2.2 Other equity instruments (Performance Shares)
The economic value of Performance Shares is measured considering the share market price at the grant date less the present value of the future dividends during the performance period. Parameters are estimated by applying the same model used for Stock Options measurement.

The following table shows the measurements and parameters used in relation to the Performance Shares granted in 2011.

Measurement of Performance Share 2011

	PERFORMANCE SHARE 2011
Date of granting Board resolution (Grant Date)	22-Mar-2011
Vesting Period Start-Date	1-Jan-2011
Vesting Period End-Date	31-Dec-2013
UniCredit Share Market Price [€][4]	18.07
Economic Value of Vesting conditions [€]	- 1.272
Performance Shares' Fair Value per unit @ Grant Date [€]	**16.798**

1.2.3 Employee Share Ownership Plan
For both Discount Shares and Matching Shares (or rights to receive them) the fair value is measured at the end of the Enrolment Period according to the weighted average price paid by Participants to buy the Investment Shares on the market.
The following tables show the measurements and parameters used in relation to Discount Shares and Matching Shares (or rights to receive them) connected to the "Employee Share Ownership Plan" approved in 2010.

Measurement of Discount Shares ESOP 2010

	DISCOUNT SHARE
Date of Discount Shares delivery to Group employees	10-Jan-2012
Vesting Period Start-Date	1-Jan-2011
Vesting Period End-Date	31-Dec-2011
Discount Shares' Fair Value per unit [€]	11.687

Measurement of Matching Shares ESOP 2010

	MATCHING SHARES
Date of Matching Shares (or related rights) delivery to Group employees	10-Jan-2012
Vesting Period Start-Date	1-Jan-2012
Vesting Period End-Date	31-Dec-2014
Matching Shares' (or related rights) Fair Value per unit [€]	11.687

Within the limits of the "Employee Share Ownership Plan" approved in 2010:
- all Profit and Loss and Net Equity effects related to Discount Shares had been booked during 2011 (except adjustments, according to Plan Rules, that will be booked during 2012);
- during the three-year period 2012-2014 will be booked the Profit and Loss and Net Equity effects related to Matching Shares (or rights to receive them).

1.2.4 Group Executive Incentive System
The amount of the incentive will be determined on a basis of the achievement of quantitative and qualitative goals stated by the plan. In particular, the overall evaluation of the Employee's relevant Manager shall be expressed as a percentage, from a minimum of 0% to a maximum of 150% (non market vesting conditions).
This percentage, adjusted by the application of a risk/opportunity factor - Group Gate - at first payment, multiplied by the Bonus Opportunity will determine the effective amount that will be paid to the beneficiary.
The Economic and Equity effects will be receipt on a basis of instrument vesting period.

4. The data was adjusted after regrouping operation.

Part I - Share-Based Payment (Continued)

B. QUANTITATIVE INFORMATION

1. Annual Changes

UniCredit Stock Options and Performance Stock Options:

ITEMS/NUMBER OF OPTIONS AND EXERCISE PRICE		BANKING GROUP YEAR 2011[1] NUMBER OF OPTIONS	AVERAGE EXERCISE PRICE [€]	AVERAGE MATURITY	BANKING GROUP YEAR 2010[1] NUMBER OF OPTIONS	AVERAGE EXERCISE PRICE [€]	AVERAGE MATURITY
A.	**Outstanding at beginning of period**	**20,721,208**	**40.540**	**Jul-2016**	**23,296,896**	**40.820**	**Jun-2017**
B.	**Increases**	**8,422,936**			**-**		
B.1	New issues	8,422,936	18.07		-		
B.2	Other	-			-		
C.	**Decreases**	**4,450,573**			**2,575,688**		
C.1	Forfeited	685,978	31.082		2,491,121	43.212	
C.2	Exercised						
C.3	Expired	3,764,595	32.390		84,567	38.923	
C.4	Other						
D.	**Outstanding at end of period**	**24,693,571**	**34.380**	**May-2019**	**20,721,208**	**40.540**	**May-2017**
E.	**Vested Options at end of period**	**9,473,467**	**47.469**	**Sep-2018**	**10,830,657**	**39.332**	**Jul-2016**

1. The information related to Number of options and Average exercise price had been modified for:
- as the free capital increase resolved by the UniCredit Annual General Meeting on April 29, 2009 ("scrip dividend"), implied the recommendation by AIAF (Associazione Italiana Analisti Finanziari) to apply an "adjustment factor" equal to 0.88730816;
- as the capital increase resolved by the UniCredit Extraordinary Shareholder Meeting on November 16, 2009 and finalized on February 24, 2010, implied the recommendation by AIAF (Associazione Italiana Analisti Finanziari) to apply an "adjustment factor" equal to 0,95476659.

Furthermore the information related to 2010 and 2011 were adjusted following the reverse shares split operation.

Other UniCredit equity instruments: Performance Shares and Restricted Shares.

TEMS/NUMBER OF OTHER EQUITY INSTRUMENTS AND EXERCISE PRICE		BANKING GROUP YEAR 2011[1] NUMBER OF OTHER EQUITY INSTRUMENTS	AVERAGE EXERCISE PRICE [€]	AVERAGE MATURITY	BANKING GROUP YEAR 2010[1] NUMBER OF OTHER EQUITY INSTRUMENTS	AVERAGE EXERCISE PRICE [€]	AVERAGE MATURITY
A.	**Outstanding at beginning of period**	**2,321,157**	**-**	**Sep-2011**	**3,507,488**	**-**	**Apr-2011**
B.	**Increases**	**4,066,803**			**156,328**		
B.1	New issues	4,066,803			156,328		
B.2	Other	-			-		
C.	**Decreases**	**847,753**			**1,342,659**		
C.1	Forfeited	755,891			1,247,315		
C.2	Exercised[2]	90,877			95,344		
C.3	Expired						
C.4	Other[3]	985					
D.	**Outstanding at end of period[4]**	**5,540,207**	**-**	**May-2013**	**2,321,157**	**-**	**Sep-2011**
E.	**Vested instruments at end of period**	**162,538**			**6,489,931**		

1. The information related to 2010 and 2011 were adjusted following the reverse share split operation of December 27, 2011;
2. As far as concern 2011 movement, the average market price at the exercise date is equal to €1.756;
3. This movement represent the adjustment due to the reverse share split operation executed at December 27, 2011;
4. UniCredit undertakes to grant, conditional upon achieving performance targets set in the Strategic Plan, 5,540,207 ordinary shares at the end of 2011 (2,321,157 ordinary shares at the end of 2010).

According to ESOP 2010 Plan Rules, in January 2012 had been delivered to Group Participants:
- 37,105 Discount Shares related to services rendered during 2011;
- 127,649 Matching Shares and 32,764 rights to receive them; these shares (or rights) are subject to a three-year vesting during the period 2012-2014.

The said above UniCredit free ordinary shares had been acquired on the market.

2. Other information

Employee Share Ownership Plan 2011 (Let's Share 2011)

In April 2011 the Ordinary Shareholders' Meeting approved the "UniCredit Group Employee Share Ownership Plan 2011" ("Let's Share 2011") that offers to eligible Group employees the opportunity to purchase UniCredit ordinary shares at favourable conditions, starting from January 2012, in order to reinforce employees' sense of belonging and commitment to achieve the corporate goals.
Let's Share 2011 was launched on October 27, 2011 in 13 countries across the Group (Austria, Bulgaria, Czech Republic, Germany, Hungary, Italy, Poland, Romania, Serbia, UK, Slovakia, Luxemburg and Hong Kong) with a participation rate of about 2.77% of the eligible employees.

Let's Share 2011 is a broad based share plan under which:

- during the "Enrolment Period" (from January 2012 to December 2012) the Participants can buy UniCredit ordinary shares ("Investment Shares") by means of monthly or one-off contributions (via one to three installments in March, May and/or October 2012) taken from their Current Account. In case, during this Enrolment Period, a Participant leaves the Plan, he/she will lose the right to receive any free ordinary shares at the end of the Enrolment Period;
- at the end of the Enrolment Period (January 2013), each Participant will receive one Free Share every three shares purchased; the Free Shares will be locked up for three years. The Participant will lose the entitlement to the Free Share if, during the three-year holding period, he/she will no longer be an employee of a UniCredit Group Company unless the employment has been terminated for one of the specific reasons stated in the Rules of the Plan. In some countries, for fiscal reasons, it will not be possible to grant the Free Shares at the end of the Enrolment Period: in that case an alternative structure is offered that provides to the Participants of those countries the right to receive the Free Shares at the end of the Holding Period ("Alternative Structure");
- during the "Holding Period" (from January 2013 to January 2016), the Participants can sell the Investment Shares purchased at any moment, but they will lose the corresponding Free Shares (or right to receive them).

The Free Shares are qualified as "Equity Settled Share-based Payments" as Participants, according to Plan's Rules, will receive UniCredit Equity Instruments as consideration for the services rendered to the legal entity where they are employed. The fair value will be measured at the end of the Enrolment Period according to the weighted average price paid by Participants to acquire the Investment Shares on the market.
All Profit and Loss and Net Equity effects related to Let's Share 2011 will be booked during the four-year period 2012-2015.

Let's Share 2011 has not been produced any effect on 2011 Consolidated Financial Statement.

Effects on Profit and Loss

All Share-Based Payment granted after November 7, 2002 which vesting period ends after January 1, 2005 are included within the scope of the IFRS2. Financial liabilities related to Cash-settled payment plans have been recognized if not yet settled on January 1, 2005.

Financial statement presentation related to share based payments

(€ '000)

	2011		2010	
	TOTAL	VESTED PLANS[1]	TOTAL	VESTED PLANS
Costs	**56,717**		**642**	
- connected to Equity Settled Plans[2]	*57,265*		*1,753*	
- connected to Cash Settled Plans[3]	*(548)*		*(1,111)*	
Debts for Cash Settled Plans	**276**	**-**	**3,310**	**948**
- of which Intrinsic Value		*-*		*151*

1. All vested plans were expired at 31st December 2011.
2. The significant increase is principally due to new plans' granted during 2011.
3. Partly included in "payroll - other staff" in keeping with the recognition of other monetary charges connected to the remuneration of services provided by beneficiaries. The revenues recognized in 2011 arise from the decrease of liabilities related to synthetic cash settled "Share Appreciation Rights" linked to the share-value and performance results of some Group-Companies.

Part L - Segment Reporting

Part L - Segment Reporting

Organizational Structure

The format for segment information reflects the organizational structure currently used in management reporting for monitoring the Group's results, which is broken down into the following business segments:
F&SME Network Italy, F&SME Network Germany, F&SME Network Austria e F&SME Network Poland, F&SME Factories, Corporate & Investment Banking (CIB), Private Banking, Asset Management, CEE and Group Corporate Center (including Global Banking Services, Corporate Centre, and consolidation adjustments not assigned to the single business segments).

Family & Small Medium Enterprise (F&SME)

The F&SME Division is composed of several core functions with different roles.
The objective of the Business lines *F&SME Network* in *Italy*, *Germany*, *Austria* and *Poland* is to be the preferred banking partner for customers in the mass market, affluent, small and medium enterprises segments, to contribute to sustainable growth in market share and returns as a result of high levels of customer satisfaction.
The Product Line *Consumer Finance* directly supervises the reference business in Italy and coordinates the divisional structures of the foreign branches specialised in consumer credit and revolving cards.
The Product Line *Leasing* is responsible for coordination of leasing activities within the Group.
The Product Line *Factoring* is responsible for coordination of factoring activities within the Group and directly supervises the reference business in Italy. The business of Factoring consists in the extending credit against commercial invoices assigned by customers. Through factoring, companies may obtain access to credit by assigning their invoices and benefitting from a series of additional services (management, collection, credit insurance).
The *Asset Gathering* includes the specialized banks (FinecoBank in Italy, DAB Bank in Germany and DAT Bank in Austria) that offer the banking and investment services of traditional banks, differentiating themselves for the specialization in the online trading business and a pronounced vocation towards technological innovation. Moreover *Asset Gathering* uses its network of independent financial advisors to provide innovative and qualified financial services, thanks to a range of multibrand products characterised by efficiency and specialization.

Corporate & Investment Banking (CIB)

The Corporate & Investment Banking (CIB) Division is dedicated to corporate customers with sales of over €50 million and UniCredit Group's institutional customers, by offering services in the 22 countries where the Group operates. The business model adopted is based on a matrix structure that calls for a clear separation of coverage and distribution areas (networks) from product lines that centralize the know-how on the entire range of products and services offered, i.e. Financing & Advisory (F&A), Markets and Global Transaction Banking (GTB).
Through direct management of dedicated distribution networks (CIB Networks), foreign branches and bank branch offices in the major financial centres, and structures dedicated to trans-border business development, CIB is able to provide its customers with access to UniCredit group's main markets, differentiating its offer in accordance with the various customer segments it serves.
At the Group level, the competence centres dedicated to product development (Product Lines) allow the CIB to follow its customers through various stages of their business life, providing support for regular business activities, growth and international expansion projects, and restructuring phases where necessary, thanks to a wide range of dedicated financial products and services - from traditional lending and servicing operations that are typical of commercial banking to more complex and high value-added services.

The CIB's Product Lines are:
- **Financing & Advisory (F&A):** this Product Line is responsible for activities related to lending and advisory services for companies and institutional customers. Products range from plain vanilla to the more sophisticated, such as Corporate Finance & Advisory, Syndications, Leveraged Buy-Out Finance, Project & Commodity Finance, Real Estate Finance, Shipping Finance and Principal Investments. In order to make maximum use of the platform common to debt products and capital management solutions, F&A also gives UniCredit group direct access to the capital market (Equity and Debt Capital Markets);
- **Markets:** competence centre for products and activities related to Rates, FX, and Credit markets, both on the primary and secondary market;
- **Global Transaction Banking (GTB):** this Product Line relates to Cash Management products, Trade Finance, Structured Trade and Export Finance, and Global Securities Services.

Private Banking

The operations of the Private Banking Division primarily target medium-to-high net worth private customers by providing advisory services and wealth management solutions using a 360° approach. The Division operates in five countries (Italy, Germany, Austria, Luxembourg and Poland) through a network of more than 1,200 private bankers located in about 250 branches throughout those countries.

Asset Management

Asset Management operates under the Pioneer Investments brand, the asset management company within the UniCredit Group specializing in the management of customer investments worldwide.
The business line, a partner of many leading international financial institutions, offers investors a broad range of financial solutions including mutual funds, assets under administration, and portfolios for institutional investors.

Pioneer Investments launched an organic growth plan designed to further improve the quality of the product range and to maintain the excellent level of customer service.
The key initiatives of the strategic plan include: the establishment of the business in geographic areas that offer particular development opportunities (Korea, Taiwan, Mexico); the reorganization of the investment centers and the creation of a new hub in London specializing in Emerging Markets; the enhancement of the range of U.S. mutual funds; an increase in non-captive business through the growth of the Third Parties and Institutional channels; optimization of the Operations unit and of the information systems.
In addition, the relationship with the Parent Company UniCredit was redefined through a distribution agreement that provides for specific requirements in terms of performance and quality of the service offered by Pioneer.

Central Eastern Europe (CEE)

The CEE area comprises the businesses of the Group in the following 18 countries: Azerbaijan, Bosnia & Herzegovina, Bulgaria, Czech Republic, Croatia, Estonia, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Romania, Russia, Serbia, Slovakia, Slovenia, Turkey and Ukraine. Being a Top-5-bank inmany of these countries, UniCredit group is among the leaders in the region, offering a full range of products and services to retail and corporate customers.

Results by business segment are reported using the format of a condensed income statement consistently with the Interim Report on Operations.
The income statement by business segments was compiled by combining the income statements of the companies, or - where a company operates in more than one business - of the businesses forming a part of individual business areas or lines, after applying their respective write-downs and adjustments for intra-group transactions.

The following rules were applied to determine the individual business segment results for subsidiaries with businesses in more than one segment (UniCredit S.p.A., UniCredit Bank Austria AG, UniCredit Bank AG, UniCredit Luxembourg SA, HVB Immobilien AG, HVB Global Asset Company LP, Geldilux SA) making it possible to integrate directly attributable income and expense:
- the refinancing cost of loans and revenue from use of funds gathered by business units were determined on the basis of the internal transfer rates defined by the relevant Group's policies;
- capital was allocated to individual business units in proportion to risk-weighted assets and remunerated at 10.93% after tax;
- the costs incurred centrally on behalf of business units were allocated on the basis of actual consumption, while overhead costs were allocated in proportion based on the direct and indirect costs of individual business units, their revenues and FTEs.

Comparative figures have been restated to take into account the following changes in business segments perimeters as well as the new method of disclosure of data on Poland: in particular, the move of Asset Gathering from Private Banking to Retail, and the incorporation of the former Corporate Banking and Markets & Investment Banking divisions into CIB.
See the Interim Report on Operations for comments on operations and results by business segment.

Part L - Segment Reporting (Continued)

A - Primary Segment

Segment Reporting by Business Segment - year 2011

A.1 - Breakdown by business segment: income statement

(€ '000)

	F&SME NETWORK ITALY	F&SME NETWORK GERMANY	F&SME NETWORK AUSTRIA	F&SME NETWORK POLAND	F&SME FACTORIES	CORPORATE & INVESTMENT BANKING	PRIVATE BANKING	ASSET MANAGEMENT	CENTRAL EASTERN EUROPE	GROUP CORPORATE CENTER	CONSOLIDATED GROUP TOTAL 12.31.2011
Net interest	3,914,812	1,101,263	721,683	637,911	1,456,636	5,144,905	291,809	11,184	3,219,403	(1,066,386)	15,433,220
Dividends and other income from equity investments	-	3,520	7,475	5	52,060	125,053	4,390	4,682	29,474	153,325	379,984
Net fees and commissions	2,912,605	469,220	429,973	446,726	412,317	1,679,426	619,678	761,869	1,210,961	(635,304)	8,307,471
Net trading, hedging and fair value income	18,255	(4,501)	(1,212)	43,374	19,210	688,069	4,682	(973)	198,816	(56,864)	908,856
Net other expenses/ income	(37,610)	24,840	13,465	5,016	115,939	19,092	399	9,995	60,143	(40,678)	170,599
OPERATING INCOME	**6,808,062**	**1,594,342**	**1,171,384**	**1,133,032**	**2,056,162**	**7,656,545**	**920,958**	**786,757**	**4,718,797**	**(1,645,907)**	**25,200,130**
Payroll costs	(2,188,196)	(543,494)	(353,034)	(275,753)	(381,313)	(1,089,530)	(302,097)	(275,764)	(1,026,064)	(2,773,535)	(9,208,780)
Other administrative expenses	(2,385,478)	(904,519)	(540,960)	(371,723)	(479,293)	(1,596,222)	(274,700)	(173,154)	(980,110)	2,065,311	(5,640,848)
Recovery of expenses	336,196	5,205	-	1,241	34,573	15,473	19,290	11,465	415	101,175	525,033
Amortisation, depreciation and impairment losses on tangible and intangible assets	(85,419)	(5,938)	(11,144)	(38,281)	(36,677)	(27,507)	(5,609)	(28,194)	(200,589)	(696,477)	(1,135,835)
Operating expenses	**(4,322,897)**	**(1,448,746)**	**(905,138)**	**(684,516)**	**(862,710)**	**(2,697,786)**	**(563,116)**	**(465,647)**	**(2,206,348)**	**(1,303,526)**	**(15,460,430)**
OPERATING PROFIT	**2,485,165**	**145,596**	**266,246**	**448,516**	**1,193,452**	**4,958,759**	**357,842**	**321,110**	**2,512,449**	**(2,949,433)**	**9,739,700**
Net writedowns of loans and provisions for guarantees and commitments	(1,938,291)	(16,983)	(160,442)	(86,498)	(634,457)	(2,032,537)	(5,663)	-	(1,055,026)	(94,696)	(6,024,593)
OPERATING NET PROFIT	**546,874**	**128,613**	**105,804**	**362,018**	**558,995**	**2,926,222**	**352,179**	**321,110**	**1,457,423**	**(3,044,129)**	**3,715,107**
Provision for risks and charges	(63,075)	(34,810)	3,601	(9)	(28,923)	(242,892)	(37,214)	(3,544)	(14,014)	(297,525)	(718,405)
Integration costs	(54,443)	(14,711)	-	-	(6,713)	(88,337)	(9,155)	(14,091)	(2,377)	(80,630)	(270,457)
Net income from investments	-	(435)	2,701	(118)	(9,077)	(102,382)	(1,401)	(6,659)	5,990	(554,861)	(666,242)
PROFIT BEFORE TAX	**429,356**	**78,657**	**112,106**	**361,891**	**514,282**	**2,492,611**	**304,409**	**296,816**	**1,447,022**	**(3,977,145)**	**2,060,003**

A.2 - Breakdown by business segment: balance sheet amounts and RWA

(€ '000)

BALANCE SHEET AMOUNTS	F&SME NETWORK ITALY	F&SME NETWORK GERMANY	F&SME NETWORK AUSTRIA	F&SME NETWORK POLAND	F&SME FACTORIES	CORPORATE & INVESTMENT BANKING	PRIVATE BANKING	ASSET MANAGEMENT	CENTRAL EASTERN EUROPE	GROUP CORPORATE CENTER	CONSOLIDATED GROUP TOTAL 12.31.2011
LOANS AND RECEIVABLES WITH CUSTOMERS	124,509,962	43,039,652	21,129,535	9,157,008	56,379,672	218,551,234	7,748,212	42	70,352,431	8,685,255	**559,553,003**
DEPOSITS FROM CUSTOMERS	91,973,926	43,562,469	23,605,683	11,893,906	15,077,254	91,271,100	23,320,865	-	57,140,033	40,534,046	**398,379,282**
DEBT CERTIFICATES	5,170,009	721,633	-	427,242	4,672,065	10,024,179	1,133,499	-	3,869,718	136,971,909	**162,990,254**
TOTAL RISK WEIGHTED ASSETS (BASEL 2)	56,949,524	14,698,567	11,530,912	8,191,905	48,570,871	196,743,582	4,444,525	1,795,028	84,246,244	33,223,691	**460,394,846**

A.3 - Staff

	F&SME NETWORK ITALY	F&SME NETWORK GERMANY	F&SME NETWORK AUSTRIA	F&SME NETWORK POLAND	F&SME FACTORIES	CORPORATE & INVESTMENT BANKING	PRIVATE BANKING	ASSET MANAGEMENT	CENTRAL EASTERN EUROPE	GROUP CORPORATE CENTER	CONSOLIDATED GROUP TOTAL 12.31.2011
STAFF (KFS group on a proportional basis)											
Employees (FTE)	30,546	7,521	3,937	13,988	6,199	9,382	3,038	1,975	41,418	32,236	**150,240**
STAFF (KFS group fully considered)											
Employees (FTE)	30,546	7,521	3,937	13,988	6,199	9,403	3,038	1,975	51,517	32,236	**160,360**

Segment Reporting by Business Segment - year 2010

A.1 - Breakdown by business segment: income statement

(€ '000)

	F&SME NETWORK ITALY	F&SME NETWORK GERMANY	F&SME NETWORK AUSTRIA	F&SME NETWORK POLAND	F&SME FACTORIES	CORPORATE & INVESTMENT BANKING	PRIVATE BANKING	ASSET MANAGEMENT	CENTRAL EASTERN EUROPE	GROUP CORPORATE CENTER	CONSOLIDATED GROUP TOTAL 12.31.2010
Net interest	3,715,600	1,038,240	701,803	574,151	1,343,651	5,277,379	240,616	6,722	3,279,116	(456,675)	15,720,603
Dividends and other income from equity investments	-	4,712	4,292	4	44,513	156,039	9,842	3,978	13,998	170,111	407,489
Net fees and commissions	2,783,006	490,825	438,899	454,505	450,913	1,559,902	625,984	819,651	1,194,027	(362,242)	8,455,470
Net trading, hedging and fair value income	10,894	287	(1,854)	44,794	31,826	831,887	4,271	2,265	144,350	(16,148)	1,052,572
Net other expenses/ income	(29,746)	(12,575)	1,655	6,015	109,708	32,889	733	1,115	62,787	265,705	438,286
OPERATING INCOME	**6,479,754**	**1,521,489**	**1,144,795**	**1,079,469**	**1,980,611**	**7,858,096**	**881,446**	**833,731**	**4,694,278**	**(399,249)**	**26,074,420**
Payroll costs	(2,247,506)	(521,222)	(337,202)	(289,187)	(361,869)	(1,086,726)	(299,717)	(282,757)	(985,429)	(2,793,414)	(9,205,029)
Other administrative expenses	(2,444,317)	(878,740)	(496,597)	(376,354)	(484,490)	(1,558,073)	(268,977)	(184,520)	(962,074)	2,175,479	(5,478,663)
Recovery of expenses	301,241	3,916	-	1,233	37,252	11,167	8,314	12,697	736	107,172	483,728
Amortisation, depreciation and impairment losses on tangible and intangible assets	(92,699)	(3,930)	(12,027)	(37,338)	(39,128)	(37,891)	(4,903)	(32,260)	(194,107)	(669,866)	(1,124,149)
Operating expenses	**(4,483,281)**	**(1,399,976)**	**(845,826)**	**(701,646)**	**(848,235)**	**(2,671,523)**	**(565,283)**	**(486,840)**	**(2,140,874)**	**(1,180,629)**	**(15,324,113)**
OPERATING PROFIT	**1,996,473**	**121,513**	**298,969**	**377,823**	**1,132,376**	**5,186,573**	**316,163**	**346,891**	**2,553,404**	**(1,579,878)**	**10,750,307**
Net writedowns of loans and provisions for guarantees and commitments	(1,978,551)	(64,180)	(265,622)	(108,321)	(727,485)	(2,120,605)	(5,145)	-	(1,425,759)	(196,124)	(6,891,792)
OPERATING NET PROFIT	**17,922**	**57,333**	**33,347**	**269,502**	**404,891**	**3,065,968**	**311,018**	**346,891**	**1,127,645**	**(1,776,002)**	**3,858,515**
Provision for risks and charges	(80,334)	(5,264)	(7,149)	207	(34,411)	(559,349)	(2,656)	(7,273)	(36,485)	(32,900)	(765,614)
Integration costs	(132,903)	-	-	-	(2,535)	(25,592)	(24,346)	(8,774)	(3,799)	(83,566)	(281,515)
Net income from investments	(706)	22	10,436	3	9,939	7,691	(1,189)	(528)	45,794	(107,072)	(35,610)
PROFIT BEFORE TAX	**(196,021)**	**52,091**	**36,634**	**269,712**	**377,884**	**2,488,718**	**282,827**	**330,316**	**1,133,155**	**(1,999,540)**	**2,775,776**

A.2 - Breakdown by business segment: balance sheet amounts and RWA

(€ '000)

BALANCE SHEET AMOUNTS	F&SME NETWORK ITALY	F&SME NETWORK GERMANY	F&SME NETWORK AUSTRIA	F&SME NETWORK POLAND	F&SME FACTORIES	CORPORATE & INVESTMENT BANKING	PRIVATE BANKING	ASSET MANAGEMENT	CENTRAL EASTERN EUROPE	GROUP CORPORATE CENTER	CONSOLIDATED GROUP TOTAL 12.31.2010
LOANS AND RECEIVABLES WITH CUSTOMERS	125,707,680	46,884,813	22,121,595	8,764,088	54,459,925	212,825,863	6,969,601	44	66,308,446	11,611,305	**555,653,360**
DEPOSITS FROM CUSTOMERS	92,156,607	39,068,745	23,516,078	12,845,108	15,499,705	99,517,884	23,958,623	-	53,749,634	41,935,807	**402,248,191**
DEBT CERTIFICATES	5,191,937	183,114	-	320,872	89,227	31,726,876	1,015,874	-	3,151,941	139,310,487	**180,990,328**
TOTAL RISK WEIGHTED ASSETS (BASEL 2)	52,945,320	15,446,743	16,325,082	7,905,179	46,379,806	198,594,059	4,368,316	1,896,226	79,177,820	31,811,106	**454,849,656**

Part L - Segment Reporting (Continued)

A.3 - Staff

	F&SME NETWORK ITALY	F&SME NETWORK GERMANY	F&SME NETWORK AUSTRIA	F&SME NETWORK POLAND	F&SME FACTORIES	CORPORATE & INVESTMENT BANKING	PRIVATE BANKING	ASSET MANAGEMENT	CENTRAL EASTERN EUROPE	GROUP CORPORATE CENTER	CONSOLIDATED GROUP TOTAL 12.31.2010
STAFF (KFS group on a proportional basis)											
Employees (FTE)	31,895	7,511	3,748	14,260	5,850	9,578	3,018	1,877	41,803	32,643	**152,183**
STAFF (KFS group fully considered)											
Employees (FTE)	31,895	7,511	3,748	14,260	5,850	9,599	3,018	1,877	51,608	32,643	**162,009**

B - Secondary Segment

(€ '000)

AMOUNT AS AT 12.31.2011	TOTAL ASSETS	OPERATING INCOME (*)	COST OF INVESTMENT
Italy	386,383,803	9,550,281	276,595
Germany	251,205,828	4,403,484	203,073
Austria	92,463,512	2,217,409	420,573
Total other european countries	180,859,245	8,501,131	468,021
of which: Western Europe	*57,873,950*	*1,822,215*	*12,681*
of which: Eastern Europe	*122,985,295*	6,678,916	455,340
America	7,281,551	218,494	2,810
Asia	8,552,217	317,201	7,300
Rest of the world	22,588	69	-
Total	**926,768,744**	**25,208,069**	**1,378,372**

(*) Item 120 in income statement.

(€ '000)

AMOUNT AS AT 12.31.2010	TOTAL ASSETS	OPERATING INCOME (*)	COST OF INVESTMENT
Italy	387,366,900	9,453,609	228,929
Germany	218,776,718	4,686,118	645,375
Austria	94,752,935	2,544,562	316,919
Total other european countries	195,249,779	8,455,179	389,001
of which: Western Europe	*73,254,292*	*1,796,263*	*22,872*
of which: Eastern Europe	*121,995,487*	6,658,916	366,129
America	21,406,376	178,574	621
Asia	11,932,679	290,302	8,325
Rest of the world	2,168	78	-
Total	**929,487,555**	**25,608,422**	**1,589,170**

(*) Item 120 in income statement.

Annexes

Annexes

Reconciliation of Condensed Accounts to Mandatory Reporting Schedule

Consolidated Balance Sheet

(€ million)

ASSETS	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010	SEE THE NOTES PART B - ASSETS
Cash and cash balances = *item 10*	9,728	6,414	Section 1
Financial assets held for trading = *item 20*	130,985	122,551	Section 2
Loans and receivables with banks = *item 60*	56,365	70,215	Section 6
Loans and receivables with customers = *item 70*	559,553	555,653	Section 7
Financial investments	99,364	96,148	
Item 30. Financial assets at fair value through profit or loss	*28,624*	*27,078*	*Section 3*
Item 40. Available-for-sale financial assets	*57,919*	*55,103*	*Section 4*
Item 50. Held-to-maturity investments	*9,265*	*10,004*	*Section 5*
Item 100. Investments in associates and joint ventures	*3,555*	*3,963*	*Section 10*
Hedging instruments	18,069	13,616	
Item 80. Hedging derivatives	*16,241*	*11,368*	*Section 8*
Item 90. Changes in fair value of portfolio hedged items	*1,828*	*2,248*	*Section 9*
Property, plant and equipment = *item 120*	12,198	12,611	Section 12
Goodwill = *item 130* - Intangible assets of which: goodwill	11,567	20,428	Section 13
Other intangible assets = *item 130* - Intangible assets net of goodwill	4,118	5,164	Section 13
Tax assets = *item 140*	14,346	12,961	Section 14
Non-current assets and disposal groups classified as held for sale = item 150	345	776	Section 15
Other assets	10,130	12,949	
Item 110. Insurance reserves attributable to reinsurers	*1*	-	*Section 11*
Item 160. Other assets	*10,129*	*12,948*	*Section 16*
Total assets	**926,769**	**929,488**	

Continued: Consolidated Balance Sheet (€ million)

LIABILITIES AND SHAREHOLDERS' EQUITY	AMOUNTS AS AT 12.31.2011	AMOUNTS AS AT 12.31.2010	SEE THE NOTES PART B - LIABILITIES
Deposits from banks = *item 10*	131,807	111,735	Section 1
Deposits from customers and debt securities in issue	561,370	583,239	
Item 20. Deposits from customers	*398,379*	*402,248*	*Section 2*
Item 30. Debt securities in issue	*162,990*	*180,990*	*Section 3*
Financial liabilities held for trading = *item 40*	123,286	114,099	Section 4
Financial liabilities at fair value through profit or loss = *item 50*	786	1,268	Section 5
Hedging instruments	18,050	12,479	
Item 60. Hedging derivatives	*13,209*	*9,681*	*Section 6*
Item 70. Changes in fair value of portfolio hedged items	4,841	2,798	Section 7
Provisions for risks and charges = *item 120*	8,496	8,088	Section 12
Tax liabilities = *item 80*	6,210	5,837	Section 8
Liabilities included in disposal groups classified as held for sale = *item 90*	252	1,395	Section 9
Other liabilities	21,715	23,645	
Item 100. Other liabilities	*20,416*	*22,224*	*Section 10*
Item 110. Provision for employee severance pay	*1,089*	*1,202*	*Section 11*
Item 130. Insurance reserves	*210*	*219*	*Section 13*
Minorities = *item 210*	3,318	3,479	Section 16
Shareholders' Equity, of which:	51,479	64,224	
- Capital and reserves	62,417	63,237	
Item 140. Revaluation reserves, of which: Special revaluation laws	*277*	*277*	*Section 15*
Item 140. Revaluation reserves, of which: Exchange differences	*(2,222)*	*(1,229)*	*Section 15*
Item 140. Revaluation reserves, of which: equity investments valued at equity method	*(166)*	*41*	*Section 15*
Item 140. Revaluation reserves, of which: non current assets classified held for sale	*(1)*	*(5)*	*Section 15*
Item 170. Reserves	*15,565*	*15,186*	*Section 15*
Item 180. Share premium	*36,823*	*39,322*	*Section 15*
Item 190. Issued capital	*12,148*	*9,649*	*Section 15*
Item 200. Treasury shares	*(7)*	*(4)*	*Section 15*
- Available-for-sale assets fair value reserve and cash-flow hedging reserve	(1,731)	(336)	
Item 140. Revaluation reserves, of which: Available-for-sale financial assets	*(2,477)*	*(730)*	*Section 15*
Item 140. Revaluation reserves, of which: Cash-flow hedges	*747*	*394*	*Section 15*
- Net profit (loss) = item 220	(9,206)	1,323	Section 15
Total liabilities and Shareholders' Equity	**926,769**	**929,488**	

Reconciliation of Condensed Accounts to Mandatory Reporting Schedule (Continued)

Consolidated Income Statement

(€ million)

	YEAR		SEE THE NOTES
	2011	2010	PART C
Net interest	15,433	15,721	Section 1
Item 30. Net interest margin	*15,488*	*15,756*	
less: Purchase Price Allocation effect	*(54)*	*(36)*	
Dividends and other income from equity investments	380	407	
Item 70. Dividend income and similar revenue	*741*	*718*	*Section 3*
less: dividends from held for trading equity instruments included in item 70	*(514)*	*(501)*	
Item 240. Profit (loss) of associates - of which: Profit (loss) of associates valued at equity	*153*	*191*	*Section 16*
Net fees and commissions = item 60	8,307	8,455	Section 2
Net trading, hedging and fair value income	909	1,053	
Item 80. Gains (losses) on financial assets and liabilities held for trading	*229*	*343*	*Section 4*
+ dividends from held for trading equity instruments (from item 70)	*514*	*501*	
+ net provisions - trading profit (from item 190)	*-*	*-*	
Item 90. Fair value adjustments in hedge accounting	*106*	*52*	*Section 5*
Item 100. Gains (losses) on disposal or repurchase of : d) financial liabilities	*36*	*185*	*Section 6*
Item 110. Gains (losses) on financial assets and liabilities designated at fair value through profit and loss	*24*	*(29)*	*Section 7*
Net other expenses/income	171	438	
Gains (losses) on disposals / repurchases on loans and receivables - not impaired position (from item 100 a)	*(16)*	*34*	
Item 150. Premiums earned (net)	*126*	*118*	*Section 9*
Item 160. Other income (net) from insurance activities	*(99)*	*(95)*	*Section 10*
Item 220. Other net operating income	*794*	*952*	*Section 15*
less: Other operating income - of which: recovery of costs	*(525)*	*(484)*	
Net write-downs/-backs of tangible operating lease assets (from item 200)	*(114)*	*(118)*	
Gains (losses) on disposals of investments - assets leasing operation (from item 270)	*4*	*31*	
OPERATING INCOME	**25,200**	**26,074**	
Payroll costs	(9,209)	(9,205)	
Item 180. Administrative costs - a) staff expenses	*(9,441)*	*(9,478)*	*Section 11*
less: integration costs	*232*	*267*	
less: Purchase Price Allocation effect	*-*	*6*	
Other administrative expenses	*(5,641)*	*(5,479)*	
Item 180. Administrative costs - b) other administrative expenses	*(5,655)*	*(5,494)*	Section 11
less: integration costs	*14*	*15*	
Recovery of expenses = item 220. Other net operating income - of which: Operating income - recovery of costs	525	484	Section 15
Amortisation, depreciation and impairment losses on intangible and tangible assets	(1,136)	(1,124)	
Item 200. Impairment/Write-backs on property, plant and equipment	*(841)*	*(997)*	Section 13
less: Impairment losses/write backs on property owned for investment	*39*	*171*	
less: Net write-downs/-backs of tangible operating lease assets (from item 200)	*114*	*118*	
less: integration costs	*-*	*-*	
Item 210. Impairment/Write-backs on intangible assets	*(1,608)*	*(675)*	Section 14
less: integration costs	*2*	*-*	
less: Purchase Price Allocation effect	*1,159*	*258*	
Operating costs	**(15,460)**	**(15,324)**	
OPERATING PROFIT (LOSS)	**9,740**	**10,750**	

Continued: Consolidated Income Statement (€ million)

	YEAR 2011	YEAR 2010	SEE THE NOTES PART C
OPERATING PROFIT (LOSS)	**9,740**	**10,750**	
Net impairment losses on loans and provisions for guarantees and commitments	**(6,025)**	**(6,892)**	
Item 100. Gains (losses) on disposal and repurchase of a) loans	*(22)*	*7*	*Section 6*
less: Gains (losses) on disposals / repurchases on loans and receivables - not impaired position (from item 100 a)	*16*	*(34)*	
Item 130. Impairment losses on a) loans	*(5,865)*	*(6,708)*	*Section 8*
Item 130. Impairment losses on d) other financial assets	*(154)*	*(157)*	*Section 8*
NET OPERATING PROFIT (LOSS)	**3,715**	**3,859**	
Provisions for risks and charges	(718)	(766)	
Item 190. Provisions for risks and charges	*(740)*	*(765)*	*Section 12*
less: net provisions - trading profit	-	-	
Surplus on release of integration provision	*22*	*(1)*	
Integration costs	(270)	(282)	
Net income from investments	(666)	(36)	
Item 100. Gains (losses) on disposal and repurchase of b) available-for-sale financial assets	*303*	*120*	*Section 6*
Item 100. Gains (losses) on disposal and repurchase of c) held-to-maturity investments	*(3)*	*(1)*	*Section 6*
Item 130. Impairment losses on: b) available-for-sale financial assets	*(472)*	*(142)*	*Section 8*
Item 130. Impairment losses on: c) held-to-maturity investments	*(152)*	-	*Section 8*
Impairment losses/write backs on property owned for investment (from item 200)	*(39)*	*(171)*	
Item 240. Profit (loss) of associates -of which: write-backs/impairment losses and gains/ losses on disposal of associates valued at equity	*(477)*	*19*	*Section 16*
Item 250. Net valuation at fair value of tangible and intangible assets	*(7)*	-	*Section 17*
Item 270. Gains (losses) on disposal of investments	*180*	*158*	*Section 19*
less: Gains (losses) on disposals of investments - assets leasing operation (from item 270)	*(4)*	*(31)*	
less: Purchase Price Allocation effect	*5*	*11*	
PROFIT (LOSS) BEFORE TAX	**2,060**	**2,776**	
Income tax for the period	(1,416)	(595)	
Item 290. Tax expence related to profit from continuing operations	*(1,115)*	*(530)*	*Section 20*
less: Purchase Price Allocation effect	*(301)*	*(65)*	
NET PROFIT (LOSS)	**644**	**2,181**	
Gains (losses) on assets classified as held for sale, after tax = *item 310*	-	-	
PROFIT (LOSS) FOR THE PERIOD	**644**	**2,181**	
Minorities	(365)	(321)	
Item 330. Minorities	*(365)*	*(321)*	*Section 22*
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**280**	**1,860**	
Purchase Price Allocation effect	(809)	(175)	
Impairment of goodwill	(8,677)	(362)	
Item 260. Impairment of goodwill	*(8,677)*	*(362)*	*Section 18*
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**(9,206)**	**1,323**	

Notes:

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

Fees for annual audits and related services

UniCredit Group 2011 - KPMG network

As prescribed by art. 149-doudecies of the Consob Issuers Regulation, the following table gives fees paid in 2011 for audit services rendered by KPMG S.p.A. and firms in its network.

(€ '000)

SERVICE TYPE	SERVICE PROVIDER	USER	FEES[1]
Audit[2]	KPMG S.p.A.	Parent - UniCredit S.p.A.	4,502
	KPMG S.p.A.	Subsidiaries	3,558
	KPMG Network	Subsidiaries	21,683
Certification, letters of comfort, etc.	KPMG S.p.A.	Parent - UniCredit S.p.A.[3]	6,673
	KPMG S.p.A.	Subsidiaries[4]	442
	KPMG Network	Parent - UniCredit S.p.A.	-
	KPMG Network	Subsidiaries[5]	3,518
Other Services	KPMG S.p.A.	Parent - UniCredit S.p.A.	134
	KPMG S.p.A.	Subsidiaries	4
	KPMG Network	Parent - UniCredit S.p.A.	-
	KPMG Network	Subsidiaries[6]	8,190
Total			**48,704**

1. Excl. VAT and Expenses.
2. Does not include fees for audits of investment funds.
3. Issuing comfort letters concerning bond issues and capital increase, report on forecast data included in the prospectus relating to capital increase, limited accounting audit of the temporary consolidated accounts as at September 30, 2011, audit of the sustainability report, signing the Italian tax declaration forms (Modello Unico, Modello 770 S/O and Modello Consolidato Nazionale), as well as of the lending transactions report, report on the value of Fondo Capital Italia S.A. and Fondo Pioneer CIM shares, monitoring over the servicing report of the securitisation transactions, and audit procedures on transferred assets and credits.
4. Services related to securitizations, controls over lending activities and the internal control system of Trevi Finance, EuroFinance 2000 and IRFIS for €292 thousand, as well as signing the Italian tax declaration forms (Modello Unico and Modello 770 S/O) for €150 thousand.
5. Mainly checks required by local regulations, amounting to €1,112 thousand in Germany and €421 thousand in CEE countries, as well as limited accounting audit of the temporary consolidated accounts as at September 30, 2011 for €1,791 thousand.
6. Mainly assistance provided to the subsidiary UniCredit Bank AG for implementation of the procedures/processes for ICAAP, Impairment, Liquidity Risk Management, Multy Currency Accounting and other activities: €7,786 thousand and tax services provided to subsidiaries: €186 thousand.

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**)

			% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT				
NAME	MAIN OFFICE		TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
2020 MEDICI AG	VIENNA	AUSTRIA	25.00		25.00	25.25		25.25	UNICREDIT BANK AUSTRIA AG	(a)
A&T-PROJEKTENTWICKLUNGS GMBH & CO. POTSDAMER PLATZ BERLIN KG	MUNICH	GERMANY	66.67		66.67	66.67		66.67	GRUNDSTUCKSAKTIENGESELLSCHAFT AM POTSDAMER PLATZ (HAUS VATERLAND)	(a)
A&T-PROJEKTENTWICKLUNGS-VERWALTUNGS GMBH	MUNICH	GERMANY	66.67		66.67	66.67		66.67	GRUNDSTUCKSAKTIENGESELLSCHAFT AM POTSDAMER PLATZ (HAUS VATERLAND)	(a)
ABG ANLAGENVERWERTUNGS- UND BETEILIGUNGS - GESELLSCHAFT M.B.H. & CO. 0	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	COBB BETEILIGUNGEN UND LEASING GMBH	(a)
ABIGAS SERVICE SRL	NAPLES	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	GRUNWALD	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. OBERBAUM CITY KG	GRUNWALD	GERMANY	100.00			100.00		1.89	ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	(a)
					100.00			98.11	SIRIUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	(a)
ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. PARKKOLONNADEN KG	GRUNWALD	GERMANY	100.00		100.00	100.00		98.11	A&T-PROJEKTENTWICKLUNGS GMBH & CO. POTSDAMER PLATZ BERLIN KG	(a)
					0			1.89	ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	(a)
ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. STUTTGART KRONPRINZSTRASSE KG	GRUNWALD	GERMANY	100.00		0	100.00		1.89	ACIS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	(a)
					100			98.11	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
ACTIVE ASSET MANAGEMENT GMBH	GRUNWALD	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
ADF SERVICE GMBH	VIENNA	AUSTRIA	19.36		5.78	19.36		5.78	EUROVENTURES-AUSTRIA-CA-MANAGEMENT GESMBH	(a)
					13.59			13.59	UNICREDIT BANK AUSTRIA AG	(a)
ADLER FUNDING LLC	DOVER	U.S.A.	32.81		32.81	32.81		32.81	UNICREDIT BANK AG	(a)
AGENCJA RYNKU HURTOWEGO PRODUKTOW ROLNYCH AGRO-RYNEK SA IN LIQUIDATION	GLIWICE	POLAND	15.21		15.21	15.21		15.21	BANK PEKAO SA	(a)
AGRIFACTORING S.P.A. IN LIQUIDATION E IN CONCORDATO PREVENTIVO	ROME	ITALY	20.00	20.00		20.00	20.00		UNICREDIT SPA	(a)
AGROB IMMOBILIEN AG	ISMANING	GERMANY	52.72		52.72	75.02		75.02	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
AGRUND GRUNDSTUCKS-GMBH	MUNICH	GERMANY	90.00		90.00	90.00		90.00	HVB IMMOBILIEN AG	(a)
AI BETEILIGUNGS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
AIRPLUS AIR TRAVEL CARD VERTRIEBSGESELLSCHAFT MBH	VIENNA	AUSTRIA	33.33		33.33	33.33		33.33	DINERS CLUB CEE HOLDING AG	(a)
AKA AUSFUHRKREDIT-GESELLSCHAFT MBH	FRANKFURT	GERMANY	15.43		15.43	15.43		15.43	UNICREDIT BANK AG	(a)
AL.GIO.FIN. SPA	BERGAMO	ITALY	60.00	60.00		60.00	60.00		UNICREDIT SPA	(b)
ALEXANDERSSON REAL ESTATE I BV	MUNICH	GERMANY	100.00		100.00	100.00		100.00	ANWA GESELLSCHAFT FUR ANLAGENVERWALTUNG MBH	(a)
ALFA HOLDING INGATLANSZOLGALTATO KFT	GYOR	HUNGARY	95.00		95.00	95.00		95.00	UNICREDIT BANK AUSTRIA AG	(a)
ALINT 458 GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	BAD HOMBURG	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
ALLEGRO LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
ALLIANZ REOSIGURANJE DD	ZAGREB	CROATIA	16.84		16.84	16.84		16.84	ZAGREBACKA BANKA D.D.	(a)
ALLIANZ ZB DOO DRUSTVO ZA UPRAVLJANJIE DOBROVOLJNIM MIROVINKIM FONDOM	ZAGREB	CROATIA	49.00		49.00	49.00		49.00	ZAGREBACKA BANKA D.D.	(a)
ALLIANZ ZB D.O.O. DRUSTVO ZA UPRAVLJANJIE OBVEZNIM MIROVINKIM FONDOM	ZAGREB	CROATIA	49.00		49.00	49.00		49.00	ZAGREBACKA BANKA D.D.	(a)
ALLIB LEASING SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
ALLIB NEKRETNINE DOO ZA POSLOVANJE NEKRETNINAMA	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
ALLIB ROM SRL	BUCHAREST	ROMANIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
ALMS LEASING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
ALPINE CAYMAN ISLANDS LTD	GEORGE TOWN	CAYMAN ISLAND	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
ALTE SCHMELZE PROJEKTENTWICKLUNGSGESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
ALTEA VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT I KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
ALTOS-IMMORENT IMMOBILIENLEASING GMBH	VIENNA	AUSTRIA	33.33		33.33	33.33		33.33	CALG IMMOBILIEN LEASING GMBH	(a)
ALV IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
AMMS ERSATZ-KOMPLEMENTAR GMBH	EBERSBERG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
AMMS KOMPLEMENTAR GMBH	EBERSBERG	GERMANY	98.80		98.80	98.80		98.80	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
ANGER MACHINING GMBH	TRAUN	AUSTRIA	49.00		49.00	49.00		49.00	EK MITTELSTANDSFINANZIERUNGS AG	(a)
ANI LEASING IFN SA	BUCHAREST	ROMANIA	100.00		10.01	100.00		10.01	UNICREDIT GLOBAL LEASING FORMERLYPORT GMBH	(a)
					89.99			89.99	UNICREDIT LEASING SPA	(a)
ANTARES IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
ANTUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	MUNICH	GERMANY	90.00		90.00	90.00		90.00	HVB PROJEKT GMBH	(a)
ANWA GESELLSCHAFT FUR ANLAGENVERWALTUNG MBH	MUNICH	GERMANY	95.00		93.85	95.00		93.85	HVB IMMOBILIEN AG	(a)
					1.15			1.15	UNICREDIT BANK AG	(a)
APAX EUROPE V - C, GMBH & CO. KG	MUNICH	GERMANY	17.76		17.76	0.00		0.00	UNICREDIT BANK AG	(a)
APAX EUROPE VII SIDE CAR 1LP INCORPORATED	ST. PETER PORT	GUERNSEY	10.76		10.76	0.00		0.00	UNICREDIT BANK AG	(a)
APIR VERWALTUNGSGESELLSCHAFT MBH & CO. IMMOBILIEN- UND VERMIETUNGS KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
ARANY PENZUEGYI LIZING ZRT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT BANK HUNGARY ZRT	(a)
ARENA STADION BETEILIGUNGSVERWALTUNGS-GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
ARGENTAURUS IMMOBILIEN-VERMIETUNGS- UND VERWALTUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
ARGENTUM MEDIA GMBH & CO. KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
ARRONDA IMMOBILIENVERWALTUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
ARTIST MARKETING ENTERTAINMENT GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	MY BETEILIGUNGS GMBH	(a)
AS UNICREDIT BANK, LATVIA	RIGA	LATVIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
ASTRIM SPA	ROME	ITALY	31.30	31.30		34.78	34.78		UNICREDIT SPA	(a)
ATF CAPITAL BV	ROTTERDAM	NETHERLANDS	100.00		100.00	100.00		100.00	JSC ATF BANK	(a)
ATF FINANCE JSC	ALMATY CITY	KAZAKHSTAN	100.00		100.00	100.00		100.00	JSC ATF BANK	(a)
ATF INKASSATSIYA LTD	ALMATY CITY	KAZAKHSTAN	100.00		100.00	100.00		100.00	JSC ATF BANK	(a)
ATLANTERRA IMMOBILIENVERWALTUNGS GMBH	MUNICH	GERMANY	90.00		90.00	90.00		90.00	HVB PROJEKT GMBH	(a)
A-TRUST GESELLSCHAFT FUR SICHERHEITSSYSTEME IM ELEKTRONISCHEN DATEN	VIENNA	AUSTRIA	15.17		3.03	15.17		3.03	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
					12.14			12.14	UNICREDIT BANK AUSTRIA AG	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
AUFBAU DRESDEN GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
AUSTRIA LEASING GMBH	VIENNA	AUSTRIA	99.80		0.40	100.00		0.40	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					99.40			99.60	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
AUTOGYOR INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
AVIVA SPA	MILAN	ITALY	49.00	49.00		49.00	49.00		UNICREDIT SPA	(a)
AWT HANDELS GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	AWT INTERNATIONAL TRADE GMBH	(a)
AWT INTERNATIONAL TRADE GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
B.I. INTERNATIONAL LIMITED	GEORGE TOWN	CAYMAN ISLAND	100.00		100.00	100.00		100.00	TRINITRADE VERMOGENSVERWALTUNGS-GESELLSCHAFT MIT BESCHRANKTER HAFTUNG	(a)
B.I.I. CREDITANSTALT INTERNATIONAL LTD	GEORGE TOWN	CAYMAN ISLAND	40.15		40.15	0		0	UNICREDIT BANK AG	(a)
BA ALPINE HOLDINGS, INC	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BA BETRIEBSOBJEKTE GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BA BETRIEBSOBJEKTE GMBH & CO BETA VERMIETUNGS OG	VIENNA	AUSTRIA	100.00		99.90	100.00		99.90	BA BETRIEBSOBJEKTE GMBH	(a)
					0.10			0.10	MY DREI HANDELS GMBH	(a)
BA BETRIEBSOBJEKTE PRAHA, SPOL. SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	BA BETRIEBSOBJEKTE GMBH	(a)
BA CA LEASING (DEUTSCHLAND) GMBH	BAD HOMBURG	GERMANY	94.90		94.90	94.90		94.90	UNICREDIT LEASING SPA	(a)
BA CA SECUND LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BA CREDITANSTALT BULUS EOOD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	HVB LEASING OOD	(a)
BA EUROLEASE BETEILIGUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BA GEBAUDEVERMIETUNGSGMBH	VIENNA	AUSTRIA	70.00		70.00	70.00		70.00	BA GVG-HOLDING GMBH	(a)
BA GVG-HOLDING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BA PRIVATE EQUITY GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BA/CA-LEASING BETEILIGUNGEN GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	(a)
BA/CA-LEASING FINANZIERUNG GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT MBH	(a)
BA-CA ANDANTE LEASING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BACA CENA IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BACA CHEOPS LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
BA-CA FINANCE (CAYMAN) II LIMITED	GEORGE TOWN	CAYMAN ISLAND	100.00		100.00	100.00		100.00	ALPINE CAYMAN ISLANDS LTD	(a)
BA-CA FINANCE (CAYMAN) LIMITED	GEORGE TOWN	CAYMAN ISLAND	100.00		100.00	100.00		100.00	ALPINE CAYMAN ISLANDS LTD	(a)
BACA HYDRA LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BA-CA INFRASTRUCTURE FINANCE ADVISORY GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	ZETA FUENF HANDELS GMBH	(a)
BACA INVESTOR BETEILIGUNGS GMBH	VIENNA	AUSTRIA	24.00		24.00	24.00		24.00	M.A.I.L. FINANZBERATUNG GESELLSCHAFT MBH	(a)
BACA KOMMUNALLEASING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BACA LEASING ALFA SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BACA LEASING CARMEN GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BA-CA LEASING DREI GARAGEN GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
BACA LEASING GAMA SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (Continued)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
BA-CA LEASING MAR IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BA-CA LEASING MODERATO DOO	LJUBLJANA	SLOVENIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BACA LEASING UND BETEILGUNGSMANAGEMENT GMBH	VIENNA	AUSTRIA	99.80		98.80	100.00		99.00	CALG IMMOBILIEN LEASING GMBH	(a)
					1.00			1.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BA-CA LEASING VERSICHERUNGSSERVICE GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BACA NEKRETNINE DOO	BANJA LUKA	BOSNIA AND HERCEGOVINA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BA-CA PRESTO LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BACA ROMUS IFN SA	BUCHAREST	ROMANIA	100.00		10.01	100.00		10.01	UNICREDIT GLOBAL LEASING FORMERLYPORT GMBH	(a)
					89.99			89.99	UNICREDIT LEASING SPA	(a)
BA-CA WIEN MITTE HOLDING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BACAL ALPHA DOO ZA POSLOVANJE NEKRETNINAMA	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BACAL BETA NEKRETNINE DOO ZA POSLOVANJE NEKRETNINAMA	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BACA-LEASING AQUILA INGATLANHASNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BACA-LEASING GEMINI INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BACA-LEASING NERO INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BACA-LEASING OMIKRON INGATLANHASZNOSTO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BACA-LEASING URSUS INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BA-CREDITANSTALT LEASING ANGLA SP. ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BAL CARINA IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BAL DEMETER IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
BAL HESTIA IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BAL HORUS IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	(a)
BAL HYPNOS IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	(a)
BAL LETO IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
BAL OSIRIS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BAL PAN IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BAL SOBEK IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
BALEA SOFT GMBH & CO. KG	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT LEASING GMBH	(a)
BALEA SOFT VERWALTUNGSGESELLSCHAFT MBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT LEASING GMBH	(a)
BALTIC BUSINESS CENTER SP.Z.O.O. IN LIQUIDATION	GDYNIA	POLAND	62.00		62.00	62.00		62.00	UNICREDIT BANK AUSTRIA AG	(a)
BANCA D'ITALIA	ROME	ITALY	22.11	22.11		22.11	22.11		UNICREDIT SPA	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
BANCA DI CREDITO DI TRIESTE SPA IN LIQUIDATION COATTA AMM.VA	TRIESTE	ITALY	44.29	44.29		44.29	44.29		UNICREDIT SPA	(a)
BANCA IMPRESA LAZIO SPA	ROME	ITALY	18.00	18.00		18.00	18.00		UNICREDIT SPA	(a)
BANCA UBAE SPA	ROME	ITALY	10.79	10.79		10.79	10.79		UNICREDIT SPA	(a)
BANCO DI ROMA (ETHIOPIA) SH.CO. - NAZIONALIZZATA	ADDIS ABEBA	ETIOPIA	49.00	49.00		0.00			UNICREDIT SPA	(a)
BANCO INTERFINANZAS SA	BUENOS AIRES	ARGENTINA	50.00		50.00	50.00		50.00	UNICREDIT BANK AUSTRIA AG	(a)
BANK AUSTRIA CREDITANSTALT LEASING IMMOBILIENANLAGEN GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
BANK AUSTRIA FINANZSERVICE GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BANK AUSTRIA HUNGARIA BETA LEASING KORLATOLT FELELOSSEGU TSRSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
BANK AUSTRIA IMMOBILIEN ENTWICKLUNGS- UND VERWERTUNGS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BANK AUSTRIA IMMOBILIENSERVICE GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	PLANETHOME AG	(a)
BANK AUSTRIA LEASING ARGO IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	RONDO LEASING GMBH	(a)
BANK AUSTRIA LEASING HERA IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
BANK AUSTRIA LEASING IKARUS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BANK AUSTRIA LEASING MEDEA IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BANK AUSTRIA REAL INVEST ASSET MANAGEMENT GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BANK AUSTRIA REAL INVEST GMBH	(a)
BANK AUSTRIA REAL INVEST CLIENT INVESTMENT GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BANK AUSTRIA REAL INVEST GMBH	(a)
BANK AUSTRIA REAL INVEST GMBH	VIENNA	AUSTRIA	94.95		94.95	94.95		94.95	UNICREDIT BANK AUSTRIA AG	(a)
BANK AUSTRIA REAL INVEST IMMOBILIEN-KAPITALANLAGE GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BANK AUSTRIA REAL INVEST GMBH	(a)
BANK AUSTRIA WOHNBAUBANK AG	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BANK AUSTRIA-CEE BETEILIGUNGS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BANK FUER TIROL UND VORARLBERG AKTIENGESELLSCHAFT	INNSBRUCK	AUSTRIA	47.39		37.53	46.63		41.70	CABO BETEILIGUNGSGESELLSCHAFT MBH	(a)
					9.85			4.93	UNICREDIT BANK AUSTRIA AG	(a)
BANK OF VALLETTA PLC	LA VALLETTA	MALTA	14.55	14.55		14.55	14.55		UNICREDIT SPA	(a)
BANK PEKAO SA	WARSAW	POLAND	59.24	59.24		59.24	59.24		UNICREDIT SPA	(a)
BANK ROZWOJU ENERGETYKI I OCHRONY SWODOWISKA SA MEGABANK IN LIQUIDATION	WARSAW	POLAND	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BANKHAUS NEELMEYER AG	BREMEN	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
BANQUE GALLIERE SA IN LIQUIDATION	PARIS	FRANCE	17.50	17.50		17.50	17.50		UNICREDIT SPA	(a)
BAREAL IMMOBILIENTREUHAND GMBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	UNICREDIT BANK AUSTRIA AG	(a)
BARODA PIONEER ASSET MANAGEMENT COMPANY LTD	MUMBAI	INDIA	51.00		51.00	51.00		51.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
BASALTI ENERGIA SRL	VIBO VALENTIA	ITALY	100.00		100.00	100.00		100.00	COM.P.I.S. - COMPAGNIA PETROLIFERA ITALIA SUD SOCIETÀ A RESPONSABILITÀ LIMITATA	(a)
BASKET TRIESTE SRL IN FALLIMENTO	TRIESTE	ITALY	12.66	12.66		12.66	12.66		UNICREDIT SPA	(a)
BAULANDENTWICKLUNG GDST 1682/8 GMBH & CO OEG	VIENNA	AUSTRIA	100.00		1.00	100.00		1.00	CALG ANLAGEN LEASING GMBH	(a)
					99.00			99.00	CALG IMMOBILIEN LEASING GMBH	(a)
BAVARIA SERVICOS DE REPRESENTACAO COMERCIAL LTDA	SAO PAOLO	BRASIL	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
BAYBG BAYERISCHE BETEILIGUNGSGESELLSCHAFT MBH	MUNICH	GERMANY	22.52		22.52	22.52		22.52	UNICREDIT BANK AG	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
BAYERISCHE WOHNUNGSGESELLSCHAFT FUR HANDEL UND INDUSTRIE, GESELLSCHAFT MIT BESCHRKTER HAFTUNG (EX BAYERISCHE WOHNUNGSGESELLSCHAFT FUR HANDEL UND INDUSTRIE MBH)	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
BAYERISCHER BANKENFONDS GBR	MUNICH	GERMANY	25.64		25.64	25.64		25.64	UNICREDIT BANK AG	(a)
BC EUROPEAN CAPITAL IX-8 LP	LONDON	UNITED KINGDOM	20.64		17.20	0.00		0.00	BLUE CAPITAL EQUITY GMBH (NOW WEALTHCAP EQUITY GMBH)	(a)
					3.44			0.00	UNICREDIT BANK AG	(a)
BC EUROPEAN CAPITAL VII-12 LP	LONDON	UNITED KINGDOM	34.08		34.08	0.00		0.00	UNICREDIT BANK AG	(a)
BD INDUSTRIE-BETEILIGUNGSGESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
BDK CONSULTING	LUCK	UKRAINE	100.00		100.00	100.00		100.00	PUBLIC JOINT STOCK COMPANY UNICREDIT BANK (FORMERLY OPEN JOINT STOCK COMPANY UNICREDIT BANK)	(a)
BEMM GEARS S.R.L. IN LIQUIDATION E CONC. PREV.	ORTONA (CHIETI)	ITALY	40.00	40.00		40.00	40.00		UNICREDIT SPA	(a)
BEOFINEST AD	BEOGRAD	SERBIA	18.75	18.75		18.75	18.75		UNICREDIT SPA	(a)
BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
BFAG - HOLDING GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BFL BETEILIGUNGSGESELLSCHAFT FUR FLUGZEUG-LEASING MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
BGG BAYERISCHE GARANTIEGESELLSCHAFT MBH FUR MITTELSTANDISCHE BETEILIGUNGEN	MUNICH	GERMANY	10.53		10.53	10.53		10.53	UNICREDIT BANK AG	(a)
BIL AIRCRAFTLEASING GMBH	GRUNWALD	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
BIL IMMOBILIEN FONDS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
BIL IMMOBILIEN FONDS GMBH & CO OBJEKT PERLACH KG	MUNICH	GERMANY	100.00		0	100.00		0.99	BIL IMMOBILIEN FONDS GMBH	(a)
					5.22			5.14	BIL V & V VERMIETUNGS GMBH	(a)
					94.78			93.87	ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	(a)
BIL LEASING GMBH & CO. HOTEL ULM KG	MUNICH	GERMANY	29.00		29.00	29.00		29.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
BIL LEASING-FONDS GMBH & CO VELUM KG	MUNICH	GERMANY	100.00		0	66.66		33.33	BIL LEASING-FONDS VERWALTUNGS-GMBH	(a)
					100.00			33.33	UNICREDIT BANK AG	(a)
BIL LEASING-FONDS VERWALTUNGS-GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
BIL V & V VERMIETUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
BINDA SPA IN LIQUIDATION	OLGIATE OLONA (VARESE)	ITALY	14.62	6.20		14.62	6.20		UNICREDIT SPA	(a)
				0.10			0.10		UNICREDIT SPA	(b)
					0.01			0.01	UNICREDIT BANK AUSTRIA AG	(a)
					0.27			0.27	FINECOBANK SPA	(a)
					8.04			8.04	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)
BIOM VENTURE CAPITAL GMBH & CO. FONDS KG	PLANEGG/ MARTINSRIED	GERMANY	23.46		23.46	20.38		20.38	UNICREDIT BANK AG	(a)
BIURO INFORMACJI KREDYTOWEJ SA	WARSAW	POLAND	30.71		30.71	15.00		15.00	BANK PEKAO SA	(a)
BKS BANK AG	KLAGENFURT	AUSTRIA	36.03		28.01	37.10		29.64	CABO BETEILIGUNGSGESELLSCHAFT MBH	(a)
					8.02			7.46	UNICREDIT BANK AUSTRIA AG	(a)
BLB EXPORT- IMPORT DOO	BANJA LUKA	BOSNIA AND HERCEGOVINA	49.00		49.00	49.00		49.00	UNICREDIT BANK A.D. BANJA LUKA	(a)

			% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT				
NAME	MAIN OFFICE		TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
BLUE CAPITAL DRITTE EUROPA IMMOBILIEN VERWALTUNGSGESELLSCHAFT MBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
BLUE CAPITAL EQUITY GMBH (ORA WEALTHCAP EQUITY GMBH)	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP INITIATOREN GMBH	(a)
BLUE CAPITAL EQUITY MANAGEMENT GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	BLUE CAPITAL EQUITY GMBH (NOW WEALTHCAP EQUITY GMBH)	(a)
BLUE CAPITAL EQUITY SEKUNDAR GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	BLUE CAPITAL EQUITY GMBH (NOW WEALTHCAP EQUITY GMBH)	(a)
BLUE CAPITAL ERSTE KANADA IMMOBILIEN VERWALTUNGSGESELLSCHAFT MBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
BLUE CAPITAL EUROPA ERSTE IMMOBILIEN - OBJEKTE NIEDERLANDE - VERWALTUNGS GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
BLUE CAPITAL EUROPA IMMOBILIEN GMBH & CO. ACHTE OBJEKTE GROBRITANNIEN KG	HAMBURG	GERMANY	100.00		90.91	100.00		90.91	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
					9.09			9.09	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
BLUE CAPITAL EUROPA IMMOBILIEN VERWALTUNGS GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
BLUE CAPITAL IMMOBILIEN UND VERWALTUNG SEKUNDAR GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
BLUE CAPITAL METRO AMERIKA INC	ATLANTA	U.S.A.	100.00		100.00	100.00		100.00	WEALTH CAPITAL INVESTMENT INC	(a)
BLUE CAPITAL REAL ESTATE GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP INITIATOREN GMBH	(a)
BLUE CAPITAL USA IMMOBILIEN VERWALTUNGS GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
BLUE CAPITAL ZWEITE EUROPA IMMOBILIEN VERWALTUNGSGESELLSCHAFT MBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
BLUE CAPITAL ZWEITE USA IMMOBILIEN VERWALTUNGS GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
BLUVACANZE SPA	MILAN	ITALY	41.70	41.70		41.70	41.70		UNICREDIT SPA	(a)
BONUM ANLAGE-UND BETEILIGUNGSGESELLSCHAFT MBH	BREMEN	GERMANY	100.00		100.00	100.00		100.00	BANKHAUS NEELMEYER AG	(a)
BORGO DI PEROLLA SRL	MASSA MARITTIMA (GROSSETO)	ITALY	100.00		100.00	100.00		100.00	FONDIARIA LASA SPA	(a)
BORICA-BANKSERVICE AD	SOFIA	BULGARIA	13.84		13.84	13.84		13.84	UNICREDIT BULBANK AD	(a)
BOSTON CAPITAL VENTURES V, LP	DELAWARE	U.S.A.	19.98		19.98	0.00		0.00	UNICREDIT BANK AG	(a)
BOX 2004 S.P.A. IN LIQUIDATION	ROME	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
BREWO GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBh	(a)
BTG BETEILIGUNGSGESELLSCHAFT HAMBURG MBH	HAMBURG	GERMANY	13.57		13.57	13.57		13.57	UNICREDIT BANK AG	(a)
BUCHSTEIN IMMOBILIENVERWALTUNG GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
BULBANK AUTO LEASING EOOD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	BULBANK LEASING EAD	(a)
BULBANK LEASING EAD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING AD	(a)
BURGSCHAFTSGEMEINSCHAFT HAMBURG GMBH	HAMBURG	GERMANY	10.50		10.50	10.50		10.50	UNICREDIT BANK AG	(a)
BUSINESS CENTRE SA IN LIQUIDATION	WARSAW	POLAND	12.50		12.50	12.50		12.50	BANK PEKAO SA	(a)
BV CAPITAL GMBH & CO. BETEILIGUNGS KG NO. 1	MUNICH	GERMANY	16.76		16.76	16.76		16.76	BLUE CAPITAL EQUITY GMBH (NOW WEALTHCAP EQUITY GMBH)	(a)
BV GRUNDSTUCKSENTWICKLUNGS-GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB IMMOBILIEN AG	(a)
BV GRUNDSTUCKSENTWICKLUNGS-GMBH & CO. SCHLOSSBERG-PROJEKTENTWICKLUNGS-KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	BV GRUNDSTUCKSENTWICKLUNGS-GMBH & CO. VERWALTUNGS-KG	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (Continued)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
BV GRUNDSTUCKSENTWICKLUNGS-GMBH & CO. VERWALTUNGS-KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
BWA BETEILIGUNGS- UND VERWALTUNGS-AKTIENGESELLSCHAFT	SALISBURGO	AUSTRIA	12.63		12.63	12.63		12.63	UNICREDIT BANK AUSTRIA AG	(a)
BWF BETEILIGUNGSGESELLSCHAFT WIRTSCHAFTSFORDERUNG MBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
C.I.M. BETEILIGUNGEN 1998 GMBH	VIENNA	AUSTRIA	25.58		25.58	25.58		25.58	BANK AUSTRIA REAL INVEST CLIENT INVESTMENT GMBH	(a)
C.I.M. UNTERNEHMENSBETEILIGUNG- UND ANLAGEVERMIETUNGS GMBH	VIENNA	AUSTRIA	33.33		33.33	33.33		33.33	M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT MBH	(a)
C.I.M.VERWALTUNG UND BETEILIGUNGEN 1999 GMBH	VIENNA	AUSTRIA	40.00		40.00	40.00		40.00	TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	(a)
CA IMMOBILIEN ANLAGEN AKTIENGESELLSCHAFT	VIENNA	AUSTRIA	18.16		18.16	18.16		18.16	UNICREDIT BANK AUSTRIA AG	(a)
CABET-HOLDING-AKTIENGESELLSCHAFT (EX CABET-HOLDING-AKTIENGESELLSCHAFT)	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
CABO BETEILIGUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	CABET-HOLDING-AKTIENGESELLSCHAFT (FORMERLY CABET-HOLDING-AKTIENGESELLSCHAFT)	(a)
CAC REAL ESTATE, SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CAC-IMMO SRO	CESKE BUDEJOVICE	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CAFU VERMOEGENSVERWALTUNG GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
CAFU VERMOEGENSVERWALTUNG GMBH & CO OG	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
CA-LEASING ALPHA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING BETA 2 INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING DELTA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING EPSILON INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING EURO, SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING KAPPA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING LAMBDA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING OMEGA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING OVUS SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING PRAHA SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING SENIOREN PARK GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
CA-LEASING TERRA POSLOVANJE Z NEPREMICNINAMI DOO	LJUBLJANA	SLOVENIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
CA-LEASING YPSILON INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CA-LEASING ZETA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CALG 307 MOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		98.80	100.00		99.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					1.00			1.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
CALG 435 GRUNDSTUCKVERWALTUNG GMBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG 443 GRUNDSTUCKVERWALTUNG GMBH	VIENNA	AUSTRIA	99.80		98.80	100.00		99.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					1.00			1.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG 445 GRUNDSTUCKVERWALTUNG GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG 451 GRUNDSTUCKVERWALTUNG GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	(a)
CALG ALPHA GRUNDSTUCKVERWALTUNG GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	(a)
CALG ANLAGEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
CALG ANLAGEN LEASING GMBH & CO GRUNDSTUCKVERMIETUNG UND -VERWALTUNG KG	MUNICH	GERMANY	99.90		99.90	100.00		100.00	CALG ANLAGEN LEASING GMBH	(a)
CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG ANLAGEN LEASING GMBH	(a)
CALG GAMMA GRUNDSTUCKVERWALTUNG GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG GRUNDSTUCKVERWALTUNG GMBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	CALG IMMOBILIEN LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
CALG IMMOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG ANLAGEN LEASING GMBH	(a)
CALG IMMOBILIEN LEASING GMBH & CO 1050 WIEN, SIEBENBRUNNENGASSE 10-21 OG	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG IMMOBILIEN LEASING GMBH & CO 1120 WIEN, SCHONBRUNNER SCHLOSS-STRASSE 38-42 OG	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG IMMOBILIEN LEASING GMBH & CO PROJEKT ACHT OG	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG IMMOBILIEN LEASING GMBH & CO PROJEKT FUNF OG	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG IMMOBILIEN LEASING GMBH & CO PROJEKT VIER OG	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG IMMOBILIEN LEASING GMBH & CO PROJEKT ZEHN OG	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
CALG MINAL GRUNDSTUCKVERWALTUNG GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG ANLAGEN LEASING GMBH	(a)
CAL-PAPIER INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
CAMERON GRANVILLE 2 ASSET MANAGEMENT INC	TAGUIG	PHILIPPINES	100.00		100.00	100.00		100.00	CAMERON GRANVILLE ASSET MANAGEMENT (SPV-AMC) , INC	(a)
CAMERON GRANVILLE 3 ASSET MANAGEMENT INC	TAGUIG	PHILIPPINES	100.00		100.00	100.00		100.00	CAMERON GRANVILLE ASSET MANAGEMENT (SPV-AMC) , INC	(a)
CAMERON GRANVILLE ASSET MANAGEMENT (SPV-AMC) , INC	TAGUIG	PHILIPPINES	100.00		100.00	100.00		100.00	HVB ASIA LIMITED	(a)
CAMPO DI FIORI SAS	ROME	ITALY	100.00		96.67	100.00		96.67	IMMOBILIARE PATETTA SRL	(a)
					3.33			3.33	SOCIETÀ COLLE AURELIA IMMOBILIARE SCAI SRL	(a)
CARD COMPLETE SERVICE BANK AG	VIENNA	AUSTRIA	50.10		50.10	50.10		50.10	UNICREDIT BANK AUSTRIA AG	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
CARDEA SPA	MILAN	ITALY	59.19	59.19		59.19	59.19		UNICREDIT SPA	(b)
CARDS & SYSTEMS EDV-DIENSTLEISTUNGS GMBH	VIENNA	AUSTRIA	58.00		5.00	58.00		5.00	CARD COMPLETE SERVICE BANK AG	(a)
					1.00			1.00	DINERS CLUB CEE HOLDING AG	(a)
					52.00			52.00	UNICREDIT BANK AUSTRIA AG	(a)
CARLO ERBA REAGENTI SPA	RODANO (MILAN)	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
CARLYLE BRITAX PARTNERS LP	WASHINGTON	U.S.A.	19.97		19.97	0.00		0.00	HVB CAPITAL PARTNERS AG	(a)
CARLYLE GREY PARTNERS LP	WILMINGTON	U.S.A.	12.46		12.46	0.00		0.00	HVB CAPITAL PARTNERS AG	(a)
CAROM IMMOBILIARE SRL	ROME	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(b)
CASA BIANCA SPA	ROME	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
CASH SERVICE COMPANY AD	SOFIA	BULGARIA	20.00		20.00	20.00		20.00	UNICREDIT BULBANK AD	(a)
CBCB - CZECH BANKING CREDIT BUREAU, AS	PRAHA	CZECH REPUBLIC	20.00		20.00	20.00		20.00	UNICREDIT BANK CZECH REPUBLIC AS	(a)
CBD INTERNATIONAL SP.ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	ISB UNIVERSALE BAU GMBH	(a)
CDM CENTRALNY DOM MAKLERSKI PEKAO SA	WARSAW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
CEAKSCH VERWALTUNGS G.M.B.H.	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.MBH	(a)
CEESEG AG	VIENNA	AUSTRIA	13.93		0.57	13.93		0.57	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
					13.36			13.36	UNICREDIT BANK AUSTRIA AG	(a)
CENTAR GRADSKI PODRUM DOO	ZAGREB	CROATIA	15.01		15.01	15.01		15.01	ZAGREBACKA BANKA D.D.	(a)
CENTAR KAPTOL DOO	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	ZAGREBACKA BANKA D.D.	(a)
CENTER FOR BUSINESS AND CULTURE AD	DOBRICH	BULGARIA	17.35		17.35	17.35		17.35	UNICREDIT BULBANK AD	(a)
CENTER HEINRICH - COLLIN - STRASSE 1 VERMIETUNGS GMBH	VIENNA	AUSTRIA	49.00		49.00	49.00		49.00	M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT MBH	(a)
CENTER HEINRICH-COLLIN-STRASSE1 VERMIETUNGS GMBH U.CO KG	VIENNA	AUSTRIA	83.56		83.56	0.00		0.00	BANK AUSTRIA REAL INVEST GMBH	(a)
CENTRAL AND EASTERN EUROPE POWER FUND LTD	BERMUDA	BERMUDA	17.78		17.78	17.78		17.78	UNICREDIT BANK AG	(a)
CENTRAL POLAND FUND LLC	DELAWARE	U.S.A.	53.19		53.19	53.19		53.19	BANK PEKAO SA	(a)
CENTRUM BANKOWOSCI BEZPOSREDNIEJ SPOLKA Z OGRANICZONA ODPOWIEDZIALNOSC	CRACOW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
CENTRUM KART SA	WARSAW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
CENTURIONE 2007 SRL IN LIQUIDATION	MILAN	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
CEP III AIV Z, LP	LONDON	UNITED KINGDOM	10.85		10.85	0.00		0.00	UNICREDIT BANK AG	(a)
CEP III FEEDER, LP	LONDON	UNITED KINGDOM	10.85		10.85	0.00		0.00	UNICREDIT BANK AG	(a)
CHARADE LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
CHARME INVESTMENTS SCA	LUXEMBOURG	LUXEMBOURG	13.39		13.39	0.00		0.00	UNICREDIT BANK AG	(a)
CHEFREN LEASING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
CHINA INTERNATIONAL PACKAGING LEASING CO., LTD	BEIJING	CHINA	17.50		17.50	17.50		17.50	UNICREDIT BANK AG	(a)
CHINA INVESTMENT INCORPORATIONS (BVI) LTD.	TORTOLA	VIRGIN BRITISH ISLANDS	10.69		10.69	10.69		10.69	HVB HONG KONG LIMITED	(a)
CHRISTOPH REISEGGER GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	LASSALLESTRASSE BAU-, PLANUNGS-, ERRICHTUNGS- UND VERWERTUNGSGESELLSCHAFT MBH	(a)
CISIM FOOD SPA IN LIQUIDATION	ROME	ITALY	45.45		45.45	45.45		45.45	UNICREDIT MERCHANT SPA	(a)
CITEC IMMO BERLIN GMBH	BERLIN	GERMANY	35.00		35.00	35.00		35.00	BANK AUSTRIA REAL INVEST GMBH	(a)
CITEC IMMOBILIEN GMBH	VIENNA	AUSTRIA	35.00		35.00	35.00		35.00	BANK AUSTRIA REAL INVEST GMBH	(a)
CIVITA SICILIA SRL	PALERMO	ITALY	19.00	19.00		19.00	19.00		UNICREDIT SPA	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
CIVITAS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
CJSC BANK SIBIR	OMSK CITY	RUSSIA	100.00		100.00	100.00		100.00	ZAO UNICREDIT BANK	(a)
CL DRITTE CAR LEASING GMBH & CO. KG	HAMBURG	GERMANY	100.00		0	100.00		90.91	CL DRITTE CAR LEASING VERWALTUNGSGESELLSCHAFT MBH	(a)
					100.00			9.09	UNICREDIT LEASING GMBH	(a)
CL DRITTE CAR LEASING VERWALTUNGSGESELLSCHAFT MBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT LEASING GMBH	(a)
CLOSED JOINT-STOCK COMPANY UNICREDIT SECURITIES	MOSCOW	RUSSIA	100.00		99.50	100.00		99.50	AI BETEILIGUNGS GMBH	(a)
					0.50			0.50	UNICREDIT SECURITIES INTERNATIONAL LIMITED	(a)
CMP FONDS I GMBH	BERLIN	GERMANY	32.73		32.73	24.99		24.99	UNICREDIT BANK AG	(a)
CNP UNICREDIT VITA SPA	MILAN	ITALY	38.80	38.80		38.80	38.80		UNICREDIT SPA	(a)
CO.CE.ME. SICILIA SCARL (FALLITA)	CANICATTÌ (AGRIGENTO)	ITALY	25.32	25.32		25.32	25.32		UNICREDIT SPA	(a)
CO.RI.T. S.P.A. IN LIQUIDATION	ROME	ITALY	60.00		60.00	60.00		60.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)
COBB BETEILIGUNGEN UND LEASING GMBH	VIENNA	AUSTRIA	50.25		50.25	50.25		50.25	CABET-HOLDING-AKTIENGESELLSCHAFT (FORMERLY CABET-HOLDING-AKTIENGESELLSCHAFT)	(a)
COFIRI SPA IN LIQUIDATION	ROME	ITALY	100.00		100.00	100.00		100.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)
COM.P.I.S. - COMPAGNIA PETROLIFERA ITALIA SUD SOCIETÀ A RESPONSABILITÀ LIMITATA	ROME	ITALY	100.00		100.00	100.00		100.00	SOCIETÀ DEPOSITI COSTIERI - SO.DE. CO. SRL	(a)
COMMUNA - LEASING GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	REAL-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	(a)
COMPAGNIA DI PARTECIPAZIONI SRL IN LIQUIDATION	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
COMPAGNIA FONDIARIA ROMANA (C.F.R.) SRL	ROME	ITALY	100.00		72.50	100.00		72.50	IMMOBILIARE PATETTA SRL	(a)
					15.00			15.00	INFISSER SRL	(a)
					12.50			12.50	SOCIETÀ VERONESE GESTIONE COMPRAVENDITA IMMOBILI A RL	(a)
COMPAGNIA ITALPETROLI SPA	ROME	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
COMPASS P LIMITED	PLOVDIV	BULGARIA	12.50		12.50	12.50		12.50	UNICREDIT BULBANK AD	(a)
COMTRADE GROUP BV	AMSTERDAM	NETHERLANDS	21.05		21.05	21.05		21.05	HVB CAPITAL PARTNERS AG	(a)
CONTRA LEASING-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					25.00			25.00	JAUSERN-LEASING GESELLSCHAFT MBH	(a)
CORDUSIO SIM - ADVISORY & FAMILY OFFICE SPA	MILAN	ITALY	100.00		100.00	100.00		100.00	CORDUSIO SOCIETÀ FIDUCIARIA PER AZIONI	(a)
CORDUSIO SOCIETÀ FIDUCIARIA PER AZIONI	MILAN	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
CORMANO SRL	OLGIATE OLONA (VARESE)	ITALY	18.91	18.91		18.91	18.91		UNICREDIT SPA	(a)
CPF MANAGEMENT	TORTOLA	VIRGIN BRITISH ISLANDS	40.00		40.00	40.00		40.00	BANK PEKAO SA	(a)
CPI HOLDING LUXEMBOURG SA	LUXEMBOURG	LUXEMBOURG	14.80		14.80	14.80		14.80	UNICREDIT BETEILIGUNGS GMBH	(a)
CREDIFARMA SPA	ROME	ITALY	17.00	17.00		17.00	17.00		UNICREDIT SPA	(a)
CREDITRAS ASSICURAZIONI SPA	MILAN	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(a)
CREDITRAS VITA SPA	MILAN	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(a)
CRIVELLI SRL	MILAN	ITALY	100.00		100.00	100.00		100.00	UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	(a)
CUMTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	GERMANY	100.00		93.85	100.00		93.85	HVB IMMOBILIEN AG	(a)
					6.15			6.15	UNICREDIT BANK AG	(a)
DAB BANK AG	MUNICH	GERMANY	79.53		79.53	79.53		79.53	UNICREDIT BANK AG	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
DBC SP. Z.O.O.	WARSAW	POLAND	100.00		100.00	100.00		100.00	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	(a)
DC ELEKTRONISCHE ZAHLUNGSSYSTEME GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	KSG KARTEN-VERRECHNUNGS- UND SERVICEGESELLSCHAFT MBH	(a)
DEBO LEASING IFN SA	BUCHAREST	ROMANIA	100.00		10.01	100.00		10.01	UNICREDIT GLOBAL LEASING FORMERLYPORT GMBH	(a)
					89.99			89.99	UNICREDIT LEASING SPA	(a)
DELLA VALLE FINANZIARIA SPA IN LIQUIDATION	MILAN	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
DELLA VALLE IMMOBILIARE SPA IN LIQUIDATION	MILAN	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
DELPHA IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. GROSSKUGEL BAUABSCHNITT ALPHA MANAGEMENT KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
DELPHA IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. GROSSKUGEL BAUABSCHNITT BETA MANAGEMENT KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
DELPHA IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. GROSSKUGEL BAUABSCHNITT GAMMA MANAGEMENT KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
DELTATERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	GERMANY	100.00		93.85	100.00		93.85	HVB IMMOBILIEN AG	(a)
					6.15			6.15	UNICREDIT BANK AG	(a)
DEUTSCHE STRUCTURED FINANCE & LEASING GMBH & CO. MIRA KG IN LIQUIDATION	FRANKFURT	GERMANY	39.88		2.34	39.75		2.33	BLUE CAPITAL EUROPA ERSTE IMMOBILIEN - OBJEKTE NIEDERLANDE - VERWALTUNGS GMBH	(a)
					35.90			35.79	UNICREDIT BANK AG	(a)
					1.64			1.63	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
DFA DEGGENDORFER FREIHAFEN ANSIEDLUNGS-GMBH	DEGGENDORF	GERMANY	50.00		50.00	50.00		50.00	BV GRUNDSTUCKSENTWICKLUNGS-GMBH	(a)
DFA DEGGENDORFER FREIHAFEN ANSIEDLUNGS-GMBH & CO.GRUNDSTUCKS-KG	DEGGENDORF	GERMANY	50.00		50.00	50.00		50.00	BV GRUNDSTUCKSENTWICKLUNGS-GMBH & CO. VERWALTUNGS-KG	(a)
DIL CZECH LEASING JIHLAVA SRO	PRAHA	CZECH REPUBLIC	19.09		19.09	19.09		19.09	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
DINERS CLUB CEE HOLDING AG	VIENNA	AUSTRIA	99.80		99.80	99.80		99.80	UNICREDIT BANK AUSTRIA AG	(a)
DINERS CLUB CS SRO (EX DINERS CLUB SLOVAKIA SRO)	BRATISLAVA	SLOVAKIA	100.00		100.00	100.00		100.00	DINERS CLUB CEE HOLDING AG	(a)
DINERS CLUB POLSKA SP.ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	DINERS CLUB CEE HOLDING AG	(a)
DIRANA LIEGENSCHAFTSVERWERTUNGSGESELLSCHAFT M.B.H.	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	(a)
DIREKTANLAGE.AT AG	SALISBURGO	AUSTRIA	100.00		100.00	100.00		100.00	DAB BANK AG	(a)
DITTA FEDERICI & IGLIORI PER COSTRUZIONI EDILIZIE SPA	ROME	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
DLV IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
DOMUS CLEAN REINIGUNGS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
DOMUS FACILITY MANAGEMENT GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
DOUGHTY HANSON & CO. TECHNOLOGY LIMITED PARTNERSHIP NUMBER 3	LONDON	UNITED KINGDOM	22.28		22.28	0.00		0.00	UNICREDIT BANK AG	(a)
DUODEC Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
DUTY FREE ZONE-BOURGAS AD	BOURGAS	BULGARIA	15.65		15.65	15.65		15.65	UNICREDIT BULBANK AD	(a)
EDIPASS SPA IN LIQUIDATION	POTENZA	ITALY	65.00		10.00	65.00		10.00	SOCIETÀ ITALIANA GESTIONE ED INCASSO CREDITI SPA IN LIQUIDAZIONE	(a)
					55.00			55.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
EK MITTELSTANDSFINANZIERUNGS AG	VIENNA	AUSTRIA	98.00		98.00	98.00		98.00	UNICREDIT BANK AUSTRIA AG	(a)
ENDERLEIN & CO. GMBH	BIELEFELD	GERMANY	100.00		100.00	100.00		100.00	PLANETHOME AG	(a)
ENGELBERT RUTTEN VERWALTUNGSGESELLSCHAFT KOMMANDITGESELLSCHAFT	DUSSELDORF	GERMANY	30.19		30.19	30.19		30.19	UNICREDIT BANK AG	(a)
ENTASI SRL	ROME	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
ENTE FIUGGI SPA	ROME	ITALY	80.00	80.00		80.00	80.00		UNICREDIT SPA	(b)
EQT III ISS CO-INVESTMENT LP	GUERNSEY	GUERNSEY	35.55		35.55	0.00		0.00	HVB CAPITAL PARTNERS AG	(a)
ERSTE ONSHORE WINDKRAFT BETEILIGUNGSGESELLSCHAFT MBH & CO. WINDPARK GREFRATH KG	OLDENBURG	GERMANY	68.52		0.07	68.27		0.07	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					68.45			68.20	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
ERSTE ONSHORE WINDKRAFT BETEILIGUNGSGESELLSCHAFT MBH & CO. WINDPARK KRAHENBERG KG	OLDENBURG	GERMANY	68.54		0.05	68.29		0.05	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					68.49			68.24	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
ERSTE ONSHORE WINDKRAFT BETEILIGUNGSGESELLSCHAFT MBH & CO. WINDPARK MOSE KG	OLDENBURG	GERMANY	68.53		0.05	68.29		0.06	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					68.48			68.23	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
ERZET-VERMOGENSVERWALTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
ESPERTI IN MEDIAZIONE SRL (EX BREAKEVEN SRL)	VERONA	ITALY	100.00		100.00	100.00		100.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)
EURO-BOND BLUE CAPITAL MANAGEMNT GMBH IN LIQUIDATION	BAD SODEN	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
EURO-BOND BLUE CAPITAL VERWALTUNGS GMBH IN LIQUIDATION	BAD SODEN	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
EUROCLASS MULTIMEDIA HOLDING SA	LUXEMBOURG	LUXEMBOURG	13.56	13.56		27.12	27.12		UNICREDIT SPA	(a)
EUROFINANCE 2000 SRL	ROME	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
EUROLEASE AMUN IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
EUROLEASE ANUBIS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
EUROLEASE ISIS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
EUROLEASE MARDUK IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
EUROLEASE RA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
EUROLEASE RAMSES IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
EUROPA BEFEKTETESI ALAPKEZELOE ZRT (EUROPA INVESTMENT FUND MANAGEMENT LTD.)	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	(a)
EUROPA FACILITY MANAGEMENT LTD	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	PIONEER INVESTMENT FUND MANAGEMENT LIMITED	(a)
EUROPROGETTI & FINANZA SPA IN LIQUIDATION	ROME	ITALY	39.79	39.79		39.79	39.79		UNICREDIT SPA	(a)
EUROSANITÀ SPA	ROME	ITALY	11.80		11.80	11.80		11.80	UNICREDIT MERCHANT SPA	(a)
EUROTLX SIM SPA	MILAN	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(a)
EUROVENTURES-AUSTRIA-CA-MANAGEMENT GES MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	CABET-HOLDING-AKTIENGESELLSCHAFT (FORMERLY CABET-HOLDING-AKTIENGESELLSCHAFT)	(a)
EXECUTIVE SURF SRL (FALLITA)	MILAN	ITALY	12.55		12.55	12.55		12.55	UNICREDIT MERCHANT SPA	(a)
EXPANDA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
F2I SGR SPA - FONDI ITALIANI PER LE INFRASTRUTTURE SOCIETÀ DI GESTIONE	MILAN	ITALY	15.99	15.99		15.99	15.99		UNICREDIT SPA	(a)
FACTORBANK AKTIENGESELLSCHAFT	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
FAMILY CREDIT NETWORK SPA	MILAN	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
FELICITAS GMBH IN LIQUIDATION	MUNICH	GERMANY	20.80		20.80	20.80		20.80	UNICREDIT BANK AG	(a)
FERRA IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. PROJEKT GROSSENHAINER STRASSE KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
FGB GRUND UND BODEN GMBH & CO. KG	MUNICH	GERMANY	94.00		94.00	94.00		94.00	HVB PROJEKT GMBH	(a)
FIDES LEASING GMBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	CALG ANLAGEN LEASING GMBH	(a)
FIDIA SGR SPA	MILAN	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(a)
FINANCIAL RISK MANAGEMENT GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
FINECO LEASING SPA	BRESCIA	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
FINECO VERWALTUNG AG	MUNICH	GERMANY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
FINECOBANK SPA	MILAN	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
FIORONI INGEGNERIA SPA	PERUGIA	ITALY	30.05	30.05		30.05	30.05		UNICREDIT SPA	(b)
FIORONI INVESTIMENTI SPA	PERUGIA	ITALY	30.00	30.00		30.00	30.00		UNICREDIT SPA	(b)
FIORONI SISTEMA SPA	PERUGIA	ITALY	26.18	26.18		26.18	26.18		UNICREDIT SPA	(b)
FIRST SHIP LEASE LTD	SINGAPORE	SINGAPORE	18.76		18.76	18.76		18.76	UNICREDIT BANK AG	(a)
FMC LEASING INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
FMZ SAVARIA SZOLGALTATO KFT	BUDAPEST	HUNGARY	75.00		75.00	75.00		75.00	UNICREDIT LEASING KFT	(a)
FMZ SIGMA PROJEKTENTWICKLUNGS GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
FOLIA LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
FONDIARIA LASA SPA	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
FONDO ITALIANO D'INVESTIMENTO SGR SPA	MILAN	ITALY	12.50	12.50		12.50	12.50		UNICREDIT SPA	(a)
FONDO NORD OVEST	TURIN	ITALY	26.67		26.67	0.00		0.00	UNICREDIT BANK AG	(a)
FONTANA HOTELVERWALTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	AWT HANDELS GESELLSCHAFT MBH	(a)
FOOD & MORE GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
FORSTINGER INTERNATIONAL GMBH (EX FORSTINGER HANDEL UND SERVICE GMBH)	VIENNA	AUSTRIA	32.00		32.00	32.00		32.00	EK MITTELSTANDSFINANZIERUNGS AG	(a)
FORUM POLSKIEGO BIZNESU MEDIA SP.ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	PROPERTY SP. ZOO IN LIQUIDAZIONE	(a)
FUGATO LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
G.B.S. - GENERAL BROKER SERVICE SPA	ROME	ITALY	20.00	20.00		20.00	20.00		UNICREDIT SPA	(a)
G.N.E. GLOBAL GRUNDSTUCKSVERWERTUNG GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
GAM SRL GRANDI APPALTI MERIDIONALI IN LIQUIDATION	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
GBS GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.00		99.00	100.00		100.00	CALG ANLAGEN LEASING GMBH	(a)
GCCS GOLFANLAGEN ERRICHTUNGS- UND VERWALTUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	GOLF- UND COUNTRY CLUB SEDDINER SEE IMMOBILIEN GMBH	(a)
GCL HOLDINGS SCA	LUXEMBOURG	LUXEMBOURG	10.24		10.24	10.67		10.67	HVB CAPITAL PARTNERS AG	(a)
GE.S.E.T.T. - GESTIONE SERVIZI ESAZIONE TRIBUTI E TESORERIE SPA IN LIQUIDATION	NAPLES	ITALY	98.45		98.45	98.45		98.45	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)

			% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT				
NAME	MAIN OFFICE		TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
GEBAUDELEASING GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		98.80	100.00		99.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					1.00			1.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
GEMEINDELEASING GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		37.30	100.00		37.50	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					37.50			37.50	CALG IMMOBILIEN LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
GERMANINCUBATOR ERSTE BETEILIGUNGS GMBH	MUNICH	GERMANY	39.60		39.60	9.90		9.90	UNICREDIT BANK AG	(a)
GESCHUTZTE WERKSTATTE WR. NEUSTADT GESELLSCHAFT MBH	WR. NEUSTADT	AUSTRIA	14.29		14.29	14.29		14.29	UNICREDIT BANK AUSTRIA AG	(a)
GESFO GEMEINNUTZIGE BAU- UND SIEDLUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	25.00		25.00	25.00		25.00	UNICREDIT BANK AUSTRIA AG	(a)
GIAR GESTIONE ITALIANA AZIENDE RIUNITE SPA	ROME	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(b)
GIMMO IMMOBILIEN-VERMIETUNGS- UND VERWALTUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	TERRENO GRUNDSTUCKSVERWALTUNG GMBH & CO. ENTWICKLUNGS- UND FINANZIERUNGSVERMITTLUNGS-KG	(a)
GLS (GP) LIMITED	ST. PETER PORT	GUERNSEY	15.12		15.12	15.12		15.12	UNICREDIT BANK AG	(a)
GOLF- UND COUNTRY CLUB SEDDINER SEE AG	MICHENDORF	GERMANY	12.81		12.81	12.81		12.81	GCCS GOLFANLAGEN ERRICHTUNGS- UND VERWALTUNGS GMBH	(a)
GOLF- UND COUNTRY CLUB SEDDINER SEE IMMOBILIEN GMBH	MUNICH	GERMANY	100.00		6.00	100.00		6.00	ANTUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	(a)
					94.00			94.00	HVB PROJEKT GMBH	(a)
GOLFPARK KLOPEINERSEE-SUDKARNTEN GMBH & CO. KG	ST.KANZIAN	AUSTRIA	15.41		11.24	15.43		11.25	UNICREDIT BANK AUSTRIA AG	(a)
					4.17			4.18	WIRTSCHAFTSVEREIN DER MITARBEITERINNEN DER UNICREDIT BANK AUSTRIA E GEN.	(a)
GRAND CENTRAL RE LIMITED	HAMILTON	BERMUDA	92.50		92.50	92.50		92.50	UNICREDIT BANK AG	(a)
GROSSKUGEL IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
GRUNDSTUCKSAKTIENGESELLSCHAFT AM POTSDAMER PLATZ (HAUS VATERLAND)	MUNICH	GERMANY	98.24		98.24	98.24		98.24	TERRENO GRUNDSTUCKSVERWALTUNG GMBH & CO. ENTWICKLUNGS- UND FINANZIERUNGSVERMITTLUNGS-KG	(a)
GRUNDSTUCKSGESELLSCHAFT SIMON BESCHRANKT HAFTENDE KOMMANDITGESELLSCHAF	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
GRUNDSTUCKSVERWALTUNG LINZ-MITTE GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
GUS CONSULTING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
GYOR BEVASARLOKOZPONT INGATLANBERUHAZO ES UZEMELTETO KORLATOLT FELELOSSEGU TAESASAG	BUDAPEST	HUNGARY	100.00		5.00	100.00		5.00	UNICREDIT GLOBAL LEASING FORMERLYPORT GMBH	(a)
					95.00			95.00	UNICREDIT-LEASING MIDAS INGATLANHASZNOSITO KARLATOLT FELELOSSEGU TARSASAG	(a)
H & B IMMOBILIEN GMBH & CO. OBJEKTE KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
H.F.S ISTAMBUL 1 GAYRIMENKUL YONETIMI LIMITED SIRKETI	ISTANBUL	TURKEY	100.00		99.00	100.00		99.00	H.F.S. IMMOBILIENFONDS GMBH & CO. EUROPA 4 KG	(a)
					1.00			1.00	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	MUNICH	GERMANY	100.00		10.00	100.00		10.00	UNICREDIT BANK AG	(a)
					90.00			90.00	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	(a)
H.F.S. IMMOBILIENFONDS DEUTSCHLAND 19 GMBH & CO. KG	MUNICH	GERMANY	100.00		100.00	100.00		50.00	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			50.00	WEALTHCAP PEIA KOMPLEMENTAR GMBH	(a)
H.F.S. IMMOBILIENFONDS EUROPA 2 BETEILIGUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (Continued)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
H.F.S. IMMOBILIENFONDS EUROPA 3 BETEILIGUNGS BV	L'AJA	NETHERLANDS	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
H.F.S. IMMOBILIENFONDS GMBH	EBERSBERG	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
H.F.S. IMMOBILIENFONDS GMBH & CO. EUROPA 4 KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
H.F.S. ISTAMBUL 2 GAYRIMENKUL YONETIMI LIMITED SIRKETI	ISTANBUL	TURKEY	100.00		99.00	100.00		99.00	H.F.S. IMMOBILIENFONDS GMBH & CO. EUROPA 4 KG	(a)
					1.00			1.00	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
H.F.S. LEASINGFONDS GMBH	EBERSBERG	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
H.F.S. SCHIFFS-LEASINGFONDS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. LEASINGFONDS GMBH	(a)
H.F.S. VALUE MANAGEMENT GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
H.F.S. ZWEITMARKTFONDS DEUTSCHLAND 3 KG GMBH & CO. KG	MUNICH	GERMANY	100.00		50.00	100.00		50.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
					50.00			50.00	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
H.F.S. ZWEITMARKTFONDS DEUTSCHLAND 4 GMBH & CO. KG	MUNICH	GERMANY	100.00		50.00	100.00		50.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
					50.00			50.00	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
HASSER IMMOBILIARE SPA	FROSINONE	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(b)
HAWA GRUNDSTUCKS GMBH & CO. OHG HOTELVERWALTUNG	MUNICH	GERMANY	100.00		99.50	100.00		99.50	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
					0.50			0.50	TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	(a)
HAWA GRUNDSTUCKS GMBH & CO. OHG IMMOBILIENVERWALTUNG	MUNICH	GERMANY	100.00		99.50	100.00		99.50	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
					0.50			0.50	TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	(a)
HEIZKRAFTWERK COTTBUS VERWALTUNGS GMBH	MUNICH	GERMANY	33.33		33.33	33.33		33.33	UNICREDIT BANK AG	(a)
HEIZKRAFTWERKE-POOL-VERWALTUNGS-GMBH	MUNICH	GERMANY	33.33		33.33	33.33		33.33	UNICREDIT BANK AG	(a)
HERKU LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
HISI - HOLDING DI INVESTIMENTO IN SANITÀ ED INFRASTRUTTURE SRL	MILAN	ITALY	40.00		40.00	40.00		40.00	UNICREDIT MERCHANT SPA	(a)
HOFGARTEN REAL ESTATE BV	AMSTERDAM	NETHERLANDS	53.78		47.17	50.52		50.52	TERRONDA DEVELOPMENT BV	(a)
					6.61			0.00	HOFGARTEN REAL ESTATE BV	(a*)
HOKA LEASING-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		25.00	100.00		25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
					74.80			75.00	WOM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	(a)
HOLDING SP. ZOO IN LIQUIDATION	WARSAW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
HONEU LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
HOTEL SEDDINER SEE GMBH	MUNICH	GERMANY	100.00		6.00	100.00		6.00	ANTUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	(a)
					94.00			94.00	HVB PROJEKT GMBH	(a)
HP IT-SOLUTIONS GMBH	INNSBRUCK	AUSTRIA	22.22		11.11	22.22		11.11	DIREKTANLAGE.AT AG	(a)
					11.11			11.11	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
HROK DOO	ZAGREB	CROATIA	14.70		14.70	14.70		14.70	ZAGREBACKA BANKA D.D.	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
HSH GLOBAL AIRCRAFT I SARL	LUXEMBOURG	LUXEMBOURG	14.24		14.24	0.00		0.00	BLUE CAPITAL EQUITY GMBH (NOW WEALTHCAP EQUITY GMBH)	(a)
HUMAN RESOURCES SERVICE AND DEVELOPMENT GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
HVB - LEASING PLUTO KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB ALTERNATIVE ADVISORS LLC	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB ASIA LIMITED	SINGAPORE	SINGAPORE	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB ASSET LEASING LIMITED	LONDON	UNITED KINGDOM	100.00		100.00	100.00		100.00	HVB LONDON INVESTMENTS (CAM) LIMITED	(a)
HVB ASSET MANAGEMENT HOLDING GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB VERWA 4 GMBH	(a)
HVB AUTO LEASING EOOD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	HVB LEASING OOD	(a)
HVB BETEILIGUNGSGESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB CAPITAL LLC	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB CAPITAL LLC II	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB CAPITAL LLC III	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB CAPITAL LLC VI	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB CAPITAL LLC VIII	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB CAPITAL PARTNERS AG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB EXPERTISE GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB EXPORT LEASING GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB FIERO LEASING EOOD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB FINANCE LONDON LIMITED	LONDON	UNITED KINGDOM	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB FUNDING TRUST II	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB FUNDING TRUST VIII	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB GESELLSCHAFT FUR GEBAUDE BETEILIGUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB GLOBAL ASSETS COMPANY (GP), LLC	DOVER	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB GLOBAL ASSETS COMPANY LP	DOVER	U.S.A.	5.00		0.01	5.00		0.01	HVB GLOBAL ASSETS COMPANY (GP), LLC	(a)
					4.99			4.99	UNICREDIT BANK AG	(a)
HVB HONG KONG LIMITED	HONG KONG	HONG KONG	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB IMMOBILIEN AG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB INTERNATIONAL ASSET LEASING GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB INVESTMENTS (UK) LIMITED	GEORGE TOWN	CAYMAN ISLAND	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB LEASING CZECH REPUBLIC SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB LEASING MAX INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB LEASING OOD	SOFIA	BULGARIA	100.00		2.39	100.00		2.39	UNICREDIT BULBANK AD	(a)
					21.47			21.47	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
					76.14			76.14	UNICREDIT LEASING SPA	(a)
HVB LIFE SCIENCE GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB LIFE SCIENCE GMBH & CO. BETEILIGUNGS-KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB LONDON INVESTMENTS (AVON) LIMITED	LONDON	UNITED KINGDOM	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
HVB LONDON INVESTMENTS (CAM) LIMITED	LONDON	UNITED KINGDOM	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB LONDON TRADING LTD	LONDON	UNITED KINGDOM	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB MORTGAGE CAPITAL CORP	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	HVB REALTY CAPITAL INC	(a)
HVB PRINCIPAL EQUITY GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB PROFIL GESELLSCHAFT FUR PERSONALMANAGEMENT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB PROJEKT GMBH	MUNICH	GERMANY	100.00		94.00	100.00		94.00	HVB IMMOBILIEN AG	(a)
					6.00			6.00	UNICREDIT BANK AG	(a)
HVB REALTY CAPITAL INC	NEW YORK	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT U.S. FINANCE LLC	(a)
HVB SECUR GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT GLOBAL BUSINESS SERVICES GMBH (FORMERLY AB IMMOBILIENVERWALTUNGS-GMBH)	(a)
HVB SERVICES SOUTH AFRICA (PROPRIETARY) LIMITED	JOHANNESBURG	SOUTH AFRICA	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB SUPER LEASING EOOD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB TECTA GMBH	MUNICH	GERMANY	100.00		94.00	100.00		94.00	HVB IMMOBILIEN AG	(a)
					6.00			6.00	UNICREDIT BANK AG	(a)
HVB TRUST PENSIONSFONDS AG	MUNICH	GERMANY	100.00		100.00	0.00		0.00	UNICREDIT BANK AG	(a)
HVB VERWA 1 GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB VERWA 3 GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB VERWA 4 GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB VERWA 4.1 GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB VERWA 4 GMBH	(a)
HVB VERWA 4.4 GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB VERWA 4 GMBH	(a)
HVB VERWA 4.6 GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB VERWA 4 GMBH	(a)
HVB VERWA 7 GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVB VERWA 8 GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
HVBFF BAUMANAGEMENT GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
HVBFF INTERNATIONAL GREECE GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVBFF INTERNATIONALE LEASING GMBH	(a)
HVBFF INTERNATIONALE LEASING GMBH	MUNICH	GERMANY	100.00		10.00	100.00		10.00	HVBFF OBJEKT BETEILIGUNGS GMBH	(a)
					90.00			90.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
HVBFF KAPITALVERMITTLUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
HVBFF LEASING & INVESTITION GMBH & CO ERSTE KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVBFF OBJEKT BETEILIGUNGS GMBH	(a)
HVBFF LEASING OBJEKT GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
HVBFF LEASING-FONDS VERWALTUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
HVBFF OBJEKT BETEILIGUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
HVBFF OBJEKT LEIPZIG GMBH	LEIPZIG	GERMANY	70.00		70.00	70.00		70.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
HVBFF PRODUKTIONSHALLE GMBH IN LIQUIDATION	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
HVB-LEASING AIDA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
HVB-LEASING ATLANTIS INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING DANTE INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING FIDELIO INGATLANHASNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING FORTE INGATLANHASNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING GARO KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING HAMLET INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING JUPITER KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING LAMOND INGATLANHASZNOSITO KFT.	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING MAESTOSO INGATLANHASZNOSITO KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING NANO KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING OTHELLO INGATLANHASNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING ROCCA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING RUBIN KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING SMARAGD KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVB-LEASING SPORT INGATLANHASZNOSITO KOLATPOT FEOEOASSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
HVB-LEASING ZAFIR KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
HVZ GMBH & CO. OBJEKT KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	(a)
HVZ GMBH & CO. OBJEKT UNTERFOHRING KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
HYPO-BA LEASING SUD GMBH	KLAGENFURT	AUSTRIA	50.00		50.00	50.00		50.00	UNICREDIT LEASING SPA	(a)
HYPO-BANK VERWALTUNGSZENTRUM GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	(a)
HYPO-BANK VERWALTUNGSZENTRUM GMBH & CO. KG OBJEKT ARABELLASTRASSE	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
HYPO-REAL HAUS- UND GRUNDBESITZ GESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
HYPO-REAL HAUS- UND GRUNDBESITZ GESELLSCHAFT MBH & CO. IMMOBILIEN-VERMIETUNGS KG	MUNICH	GERMANY	80.00		80.00	80.00		80.00	HVB PROJEKT GMBH	(a)
HYPOVEREINS IMMOBILIEN EOOD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	UNICREDIT BULBANK AD	(a)
HYPOVEREINSFINANCE NV	AMSTERDAM	NETHERLANDS	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
I.M.E.S. - INDUSTRIA MECCANICA E STAMPAGGIO SPA	SUMIRAGO (VARESE)	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
ICLA COSTRUZIONI GENERALI SPA	NAPLES	ITALY	26.02	26.02		26.02	26.02		UNICREDIT SPA	(b)
I-FABER SPA	MILAN	ITALY	65.32	65.32		65.32	65.32		UNICREDIT SPA	(a)
IGICOR SRL IN LIQUIDATION	VERONA	ITALY	100.00		100.00	100.00		100.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(b)
ILTE HOLDING SPA	TURIN	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
IMM.EDIL.SEI SRL	ROME	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(b)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (Continued)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
IMMOBILIARE FABIANO CALABRO SRL IN LIQUIDATION	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
IMMOBILIARE FRAMA SRL	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
IMMOBILIARE PATETTA SRL	ROME	ITALY	100.00		100.00	100.00		100.00	COMPAGNIA ITALPETROLI SPA	(a)
IMMOBILIARE TABACCAIA SRL	MASSA MARITTIMA (GROSSETO)	ITALY	100.00		100.00	100.00		100.00	BORGO DI PEROLLA SRL	(a)
IMMOBILIEN RATING GMBH	VIENNA	AUSTRIA	99.00		61.00	99.00		61.00	BANK AUSTRIA REAL INVEST GMBH	(a)
					19.00			19.00	UNICREDIT BANK AUSTRIA AG	(a)
					19.00			19.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
IMMOBILIEN VERMIETUNGS GMBH & CO PROJEKT GUMPENDORFERSTRASSE 140 KEG	VIENNA	AUSTRIA	46.30		46.30	100.00		100.00	REAL INVEST IMMOBILIEN GMBH	(a)
IMMOBILIENLEASING GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT MBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
IMPRESA ARMANDO TORRI SPA	MILAN	ITALY	22.65	22.65		22.65	22.65		UNICREDIT SPA	(b)
INCONTRA ASSICURAZIONI SPA	MILAN	ITALY	49.00	49.00		49.00	49.00		UNICREDIT SPA	(a)
INDUSTRIA LIBRARIA TIPOGRAFICA EDITRICE SPA	MONCALIERI (TURIN)	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
INFISSER SRL	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
INFRAM ONE CORPORATION	DELAWARE	U.S.A.	37.50		37.50	37.50		37.50	BLUE CAPITAL EQUITY GMBH (NOW WEALTHCAP EQUITY GMBH)	(a)
INFRARED INFRASTRUCTURE FUND II (A) LP (EX HSBC INFRASTRUCTURE FUND II LP A)	LONDON	UNITED KINGDOM	15.00		15.00	0.00		0.00	UNICREDIT BANK AG	(a)
INIZIATIVE IMMOBILIARI SRL	MILAN	ITALY	13.87	13.87		13.87	13.87		UNICREDIT SPA	(a)
INPROX CHOMUTOV, SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
INPROX KLADNO, SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
INPROX POPRAD, SPOL. SRO	BRATISLAVA	SLOVAKIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
INPROX SR I., SPOL. SRO	BRATISLAVA	SLOVAKIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
INTERKONZUM DOO SARAJEVO	SARAJEVO	BOSNIA AND HERCEGOVINA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
INTERNATIONALES IMMOBILIEN-INSTITUT GMBH	MUNICH	GERMANY	94.00		94.00	94.00		94.00	UNICREDIT BANK AG	(a)
INTERPORTO ROMA EST SRL	ROME	ITALY	95.00	95.00		95.00	95.00		UNICREDIT SPA	(b)
INTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	GERMANY	100.00		93.85	100.00		93.85	HVB IMMOBILIEN AG	(a)
					6.15			6.15	UNICREDIT BANK AG	(a)
INTRO LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	PROJEKT-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	(a)
IPE EURO WAGON LP	ST. HELIER	JERSEY	37.54		37.54	0.00		0.00	HVB CAPITAL PARTNERS AG	(a)
IPG-INDUSTRIEPARK GYOR PROJEKTIERUNGSGESELLSCHAFT MBH	GERASDORF	AUSTRIA	40.00		40.00	40.00		40.00	UNICREDIT LEASING SPA	(a)
IPSE 2000 SPA IN LIQUIDATION	ROME	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(a)
IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA SPA (EX IRFIS - MEDIOCREDITO DELLA SICILIA SPA)	PALERMO	ITALY	79.00	76.26		76.26	76.26		UNICREDIT SPA	(a)
IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA SPA (EX IRFIS - MEDIOCREDITO DELLA SICILIA SPA)	PALERMO	ITALY	79.00		2.74	76.26		0	IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA SPA (FORMERLY IRFIS - MEDIOCREDITO DELLA SICILIA SPA)	(a*)
IRODAHAZ TANACSADO KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	ALFA HOLDING INGATLANSZOLGALTATO KFT	(a)
ISB UNIVERSALE BAU GMBH	BRANDENBURG	GERMANY	100.00		100.00	100.00		100.00	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	(a)
ISTITUTO DELLA ENCICLOPEDIA ITALIANA FONDATA DA G.TRECCANI SPA	ROME	ITALY	12.00	12.00		12.00	12.00		UNICREDIT SPA	(a)
ISTITUTO EUROPEO DI ONCOLOGIA SRL	MILAN	ITALY	13.44	13.44		13.44	13.44		UNICREDIT SPA	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
ISTITUTO PER L'EDILIZIA ECONOMICA E POPOLARE DI CATANIA SPA IN LIQUIDATION	CATANIA	ITALY	20.00	20.00		20.00	20.00		UNICREDIT SPA	(a)
ISTRA D.M.C. DOO	UMAG	CROATIA	100.00		100.00	100.00		100.00	ISTRATURIST UMAG, HOTELIJERSTVO TURIZAM I TURISTICKA AGENCIJA DD	(a)
ISTRATURIST UMAG, HOTELIJERSTVO TURIZAM I TURISTICKA AGENCIJA DD	UMAG	CROATIA	71.80		71.80	71.80		71.80	ZAGREBACKA BANKA D.D.	(a)
ITALTEL SPA	SETTIMO MILANESE (MILAN)	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
IVONA BETEILIGUNGSVERWALTUNG GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BANK AUSTRIA REAL INVEST GMBH	(a)
JANA KAZIMIERZA DEVELOPMENT SP.ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	PEKAO PROPERTY SA	(a)
JAUSERN-LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
JOHA GEBAEUDE-ERRICHTUNGS-UND VERMIETUNGS-GESELLSCHAFT M.B.H.	LEONDING	AUSTRIA	99.03		99.03	99.03		99.03	TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	(a)
JOINET SRL	BOLOGNA	ITALY	100.00		100.00	100.00		100.00	I-FABER SPA	(a)
JSC ATF BANK	ALMATY CITY	KAZAKHSTAN	99.74		99.67	99.74		99.74	UNICREDIT BANK AUSTRIA AG	(a)
					0.07			0	JSC ATF BANK	(a*)
KAISERWASSER BAU- UND ERRICHTUNGS GMBH UND CO OG (EX KAISERWASSER BAU-UND ERRICHTUNGS OG)	VIENNA	AUSTRIA	99.80		0	100.00		100.00	RAMSES-IMMOBILIENHOLDING GMBH	(a)
					99.80			0.00	UNICREDIT BANK AUSTRIA AG	(a)
KAPITAL-BETEILIGUNGS AKTIENGESELLSCHAFT	VIENNA	AUSTRIA	20.00		20.00	20.00		20.00	UNICREDIT BANK AUSTRIA AG	(a)
KELLER CROSSING LP	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	US PROPERTY INVESTMENTS INC	(a)
KHR PROJEKTENTWICKLUNGSGESELLSCHAFT MBH & CO. OBJEKT BORNITZSTRASSE I KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
KHR PROJEKTENTWICKLUNGSGESELLSCHAFT MBH & CO. OBJEKT BORNITZSTRASSE II KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
KHR PROJEKTENTWICKLUNGSGESELLSCHAFT MBH & CO. OBJEKT BORNITZSTRASSE III KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
KHR PROJEKTENTWICKLUNGSGESELLSCHAFT MBH & CO. OBJEKT BORNITZSTRASSE KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
KINABALU FINANCIAL PRODUCTS LLP	LONDON	UNITED KINGDOM	100.00		100.00	100.00		99.90	UNICREDIT BANK AG	(a)
					0			0.10	VERBA VERWALTUNGSGESELLSCHAFT MBH	(a)
KINABALU FINANCIAL SOLUTIONS LTD	LONDON	UNITED KINGDOM	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
KLEA ZS-IMMOBILIENVERMIETUNG GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
KLEA ZS-LIEGENSCHAFTSVERMIETUNG GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
KOC FINANSAL HIZMETLER AS	ISTANBUL	TURKEY	50.00		50.00	50.00		50.00	UNICREDIT BANK AUSTRIA AG	(a)
KRAJOWA IZBA ROZLICZENIOWA SA	WARSAW	POLAND	34.44		34.44	34.44		34.44	BANK PEKAO SA	(a)
KREDITGARANTIEGEMEINSCHAFT DES BAYERISCHEN HANDWERKS GMBH	MUNICH	GERMANY	12.00		12.00	12.00		12.00	UNICREDIT BANK AG	(a)
KREDITGARANTIEGEMEINSCHAFT DES HOTEL- UND GASTSTATTENGEWERBES IN BAYERN GMBH	MUNICH	GERMANY	12.00		12.00	12.00		12.00	UNICREDIT BANK AG	(a)
KSG KARTEN-VERRECHNUNGS- UND SERVICEGESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	CARD COMPLETE SERVICE BANK AG	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (Continued)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
KUNSTHAUS LEASING GMBH	VIENNA	AUSTRIA	100.00		5.00	100.00		5.00	KUTRA GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	(a)
					95.00			95.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
KUTRA GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	(a)
LAGERMAX LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
LAGEV IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
LAIMBERG 81. VV AG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
LANDOS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
LARGO LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		1.00	100.00		1.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
					98.80			99.00	VAPE COMMUNA LEASINGGESELLSCHAFT MBH	(a)
LASER SPA IN LIQUIDATION	MILAN	ITALY	22.00	22.00		22.00	22.00		UNICREDIT SPA	(b)
LASSALLESTRASSE BAU-, PLANUNGS-, ERRICHTUNGS- UND VERWERTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.00		99.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
LAURO VENTIDUE SPA	MILAN	ITALY	24.24		24.24	0.00		0.00	HVB CAPITAL PARTNERS AG	(a)
LEASFINANZ BANK GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BACA LEASING UND BETEILGUNGSMANAGEMENT GMBH	(a)
LEASFINANZ GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	LF BETEILIGUNGEN GMBH	(a)
LEASING 439 GMBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	CALG IMMOBILIEN LEASING GMBH	(a)
LEGATO LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
LELEV IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
LF BETEILIGUNGEN GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BACA LEASING UND BETEILGUNGSMANAGEMENT GMBH	(a)
LIFE BRITANNIA GP LIMITED	UXBRIDGE	UNITED KINGDOM	100.00		100.00	100.00		100.00	LIFE BRITANNIA MANAGEMENT GMBH	(a)
LIFE BRITANNIA MANAGEMENT GMBH	GRUNWALD	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
LIFE MANAGEMENT ERSTE GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
LIFE MANAGEMENT ZWEITE GMBH	GRUNWALD	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
LIFE SCIENCE I BETEILIGUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB LIFE SCIENCE GMBH & CO. BETEILIGUNGS-KG	(a)
LIFE VERWALTUNGS ERSTE GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
LIFE VERWALTUNGS ZWEITE GMBH	GRUNWALD	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
LIMA S.P.A. IN LIQUIDATION - IN CONCORDATO PREVENTIVO	BRESCIA	ITALY	15.00	15.00		15.00	15.00		UNICREDIT SPA	(a)
LIMITED LIABILITY COMPANY AI LINE	MOSCOW	RUSSIA	99.90		99.90	99.90		99.90	UNICREDIT SECURITIES INTERNATIONAL LIMITED	(a)
LIMITED LIABILITY PARTNERSHIP PROFIX COMPANY	KIEV	UKRAINE	80.00		80.00	80.00		80.00	PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	(a)
LINO HOTEL-LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
LION/ASR EQUITY PARTNERS LP	GEORGE TOWN	CAYMAN ISLAND	17.02		17.02	0.00		0.00	HVB CAPITAL PARTNERS AG	(a)
LIPARK LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
LIVA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
LLC LAZUR	SHEVASTOPOL	UKRAINE	11.40		11.40	11.40		11.40	PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
LLC UKROTSBUD	KIEV	UKRAINE	99.00		99.00	99.00		99.00	PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	(a)
LLC UKRSOTSFINANCE	KIEV	UKRAINE	100.00		100.00	100.00		100.00	PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	(a)
LNC (SPV-AMC) CORP	TAGUIG	PHILIPPINES	40.00		40.00	40.00		40.00	CAMERON GRANVILLE ASSET MANAGEMENT (SPV-AMC) , INC	(a)
LNC INVESTMENT HOLDING INC	TAGUIG	PHILIPPINES	98.52		98.52	40.00		40.00	CAMERON GRANVILLE ASSET MANAGEMENT (SPV-AMC) , INC	(a)
LNC3 ASSET MANAGEMENT INC	TAGUIG	PHILIPPINES	40.00		40.00	40.00		40.00	CAMERON GRANVILLE ASSET MANAGEMENT (SPV-AMC) , INC	(a)
LOCALMIND SPA	MILAN	ITALY	95.76	95.76		95.76	95.76		UNICREDIT SPA	(a)
LOCAT CROATIA DOO	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
LORIT IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	25.00		25.00	25.00		25.00	CALG IMMOBILIEN LEASING GMBH	(a)
LOWES LIMITED	NICOSIA	CYPRUS	100.00		100.00	100.00		100.00	AI BETEILIGUNGS GMBH	(a)
LTD SI&C AMC UKRSOTS REAL ESTATE	KIEV	UKRAINE	100.00		100.00	100.00		100.00	PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	(a)
M. A. V. 7., BANK AUSTRIA LEASING BAUTRAGER GMBH & CO.OHG	VIENNA	AUSTRIA	98.04		98.04	100.00		100.00	UNICREDIT MOBILIEN LEASING GMBH	(a)
M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	M.A.I.L. FINANZBERATUNG GESELLSCHAFT MBH	(a)
M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT M.B.H. & CO. MCLTHETA KG	VIENNA	AUSTRIA	0.00			100.00		100.00	TREUCONSULT PROPERTY BETA GMBH	(a)
M.A.I.L. FINANZBERATUNG GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		99.95	100.00		99.95	BANK AUSTRIA REAL INVEST GMBH	(a)
					0.05			0.05	TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	(a)
M.A.I.L. PRIVATE EQUITY GMBH IN LIQUIDATION	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT MBH	(a)
M.A.I.L. REAL ESTATE MANAGEMENT JOTA BRATISLAVA SRO	BRATISLAVA	SLOVAKIA	100.00		100.00	100.00		100.00	M.A.I.L. FINANZBERATUNG GESELLSCHAFT MBH	(a)
MALREWARD LIMITED	NICOSIA	CYPRUS	100.00		100.00	100.00		100.00	AI BETEILIGUNGS GMBH	(a)
MARINA CITY ENTWICKLUNGS GMBH	VIENNA	AUSTRIA	25.00		25.00	25.00		25.00	CABET-HOLDING-AKTIENGESELLSCHAFT (FORMERLY CABET-HOLDING-AKTIENGESELLSCHAFT)	(a)
MARINA TOWER HOLDING GMBH	VIENNA	AUSTRIA	25.00		25.00	25.00		25.00	CABET-HOLDING-AKTIENGESELLSCHAFT (FORMERLY CABET-HOLDING-AKTIENGESELLSCHAFT)	(a)
MARKETING ZAGREBACKE BANKE, ZA PROPAGANDU, TRZISNAISTRAZIVANJAI IZDVASTVO, D.O.O.	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	ZAGREBACKA BANKA D.D.	(a)
MARTIANEZ COMERCIAL, SOCIEDAD ANONIMA	PUERTO DE LA CRUZ	SPAIN	99.96		99.96	100.00		100.00	UNICREDIT PEGASUS LEASING GMBH	(a)
MARTUR SUNGER VE KOLTUK TESISLERI TICARET VE SANAYI AS	ISTANBUL	TURKEY	20.00		20.00	20.00		20.00	HVB CAPITAL PARTNERS AG	(a)
MBC IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
MBF CO-INVEST LP	GEORGE TOWN	CAYMAN ISLAND	17.60		17.60	0.00		0.00	HVB CAPITAL PARTNERS AG	(a)
MC MARKETING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
MC RETAIL GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	MC MARKETING GMBH	(a)
MEDIA DRUCK GMBH	TULLN	AUSTRIA	20.00		20.00	20.00		20.00	MEZZANIN FINANZIERUNGS AG	(a)
MEDIOINVEST SRL	PERUGIA	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
MEGAPARK INVEST GMBH	VIENNA	AUSTRIA	40.00		40.00	40.00		40.00	PROMETHEUS IMMOBILIENERRICHTUNGS-UND-BETEILIGUNGS GMBH	(a)
MENUETT GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
MERIDIONALE PETROLI SRL	VIBO VALENTIA	ITALY	98.66		98.66	98.66		98.66	COM.P.I.S. - COMPAGNIA PETROLIFERA ITALIA SUD SOCIETÀ A RESPONSABILITÀ LIMITATA	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (Continued)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
MERKURHOF GRUNDSTUCKSGESELLSCHAFT MIT BESCHRANKTER HAFTUNG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
METROPOLIS SP. ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	PEKAO PROPERTY SA	(a)
MEZZANIN CORPORATE FINANCE UNTERNEHMENSBERATUNG GMBH (EX GRUNGERFONDS GMBH)	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BA PRIVATE EQUITY GMBH	(a)
MEZZANIN FINANZIERUNGS AG	VIENNA	AUSTRIA	56.67		56.67	56.67		56.67	UNICREDIT BANK AUSTRIA AG	(a)
MFG FLUGHAFEN-GRUNDSTUCKSVER WALTUNGSGESELLSCHAFT MBH & CO BETA KG	GRUNWALD	GERMANY	10.56		10.56	10.56		10.56	UNICREDIT BANK AG	(a)
MFT MULTIFUNKTIONALE TRAININGSGERATE GMBH	GUNTRAMSDORF	AUSTRIA	49.00		49.00	49.00		49.00	EK MITTELSTANDSFINANZIERUNGS AG	(a)
MIK BETA INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
MIK INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
MILARIS S.A. IN LIQUIDATION	PARIS	FRANCE	100.00		100.00	100.00		100.00	SOFIGERE SOCIETE PAR ACTIONS SIMPLIFIEE	(a)
MILLETERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB IMMOBILIEN AG	(a)
MITTELSTANDISCHE BETEILIGUNGSGESELLSCHAFT BERLIN-BRANDENBURG GMBH	SCHWERIN	GERMANY	11.56		11.56	11.56		11.56	UNICREDIT BANK AG	(a)
MITTELSTANDISCHE BETEILIGUNGSGESELLSCHAFT MECKLENBURG-VORPOMMERN MBH	SCHWERIN	GERMANY	15.40		15.40	15.40		15.40	UNICREDIT BANK AG	(a)
MITTELSTANDISCHE BETEILIGUNGSGESELLSCHAFT SACHSEN MBH	DRESDA	GERMANY	11.84		11.84	11.84		11.84	UNICREDIT BANK AG	(a)
MITTELSTANDISCHE BETEILIGUNGSGESELLSCHAFT SACHSEN-ANHALT MIT BESCHRANKTER HAFTUNG	MAGDEBURGO	GERMANY	12.70		12.70	12.70		12.70	UNICREDIT BANK AG	(a)
MITTELSTANDISCHE BETEILIGUNGSGESELLSCHAFT THURINGEN MBH	ERFURT	GERMANY	13.38		13.38	13.38		13.38	UNICREDIT BANK AG	(a)
MIZUHO CORPORATE BANK - BA INVESTMENT - CONSULTINGGMBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	UNICREDIT BANK AUSTRIA AG	(a)
MM OMEGA PROJEKTENTWICKLUNGS GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
MOBILITY CONCEPT GMBH	OBERHACHING	GERMANY	60.00		60.00	60.00		60.00	UNICREDIT LEASING GMBH	(a)
MOC VERWALTUNGS GMBH	MUNICH	GERMANY	23.00		23.00	23.00		23.00	HVB PROJEKT GMBH	(a)
MOC VERWALTUNGS GMBH & CO. IMMOBILIEN KG	MUNICH	GERMANY	23.00		23.00	23.00		23.00	HVB PROJEKT GMBH	(a)
MOGRA LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
MOLL HOLDING GMBH	MUNICH	GERMANY	49.00		49.00	49.00		49.00	EK MITTELSTANDSFINANZIERUNGS AG	(a)
MOPET CZ AS	PRAHA	CZECH REPUBLIC	14.29		14.29	14.29		14.29	UNICREDIT BANK CZECH REPUBLIC AS	(a)
MOTION PICTURE PRODUCTION GMBH	GRUNWALD	GERMANY	51.20		51.20	51.20		51.20	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
MOVIE MARKET BETEILIGUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
MOZFUND (PROPRIETARY) LIMITED	SANDTON	SOUTH AFRICA	40.00		40.00	12.50		12.50	UNICREDIT BANK AG	(a)
MUHOGA MUNCHNER HOCHGARAGEN GESELLSCHAFT MIT BESCHRANKTER HAFTUNG	MUNICH	GERMANY	25.00		25.00	25.00		25.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
MULTIPLUS CARD D.O.O. ZA PROMIDZBU I USLUGE	ZAGREB	CROATIA	75.00		75.00	25.00		25.00	MARKETING ZAGREBACKE BANKE DOO	(a)
MUTNEGRA BETEILIGUNGS- UND VERWALTUNGS-GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
MY BETEILIGUNGS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
MY DREI HANDELS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
MY FUNF HANDELS GMBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	UNICREDIT BANK AUSTRIA AG	(a)
N665UA OFFSHORE GP, LLC	WILMINGTON	U.S.A.	33.33		33.33	33.33		33.33	BD INDUSTRIE-BETEILIGUNGSGESELLSCHAFT MBH	(a)
N665UA OFFSHORE OP, LP	WILMINGTON	U.S.A.	33.20		33.20	0.00		0.00	BD INDUSTRIE-BETEILIGUNGSGESELLSCHAFT MBH	(a)
NAGE LOKALVERMIETUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
NATA IMMOBILIEN-LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	57.50		51.50	57.50		51.50	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					6.00			6.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
NEEP ROMA HOLDING SPA	ROME	ITALY	40.00	40.00		40.00	40.00		UNICREDIT SPA	(a)
NF OBJEKT FFM GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB IMMOBILIEN AG	(a)
NF OBJEKT MUNCHEN GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB IMMOBILIEN AG	(a)
NF OBJEKTE BERLIN GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB IMMOBILIEN AG	(a)
NO. HYPO LEASING ASTRICTA GRUNDSTUCKVERMIETUNGS GESELLSCHAFT MBH	VIENNA	AUSTRIA	95.00		95.00	95.00		95.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
NOMISMA - SOCIETÀ DI STUDI ECONOMICI SPA	BOLOGNA	ITALY	12.23		6.15	12.23		6.15	UNICREDIT MERCHANT SPA	(a)
				6.09			6.09		UNICREDIT SPA	(a)
NOTARTREUHANDBANK AG	VIENNA	AUSTRIA	25.00		25.00	25.00		25.00	UNICREDIT BANK AUSTRIA AG	(a)
NUOVA GELA SVILUPPO SCPA	GELA (CALTANISETTA)	ITALY	14.00		14.00	14.00		14.00	IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA SPA (FORMERLY IRFIS - MEDIOCREDITO DELLA SICILIA SPA)	(a)
NXP CO-INVESTMENT PARTNERS VIII LP	LONDON	UNITED KINGDOM	85.00		85.00	85.00		85.00	HVB CAPITAL PARTNERS AG	(a)
OAK RIDGE INVESTMENT LLC	WILMINGTON	U.S.A.	49.00		49.00	49.00		49.00	PIONEER INSTITUTIONAL ASSET MANAGEMENT INC	(a)
OBERBANK AG	LINZ	AUSTRIA	33.34		29.15	34.2		32.54	CABO BETEILIGUNGSGESELLSCHAFT MBH	(a)
					4.19			1.65	UNICREDIT BANK AUSTRIA AG	(a)
OBERBANK KB LEASING GESELLSCHAFT MBH	LINZ	AUSTRIA	24.00		24.00	24.00		24.00	COBB BETEILIGUNGEN UND LEASING GMBH	(a)
OBEROSTERREICHISCHE UNTERNEHMENSBETEILIGUNGSGESELLSCHAFT MBH	LINZ	AUSTRIA	10.93		10.93	10.93		10.93	UNICREDIT BANK AUSTRIA AG	(a)
OBJEKT-LEASE GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	50.00		49.23	50.00		49.23	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					0.77			0.77	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
OCT Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
OECLB HOLDING GMBH IN LIQUIDATION (EX OECLB HOLDING GMBH EX OESTERREICHISCHE CLEARINGBANK AG)	VIENNA	AUSTRIA	18.51		18.51	18.51		18.51	UNICREDIT BANK AUSTRIA AG	(a)
OESTERREICHISCHE KONTROLLBANK AKTIENGESELLSCHAFT	VIENNA	AUSTRIA	49.15		24.75	49.15		24.75	CABET-HOLDING-AKTIENGESELLSCHAFT (FORMERLY CABET-HOLDING-AKTIENGESELLSCHAFT)	(a)
					8.26			8.26	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
					16.14			16.14	UNICREDIT BANK AUSTRIA AG	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (Continued)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
OFFICINAE VERDI SOCIETÀ PER AZIONI (EX GREENING HUB SOCIETÀ PER AZIONI)	ROME	ITALY	33.00	33.00		33.00	33.00		UNICREDIT SPA	(a)
OLG HANDELS- UND BETEILIGUNGSVERWALTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
OLOS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. GRUNDSTUCKSENTWICKLUNGS KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
OLOS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. VERMIETUNGS KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
OMNIA GRUNDSTUCKS-GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB IMMOBILIEN AG	(a)
OMNIA GRUNDSTUCKS-GMBH & CO. BETRIEBS KG	MUNICH	GERMANY	100.00		94.00	100.00		94.00	HVB IMMOBILIEN AG	(a)
					6.00			6.00	UNICREDIT BANK AG	(a)
OMNIA GRUNDSTUCKS-GMBH & CO. OBJEKT EGGENFELDENER STRASSE KG	MUNICH	GERMANY	100.00		94.00	100.00		94.00	HVB IMMOBILIEN AG	(a)
					6.00			6.00	UNICREDIT BANK AG	(a)
OMNIA GRUNDSTUCKS-GMBH & CO. OBJEKT HAIDENAUPLATZ KG	MUNICH	GERMANY	100.00		94.00	100.00		94.00	HVB IMMOBILIEN AG	(a)
					6.00			6.00	UNICREDIT BANK AG	(a)
OMNIA GRUNDSTUCKS-GMBH & CO. OBJEKT OSTRAGEHEGE KG	MUNICH	GERMANY	100.00		94.00	100.00		94.00	HVB IMMOBILIEN AG	(a)
					6.00			6.00	UNICREDIT BANK AG	(a)
OO HIGHTEACHFONDS GMBH	LINZ	AUSTRIA	14.79		14.79	14.79		14.79	UNICREDIT BANK AUSTRIA AG	(a)
OOO UNICREDIT LEASING	MOSCOW	RUSSIA	100.00		60.00	100.00		60.00	UNICREDIT LEASING SPA	(a)
					40.00			40.00	ZAO UNICREDIT BANK	(a)
ORBIT ASSET MANAGEMENT LIMITED	HAMILTON	BERMUDA	50.00		50.00	50.00		50.00	PIONEER ALTERNATIVE INVESTMENT MANAGEMENT (BERMUDA) LIMITED	(a)
ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
ORIDIS BIOMED FORSCHUNGS UND ENTWICKLUNGS GMBH	GRAZ	AUSTRIA	21.49		21.49	21.49		21.49	BA PRIVATE EQUITY GMBH	(a)
OSCA GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT MBH & CO. KG	GRUNWALD	GERMANY	18.00		18.00	18.00		18.00	UNICREDIT BANK AG	(a)
OESTERREICHISCHE HOTEL- UND TOURISMUSBANK GESELLSCHAFT M.B.H.	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	UNICREDIT BANK AUSTRIA AG	(a)
OESTERREICHISCHE WERTPAPIERDATEN SERVICE GMBH	VIENNA	AUSTRIA	29.30		29.30	29.30		29.30	UNICREDIT BANK AUSTRIA AG	(a)
OTHMARSCHEN PARK HAMBURG GMBH & CO. CENTERPARK KG	MUNICH	GERMANY	100.00		10.00	100.00		10.00	HVB PROJEKT GMBH	(a)
					30.00			30.00	T & P FRANKFURT DEVELOPMENT BV	(a)
					60.00			60.00	T & P VASTGOED STUTTGART BV	(a)
OTHMARSCHEN PARK HAMBURG GMBH & CO. GEWERBEPARK KG	MUNICH	GERMANY	100.00		10.00	100.00		10.00	HVB PROJEKT GMBH	(a)
					30.00			30.00	T & P FRANKFURT DEVELOPMENT BV	(a)
					60.00			60.00	T & P VASTGOED STUTTGART BV	(a)
OTHMARSCHEN PARK HAMBURG WOHN- UND GEWERBEPARK GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
P.B. SRL IN LIQUIDATION	MILAN	ITALY	10.72	10.72		10.72	10.72		UNICREDIT SPA	(a)
P25 LIMITED PARTNERSHIP INCORPORATE	ST. PETER PORT	UNITED KINGDOM	14.54		14.54	0.00		0.00	UNICREDIT BANK AG	(a)
PALAIS ROTHSCHILD VERMIETUNGS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
PALAIS ROTHSCHILD VERMIETUNGS GMBH & CO OG	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
PALATIN GRUNDSTUCKVERWALTUNGS GESELLSCHAFT MBH	STOCKERAU	AUSTRIA	50.00		50.00	50.00		50.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
PAPCEL A.S.	LITOVEL	CZECH REPUBLIC	33.74		33.74	34.00		34.00	EK MITTELSTANDSFINANZIERUNGS AG	(a)
PARMACOTTO SPA	PARMA	ITALY	51.00	51.00		51.00	51.00		UNICREDIT SPA	(b)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
PARZHOF-ERRICHTUNGS- UND VERWERTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.60	100.00		99.80	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					0.20			0.20	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
PASC (IN FALLIMENTO)	ROME	ITALY	100.00		100.00	100.00		100.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(b)
PAYLIFE BANK GMBH	VIENNA	AUSTRIA	19.37		5.78	19.37		5.78	EUROVENTURES-AUSTRIA-CA-MANAGEMENT GESMBH	(a)
					13.59			13.59	UNICREDIT BANK AUSTRIA AG	(a)
PAYTRIA UNTERNEHMENSBETEILIGUNGEN GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
PAZONYI'98 INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
PEGASUS PROJECT STADTHAUS HALLE GMBH	MUNICH	GERMANY	100.00		93.85	100.00		93.85	HVB IMMOBILIEN AG	(a)
					6.15			6.15	UNICREDIT BANK AG	(a)
PEKAO BANK HIPOTECZNY SA	WARSAW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
PEKAO FAKTORING SP. ZOO	LUBLINO	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
PEKAO FINANCIAL SERVICES SP. ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
PEKAO FUNDUSZ KAPITALOWY SP. ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
PEKAO LEASING HOLDING SA	WARSAW	POLAND	100.00		80.10	100.00		80.10	BANK PEKAO SA	(a)
					19.90			19.90	UNICREDIT LEASING SPA	(a)
PEKAO LEASING SP ZOO	WARSAW	POLAND	100.00		36.49	100.00		36.49	BANK PEKAO SA	(a)
					63.51			63.51	PEKAO LEASING HOLDING SA	(a)
PEKAO PIONEER P.T.E. SA	WARSAW	POLAND	100.00		65.00	100.00		65.00	BANK PEKAO SA	(a)
					35.00			35.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PEKAO PROPERTY SA	WARSAW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
PEKAO TELECENTRUM SP. ZOO	CRACOW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
PELOPS LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	EUROLEASE RAMSES IMMOBILIEN LEASING GESELLSCHAFT MBH	(a)
PERTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB IMMOBILIEN AG	(a)
PESTSZENTIMREI SZAKORVOSI RENDELO KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
PETROLI INVESTIMENTI SPA	CIVITAVECCHIA (ROME)	ITALY	100.00		100.00	100.00		100.00	COMPAGNIA ITALPETROLI SPA	(a)
PHG POS - HANDELSGESELLSCHAFT MBH	VIENNA	AUSTRIA	33.33		33.33	33.33		33.33	CARD COMPLETE SERVICE BANK AG	(a)
PIANA LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
PIONEER ALTERNATIVE INVESTMENT MANAGEMENT (BERMUDA) LIMITED	HAMILTON	BERMUDA	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER ALTERNATIVE INVESTMENT MANAGEMENT LTD	DUBLIN	IRELAND	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	MILAN	ITALY	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER ALTERNATIVE INVESTMENTS (ISRAEL) LTD	RAMAT GAN.	ISRAELE	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER ALTERNATIVE INVESTMENTS (NEW YORK) LTD	DOVER	U.S.A.	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER ASSET MANAGEMENT AS	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER ASSET MANAGEMENT S.A.I. SA	BUCHAREST	ROMANIA	100.00		97.42	100.00		97.42	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
					2.58			2.58	UNICREDIT TIRIAC BANK SA	(a)
PIONEER ASSET MANAGEMENT SA	LUXEMBOURG	LUXEMBOURG	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER FUNDS DISTRIBUTOR INC	BOSTON	U.S.A.	100.00		100.00	100.00		100.00	PIONEER INVESTMENT MANAGEMENT INC	(a)
PIONEER GLOBAL ASSET MANAGEMENT SPA	MILAN	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
PIONEER GLOBAL FUNDS DISTRIBUTOR LTD	HAMILTON	BERMUDA	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER GLOBAL INVESTMENTS (AUSTRALIA) PTY LIMITED	SYDNEY	AUSTRALIA	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER GLOBAL INVESTMENTS (TAIWAN) LTD	TAIPEI	TAIWAN	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER GLOBAL INVESTMENTS LIMITED	DUBLIN	IRELAND	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER INSTITUTIONAL ASSET MANAGEMENT INC	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	PIONEER INVESTMENT MANAGEMENT USA INC	(a)
PIONEER INVESTMENT COMPANY AS	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER INVESTMENT FUND MANAGEMENT LIMITED	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER INVESTMENT MANAGEMENT INC	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	PIONEER INVESTMENT MANAGEMENT USA INC	(a)
PIONEER INVESTMENT MANAGEMENT LIMITED	DUBLIN	IRELAND	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER INVESTMENT MANAGEMENT LLC	MOSCOW	RUSSIA	100.00		1.00	100.00		1.00	PIONEER ASSET MANAGEMENT AS	(a)
					99.00			99.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER INVESTMENT MANAGEMENT SHAREHOLDER SERVICES INC	BOSTON	U.S.A.	100.00		100.00	100.00		100.00	PIONEER INVESTMENT MANAGEMENT USA INC	(a)
PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	MILAN	ITALY	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER INVESTMENT MANAGEMENT USA INC	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER INVESTMENTS AG	BERN	SWITZERLAND	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER INVESTMENTS AUSTRIA GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER INVESTMENTS KAPITALANLAGEGESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIONEER PEKAO INVESTMENT FUND COMPANY SA (POLISH NAME: PIONEER PEKAO TFI SA)	WARSAW	POLAND	100.00		100.00	100.00		100.00	PIONEER PEKAO INVESTMENT MANAGEMENT SA	(a)
PIONEER PEKAO INVESTMENT MANAGEMENT SA	WARSAW	POLAND	100.00		49.00	100.00		49.00	BANK PEKAO SA	(a)
					51.00			51.00	PIONEER GLOBAL ASSET MANAGEMENT SPA	(a)
PIRELLI PEKAO REAL ESTATE SP. ZOO	WARSAW	POLAND	25.00		25.00	25.00		25.00	BANK PEKAO SA	(a)
PLANETHOME AG	UNTERFOHRING	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
PLANETHOME GMBH	MANNHEIM	GERMANY	100.00		100.00	100.00		100.00	PLANETHOME AG	(a)
POLISH BANKING SYSTEM SA IN LIQUIDATION	WARSAW	POLAND	48.90		48.90	48.90		48.90	BANK PEKAO SA	(a)
POLLUX IMMOBILIEN GMBH (EX Z LEASING POLLUX IMMOBILIEN LEASING GESELLSCHAFT MBH)	VIENNA	AUSTRIA	99.80		99.80	99.80		99.80	UNICREDIT BANK AUSTRIA AG	(a)
POLSKA PRASA LOKALNA HOLDING SA	SADOWA	POLAND	23.91		23.91	21.30		21.30	PEKAO FUNDUSZ KAPITALOWY SP. ZOO	(a)
POMINVEST DD	SPLIT	CROATIA	88.99		88.66	88.95		88.95	ZAGREBACKA BANKA D.D.	(a)
					0.33			0	POMINVEST DD	(a*)
PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
PORTIA GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MIT BESCHRANKTER HAFTUNG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
POSATO LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
PPU BUDPRESS SP ZOO IN LIQUIDATION	WARSAW	POLAND	36.21		36.21	36.21		36.21	BANK PEKAO SA	(a)
PRACOWNICZE TOWARZYSTWO EMERYTALNE SA	WARSAW	POLAND	19.78		19.78	19.78		19.78	CDM CENTRALNY DOM MAKLERSKI PEKAO SA	(a)
PRELIOS BULGARIA AD (EX PIRELLI REAL ESTATE BULGARIA AD)	SOFIA	BULGARIA	25.00		25.00	25.00		25.00	UNICREDIT BULBANK AD	(a)
PRELUDE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		98.80	100.00		99.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					1.00			1.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
PRIM Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL	KIEV	UKRAINE	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
PROJEKTENTWICKLUNG SCHONEFELD VERWALTUNGSGESELLSCHAFT MBH	STUTTGART	GERMANY	50.00		50.00	50.00		50.00	UNICREDIT BANK AUSTRIA AG	(a)
PROJEKT-GBR KRONSTADTER STRASSE MUNCHEN	MUNICH	GERMANY	75.00		75.00	75.00		75.00	HVB TECTA GMBH	(a)
PROJEKT-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT MBH	(a)
PROJEKT-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		25.00	100.00		25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
PROMETHEUS IMMOBILIENERRICHTUNGS-UND-BETEILIGUNGS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BANK AUSTRIA REAL INVEST GMBH	(a)
PROPERTY SP. ZOO IN LIQUIDATION	WARSAW	POLAND	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
PRVA STAMBENA STEDIONICA DD ZAGREB	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	ZAGREBACKA BANKA D.D.	(a)
PUBLIC JOINT STOCK COMPANY UKRSOTSBANK	KIEV	UKRAINE	95.34		69.15	95.36		69.16	PRIVATE JOINT STOCK COMPANY FERROTRADE INTERNATIONAL	(a)
					26.19			26.20	UNICREDIT BANK AUSTRIA AG	(a)
PUBLIC JOINT STOCK COMPANY UNICREDIT BANK (EX OPEN JOINT STOCK COMPANY UNICREDIT BANK)	KIEV	UKRAINE	100.00		100.00	100.00		100.00	BANK PEKAO SA	(a)
PURGE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
QUADEC Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
QUART Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG ANLAGEN LEASING GMBH	(a)
QUINT Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
QUINTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB IMMOBILIEN AG	(a)
RAFFAELLO LUXEMBOURG S.C.A IN LIQUIDATION	LUXEMBOURG	LUXEMBOURG	15.26		15.26	0.00		0.00	UNICREDIT BANK AG	(a)
RAMSES IMMOBILIEN GESELLSCHAFT M.B.H. & CO OG	VIENNA	AUSTRIA	99.50		0.20	99.50		0.20	RAMSES-IMMOBILIENHOLDING GMBH	(a)
RAMSES IMMOBILIEN LEASING GESELLSCHAFT MBH & CO OG	VIENNA	AUSTRIA	99.50		99.30	99.50		99.30	UNICREDIT BANK AUSTRIA AG	(a)
RAMSES-IMMOBILIENHOLDING GMBH	VIENNA	AUSTRIA	99.80		99.80	99.80		99.80	UNICREDIT BANK AUSTRIA AG	(a)
RANA-LIEGENSCHAFTSVERWERTUNG GMBH	VIENNA	AUSTRIA	99.90		99.90	99.90		99.90	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	(a)
RCG HOLDINGS LLC	NEW YORK	U.S.A.	22.87		22.87	0.00		0.00	BA- ALPINE HOLDINGS, INC	(a)
RCI FINANCIAL SERVICES SRO	PRAHA	CZECH REPUBLIC	50.00		50.00	50.00		50.00	UNICREDIT LEASING CZ, AS	(a)
REAL ESTATE MANAGEMENT POLAND SP. ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
REAL INVEST ASSET MANAGEMENT CZECH REPUBLIC SRO	PRAHA	CZECH REPUBLIC	100.00		90.00	100.00		90.00	BANK AUSTRIA REAL INVEST ASSET MANAGEMENT GMBH	(a)
					10.00			10.00	M.A.I.L. FINANZBERATUNG GESELLSCHAFT MBH	(a)
REAL INVEST IMMOBILIEN GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	M.A.I.L. FINANZBERATUNG GESELLSCHAFT MBH	(a)
REAL INVEST PROPERTY GMBH & CO SPB JOTA KEG	VIENNA	AUSTRIA	0.00		0	100.00		100.00	TREUCONSULT PROPERTY ALPHA GMBH	(a)
REAL INVEST PROPERTY GMBH & CO ZETA KEG	VIENNA	AUSTRIA	100.00		1.24	100.00		0.00	BANK AUSTRIA REAL INVEST GMBH	(a)
					98.76			100.00	M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT MBH	(a)
REAL INVEST PROPERTY GMBH & CO. EPSILON KEG	VIENNA	AUSTRIA	100.00		100.00	100.00		0.00	BANK AUSTRIA REAL INVEST GMBH	(a)
					0			100.00	TREUCONSULT PROPERTY EPSILON GMBH	(a)
REALITATEN-DEVELOPMENT GMBH	VIENNA	AUSTRIA	26.67		26.67	26.67		26.67	RE-ST.MARX HOLDING GMBH	(a)
REAL-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
REAL-RENT LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
RECHTSVERFOLGUNGSGEMEINSCHAFT FLOWTEX SCHADEN GDBR	MUNICH	GERMANY	15.19		15.19	15.19		15.19	UNICREDIT BANK AG	(a)
REDSTONE MORTGAGES LIMITED	LONDON	UNITED KINGDOM	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
REF IV ASSOCIATES (CAYMANS) L.P. ACQUA CIV S.C.S.	LUXEMBOURG	LUXEMBOURG	38.28		38.28	0.00		0.00	HVB CAPITAL PARTNERS AG	(a)
REGEV REALITATENVERWERTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
REGGIO EMILIA INNOVAZIONE SCARL	REGGIO EMILIA	ITALY	11.08	11.08		11.08	11.08		UNICREDIT SPA	(a)
REMBRA LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
RESIDENCE VILLA PAMPHILI SRL IN LIQUIDATION	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
RE-ST.MARX HOLDING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
RHOTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	GERMANY	100.00		93.85	100.00		93.85	HVB IMMOBILIEN AG	(a)
					6.15			6.15	UNICREDIT BANK AG	(a)
RIGEL IMMOBILIEN GMBH	VIENNA	AUSTRIA	99.80		99.80	99.80		99.80	UNICREDIT BANK AUSTRIA AG	(a)
ROLIN GRUNDSTUCKSPLANUNGS- UND -VERWALTUNGSGESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
ROLO IMPRESA FONDO COMUNE DI INVESTIMENTO MOBILIARE CHIUSO	MILAN	ITALY	73.13		73.13	0.00		0.00	UNICREDIT BANK AG	(a)
ROMA 2000 SRL	ROME	ITALY	100.00		100.00	100.00		100.00	COMPAGNIA ITALPETROLI SPA	(a)
ROMA INTERNATIONAL FOOTBALL SERVICE SRL IN LIQUIDATION	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
ROME AMERICAN HOSPITAL SPA	ROME	ITALY	50.00	50.00		50.00	50.00		UNICREDIT SPA	(b)
RONCASA IMMOBILIEN-VERWALTUNGS GMBH	MUNICH	GERMANY	90.00		90.00	90.00		90.00	HVB PROJEKT GMBH	(a)
RONDO LEASING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	WOM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	(a)
ROTUS IMMOBILIEN-VERWALTUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB TECTA GMBH	(a)
ROTUS IMMOBILIEN-VERWALTUNGS GMBH & CO. OBJEKT EGGENFELDENER STRASSE KG IN LIQUIDATION	MUNICH	GERMANY	97.00		97.00	97.00		97.00	HVB TECTA GMBH	(a)
RSB ANLAGENVERMIETUNG GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG IMMOBILIEN LEASING GMBH	(a)
S.A.S.E. SPA	PERUGIA	ITALY	12.05	12.05		12.05	12.05		UNICREDIT SPA	(a)
S.I.CRE.F. SRL IN FALLIMENTO	VERONA	ITALY	16.00	16.00		16.00	16.00		UNICREDIT SPA	(a)
S.I.F.A.-SOCIETÀ INDUSTRIALE FINANZIARIA SPA IN LIQUIDATION	REANA DEL ROJALE (UDINE)	ITALY	37.04		37.04	37.04		37.04	UNICREDIT CREDIT MANAGEMENT BANK SPA	(b)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
S.I.P.I.C. - SOCIETÀ INDUSTRIALE PETROLIFERA ITALIA CENTRALE SRL	ROME	ITALY	100.00		100.00	100.00		100.00	COMPAGNIA ITALPETROLI SPA	(a)
SAET SPA	LEINI' (TURIN)	ITALY	25.71	25.71		25.71	25.71		UNICREDIT SPA	(b)
SALVATORPLATZ-GRUNDSTUCKSGESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	(a)
SALVATORPLATZ-GRUNDSTUCKSGESELLSCHAFT MBH & CO. OHG SAARLAND	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB GESELLSCHAFT FUR GEBAUDE MBH & CO KG	(a)
SALVATORPLATZ-GRUNDSTUCKSGESELLSCHAFT MBH & CO. OHG VERWALTUNGSZENTRUM	MUNICH	GERMANY	100.00		97.78	100.00		97.78	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	(a)
					2.22			2.22	TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	(a)
SALZBURGER UNTERNEHMENSBETEILIGUNGSGESELLSCHAFT MBH	SALISBURGO	AUSTRIA	14.28		14.28	14.28		14.28	UNICREDIT BANK AUSTRIA AG	(a)
SANITÀ - SRL IN LIQUIDATION	ROME	ITALY	99.60		99.60	99.60		99.60	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)
SANTA ROSA SAS	ROME	ITALY	100.00		99.42	100.00		99.42	IMMOBILIARE PATETTA SRL	(a)
					0.58			0.58	SOCIETÀ COLLE AURELIA IMMOBILIARE S.C.A.I. SRL	(a)
SAPHIRA IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. FRANKFURT CITY WEST OFFICE CENTER UND WOHNBAU KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
SAS-REAL INGATLANUEZEZEMELTETO ES KEZELO KFT.	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT BANK HUNGARY ZRT	(a)
SCHLOSSBERG-PROJEKTENTWICKLUNGS-GMBH & CO 683 KG	MUNICH	GERMANY	100.00		0	100.00		88.89	BV GRUNDSTUCKSENTWICKLUNGS-GMBH	(a)
					100.00			11.11	BV GRUNDSTUCKSENTWICKLUNGS-GMBH & CO. SCHLOSSBERG-PROJEKTENTWICKLUNGS-KG	(a)
SCHOELLERBANK AKTIENGESELLSCHAFT	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
SCHOELLERBANK INVEST AG	SALISBURGO	AUSTRIA	100.00		100.00	100.00		100.00	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
SCHUL- UND AMTSGEBAUDE GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT MBH	GRAZ	AUSTRIA	33.33		33.33	33.33		33.33	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
SCHULERRICHTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
SE.AM. SERVIZI AMMINISTRATIVI SRL	RIMINI	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
SECA-LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
SEDEC Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
SELFOSS BETEILIGUNGSGESELLSCHAFT MBH	GRUNWALD	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
SENTIENT GLOBAL RESOURCES FUND I, LP	GEORGE TOWN	CAYMAN ISLAND	24.36		24.36	0.00		0.00	UNICREDIT BANK AG	(a)
SERVIZI DELLO SPORT II SRL IN LIQUIDATION	ROME	ITALY	99.00		99.00	99.00		99.00	SO.INV. SOCIETÀ INVESTIMENTI IMMOBILIARI SRL IN LIQUIDAZIONE	(a)
SERVIZI VENETI ECOLOGICI SPA	ROVIGO	ITALY	79.66		79.66	79.66		79.66	UNICREDIT CREDIT MANAGEMENT BANK SPA	(b)
SEXT Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	(a)
SFS FINANCIAL SERVICES GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	M.A.I.L. FINANZBERATUNG GESELLSCHAFT MBH	(a)
SHOPLN CARD BETRIEBS GMBH	KLAGENFURT	AUSTRIA	33.33		33.33	33.33		33.33	CARDS & SYSTEMS EDV-DIENSTLEISTUNGS GMBH	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (Continued)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
SHS LEASING GMBH	VIENNA	AUSTRIA	99.80		98.80	100.00		99.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					1.00			1.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
SIA SPA (EX SIA-SSB SPA)	MILAN	ITALY	24.07	24.07		24.07	24.07		UNICREDIT SPA	(a)
SIA UNICREDIT INSURANCE BROKER	RIGA	LATVIA	100.00		100.00	100.00		100.00	SIA UNICREDIT LEASING	(a)
SIA UNICREDIT LEASING	RIGA	LATVIA	100.00		5.01	100.00		5.01	AS UNICREDIT BANK, LATVIA	(a)
					94.99			94.99	UNICREDIT LEASING SPA	(a)
SICILIA CONVENTION BUREAU SRL	CATANIA	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
SIGMA HOLDING INGATLANSZOLGALTATO KFT	BUDAPEST	HUNGARY	95.00		95.00	95.00		95.00	UNICREDIT BANK AUSTRIA AG	(a)
SIGMA LEASING GMBH	VIENNA	AUSTRIA	99.80		99.40	100.00		99.60	CALG ANLAGEN LEASING GMBH	(a)
					0.40			0.40	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
SIMON VERWALTUNGS-AKTIENGESELLSCHAFT IN LIQUIDATION	MUNICH	GERMANY	99.98		99.98	99.98		99.98	UNICREDIT BANK AG	(a)
SINERA AG	ZURIGO	SWITZERLAND	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
SIRIUS IMMOBILIEN GMBH	VIENNA	AUSTRIA	99.80		99.80	99.80		99.80	UNICREDIT BANK AUSTRIA AG	(a)
SIRIUS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH	MUNICH	GERMANY	100.00		5.00	100.00		5.00	HVB PROJEKT GMBH	(a)
					95.00			95.00	SOLOS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. SIRIUS BETEILIGUNGS KG	(a)
SK BV GRUNDSTUCKSENTWICKLUNG GMBH & CO. KG	COLOGNE	GERMANY	25.00		25.00	25.00		25.00	BV GRUNDSTUCKSENTWICKLUNGS-GMBH & CO. VERWALTUNGS-KG	(a)
SK BV GRUNDSTUCKSENTWICKLUNG VERWALTUNG GMBH IN LIQUIDATION	COLOGNE	GERMANY	50.00		50.00	50.00		50.00	BV GRUNDSTUCKSENTWICKLUNGS-GMBH	(a)
SO.INV. SOCIETÀ INVESTIMENTI IMMOBILIARI SRL IN LIQUIDATION	ROME	ITALY	99.50		99.50	99.50		99.50	COMPAGNIA ITALPETROLI SPA	(a)
SOCIETÀ EDILIZIA PINETO-SEP SPA	ROME	ITALY	40.00	40.00		40.00	40.00		UNICREDIT SPA	(b)
SOCIETÀ SPORTIVA TORREVECCHIA SRL	ROME	ITALY	100.00		100.00	100.00		100.00	COMPAGNIA FONDIARIA ROMANA (C.F.R.) SRL	(a)
SOCIETÀ AREE INDUSTRIALI ED ARTIGIANALI - S.A.I.A. SPA	VERBANIA	ITALY	10.08	10.08		10.08	10.08		UNICREDIT SPA	(a)
SOCIETÀ BENI CULTURALI A RL	ROME	ITALY	100.00		5.00	100.00		5.00	FONDIARIA LASA SPA	(a)
					95.00			95.00	IMMOBILIARE PATETTA SRL	(a)
SOCIETÀ COLLE AURELIA IMMOBILIARE S.C.A.I. SRL	ROME	ITALY	100.00		100.00	100.00		100.00	INFISSER SRL	(a)
SOCIETÀ DEPOSITI COSTIERI - SO.DE. CO. SRL	ROME	ITALY	100.00		100.00	100.00		100.00	COMPAGNIA ITALPETROLI SPA	(a)
SOCIETÀ DI GESTIONI ESATTORIALI IN SICILIA SO.G.E.SI. SPA IN LIQUIDATION	PALERMO	ITALY	80.00		80.00	80.00		80.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)
SOCIETÀ GESTIONE CREDITI DELTA SPA	BOLOGNA	ITALY	16.00	16.00		16.00	16.00		UNICREDIT SPA	(a)
SOCIETÀ GESTIONE PER IL REALIZZO SPA IN LIQUIDATION	ROME	ITALY	26.43		0.05	26.43		0.05	IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA SPA (FORMERLY IRFIS - MEDIOCREDITO DELLA SICILIA SPA)	(a)
				26.38			26.38		UNICREDIT SPA	(a)
SOCIETÀ ITALIANA DI MONITORAGGIO SPA	ROME	ITALY	12.89		12.89	12.89		12.89	UNICREDIT MERCHANT SPA	(a)
SOCIETÀ ITALIANA GESTIONE ED INCASSO CREDITI SPA IN LIQUIDATION	ROME	ITALY	100.00		100.00	100.00		100.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)
SOCIETA ITALIANA PER LE IMPRESE ALL ESTERO - SIMEST SPA	ROME	ITALY	12.81	12.81		12.81	12.81		UNICREDIT SPA	(a)
SOCIETÀ PETROLIFERA GIOIA TAURO SRL	REGGIO CALABRIA	ITALY	100.00		49.00	100.00		49.00	MERIDIONALE PETROLI SRL	(a)
					51.00			51.00	SOCIETÀ DEPOSITI COSTIERI - SO.DE. CO. SRL	(a)
SOCIETÀ VERONESE GESTIONE COMPRAVENDITA IMMOBILI A RL	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
SOCIETÀ VISSANA INDUSTRIA LAVORAZIONE ALIMENTARE S.V.I.L.A. A RESPONSABILITÀ LIMITATA	VISSO (MACERATA)	ITALY	100.00		100.00	100.00		100.00	COMPAGNIA ITALPETROLI SPA	(a)
SOCIETÀ VISSANA INDUSTRIA LAVORAZIONE ALIMENTARE SARL	MONTMEDY (VERDUN)	FRANCE	100.00		100.00	100.00		100.00	SOCIETÀ VISSANA INDUSTRIA LAVNOWZIONE ALIMENTARE S.V.I.L.A. A RESPONSABILITÀ LIMITATA	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
SOFIGERE SOCIETE PAR ACTIONS SIMPLIFIEE	PARIS	FRANCE	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) SPA	ROME	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
SOLARIS VERWALTUNGSGESELLSCHAFT MBH & CO. VERMIETUNGS KG	MUNICH	GERMANY	94.90		94.90	94.90		94.90	ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	(a)
SOLOS IMMOBILIEN- UND PROJEKTENTWICKLUNGS GMBH & CO. SIRIUS BETEILIGUNGS KG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
SOLWO GRUNDBESITZ GMBH	BERLIN	GERMANY	14.94		14.94	14.94		14.94	TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	(a)
SONATA LEASING-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		1.00	100.00		1.00	ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT MBH	(a)
					98.80			99.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
SOVAGRI SOC.CONSORTILE P.A. IN LIQUIDATION	NAPLES	ITALY	16.00	16.00		16.00	16.00		UNICREDIT SPA	(a)
SP PROJEKTENTWICKLUNG SCHOENEFELD GMBH & CO.KG	STUTTGART	GERMANY	50.00		50.00	50.00		50.00	UNICREDIT BANK AUSTRIA AG	(a)
SPARKASSEN-HAFTUNGS AKTIENGESELLSCHAFT	VIENNA	AUSTRIA	28.26		28.26	28.26		28.26	UNICREDIT BANK AUSTRIA AG	(a)
SPECTRUM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	WOM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	(a)
SPREE GALERIE HOTELBETRIEBSGESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	ARGENTAURUS IMMOBILIEN-VERMIETUNGS- UND VERWALTUNGS GMBH	(a)
STAR22 PLANUNGS - UND ERRICHTUNGS GMBH	VIENNA	AUSTRIA	49.00		49.00	49.00		49.00	BANK AUSTRIA REAL INVEST GMBH	(a)
STARS GESCHAFTSFUHRUNGS- UND VERWALTUNGS-GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
STARS GMBH & CO. KGAA	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
STATUS VERMOGENSVERWALTUNG GMBH	SCHWERIN	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
STEWE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		24.00	100.00		24.00	PROJEKT-LEASE GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	(a)
					75.80			76.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
STRUCTURED INVEST SOCIETE ANONYME	LUXEMBOURG	LUXEMBOURG	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
STRUCTURED LEASE GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT LEASING GMBH	(a)
STUDIENGESELLSCHAFT FUR ZUSAMMENARBEIT IM ZAHLUNGSVERKEHR (STUZZA) GMBH	VIENNA	AUSTRIA	12.50		1.79	12.50		1.79	SCHOELLERBANK AKTIENGESELLSCHAFT	(a)
					10.71			10.71	UNICREDIT BANK AUSTRIA AG	(a)
SVILUPPI IMMOBILIARI PARMENSI SPA	PARMA	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
SVILUPPO GLOBALE GEIE	ROME	ITALY	33.33	33.33		33.33	33.33		UNICREDIT SPA	(a)
SW HOLDING SPA (EX LOTTERIE NAZIONALI HOLDING SPA)	ROME	ITALY	28.571		28.571	13.793		13.793	UNICREDIT MERCHANT SPA	(a)
T & P FRANKFURT DEVELOPMENT BV	AMSTERDAM	NETHERLANDS	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
T & P VASTGOED STUTTGART BV	AMSTERDAM	NETHERLANDS	87.50		87.50	87.50		87.50	HVB PROJEKT GMBH	(a)
TC PROJEKTVERWALTUNGSGES.MBH	VIENNA	AUSTRIA	99.80		99.80	99.80		99.80	M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT MBH	(a)
TC-PRIMA PROJEKTVERWALTUNGS GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	(a)
TC-SECUNDA PROJEKTVERWALTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	99.80		99.80	M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT MBH	(a)
TC-TERTIA PROJEKTVERWALTUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	99.80		99.80	M.A.I.L. BETEILIGUNGSMANAGEMENT GESELLSCHAFT MBH	(a)
TERRENO GRUNDSTUCKSVERWALTUNG GMBH	MUNICH	GERMANY	75.00		75.00	75.00		75.00	HVB TECTA GMBH	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
TERRENO GRUNDSTUCKSVERWALTUNG GMBH & CO. ENTWICKLUNGS- UND FINANZIERUNGSVERMITTLUNGS-KG	MUNICH	GERMANY	75.00		75.00	75.00		75.00	HVB TECTA GMBH	(a)
TERRENO GRUNDSTUCKSVERWALTUNG GMBH & CO. OBJEKTGESELLSCHAFT GRILLPARZERSTRASSE KG	MUNICH	GERMANY	75.00		75.00	75.00		75.00	UNICREDIT BANK AG	(a)
TERRONDA DEVELOPMENT BV	AMSTERDAM	NETHERLANDS	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
TERZ Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
THERME WIEN GES.MBH	VIENNA	AUSTRIA	15.00		15.00	15.00		15.00	UNICREDIT BANK AUSTRIA AG	(a)
THERME WIEN GMBH & CO KG	VIENNA	AUSTRIA	15.00		15.00	15.00		15.00	UNICREDIT BANK AUSTRIA AG	(a)
THETA FUNF HANDELS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
THL EQUITY FUND VI INVESTORS (CERIDIAN), LP	WILMINGTON	U.S.A.	10.21		10.21	0.00		0.00	HVB CAPITAL PARTNERS AG	(a)
TISHMAN SPEYER BERLIN FRIEDRICHSTRASSE KG IN LIQUIDATION	BERLIN	GERMANY	97.14		5.94	96.57		7.09	HVB PROJEKT GMBH	(a)
					91.20			89.48	UNICREDIT BANK AG	(a)
TIVOLI GRUNDSTUCKS-AKTIENGESELLSCHAFT	MUNICH	GERMANY	99.67		99.67	99.67		99.67	PORTIA GRUNDSTUCKS-VERWALTUNGSGESELLSCHAFT MBH & CO. OBJEKT KG	(a)
TODIMO 2000 SPA	ROME	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
TORRE SGR SPA	ROME	ITALY	37.50		37.50	37.50		37.50	PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	(a)
TRANSTERRA GESELLSCHAFT FUR IMMOBILIENVERWALTUNG MBH	MUNICH	GERMANY	100.00		93.85	100.00		93.85	HVB IMMOBILIEN AG	(a)
					6.15			6.15	UNICREDIT BANK AG	(a)
TREDEC Z IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BANK AUSTRIA REAL INVEST GMBH	(a)
TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH U. C O. ARBEITERHEIM FAVO	VIENNA	AUSTRIA	100.00		0.16	100.00		0.00	BANK AUSTRIA REAL INVEST GMBH	(a)
					99.84			100.00	TC PROJEKTVERWALTUNGSGES.MBH	(a)
TREUCONSULT PROPERTY ALPHA GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	(a)
TREUCONSULT PROPERTY BETA GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	(a)
TREUCONSULT PROPERTY EPSILON GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	(a)
TREVI FINANCE N. 2 SPA	CONEGLIANO (TREVISO)	ITALY	60.00	60.00		60.00	60.00		UNICREDIT SPA	(a)
TREVI FINANCE N. 3 SRL	CONEGLIANO (TREVISO)	ITALY	60.00	60.00		60.00	60.00		UNICREDIT SPA	(a)
TREVI FINANCE SPA	CONEGLIANO (TREVISO)	ITALY	60.00	60.00		60.00	60.00		UNICREDIT SPA	(a)
TRICASA GRUNDBESITZ GESELLSCHAFT MBH & CO. 1. VERMIETUNGS KG	MUNICH	GERMANY	100.00		0	100.00		0.01	HYPO-REAL HAUS- UND GRUNDBESITZ GESELLSCHAFT MBH	(a)
					100.00			99.99	ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	(a)
TRICASA GRUNDBESITZGESELLSCHAFT DES BURGERLICHEN RECHTS NR. 1	MUNICH	GERMANY	100.00		100.00	100.00		100.00	ORESTOS IMMOBILIEN-VERWALTUNGS GMBH	(a)
TRIESTE ADRIATIC MARITIME INITIATIVES SRL	TRIESTE	ITALY	34.04	34.04		34.04	34.04		UNICREDIT SPA	(a)
TRIESTE TERMINAL PASSEGGERI SPA	TRIESTE	ITALY	60.00		60.00	60.00		60.00	TRIESTE ADRIATIC MARITIME INITIATIVES SRL	(a)
TRIESTE YACHT SERVICE SRL	TRIESTE	ITALY	60.00		60.00	60.00		60.00	TRIESTE TERMINAL PASSEGGERI SPA	(a)
TRINITRADE VERMOGENSVERWALTUNGS-GESELLSCHAFT MIT BESCHRANKTER HAFTUNG	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
UCL NEKRETNINE DOO	SARAJEVO	BOSNIA AND HERCEGOVINA	100.00		30.00	100.00		30.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					70.00			70.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UCTAM BALTICS SIA	RIGA	LATVIA	100.00		100.00	100.00		100.00	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	(a)
UCTAM D.O.O. BEOGRAD	BEOGRAD	SERBIA	100.00		100.00	100.00		100.00	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	(a)
UCTAM RK LIMITED LIABILITY COMPANY	ALMATY CITY	KAZAKHSTAN	100.00		100.00	100.00		100.00	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	(a)
UCTAM RO S.R.L.	BUCHAREST	ROMANIA	100.00		0.02	100.00		0.02	UCTAM BALTICS SIA	(a)
					99.98			99.98	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	(a)
UCTAM RU LIMITED LIABILITY COMPANY	MOSCOW	RUSSIA	100.00		99.99	100.00		99.99	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	(a)
					0.01			0.01	ZAO UNICREDIT BANK	(a)
UCTAM UKRAINE LLC (EX LLC ALTERA-REALITY)	KIEV	UKRAINE	99.90		99.90	99.90		99.90	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	(a)
UCTAM UPRAVLJANJE D.O.O.	LJUBLJANA	SLOVENIA	100.00		100.00	100.00		100.00	UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH	(a)
UFFICIUM IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		5.00	100.00		5.00	KUTRA GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	(a)
					95.00			95.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UGIS AUSTRIA GMBH (ORA UNICREDIT BUSINESS INTEGRATED SOLUTIONS AUSTRIA GMBH)	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI (NOW UNICREDIT BUSINESS INTEGRATED SOLUTIONS SOCIETÀ CONSORTILE PER AZIONI)	(a)
UNI GEBAEUDEMANAGEMENT GMBH	LINZ	AUSTRIA	50.00		50.00	50.00		50.00	BA GVG-HOLDING GMBH	(a)
UNI IT SRL	TRENTO	ITALY	51.00		51.00	51.00		51.00	UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	(a)
UNICOM IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT (CHINA) ADVISORY LIMITED	BEIJING	CHINA	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
UNICREDIT (U.K.) TRUST SERVICES LTD	LONDON	UNITED KINGDOM	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNICREDIT AUDIT (IRELAND) LTD	DUBLIN	IRELAND	100.00		100.00	100.00		100.00	UNICREDIT AUDIT SOCIETÀ CONSORTILE PER AZIONI	(a)
UNICREDIT AUDIT SOCIETÀ CONSORTILE PER AZIONI	MILAN	ITALY	100		0.02	100		0.02	FAMILY CREDIT NETWORK SPA	(a)
					0.01			0.01	FINECOBANK SPA	(a)
					0.01			0.01	IRFIS - FINANZIARIA PER LO SVILUPPO DELLA SICILIA SPA (FORMERLY IRFIS - MEDIOCREDITO DELLA SICILIA SPA)	(a)
					0.01			0.01	PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	(a)
					0.01			0.01	PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	(a)
					0.02			0.02	SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) SPA	(a)
					0.01			0.01	UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	(a)
					0.01			0.01	UNICREDIT FACTORING SPA	(a)
					0.01			0.01	UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI (NOW UNICREDIT BUSINESS INTEGRATED SOLUTIONS SOCIETÀ CONSORTILE PER AZIONI)	(a)
					0.01			0.01	UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	(a)
				99.88			99.88		UNICREDIT SPA	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (Continued)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
UNICREDIT AURORA LEASING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT AUTO LEASING EOOD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING AD	(a)
UNICREDIT BANK A.D. BANJA LUKA	BANJA LUKA	BOSNIA AND HERCEGOVINA	92.92		92.92	92.92		92.92	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT BANK AG	MUNICH	GERMANY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNICREDIT BANK AUSTRIA AG ***	VIENNA	AUSTRIA	99.99	99.99		99.99	99.99		UNICREDIT SPA	(a)
UNICREDIT BANK CZECH REPUBLIC AS	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT BANK D.D.	MOSTAR	BOSNIA AND HERCEGOVINA	93.33		24.40	93.26		24.29	UNICREDIT BANK AUSTRIA AG	(a)
				3.27			3.28		UNICREDIT SPA	(a)
					65.59			65.69	ZAGREBACKA BANKA D.D.	(a)
					0.07			0	UNICREDIT BANK D.D.	(a*)
UNICREDIT BANK HUNGARY ZRT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT BANK IRELAND PLC	DUBLIN	IRELAND	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNICREDIT BANK OJSC	BISHKEK	KIRGHIZISTAN	97.14		97.14	97.14		97.14	JSC ATF BANK	(a)
UNICREDIT BANK SERBIA JSC	BEOGRAD	SERBIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT BANK SLOVAKIA A.S.	BRATISLAVA	SLOVAKIA	99.03		99.03	99.03		99.03	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT BANKA SLOVENIJA DD	LJUBLJANA	SLOVENIA	99.99		99.99	99.99		99.99	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT BETEILIGUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
UNICREDIT BPC MORTGAGE SRL	VERONA	ITALY	60.00	60.00		60.00	60.00		UNICREDIT SPA	(a)
UNICREDIT BROKER DOO SARAJEVO ZA BROKERSKE POSLOVE U OSIGURANJU	SARAJEVO	BOSNIA AND HERCEGOVINA	100.00		100.00	100.00		100.00	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	(a)
UNICREDIT BROKER SRO	BRATISLAVA	SLOVAKIA	100.00		19.68	100.00		19.68	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	(a)
					80.32			80.32	UNICREDIT LEASING SLOVAKIA AS	(a)
UNICREDIT BULBANK AD	SOFIA	BULGARIA	96.47		96.46	96.47		96.46	UNICREDIT BANK AUSTRIA AG	(a)
				0.01			0.01		UNICREDIT SPA	(a)
UNICREDIT BUSINESS PARTNER GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	(a)
UNICREDIT BUSINESS PARTNER SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	(a)
UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	COLOGNO MONZESE (MILAN)	ITALY	99.99		...	99.99		...	FINECOBANK SPA	(a)
					...			...	PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	(a)
					...			...	PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	(a)
					...			...	SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) SPA	(a)
					...			...	UNICREDIT BANK AG	(a)
					...			...	UNICREDIT FACTORING SPA	(a)
					...			...	UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	(a)
				99.98			99.98		UNICREDIT SPA	(a)
					...			...	UNIMANAGEMENT SCRL (FORMERLY UNIMANAGEMENT SRL)	(a)
UNICREDIT CAIB SECURITIES ROMANIA SA	BUCHAREST	ROMANIA	100.00		80.02	100.00		80.02	BA-CA MARKETS & INVESTMENT BETEILIGUNG GES.MBH	(a)
					19.98			19.98	UNICREDIT TIRIAC BANK SA	(a)
UNICREDIT CAIB CZECH REPUBLIC A.S.	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT CAIB HUNGARY LTD	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT CAIB INTERNATIONAL SP.ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	UNICREDIT CAIB POLAND SA	(a)
UNICREDIT CAIB POLAND SA	WARSAW	POLAND	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT CAIB ROMANIA SRL	BUCHAREST	ROMANIA	100.00		99.99	100.00		99.99	UNICREDIT BANK AUSTRIA AG	(a)
					0.01			0.01	UNICREDIT CAIB SLOVAKIA A.S.	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
UNICREDIT CAIB SECURITIES UK LTD	LONDON	UNITED KINGDOM	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
UNICREDIT CAIB SERBIA LTD. BELGRADE	BEOGRAD	SERBIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT CAIB SLOVAKIA A.S.	BRATISLAVA	SLOVAKIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT CAIB SLOVENIJA, D.O.O.	LJUBLJANA	SLOVENIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT CAPITAL MARKETS LLC	NEW YORK	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT U.S. FINANCE LLC	(a)
UNICREDIT CONSUMER FINANCING AD	SOFIA	BULGARIA	100.00		49.90	100.00		49.90	UNICREDIT BULBANK AD	(a)
				50.10			50.10		UNICREDIT SPA	(a)
UNICREDIT CONSUMER FINANCING IFN SA	BUCHAREST	ROMANIA	100.00	53.94		100.00	53.94		UNICREDIT SPA	(a)
					46.06			46.06	UNICREDIT TIRIAC BANK SA	(a)
UNICREDIT CREDIT MANAGEMENT BANK SPA	VERONA	ITALY	100.00		2.19	100.00		0.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a*)
				97.81			100.00		UNICREDIT SPA	(a)
UNICREDIT CREDIT MANAGEMENT IMMOBILIARE SPA	VERONA	ITALY	100.00		100.00	100.00		100.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(a)
UNICREDIT DELAWARE INC	DOVER	U.S.A.	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNICREDIT DIRECT SERVICES GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
UNICREDIT FACTORING EAD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	UNICREDIT BULBANK AD	(a)
UNICREDIT FACTORING SPA	MILAN	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNICREDIT FLEET MANAGEMENT SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING CZ, AS	(a)
UNICREDIT FLEET MANAGEMENT SRO	BRATISLAVA	SLOVAKIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SLOVAKIA AS	(a)
UNICREDIT FUGGETLEN BIZTOSITASKOZVETITO KFT	BUDAPEST	HUNGARY	100.00		25.20	100.00		25.20	UNICREDIT BANK HUNGARY ZRT	(a)
					74.80			74.80	UNICREDIT LEASING KFT	(a)
UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	EUROLEASE RAMSES IMMOBILIEN LEASING GESELLSCHAFT MBH	(a)
UNICREDIT GLOBAL BUSINESS SERVICES GMBH (EX AB IMMOBILIENVERWALTUNGS-GMBH)	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI (ORA UNICREDIT BUSINESS INTEGRATED SOLUTIONS SOCIETÀ CONSORTILE PER AZIONI)	MILAN	ITALY	99.99		...	99.99		...	FAMILY CREDIT NETWORK SPA	(a)
					...			...	FINECOBANK SPA	(a)
					...			...	PIONEER ALTERNATIVE INVESTMENT MANAGEMENT SGR PA	(a)
					...			...	PIONEER INVESTMENT MANAGEMENT SOC. DI GESTIONE DEL RISPARMIO PER AZ	(a)
					...			...	SOFIPA SOCIETÀ DI GESTIONE DEL RISPARMIO (SGR) SPA	(a)
					...			...	UNICREDIT AUDIT SOCIETÀ CONSORTILE PER AZIONI	(a)
					...			...	UNICREDIT BANK AG	(a)
					...			...	UNICREDIT BUSINESS PARTNER SOCIETÀ CONSORTILE PER AZIONI	(a)
					...			...	UNICREDIT FACTORING SPA	(a)
					...			...	UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	(a)
				99.98			99.98		UNICREDIT SPA	(a)
					...			...	UNIMANAGEMENT SCRL (FORMERLY UNIMANAGEMENT SRL)	(a)
UNICREDIT GLOBAL LEASING EXPORT GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT GLOBAL LEASING PARTICIPATION MANAGEMENT GMBH	(a)
UNICREDIT GLOBAL LEASING PARTICIPATION MANAGEMENT GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT INGATLANLIZING ZRT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT INSURANCE BROKER EOOD	SOFIA	BULGARIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING AD	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
UNICREDIT INSURANCE BROKER SRL	BUCHAREST	ROMANIA	99.80		99.80	99.80		99.80	BA-CA LEASING VERSICHERUNGSSERVICE GMBH	(a)
UNICREDIT INTERNATIONAL BANK (LUXEMBOURG) SA	LUXEMBOURG	LUXEMBOURG	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNICREDIT JELZALOGBANK ZRT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT BANK HUNGARY ZRT	(a)
UNICREDIT KFZ LEASING GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
UNICREDIT LEASING (AUSTRIA) GMBH	VIENNA	AUSTRIA	99.98		99.98	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING AD	SOFIA	BULGARIA	100.00		24.37	100.00		24.37	UNICREDIT BULBANK AD	(a)
					75.63			75.63	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING AVIATION GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT LEASING GMBH	(a)
UNICREDIT LEASING BAUTRAGER GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT LEASING CORPORATION IFN SA	BUCHAREST	ROMANIA	100.00		80.00	100.00		80.00	UNICREDIT LEASING SPA	(a)
					20.00			20.00	UNICREDIT TIRIAC BANK SA	(a)
UNICREDIT LEASING CROATIA DOO ZA LEASING	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING CZ, AS	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING DOO	SARAJEVO	BOSNIA AND HERCEGOVINA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING FINANCE GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT LEASING GMBH	(a)
UNICREDIT LEASING FLEET MANAGEMENT SRL	BUCHAREST	ROMANIA	100.00		10.00	100.00		10.00	UNICREDIT GLOBAL LEASING FORMERLYPORT GMBH	(a)
					90.00			90.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING FUHRPARKMANAGEMENT GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT LEASING GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
UNICREDIT LEASING HUNGARY ZRT	BUDAPEST	HUNGARY	100.00		5.00	100.00		5.00	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT MBH	(a)
					95.00			95.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT LEASING IMMOTRUCK ZRT	BUDAPEST	HUNGARY	100.00		28.56	100.00		28.56	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT MBH	(a)
					71.44			71.44	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT LEASING KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING LUNA KFT	BUDAPEST	HUNGARY	80.00		80.00	80.00		80.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING MARS KFT	BUDAPEST	HUNGARY	80.00		80.00	80.00		80.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING REAL ESTATE SRO	BRATISLAVA	SLOVAKIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING ROMANIA SA	BUCHAREST	ROMANIA	100.00		99.99	100.00		99.99	UNICREDIT LEASING SPA	(a)
					0.01			0.01	UNICREDIT TIRIAC BANK SA	(a)
UNICREDIT LEASING SPA	BOLOGNA	ITALY	100.00		31.01	100.00		31.01	UNICREDIT BANK AUSTRIA AG	(a)
				68.99			68.99		UNICREDIT SPA	(a)
UNICREDIT LEASING SLOVAKIA AS	BRATISLAVA	SLOVAKIA	100.00		19.90	100.00		19.90	UNICREDIT BANK SLOVAKIA A.S.	(a)
					8.80			8.80	UNICREDIT LEASING CZ, AS	(a)
					71.30			71.30	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING SRBIJA DOO BEOGRAD	BEOGRAD	SERBIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING TECHNIKUM GMBH (EX HPL LIEGENSCHAFTSENTWICKLUNGS GMBH)	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	LF BETEILIGUNGEN GMBH	(a)
UNICREDIT LEASING TOB	KIEV	UKRAINE	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING URANUS KFT	BUDAPEST	HUNGARY	80.00		80.00	80.00		80.00	UNICREDIT LEASING SPA	(a)
UNICREDIT LEASING VERSICHERUNGSSERVICE GMBH & CO KG	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT LEASING, LEASING, DOO	LJUBLJANA	SLOVENIA	100.00		1.79	100.00		1.79	UNICREDIT BANKA SLOVENIJA DD	(a)
					98.21			98.21	UNICREDIT LEASING SPA	(a)
UNICREDIT LOGISTICS SRL	VERONA	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
UNICREDIT LONDON INVESTMENTS LIMITED	LONDON	UNITED KINGDOM	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
UNICREDIT LUNA LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT LUXEMBOURG FINANCE SA	LUXEMBOURG	LUXEMBOURG	100.00		100.00	100.00		100.00	UNICREDIT INTERNATIONAL BANK (LUXEMBOURG) SA	(a)
UNICREDIT LUXEMBOURG SA	LUXEMBOURG	LUXEMBOURG	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
UNICREDIT MERCHANT SPA	ROME	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNICREDIT MOBILIEN LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
UNICREDIT PARTNER DOO	ZAGREB	CROATIA	100.00		20.00	100.00		20.00	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	(a)
					80.00			80.00	UNICREDIT LEASING CROATIA DOO ZA LEASING	(a)
UNICREDIT PARTNER DOO BEOGRAD	BEOGRAD	SERBIA	100.00		100.00	100.00		100.00	BA-CA LEASING VERSICHERUNGSSERVICE GMBH	(a)
UNICREDIT PARTNER LLC	KIEV	UKRAINE	100.00		100.00	100.00		100.00	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	(a)
UNICREDIT PEGASUS LEASING GMBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	CALG IMMOBILIEN LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT POIJIST'OVACI MAKLERSKA SPOL. SRO	PRAHA	CZECH REPUBLIC	100.00		100.00	100.00		100.00	UNICREDIT LEASING CZ, AS	(a)
UNICREDIT POLARIS LEASING GMBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT REAL ESTATE SOCIETÀ CONSORTILE PER AZIONI	GENOVA	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNICREDIT RENT DOO BEOGRAD	BEOGRAD	SERBIA	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT SECURITIES INTERNATIONAL LIMITED	NICOSIA	CYPRUS	100.00		100.00	100.00		100.00	AI BETEILIGUNGS GMBH	(a)
UNICREDIT TECHRENT LEASING GMBH	VIENNA	AUSTRIA	100.00		99.00	100.00		99.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					1.00			1.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
UNICREDIT TIRIAC BANK SA	BUCHAREST	ROMANIA	50.61		0.01	50.61		0.01	ARNO GRUNDSTUCKSVERWALTUNGS GESELLSCHAFT MBH	(a)
					0.01			0.01	BANK AUSTRIA-CEE BETEILIGUNGS GMBH	(a)
					0.01			0.01	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					50.57			50.57	UNICREDIT BANK AUSTRIA AG	(a)
					0.01			0.01	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
					...			...	UNICREDIT LEASING ROMANIA SA	(a)
UNICREDIT TURN-AROUND MANAGEMENT CEE GMBH (EX UNICREDIT TURN-AROUND MANAGEMENT GMBH)	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT TURN-AROUND MANAGEMENT GMBH	(a)
UNICREDIT TURN-AROUND MANAGEMENT GMBH (EX INDUSTRIE-IMMOBILIEN-VERWALTUNG GESELLSCHAFT MBH)	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNICREDIT U.S. FINANCE LLC	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
UNICREDIT ZAVAROVALNO ZASTOPINSKA DRUZBA DOO	LJUBLJANA	SLOVENIA	100.00		100.00	100.00		100.00	UNICREDIT GLOBAL LEASING VERSICHERUNGSSERVICE GMBH	(a)
UNICREDIT ZEGA LEASING-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
UNICREDIT-LEASING HOMONNA INGATLNHASZNOSITO KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT-LEASING HOSPES KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT-LEASING MIDAS INGATLANHASZNOSITO KARLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
UNICREDIT-LEASING NEPTUNUS KFT	BUDAPEST	HUNGARY	96.35		96.35	96.35		96.35	UNICREDIT LEASING SPA	(a)
UNICREDIT-LEASING ORION INGATLANHASZNOSITO KORLATOLT FELELOSSEGU TARSASAG	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDIT-LEASING SATURNUS KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNICREDIT LEASING SPA	(a)
UNICREDITO ITALIANO CAPITAL TRUST III	NEWARK	U.S.A.	100.00		100.00	100.00		100.00	UNICREDITO ITALIANO FUNDING LLC III	(a)
UNICREDITO ITALIANO CAPITAL TRUST IV	NEWARK	U.S.A.	100.00		100.00	100.00		100.00	UNICREDITO ITALIANO FUNDING LLC IV	(a)
UNICREDITO ITALIANO FUNDING LLC III	DELAWARE	U.S.A.	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNICREDITO ITALIANO FUNDING LLC IV	DELAWARE	U.S.A.	100.00	100.00		100.00	100.00		UNICREDIT SPA	(a)
UNIMANAGEMENT SCRL (EX UNIMANAGEMENT SRL)	TURIN	ITALY	100.00		0.01	100.00		0.01	UNICREDIT GLOBAL INFORMATION SERVICES SOCIETA CONSORTILE PER AZIONI (NOW UNICREDIT BUSINESS INTEGRATED SOLUTIONS SOCIETÀ CONSORTILE PER AZIONI)	(a)
				99.99			99.99		UNICREDIT SPA	(a)
UNITAS WOHNBAU GES.MBH	VIENNA	AUSTRIA	49.00		49.00	49.00		49.00	BANK AUSTRIA WOHNBAUBANK AG	(a)
UNIVERSALE INTERNATIONAL POLAND SP.ZOO	WARSAW	POLAND	100.00		100.00	100.00		100.00	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	(a)
UNIVERSALE INTERNATIONAL PROJEKTSZERVEZESI KFT	BUDAPEST	HUNGARY	100.00		100.00	100.00		100.00	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	(a)
UNIVERSALE INTERNATIONAL REALITAETEN GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
UNO-EINKAUFSZENTRUM-VERMIETUNGSGESELLSCHAFT MBH	LEONDING	AUSTRIA	100.00		100.00	100.00		100.00	UNO-EINKAUFSZENTRUM-VERWALTUNGSGESELLSCHAFT MBH	(a)
UNO-EINKAUFSZENTRUM-VERWALTUNGSGESELLSCHAFT MBH	LEONDING	AUSTRIA	100.00		100.00	100.00		100.00	TREUCONSULT BETEILIGUNGSGESELLSCHAFT MBH	(a)
US PROPERTY INVESTMENTS INC	DALLAS	U.S.A.	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
US RETAIL INCOME FUND VII, LP	WILMINGTON	U.S.A.	26.26		25.75	26.26		25.75	KELLER CROSSING LP	(a)
					0.51			0.51	VUWB INVESTMENTS INC	(a)
US RETAIL INCOME FUND VIII-D LP	WILMINGTON	U.S.A.	50.00		50.00	50.00		50.00	VUWB INVESTMENTS INC	(a)
V. QUATTRO SPA	VENICE	ITALY	100.00	100.00		100.00	100.00		UNICREDIT SPA	(b)
V.A. HOLDING GMBH	VIENNA	AUSTRIA	44.57		44.57	44.57		44.57	EK MITTELSTANDSFINANZIERUNGS AG	(a)
V.M.G. VERMIETUNGSGESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
VAL. MAR. SRL IN LIQUIDATION	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
VANDERBILT CAPITAL ADVISORS LLC	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	PIONEER INSTITUTIONAL ASSET MANAGEMENT INC	(a)
VAPE COMMUNA LEASINGGESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		74.80	100.00		75.00	BETEILIGUNGSVERWALTUNGSGESELLSCHAFT DER BANK AUSTRIA CREDITANSTALT LEASING GMBH	(a)
					25.00			25.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
VBII INDUSTRIE UND IMMOBILIEN GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	M.A.I.L. FINANZBERATUNG GESELLSCHAFT MBH	(a)
VBV-BETRIEBLICHE ALTERSVORSORGE AG	VIENNA	AUSTRIA	13.48		13.48	13.48		13.48	UNICREDIT BANK AUSTRIA AG	(a)
VBW BAUEN UND WOHNEN GMBH	BOCHUM	GERMANY	10.06		10.06	10.06		10.06	UNICREDIT BANK AG	(a)
VCI VOLTA CENTER IMMOBILIENVERWALTUNGS GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	HVB PROJEKT GMBH	(a)
VENETO SVILUPPO SPA	VENICE	ITALY	15.30	15.30		15.30	15.30		UNICREDIT SPA	(a)
VERBA VERWALTUNGSGESELLSCHAFT MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
VEREINWEST OVERSEAS FINANCE (JERSEY) LIMITED	ST. HELIER	JERSEY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
VERWALTUNGSGESELLSCHAFT KATHARINENHOF MBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
VIENNA DC BAUTRAEGER GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	WED WIENER ENTWICKLUNGSGESELLSCHAFT FUER DEN DONAURAUM AKTIENGESELLSCHAFT	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY TOTAL	DIRECT	INDIRECT	% OF VOTING RIGHT TOTAL	DIRECT	INDIRECT	PARENT COMPANY	TYPE OF OWNERSHIP
VIENNA DC BUROVERMIETUNG UND VERANSTALTUNGEN GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	WED DONAU- CITY GESELLSCHAFT M.B.H.	(a)
VIENNA DC TOWER 1 LIEGENSCHAFTSBESITZ GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	WED DONAU- CITY GESELLSCHAFT M.B.H.	(a)
VIENNA DC TOWER 2 LIEGENSCHAFTSBESITZ GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	WED DONAU- CITY GESELLSCHAFT M.B.H.	(a)
VIENNA DC TOWER 3 LIEGENSCHAFTSBESITZ GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	WED DONAU- CITY GESELLSCHAFT M.B.H.	(a)
VILLINO PACELLI SRL	ROME	ITALY	100.00		100.00	100.00		100.00	IMMOBILIARE PATETTA SRL	(a)
VINALCOOL SPA	ELMAS	ITALY	80.17	80.17		80.17	80.17		UNICREDIT SPA	(b)
VINTNERS LONDON INVESTMENTS (NILE) LIMITED	GEORGE TOWN	CAYMAN ISLAND	100.00		100.00	100.00		100.00	HVB INVESTMENTS (UK) LIMITED	(a)
VIRGINIA SRL	MODENA	ITALY	58.94	58.94		58.94	58.94		UNICREDIT SPA	(b)
VUWB INVESTMENTS INC.	ATLANTA	U.S.A.	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
VV IMMOBILIEN GMBH & CO. GB KG	DUSSELDORF	GERMANY	13.64		13.64	13.64		13.64	UNICREDIT BANK AG	(a)
VWP FACILITY MANAGEMENT GESELLSCHAFT MBH	GOTZIS	AUSTRIA	100.00		100.00	100.00		100.00	BANK AUSTRIA REAL INVEST GMBH	(a)
WCG-NSL HOLDING LLC	NEW YORK	U.S.A.	22.14		22.14	0.00		0.00	UNICREDIT U.S. FINANCE LLC	(a)
WCREM CANADIAN INVESTMENTS INC.	TORONTO	CANADA	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
WCREM CANADIAN MANAGEMENT INC.	TORONTO	CANADA	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
WEALTH CAPITAL INVESTMENT INC.	WILMINGTON	U.S.A.	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
WEALTH CAPITAL MANAGEMENT INC.	NEW CASTLE	U.S.A.	100.00		100.00	100.00		100.00	WEALTH CAPITAL INVESTMENT INC	(a)
WEALTH MANAGEMENT CAPITAL HOLDING GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	UNICREDIT BANK AG	(a)
WEALTHCAP EUROPA IMMOBILIEN FUNFTE OBHEKTE OSTERREICH KOMPLEMENTAR GMBH (EX WEALTHCAP US LIFE DRITTE MANAGEMENT GMBH)	GRUNWALD	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
WEALTHCAP EUROPA IMMOBILIEN SIEBTE OBJEKTE TERREICH KOMPLEMENT GMBH (EX H.F.S. IMMOBILIENFONDS EUROPA 1 BETEILIGUNGS GMBH)	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
WEALTHCAP FLUGZEUG PORTFOLIO 25 GMBH & CO. KG (EX WEALTHCAP AIRCRAFT 25 GMBH & CO. KG)	GRUNWALD	GERMANY	100.00		100.00	100.00		50.00	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			50.00	WEALTHCAP PEIA KOMPLEMENTAR GMBH	(a)
WEALTHCAP FONDS GMBH (EX BLUE CAPITAL FONDS GMBH)	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP INITIATOREN GMBH	(a)
WEALTHCAP GEOTHERMIE 1 GMBH & CO. KG	GRUNWALD	GERMANY	100.00		100.00	100.00		50.00	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			50.00	WEALTHCAP PEIA KOMPLEMENTAR GMBH	(a)
WEALTHCAP IMMOBILIENFONDS DEUTSCHLAND 34 GMBH & CO. KG	MUNICH	GERMANY	50.00		1.00	75.00		25.00	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			25.00	WEALTHCAP REAL ESTATE KOMPLEMENTAR GMBH	(a)
					49.00			25.00	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
WEALTHCAP IMMOBILIENFONDS DEUTSCHLAND 35 GMBH & CO. KG	MUNICH	GERMANY	50.00		1.00	75.00		25.00	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			25.00	WEALTHCAP REAL ESTATE KOMPLEMENTAR GMBH	(a)
					49.00			25.00	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
WEALTHCAP IMMOBILIENFONDS EUROPA 11 GMBH & CO. KG	MUNICH	GERMANY	100.00		2.00	99.99		33.33	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			33.33	WEALTHCAP REAL ESTATE KOMPLEMENTAR GMBH	(a)
					98.00			33.33	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
WEALTHCAP IMMOBILIENFONDS USA 14 GMBH & CO. KG	MUNICH	GERMANY	100.00		2.00	99.99		33.33	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			33.33	WEALTHCAP REAL ESTATE KOMPLEMENTAR GMBH	(a)
					98.00			33.33	WEALTHCAP REAL ESTATE MANAGEMENT GMBH	(a)
WEALTHCAP INITIATOREN GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	(a)
WEALTHCAP INVESTORENBETREUUNG GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
WEALTHCAP LEBENSWERT 3 GMBH & CO. KG	GRUNWALD	GERMANY	100.00		100.00	100.00		50.00	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			50.00	WEALTHCAP PEIA KOMPLEMENTAR GMBH	(a)
WEALTHCAP PEIA KOMPLEMENTAR GMBH	GRUNWALD	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
WEALTHCAP PEIA MANAGEMENT GMBH	MUNICH	GERMANY	100.00		6.00	100.00		6.00	UNICREDIT BANK AG	(a)
					94.00			94.00	WEALTH MANAGEMENT CAPITAL HOLDING GMBH	(a)
WEALTHCAP PEIA SEKUNDAR GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP PEIA MANAGEMENT GMBH	(a)
WEALTHCAP PHOTOVOLTAIK 2 GMBH & CO. KG	GRUNWALD	GERMANY	100.00		100.00	100.00		50.00	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			50.00	WEALTHCAP PEIA KOMPLEMENTAR GMBH	(a)
WEALTHCAP PHOTOVOLTAIK 3 GMBH & CO. KG	GRUNWALD	GERMANY	100.00		100.00	100.00		50.00	WEALTHCAP INVESTORENBETREUUNG GMBH	(a)
					0			50.00	WEALTHCAP PEIA KOMPLEMENTAR GMBH	(a)
WEALTHCAP PRIVATE EQUITY GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	BLUE CAPITAL EQUITY GMBH (NOW WEALTHCAP EQUITY GMBH)	(a)
WEALTHCAP PRIVATE EQUITY SEKUNDAR GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	BLUE CAPITAL EQUITY GMBH (NOW WEALTHCAP EQUITY GMBH)	(a)
WEALTHCAP REAL ESTATE KOMPLEMENTAR GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
WEALTHCAP REAL ESTATE MANAGEMENT GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
WEALTHCAP REAL ESTATE SEKUNDAR GMBH	MUNICH	GERMANY	100.00		100.00	100.00		100.00	H.F.S. HYPO-FONDSBETEILIGUNGEN FUR SACHWERTE GMBH	(a)
WEALTHCAP STIFTUNGSTREUHAND GMBH	HAMBURG	GERMANY	100.00		100.00	100.00		100.00	WEALTHCAP FONDS GMBH (FORMERLY BLUE CAPITAL FONDS GMBH)	(a)
WED DONAU- CITY GESELLSCHAFT M.B.H.	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	WED WIENER ENTWICKLUNGSGESELLSCHAFT FUER DEN DONAURAUM AKTIENGESELLSCHAFT	(a)
WED HOLDING GESELLSCHAFT MBH	VIENNA	AUSTRIA	48.06		48.06	48.06		48.06	UNICREDIT BANK AUSTRIA AG	(a)
WED WIENER ENTWICKLUNGSGESELLSCHAFT FUER DEN DONAURAUM AKTIENGESELLSCHAFT	VIENNA	AUSTRIA	100.00		38.00	100.00		38.00	UNICREDIT BANK AUSTRIA AG	(a)
					62.00			62.00	WED HOLDING GESELLSCHAFT MBH	(a)
WERTWEISER GMBH	MUNICH	GERMANY	50.00		50.00	50.00		50.00	HVB FORMERLYPERTISE GMBH	(a)
WIEN MITTE IMMOBILIEN GMBH	VIENNA	AUSTRIA	50.00		50.00	50.00		50.00	BA-CA WIEN MITTE HOLDING GMBH	(a)
WIENER KREDITBUERGSCHAFTSGESELLSCHAFT M.B.H.	VIENNA	AUSTRIA	24.49		24.49	24.49		24.49	UNICREDIT BANK AUSTRIA AG	(a)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
WIRTSCHAFTS- UND DIENSTLEISTUNGSPARK STADTGUT STEYR GMBH	STEYR	AUSTRIA	12.43		12.43	12.43		12.43	UNICREDIT BANK AUSTRIA AG	(a)
WIRTSCHAFTSVEREIN DER MITARBEITERINNEN DER UNICREDIT BANK AUSTRIA E GEN.	VIENNA	AUSTRIA	54.66		54.66	54.66		54.66	UNICREDIT BANK AUSTRIA AG	(a)
WOM GRUNDSTUCKSVERWALTUNGS-GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
XELION DORADCY FINANSOWI SP. ZOO	WARSAW	POLAND	100.00		50.00	100.00		50.00	BANK PEKAO SA	(a)
				50.00			50.00		UNICREDIT SPA	(a)
Z LEASING ALFA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
Z LEASING ARKTUR IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
Z LEASING AURIGA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
Z LEASING CORVUS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT MBH	(a)
Z LEASING DORADO IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG GRUNDSTUCKVERWALTUNG GMBH	(a)
Z LEASING DRACO IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
Z LEASING GAMA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
Z LEASING GEMINI IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
Z LEASING HEBE IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GEBAUDELEASING GRUNDSTUCKSVERWALTUNGSGESELLSCHAFT MBH	(a)
Z LEASING HERCULES IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
Z LEASING IPSILON IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT GARAGEN ERRICHTUNG UND VERWERTUNG GMBH	(a)
Z LEASING ITA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
Z LEASING JANUS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
Z LEASING KALLISTO IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
Z LEASING KAPA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
Z LEASING LYRA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	GALA GRUNDSTUCKVERWALTUNG GESELLSCHAFT MBH	(a)
Z LEASING NEREIDE IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
Z LEASING OMEGA IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	CALG DELTA GRUNDSTUCKVERWALTUNG GMBH	(a)
Z LEASING PERSEUS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	BANK AUSTRIA LEASING ARGO IMMOBILIEN LEASING GMBH	(a)
Z LEASING SCORPIUS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
Z LEASING TAURUS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	BA EUROLEASE BETEILIGUNGSGESELLSCHAFT MBH	(a)
Z LEASING VENUS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
Z LEASING VOLANS IMMOBILIEN LEASING GESELLSCHAFT MBH	VIENNA	AUSTRIA	99.80		99.80	100.00		100.00	UNICREDIT LEASING (AUSTRIA) GMBH	(a)
ZAGREB NEKRETNINE DOO	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	ZAGREBACKA BANKA D.D.	(a)
ZAGREBACKA BANKA D.D.	ZAGREB	CROATIA	84.63		84.48	84.48		84.48	UNICREDIT BANK AUSTRIA AG	(a)
					0.15			0	ZAGREBACKA BANKA D.D.	(a*)

Annex 3 - Statement of significant equity investments pursuant to Art. 125 of Consob Regulation n. 11971 dated 14 May 1999 (**) (CONTINUED)

NAME	MAIN OFFICE		% OF PARTICIPATION AT EQUITY			% OF VOTING RIGHT			PARENT COMPANY	TYPE OF OWNERSHIP
			TOTAL	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT		
ZANE BH DOO	SARAJEVO	BOSNIA AND HERCEGOVINA	100.00		100.00	100.00		100.00	ZAGREB NEKRETNINE DOO	(a)
ZAO IMB-REAL ESTATE	MOSCOW	RUSSIA	100.00		100.00	100.00		100.00	ZAO UNICREDIT BANK	(a)
ZAO LOCAT LEASING RUSSIA	MOSCOW	RUSSIA	100.00		100.00	100.00		100.00	OOO UNICREDIT LEASING	(a)
ZAO UNICREDIT BANK	MOSCOW	RUSSIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
ZAPADNI TRGOVACKI CENTAR DOO	RIJEKA	CROATIA	100.00		100.00	100.00		100.00	UNIVERSALE INTERNATIONAL REALITAETEN GMBH	(a)
ZB INVEST DOO	ZAGREB	CROATIA	100.00		100.00	100.00		100.00	ZAGREBACKA BANKA DD	(a)
ZETA FUENF HANDELS GMBH	VIENNA	AUSTRIA	100.00		100.00	100.00		100.00	UNICREDIT BANK AUSTRIA AG	(a)
ZUGLIA SRL IN LIQUIDATION	VICENZA	ITALY	100.00		100.00	100.00		100.00	UNICREDIT CREDIT MANAGEMENT BANK SPA	(b)

(a) Investments, banking and trading book. (*) No voting right ex lege.

(b) Pledge.

(**) Some Companies, listed in the consolidation area of the Note to the Consolidated Accounts (Type of ownership 4 and note n. 3: fully consolidated companies pursuant to SIC 12) are not included in the list since the Group does not hold a significant stake.

(***) A portion of these shares is given as collateral for financial exposures towards subsidiaries.

Definition of Terms and Acronyms

ABCP Conduits - Asset Backed Commercial Paper Conduits
Asset Backed Commercial Paper Conduits are a type of "SPV - Special Purpose Vehicle" (q.v.) set up to securitize various types of assets and financed by Commercial Paper (q.v.).
Commercial Paper generally matures in 270 days, with payment of principal and interest depending on the cash flow generated by the underlying assets.
ABCP Conduits may be single-sellers or multi-sellers according to the number of issues they make. Conduits generally require several SPVs. The first-level vehicles issue the Commercial Paper and finance one or more second-level vehicles or Purchase Companies (q.v.) which purchase the assets to be securitized.
An ABCP Conduit will have the following:
- issues of short-term paper creating a maturity mismatch between the assets held and the paper issued;
- liquidity lines covering the maturity mismatch; and
- security covering default risk in respect of both specific assets and the entire program.

ABS - Asset Backed Securities
Debt securities, generally issued by a "SPV - Special Purpose Vehicle" (q.v.) guaranteed by assets of various types such as mortgage loans, consumer credits, credit card receivables, etc. Principal and interest payments are subject to the performance of the securitized assets and the existence of any further security guaranteeing the bond. ABSs are divided into tranches (senior, mezzanine and junior) according to the priority with which principal and interest will be paid.

Absorbed capital
Absorbed capital is the capital required to cover business risks. It is the higher between the regulatory capital (which is obtained by multiplying risk-weighted assets by the target core tier 1 ratio) and the internal capital, which represents the total amount of capital the entire Group sets aside as a buffer against potential losses and needs to support its business activities and all positions held. Internal capital is the sum of the aggregated economic capital and a cushion that considers the effects of the cycle and model risk.

Acquisition Finance
Finance for business acquisition operations. The most common form of Acquisition Finance is the leveraged buy-out (see Leveraged Finance).

Affluent
Banking customer segment whose available assets for investment are regarded as moderate to high.

ALM - Asset & Liability Management
Integrated management of assets and liabilities, designed to allocate resources in such a manner as to optimize the risk/return ratio.

ALT-A (residential mortgages)
Mortgages whose borrowers, while not subject to the significant repayment problems of those described as Subprime (q.v.), have a risk profile with high loan-to-value and installment-to-income ratios or incomplete documentation of the debtor's income.

Alternative investment
Alternative investments cover a wide range of forms of investment, including investments in Private Equity (q.v.) and Hedge Funds (q.v.).

Asset allocation
Decisions to invest in markets, geographical areas, sectors or products.

Asset management
Activities of management of the financial investments of third parties.

ATM - Automated Teller Machine
Automated machine that allows customers to carry out operations such as withdrawing cash, paying in cash or checks, requesting account information, paying utility bills, topping up mobile phone credits, etc.
The customer activates the terminal by inserting a smart card and entering his/her Personal Identification Number.

Audit
Process of controlling a company's activities and accounting, carried out either by an internal body (internal audit) or by an external firm of auditors (external audit).

Banking book
Used in relation to financial instruments, particularly securities, this term identifies the portion of such portfolios intended for "proprietary" activities.

Definition of Terms and Acronyms (Continued)

Basilea 2
New international capital agreement redefining the guidelines for determining the minimum capital requirements for banks.
The new prudential regulations, which came into force in Italy in 2008, are based on three pillars.
- **Pillar 1:** while the objective of a level of capitalization equivalent to 8% of the risk-weighted exposures remains unchanged, a new set of rules has been defined for measuring the typical risks associated with banking and financial activities (credit risk, counterparty risk, market risk and operating risk) which provides for alternative calculation methods characterized by different levels of complexity, with the ability to use internally developed models subject to prior authorization by the Regulatory Authority;
- **Pillar 2:** this requires the banks to have processes and tools for determining the adequate level of total internal capital (Internal Capital Adequacy Assessment Process - ICAAP) for covering all types of risk, including risks other than those covered by the overall capital requirement (Pillar 1), within the framework of an evaluation of current and future exposure that takes account of strategies and of changes in the reference context. It is the Regulatory Authority's task to examine the ICAAP process, formulate an overall judgment and, where necessary, apply the appropriate corrective measures;
- **Pillar 3:** this introduces obligations to publish information concerning capital adequacy, exposure to risks, and the general characteristics of the systems used for identifying, measuring and managing those risks.

Best practice
Behavior commensurate with the most significant experience and/or the best level of knowledge achieved in relation to a given technical or professional field.

Budget
Statement forecasting the future costs and revenues of a business.

CBO - Collateralized Bond Obligations

CDO - Collateralized Debt Obligations (q.v.) with bonds as underlyings.

CCF - Credit Conversion Factor
Ratio between (a) the unused portion of the line of credit that it is estimated may be used in the event of default and (b) the portion currently unused.

CDO - Collateralized Debt Obligations
Bonds issued by a vehicle with loans, bonds, ABS - Asset Backed Securities (q.v.) or other CDOs as underlyings. CDOs make it possible to derecognize assets in the bank's balance sheet and also to arbitrage the differences in yield between the securitized assets and the bonds issued by the vehicle. CDOs may be funded if the vehicle legally acquires title to the assets or unfunded if the vehicle acquires the underlying risk by means of a CDS - Credit Default Swap (q.v.) or similar security.
These bonds may be further subdivided as follows:
- **CDOs of ABSs**, which in turn have tranches of ABSs as underlyings;
- **Commercial Real Estate CDOs (CRE CDOs),** with commercial property loans as underlyings;
- **Balance Sheet CDOs** which enable the Originator (q.v.), usually a bank, to transfer its credit risk to outside investors, and, where possible under local law and supervisory regulations, to derecognize the assets from its balance sheet;
- **Market Value CDOs** whereby payments of interest and principal are made not only out of cash flow from the underlying assets, but also by trading the instruments. The performance of the notes issued by the vehicle thus depends not only on the credit risk, but also on the market value of the underlyings;
- **Preferred Stock CDOs** with hybrid debt/equity instruments or Preference shares (q.v.) issued by financial institutions;
- **Synthetic Arbitrage CDOs** which arbitrage the differences in yield between the securitized assets acquired synthetically by means of derivatives and the bonds issued by the vehicle.

CDS - Credit Default Swap
A derivative in which a seller of protection engages, for a fee, to pay the buyer of protection a fixed amount should a certain event indicating a deterioration of the creditworthiness of a reference entity occur.

CGU - Cash Generating Unit
A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

CLO - Collateralized Loan Obligations
CDO - Collateralized Debt Obligations (q.v.) with loans made by authorized lenders such as commercial banks as underlyings.

CMBS - Commercial Mortgage Backed Securities
ABS - Asset Backed Securities (q.v.) with commercial mortgages as underlyings.

Commercial Paper
Short-term securities issued to raise funds from third-party subscribers as an alternative to other forms of debt.

Consumer ABS
ABS (q.v.) in which the collateral consists of consumer credits.

Core Tier 1 Capital
Tier 1 Capital (q.v.), net of hybrid instruments. It is the bank's tangible capital.

Core Tier 1 Capital Ratio
Indicates ratio between the bank's Core Tier 1 Capital and its risk-weighted assets (see the Glossary entry "RWA").

Corporate
Customer segment consisting of medium to large businesses.

Cost/Income Ratio
The ratio between operating expenses and operating income. It is one of the main key performance indicators of the bank's efficiency: the lower the ratio, the more efficient the bank.

Cost of risk
The ratio between loan loss provisions and loans and receivables with customers. It is one of the indicators of the bank assets' level of risk: the lower the ratio, the less risky the bank assets.

Covenant
A loan agreement clause whereby the lender is entitled to restructure or call in the loan on occurrence of the events specified in the clause, which ties changes in the borrower's profits and financial situation to events of default or restructuring (modifying e.g. the repayment schedule or the interest rate charged).

Covered bond
A bond which, as well as being guaranteed by the issuing bank, may also be covered by a portfolio of mortgages or other high-quality loans transferred, to this end, to a suitable SPV - Special Purpose Vehicle (q.v.).

Credit risk
The risk that an unexpected change in the creditworthiness of a counterparty, the value of the guarantees provided by it or the margins used by it in the event of insolvency might produce an unexpected change in the value of the bank's credit position.

Default
A party's declared inability to honor its debts and/or the payment of the associated interest.

Deteriorated credits
Credits are subjected to periodic examination in order to identify those which, following events occurring after their entry in the accounts (at the market value, normally equal to the disbursed amount including the transaction costs and revenues directly attributable to the provision of the credit), show objective signs of a possible loss of value. This category includes credits that have been classed as bad, doubtful, restructured or overdue, in accordance with the Banca d'Italia rules consistent with IAS/IFRS (q.v.).

Duration
This is generally calculated as the weighted average of the maturities for payment of the interest and capital associated with a bond, and represents an indicator of the interest rate risk to which a security or a bond portfolio is subject.

EAD - Exposure at Default
Relating to the on-balance and off-balance sheet positions, EAD is defined as the estimation of the future value of an exposure at the time of the debtor's default. Only banks that meet the requirements for adopting the IRB - Internal Rating Based (q.v.) advanced approach are allowed to estimate EAD (q.v.). Other banks are required to refer to regulatory estimations.

Definition of Terms and Acronyms (Continued)

Economic capital
Capital level that is required to cover the bank's losses that may occur with at a time horizon of one year and a certain probability or confidence level. Economic Capital is a measure of the variability of the Expected Loss of the portfolio and depends on the degree of diversification of the portfolio itself.

EPS - Earnings Per Share
An indicator of a company's profitability calculated as: Net Profit divided by Average total outstanding shares (excluding treasury shares).

EVA - Economic Value Added
Expresses the ability to create value in monetary terms. EVA is equal to the difference between the Net Operating Profit After Tax NOPAT - Net Operating Profit After Tax (q.v.) and the cost of the invested capital.

Factoring
Contract for the sale without recourse (with credit risk borne by the buyer) or with recourse (with credit risk borne by the seller) of commercial credits to banks or specialist companies, for the purposes of management and collection. May be associated with financing in favor of the seller.

Fair value
The sum for which, in a freely competitive market, an item can be exchanged or a liability extinguished between aware and independent parties.

FINREP
Document issued by the Committee of European Banking Supervisors (CEBS). The Committee gives advice to the European Commission on policy and regulatory issues related to banking supervision; it also promotes cooperation and convergence of supervisory practice across the European Union. The objective of FINREP is to provide guidelines for implementation of the consolidated Financial Reporting framework for supervisory purposes; it is based on International Financial Reporting Standards (IFRSs).

Forwards
Forward contracts on interest rates, exchange rates or share indices, generally traded on "OTC - Over-the-Counter" (q.v.) markets, in which the conditions are fixed when the contract is agreed but execution will take place at a predetermined future date, by means of the collection or payment of differentials calculated with reference to various parameters according to the subject of the contract.

FRA - Forward Rate Agreement
Contract whereby the parties agree to receive (pay) at maturity the difference between the value calculated by applying a predetermined interest rate to the transaction amount and the value obtained on the basis of the level reached by a reference rate preselected by the parties.

FTE - Full Time Equivalent
The number of a company's full-time employees. Part-time employees are considered on a pro-rata temporis basis.

Funding
Provision, in various forms, of the funds necessary to finance business activities or particular financial transactions.

Futures
Standardized contracts whereby the parties undertake to exchange money, transferable securities or goods at a preset price at a future date. These contracts are traded on regulated markets, where their execution is guaranteed.

Goodwill
The additional sum paid for the acquisition of an equity interest, equal to the difference between the cost and the corresponding share of net assets, for the portion not attributable to the identifiable assets of the acquired company.

Hedge Fund
Speculative mutual investment fund adopting hedging techniques which generally are not used by ordinary mutual funds, in order to deliver a constant performance, which is only hardly linked to reference markets. Hedge Funds are distinguished by a limited number of partners and require a high minimum level of investment.

IAS/IFRS
International accounting standards issued by the International Accounting Standard Board (IASB), a private international body established in April 2001, involving representatives of the accounting professions of the principal countries and, as observers, the European Union, IOSCO (International Organization of Securities Commissions) and the Basel Committee. This body is the successor of the International Accounting Standards Committee (IASC), set up in 1973 to promote harmonization of the rules for the preparation of company accounts. When the IASC became the IASB, it was decided, among other things, to name the new accounting principles "International Financial Reporting Standards" (IFRS).
At international level, work is currently underway to harmonize the IAS/IFRS with the US GAAP - United States Generally Accepted Accounting Principles (q.v.).

ICAAP - Internal Capital Adequacy Assessment Process
See "Basel 2 - Pillar 2".

Impairment
Within the framework of the IAS/IFRS (q.v.), this refers to the loss of value of a balance sheet asset, recorded when the balance sheet value is greater than the recoverable value, i.e. the sum that can be obtained by selling or using the asset.

Index linked
Policies whose performance at maturity depends on a benchmark parameter that may be a share index, a basket of securities or another indicator.

Investment banking
Banking segment devoted to the subscription and placement of newly issued securities, as well as the trading of financial instruments.

Investor
Any entity other than the Sponsor (q.v.) or Originator (q.v.) with exposure to a securitization.

IRB - Internal Rating Based
Method for determining the capital needed to cover credit risk within the framework of Pillar 1 of Basel 2 (q.v.). The rules are applied to the exposures of the banking portfolio. Furthermore, in the IRB methods the risk weightings of the assets are determined on the basis of the bank's own internal evaluations of the debtors (or, in some cases, of the transactions). Using systems based on internal ratings, the banks determine the weighted risk exposure. The IRB methods consist of a basic method and an advanced method, which differ in terms of the risk parameters that the bank must estimate: in the basic method, the banks use their own estimates for "PD - Probability of Default" and the regulatory values for the other risk parameters; in the advanced method, the banks use their own estimates for " PD - Probability of Default ", "LGD - Loss Given Default", "CCF - Credit Conversion Factors" and, where provided for, "M - Maturity" (q.v.). The use of IRB methods for the calculation of capital requirements is subject to authorization from Banca d'Italia.

IRS - Interest Rate Swap
See "Swap".

Joint venture
Agreement between two or more companies for the conduct of a given economic activity, usually through the constitution of a joint stock company.

Junior, Mezzanine and Senior exposures
In a securitization transaction, the exposures may be classified as follows:
- **junior** exposures are the last to be repaid, and consequently absorb the first loss produced by the securitization transaction;
- **mezzanine** exposures are those with medium repayment priority, between senior and junior;
- **senior** exposures are the first to be repaid.

Ke
The cost of equity is the minimum return on investment required by the shareholder. It is the sum of a risk-free rate and an additional spread remunerating the shareholder for the credit risk and the volatility of the share price. The cost of capital is based on medium-long term averages of market parameters.

Lead Arranger
The bank responsible for arranging a securitization. The arranger's duties include checking the quality and quantity of the assets to be securitized, conducting relations with rating agencies, drawing up the prospectus and dealing with accounting and legal problems.

Definition of Terms and Acronyms (Continued)

Leasing
Contract whereby one party (the lessor) grants to another party (the lessee) for a given period of time the enjoyment of an asset purchased or built by the lessor at the choice and on the instructions of the lessee, with the latter having the option of acquiring ownership of the asset under predetermined conditions at the end of the leasing contract.

Leveraged Finance
Loans provided mainly to Private Equity funds in order to finance the acquisition of a company through a financial transaction based on the cash flow generation capacity of such target company. This can result in a higher level of debt and therefore a higher level of risk. Leveraged finance may be syndicated.

LGD - Loss Given Default
Expected value (which may be conditional upon adverse scenarios) of the ratio, expressed as a percentage, between the loss giving rise to the default and the amount of exposure at the time of the default ("EAD - Exposure At Default", q.v.).

Liquidity risk
The risk of the company being unable to meet its payment commitments due to the inability to mobilize assets or obtain adequate funding from the market (funding liquidity risk) or due to the difficulty/impossibility of easily liquidating positions in financial assets without significantly and unfavorably affecting the price because of insufficient depth or temporary malfunction of the financial market (market liquidity risk).

Mark-up
Positive differential with respect to a benchmark index, generally an interbank rate, applied to the lending rate offered to customers.

Market risk
The effect that changes in market variables might have on the economic value of the Group's portfolio, where this includes both the assets held in the trading book and those entered in the banking book, or the operations connected with the characteristic management of the commercial bank and its strategic investment choices.

M - Maturity
The average, for a given exposure, of the residual contractual maturities, each weighted for the relevant amount.

Medium Term Note
Bond with a maturity of between 5 and 10 years.

Merchant banking
This term covers activities such as the subscription of securities - shares or debt instruments - by corporate customers for subsequent placement on the market, the taking of more permanent equity interests but always with a view to subsequent disposal, and the conduct of business consultancy activities for the purposes of mergers and acquisitions or restructurings.

Monoline Insurers
Insurance companies that insure only one kind of risk. Against payment of premium they guarantee the repayment of principal and interest of bonds - usually "ABS - Asset Backed Securities" (q.v.) or US municipal bonds - on default by the issuer, which enables the guaranteed bond to obtain a better rating than similar unguaranteed issues.

NOPAT - Net Operating Profit After Tax
Net operating profit remaining after the deduction of taxes.

Operating risk
The risk of losses due to errors, violations, interruptions, damages caused by internal processes, personnel or systems, or by external events. This definition includes legal and compliance risk, but excludes strategic and reputational risk.
For example, operating risks include losses deriving from internal or external fraud, employment contracts and employment protection regulations, customer claims, distribution of products, fines and other sanctions arising from breaches of regulations, damages to the company's assets, interruption of operations, malfunction of systems and the management of processes.

Option
The right, but not the commitment, acquired by the payment of a premium, to buy (call option) or sell (put option) a financial instrument at a given price (strike price) by or at a determined future date (American option / European option).

Originator
The entity that originated the assets to be securitized or acquired them from others.

OTC - Over the counter
Over-the-counter (OTC) trading consists of the exchange of financial instruments such as shares, bonds, derivatives or goods directly between two counterparties. The OTC markets do not have standardized contracts or buying/selling procedures and are not associated with a set of rules (admissions, controls, obligations of information, etc.) like those that govern the official markets.

Overcollateralization
The value of the assets underlying the bonds issued is higher than the amount of the bonds.

Payout ratio
Indicates the percentage of net income that is distributed to shareholders. The percentage distributed is determined mainly on the basis of the company's self-financing needs and the return expected by shareholders.

PD - Probability of Default
Probability of a counterparty entering into a situation of "default" (q.v.) within a time horizon of one year.

Preference shares
Capital instruments that associate forms of remuneration tied to market rates with particularly pronounced subordination conditions, such as non-recovery in subsequent years of the interest not paid by the bank and bearing a share of its losses in the event that these produce a significant reduction in the capital requirements. The regulatory authorities set the conditions under which preference shares may be counted among the core capital of banks and banking groups.

Private banking
Financial services aimed at so-called "high-end" private customers for the global management of financial needs.

Private equity
Investments in the risk capital of companies, generally unlisted but with high growth potential and the ability to generate constant cash flows. Investments in private equity include a wide range of operations that vary according to both the development phase of the company concerned and the investment techniques used. These techniques include closed-end private equity funds.

Purchase Companies
Vehicle used by "ABCP Conduits - Asset Backed Commercial Paper Conduits" (q.v.) to purchase the assets to be securitized and subsequently financed by the Conduit vehicle by means of commercial paper.

RARORAC - Risk Adjusted Return On Risk Adjusted Capital
This is the ratio between EVA - Economic Value Added" (q.v.) and allocated/absorbed capital and represents the value created per each unit of risk taken.

Rating
Evaluation of the quality of a company or its issues of debt securities on the basis of the company's financial soundness and prospects. This evaluation is made either by specialist agencies or by the bank on the basis of internal models.

Retail
Customer segment consisting principally of private individuals, self-employed professionals, traders and artisans.

RMBS - Residential Mortgage Backed Securities
Asset Backed Securities (q.v.) with residential mortgages as underlyings.

RWA - Risk Weighted Assets
On-balance sheet assets and off-balance sheet assets (derivatives and guarantees) classified and weighted by different coefficients referring to risks, following banking rules issued by local Supervisors (i.e. Banca d'Italia, Bafin, etc.), to calculate solvency ratios.

Definition of Terms and Acronyms (Continued)

Securitization
Transfer of a portfolio of assets to a "SPV - Special Purpose Vehicle" (q.v.) and the issue of securities with various levels of seniority to meet any default by the underlying assets.
Securitizations can be:
- **traditional:** method of securitization whereby transfer of the assets is by means of sale of the portfolio to the "SPV - Special Purpose Vehicle" (q.v.);
- **synthetic:** method of securitization whereby the transfer of assets is by means of credit derivatives or similar security enabling the risk of the portfolio to be transferred.

Sensitivity
The greater or lesser degree of sensitivity with which certain assets or liabilities react to changes in rates or other reference parameters.

Sponsor
An entity other than the Originator (q.v.) which sets up and manages an ABCP conduit or other securitization scheme where assets are acquired from a third entity for securitization.

SPV - Special Purpose Vehicles
An entity - partnership, limited company or trust - set up to carry out a set object, such as isolating financial risk or obtaining special regulatory or tax treatment for specific portfolios of financial assets.
SPV's operations are accordingly limited by a set of rules designed for this purpose.
In general SPVs' sponsors (q.v.) do not hold equity in them. The equity is held by other entities in order to ensure that there is no shareholder relationship with the Sponsor (q.v.). SPVs are usually bankruptcy-remote, in that their assets cannot be claimed by the creditors of the sponsor, even if the latter becomes insolvent.

Subprime (Residential Mortgages)
Although Subprime has no univocal definition, this category includes mortgages granted to borrowers who have had repayment difficulties in the past, e.g. delayed installments, insolvency or bankruptcy, or who are more likely to default than the average due to high loan-to-value and installment-to-income ratios.

Swap
A transaction that generally consists of the exchange of financial streams between operators according to different contractual arrangements.
In the case of an interest rate swap (IRS), the counterparties exchange payment streams that may or may not be linked to interest rates, calculated on a notional principal amount (for example, one counterparty pays a stream on the basis of a fixed rate, while the other does so on the basis of a variable rate).
In the case of a currency swap, the counterparties exchange specific amounts in two different currencies, with these amounts being exchanged back in due course according to predefined arrangements that may concern both the capital (notional) and the streams of interest payments.

Tier 1 Capital
The most reliable and liquid part of a bank's capital, as defined by regulatory rules.

Tier 1 Capital Ratio
The percentage of a bank's Tier 1 Capital to its risk weighted assets "RWA - Risk Weighted Assets" (q.v.).

TSR - Total Shareholder Return
Is the full reward, in terms of capital gain and dividends, that a shareholder gets from holding one share.

UCI - Undertaking for Collective Investment
This term includes "UCITS" (q.v.) and other collective investment Funds (real estate collective investment funds, closed-end investment funds).

UCITS - Undertaking for Collective Investment in Transferable Securities
This term covers open-end real estate investment funds, both Italian and foreign, and investment companies with variable capital. The latter are joint stock companies that have the sole purpose of collective investment of the assets gathered through a public offer of their own shares.

US GAAP - United States Generally Accepted Accounting Principles
Accounting principles issued by the FASB (Financial Accounting Statement Board), generally accepted in the USA.

VaR - Value at Risk
A method used for quantifying risk. It measures potential future losses which will not be exceeded within a specified period and with a specified probability.

Vintage
The year of issue of the collateral underlying bonds created by securitization. In the case of subprime mortgages this information is an indicator of the riskiness of the bond, since the practice of granting mortgages to subprime borrowers became significant in the US starting in 2005.

Warehousing
A stage in the preparation of a securitization transaction whereby an "SPV - Special Purpose Vehicle" (q.v.) acquires assets for a certain period of time until it reaches a sufficient quantity to be able to issue an ABS.

Winning awards for green initiatives.

As part of UniCredit's commitment to sustainable development, several hundred of UniCredit Bulbank employees volunteered to participate in the planting of 1,300 shrubs and 1,800 willow branches in Sofia's Vitosha Park. The successful initiative was recognized with an official certificate from the *Help Solidarity* of Bulgaria Foundation. UniCredit Bulbank also received an award from the *Society of Loyalty* for its support of important social causes. In 2011, the bank's green initiatives also included the recovery of empty toner cartridges and digitalized account statements, which reduced paper consumption. This is a part of the Group's practical response to protecting the environment and supporting the green economy.

Vitosha Park, Sofia. Girls who plant: Ekaterina Ancheva, Anna Ancheva, Todorova Blagorodka. Photo by Anton Raichev

Certification

Consolidated Financial Statements Certification pursuant to art. 81-ter of Consob Regulation no. 11971 of May 14, 1999, as amended

1. The undersigned Federico Ghizzoni (as Chief Executive Officer) and Marina Natale (as the Manager Charged with preparing the financial reports) of UniCredit S.p.A., taking into consideration Art. 154-bis (subparagraph 3 and 4) of Italian Legislative Decree February 24, 1998 no. 58, do hereby certify:
   - the adequacy in relation to the Legal Entity features and;
   - the actual application.

   of the administrative and accounting procedures employed to draw up 2011 Consolidated Financial Statements.

2. The adequacy of administrative and accounting procedures employed to draw up 2011 Consolidated Financial Statements has been evaluated applying a Model defined by UniCredt S.p.A. coherent with *"Internal Controls - Integrated Framework (CoSO)"* and *"Control Objective for IT and Related Technologies (Cobit)"*, which represent international commonly accepted standards for internal control system.

3. The undersigned also **certify** that:

   3.1 the 2011 Consolidated Financial Statements:

   a) were prepared in compliance with applicable international accounting standards recognized by the European Community pursuant to European Parliament and Council Regulation no.1606/2002 of July 19, 2002;

   b) correspond to results of the books and accounts records;

   c) are suitable to provide a fair and correct representation of the situation of the assets and liabilities, the economic and financial situation of the issuer and the group of companies included in the scope of consolidation;

   3.2 the Report on Operations shall contain a reliable analysis of the trend and operating results, as well as whole situation of the issuer and of the Legal Entities included in the scope of consolidation, together with a description of the main risks and uncertainties they are exposed.

Milan - March 27, 2012

Federico Ghizzoni

Marina Natale

Training to be “banking smart”.

In order to support more effective cooperation with the real estate business, UniCredit Bank in Bosnia created a training course that informs the employees of real estate agencies of all its available credit products, with a special emphasis on housing loans. In this way, UniCredit Bank in Bosnia responded to the need to revive the housing market, creating a solid foundation for future development and helping supply to meet demand in all areas.

Personal bankers in Stari Grad, Sarajevo, during their workshop on the real estate market in Sarajevo

Report of External Auditors

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(Translation from the Italian original which remains the definitive version)

Report of the auditors in accordance with articles 14 and 16 of Legislative decree no. 39 of 27 January 2010

To the shareholders of
UniCredit S.p.A.

1 We have audited the consolidated financial statements of the UniCredit Group as at and for the year ended 31 December 2011, comprising the balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes thereto. The parent company's directors are responsible for the preparation of these financial statements in accordance with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05. Our responsibility is to express an opinion on these financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards recommended by Consob, the Italian Commission for Listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement and are, as a whole, reliable. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by directors. We believe that our audit provides a reasonable basis for our opinion.

Reference should be made to the report dated 4 April 2011 for our opinion on the prior year consolidated financial statements, which included the corresponding figures presented for comparative purposes.

3 In our opinion, the consolidated financial statements of the UniCredit Group as at and for the year ended 31 December 2011 comply with the International Financial Reporting Standards endorsed by the European Union and the Italian regulations implementing article 9 of Legislative decree no. 38/05. Therefore, they are clearly stated and give a true and fair view of the financial position of the UniCredit Group as at 31 December 2011, the results of its operations and its cash flows for the year then ended.

4 The directors of UniCredit S.p.A. are responsible for the preparation of a report on operations and a report on the corporate governance and shareholding structure, published in the "Governance" section of UniCredit S.p.A.'s website, in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the report on operations and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the

report on the corporate governance and shareholding structure with the financial statements to which they refer, as required by the law. For this purpose, we have performed the procedures required by the Italian Standard on Auditing 001 issued by the Italian Accounting Profession and recommended by Consob. In our opinion, the report on operations and the information required by article 123-bis.1.c/d/f/l/m and article 123-bis.2.b of Legislative decree no. 58/98 disclosed in the report on the corporate governance and shareholding structure are consistent with the consolidated financial statements of the UniCredit Group as at and for the year ended 31 December 2011.

Milan, 18 April 2012

KPMG S.p.A.

(signed on the original)

Roberto Fabbri
Director of Audit

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