Informazione Regolamentata n. 0263-202-2016	Data/Ora Ricezione 10 Novembre 2016 13:01:41	MTA

Societa'	:	UNICREDIT
Identificativo Informazione Regolamentata	:	81221
Nome utilizzatore	:	UNICREDITN03 - Berneri
Tipologia	:	IRAG 03
Data/Ora Ricezione	:	10 Novembre 2016 13:01:41
Data/Ora Inizio Diffusione presunta	:	10 Novembre 2016 13:16:42
Oggetto	:	Consolidated Interim Report as at September 30, 2016

Testo del comunicato

Vedi allegato.

UniCredit

Consolidated Interim Report as at September 30, 2016 – Press release

UniCredit will publish a "Consolidated Interim Report – Press Release" on a voluntary basis for 1Q and 3Q each year, in order to grant continuity with previous quarterly reports

IN CHALLENGING MARKET CONDITIONS, GROUP REVENUES AT €5.5 BN IN 3Q16 (+2.3% Y/Y) MAINLY DRIVEN BY TRADING INCOME

GROUP OPERATING EXPENSES DOWN 4.6% Y/Y TO €3.2 BN IN 3Q16 WITH A REDUCTION Y/Y OF 3,859 FTE[1] AND 463 BRANCHES

GROUP NET PROFIT AT €447 M IN 3Q16 WITH QUARTERLY POSITIVE CONTRIBUTION BY ALL KEY DIVISIONS. GROUP NET PROFIT AT €1.8 BN IN 9M16

CEE, CIB AND COMMERCIAL BANK ITALY AS LARGEST CONTRIBUTORS TO NET PROFIT

ROTE AT 4.2% IN 3Q16 AND AT 5.7% IN 9M16

NET IMPAIRED LOANS FURTHER DOWN TO €36.4 BN (-8.0% Y/Y) WITH COVERAGE RATIO AT 52.6% IN 3Q16. NET BAD LOANS ALMOST STABLE AT €19.6 BN WITH COVERAGE RATIO AT 61.9% IN 3Q16

CET1 RATIO FULLY LOADED AT 10.82% IN 3Q16

All divisions contributed positively to the quarterly performance with **Group net profit** reaching €447 m in 3Q16[2] (-34.9% Q/Q[3], -11.8% Y/Y) and RoTE[4] at 4.2%. Group net profit reached €1.8 bn in 9M16 (+14.7% 9M/9M) with **RoTE** at 5.7%.

Total assets reduced to €874.5 bn in 3Q16 (-1.9% Q/Q, +0.1% Y/Y), mainly driven by the drop in loans to customers (-€8.2 bn Q/Q), almost offset by the increase in loans to banks (+€7.7 bn Q/Q), and the reduction in financial investments (-€8.3 bn Q/Q) and financial assets held for trading (-€11.0 bn Q/Q). **Total liabilities** were mainly reduced by the drop in deposits from customers (-€2.1 bn Q/Q), almost offset by the increase in deposits from banks (+€1.9 bn Q/Q), and the reduction in debt securities in issue (-€4.2 bn Q/Q) and financial liabilities held for trading (-€11.6 bn Q/Q).

Note: In this document, 2016 figures related to net profit are calculated as follows:

- 2Q16: Group net profit at €687 m is adjusted for -€229 m of non -recurring items net of taxes (-€96 m of extraordinary trading gain, -€216 m of capital gain from the disposal of VISA Europe stake, -€100 m of LLP release, +€55 m related to restructuring charges in Italy and +€128 m of guarantee fees for DTA conversion in Italy); Core Bank net profit at €1.1 bn is adjusted for -€135 m of non-recurring items net of taxes.
- 3Q16: Group and Core Bank net profit have no adjustments.
- 9M16: stated and adjusted Group net profit equals €1.8 bn (delta stated vs adjusted is substantially immaterial). Core Bank net profit shown on a stated basis.

[1]Full Time Equivalent.

[2]The partial write off of DTA on tax loss carried forward derives from the results of updated DTA sustainability test run in September, which takes into account the exclusion of FinecoBank from the Italian tax consolidation perimeter. In accordance with fiscal law, the loss of control of majority in FinecoBank, as a consequence of further stake disposal carried out, drives to the exclusion of this legal entity from Italian Fiscal Perimeter since January 1, 2016. Excluding FinecoBank, a lower estimated future tax base is available to calculate the maximum capability to absorb tax losses under a 5 year time horizon. Such a time horizon has been set in order to harmonize the approach within the main Group legal entities.

[3]Calculated on 2Q16 Group net profit adjusted as indicated in Note above.

[4]RoTE = annualized net profit / average tangible equity (excluding AT1). Average tangible equity calculated excluding intangible assets (i.e. goodwill and other intangible assets) and AT1. The ratio shows in percentage terms the earning capacity for equity shareholders.

RWA/Total assets ratio[5] remained close to 44.7% in 3Q16. RWA shrunk to €390.9 bn in 3Q16 (-€8.4 bn Q/Q, -€9.6 bn Y/Y) thanks to a decrease in credit (-€4.5 bn Q/Q) and market RWA (-€3.9 bn Q/Q). In particular, credit RWA reduction mainly reflected lower volumes. The decrease in market RWA was mainly due to the implementation of new market risk models in 3Q16 following the approval of the competent Authority[6]. Operational risk slightly increased by €0.04 bn Q/Q.

Asset quality continued to gradually improve in 3Q16, with gross impaired loans declining to €76.8 bn (-0.4% Q/Q, -4.9% Y/Y) and a net impaired loan ratio at 7.6% (+0.1p.p. Q/Q), thanks to disposals and recoveries offsetting flows from performing to impaired loans. Coverage ratio of 52.6% in 3Q16 (+0.2 p.p. Q/Q). Gross bad loans remained stable to €51.3 bn in 3Q16 with a coverage ratio of 61.9% (+0.3p.p. Q/Q). Gross unlikely to pay loans decreased to €23.4 bn (-1.4% Q/Q, -13.2% Y/Y) due to lower new defaults, with a coverage ratio slightly down at 34.3% (-0.4 p.p. Q/Q). Past due loans amounted to €2.1 bn in 3Q16 (-0.8% Q/Q, -33.7% Y/Y) with a coverage ratio of 28.2% (+0.8p.p. Q/Q).

CET1 ratio fully loaded stood at 10.82% in 3Q16[7]. The increase in CET1 ratio fully loaded was mostly driven by RWA decrease (+23bp Q/Q) and AFS[8] dynamics (+6bp Q/Q), compensating DBO[9] negative dynamics (-4bp Q/Q). CET1 ratio fully loaded also benefited in 3Q16 from the 10% FinecoBank and the 10% Pekao ABB[10] transactions (+20bp Q/Q). **CET1 ratio transitional** was up at 11.00%, **Tier 1 ratio transitional** at 11.81% and **Total Capital ratio transitional** at 14.50%. **Basel 3 Leverage ratio transitional** stood at 4.70% and **fully loaded** at 4.49%.

Funding plan 2016 has been executed for about €15.8 bn at the end of October. Including the new amount taken up through **TLTRO II** of €8.4 bn, the medium long term funding reached c. €24 bn. The outstanding amount of TLTRO II is equal to €26.7 bn on a consolidated basis[11] (vs TLTRO I of €18.3 bn, completely repaid). Further TLTRO II take-up at the upcoming auctions is being evaluated.

****

When assessing the quarterly results, it should be noted that Unicredit is in the process of preparing a new multi-year plan. The new plan will be presented to the market on the 13th of December and will reflect the outcome of the ongoing review of all Group assets announced in July 2016.

The actions and decisions set out in the new plan could influence, also substantially, the results of the fourth quarter with respect to the evaluation of certain assets and/or to potential market transactions affecting the Group's participations and credit portfolio.

[5]Density ratio = total risk weighted assets / total IFRS balance sheet assets.
[6]European Central Bank.
[7]Within CET1 components, 1H16 net profit is fully recognized in consolidated CET1 capital without any dividend deduction, in line with the decision taken by the Board of Directors on August 3, 2016; while 3Q16 net profit is not included in consolidated CET1 capital as UniCredit S.p.A. has not requested the prior permission from the competent Authority, according to CRR Article 26(2).
[8]Available for Sale.
[9]Defined-benefit Obligations.
[10]Accelerated Bookbuilding.
[11]€18.2 bn have been taken in Italy, €7.0 bn in Germany, €1.0 bn in Austria, €0.4 bn in Czech Republic & Slovakia and €0.1 bn in Slovenia.

3Q16 Key Financial Data

Group

- **Net profit**: net profit at €447 m (-34.9% Q/Q, -11.8% Y/Y) and 4.2% RoTE
- **Revenues**: €5.5 bn (-11.1% Q/Q, +2.3% Y/Y)
- **Total costs**: €3.2 bn (-1.8% Q/Q, -4.6% Y/Y), cost/income ratio of 59.2% (+5.6p.p. Q/Q, -4.3p.p. Y/Y)
- **Asset Quality**: LLP at €1.0 bn (+10.3% Q/Q, +0.3% Y/Y), cost of risk at 83bp (+8bp Q/Q, -2bp Y/Y); net impaired loan ratio at 7.6% (+0.1p.p. Q/Q, -0.8p.p. Y/Y) and coverage ratio at 52.6%; net bad loan ratio at 4.1% and coverage ratio at 61.9%
- **Capital adequacy**: CET1 ratio fully loaded at 10.82%, CET1 ratio transitional at 11.00%, Tier 1 ratio transitional at 11.81% and Total Capital ratio transitional at 14.50%; leverage ratio transitional at 4.70% and fully loaded at 4.49%

Core Bank

- **Net profit**: net profit at €921 m (-17.0% Q/Q[12], +2.7% Y/Y) and 10.4% RoAC[13]
- **Revenues**: €5.5 bn (-10.9% Q/Q, +3.7% Y/Y)
- **Total costs**: €3.2 bn (-2.7% Q/Q, -3.2% Y/Y), cost/income ratio of 57.1% (+4.8p.p. Q/Q, -4.1p.p. Y/Y)
- **Asset Quality**: LLP at €462 m (-10.0% Q/Q, -15.3% Y/Y), cost of risk at 41bp (-5bp Q/Q, -10bp Y/Y)

9M16 Key Financial Data

Group

- **Net profit**: net profit at €1.8 bn (+14.7% 9M/9M) and 5.7% RoTE
- **Revenues**: €17.1 bn (+1.5% 9M/9M)
- **Total costs**: €9.8 bn (-4.2% 9M/9M), cost/income ratio of 57.5% (-3.4p.p. 9M/9M)
- **Asset Quality**: LLP at €2.7 bn (-7.6% 9M/9M), cost of risk at 74bp (-7bp 9M/9M)

Core Bank

- **Net profit**: net profit at €2.9 bn (+11.9% 9M/9M) and 10.4% RoAC
- **Revenues**: €17.2 bn (+2.8% 9M/9M)
- **Total costs**: €9.6 bn (-2.8% 9M/9M), cost/income ratio of 55.7% (-3.2p.p. 9M/9M)
- **Asset Quality**: LLP at €1.4 bn (-19.1% 9M/9M)

[12] Calculated on 2Q16 Core Bank net profit adjusted as indicated in Note on page 1.
[13] RoAC = annualized net profit / Allocated capital. Allocated capital is calculated as 10% of RWA, including deductions for shortfall and securitizations.

CORE BANK – 3Q16 AND 9M16 RESULTS

Revenues stood at €5.5 bn in 3Q16 (-10.9% Q/Q, +3.7% Y/Y), with a positive progression Y/Y of trading income offsetting a reduction in core revenues (net interest income and fees & commissions) due to a subdued interest rates environment and quarterly seasonality. The main contributors to revenues were Commercial Bank Italy with €1.8 bn (-7.9% Q/Q, -1.1% Y/Y), CIB with €1.1 bn (-5.5% Q/Q, +25.7% Y/Y) and CEE with €1.0 bn (-10.0% Q/Q, +10.9% Y/Y at current FX).

Net interest income[14] of €2.9 bn in 3Q16 (-2.1% Q/Q, -1.0% Y/Y). The commercial dynamics was positive thanks to increasing loan volumes (+€28 m Q/Q, +€140 m Y/Y) combined with term funding (+€46 m Q/Q, -€5 m Y/Y), FX effect (+€7 m Q/Q, -€12 m Y/Y) and re-pricing on deposit rates (+€39 m Q/Q, +€152 m Y/Y), that more than offset the compression on loan rates (-€104 m Q/Q, -€220 m Y/Y) and higher deposit volumes (-€5 m Q/Q, -€37 m Y/Y). The investment portfolio, treasury activity and other contributed negatively to NII generation (-€73 m Q/Q, -€48 m Y/Y). Net interest income reached €8.8 bn in 9M16 (-1.1% 9M/9M).

Customer loans registered €451.4 bn in 3Q16 (-1.5% Q/Q, +3.4% Y/Y), with the main contributors being Commercial Bank Italy at €137.1 bn (-0.9% Q/Q, +3.0% Y/Y), Commercial Bank Germany at €81.0 bn (+0.3% Q/Q, +1.0% Y/Y) and CIB at €60.0 bn (-1.3% Q/Q, +14.7% Y/Y). Institutional and market counterparts contributed with €42.0 bn (-14.6% Q/Q, +4.3% Y/Y).

Dividends and other income[15] decreased to €246 m in 3Q16 (-30.5% Q/Q, -7.6% Y/Y). Yapi Kredi contributed €102 m in 3Q16 (-30.2% Q/Q, +63.1% Y/Y at current FX). Dividends and other income reached €896 m in 9M16 (+27.9% 9M/9M).

Fees and commissions reached €1.9 bn in 3Q16 (-3.7% Q/Q, -0.7% Y/Y). Investment services fees decreased to €820 m in 3Q16 (-8.4% Q/Q, -1.1% Y/Y) mainly due to a seasonality effect with lower Asset under Management and Asset under Custody fees. Financing services fees stood at €472 m in 3Q16 (-5.3% Q/Q, -5.0% Y/Y). Transactional and banking service fees improved to €581 m in 3Q16 (+5.5% Q/Q, +3.7% Y/Y) mainly thanks to higher fees from credit and debit cards combined with higher collection & payment services. Fees reached €5.8 bn in 9M16 (-1.7% 9M/9M).

Trading income of €510 m in 3Q16 (-46.0% Q/Q, above 100% Y/Y; +6.3% Q/Q excluding one-offs registered in 2Q16) mainly boosted by customer driven activities along with realized gains. CIB continued to be the main contributor to trading profit with €371 m in 3Q16 (+13.3% Q/Q, above 100% Y/Y). Trading income improved to €1.8 bn in 9M16 (+35.4% 9M/9M).

Total costs decreased to €3.2 bn in 3Q16 (-2.7% Q/Q, -3.2% Y/Y) driven by (i) a reduction in staff expenses to €2.0 bn (-2.9% Q/Q, -4.0% Y/Y) as a result of lower FTE mainly in the three Commercial Banks combined with branches decrease and (ii) lower administrative expenses[16] at €957 m (-4.0% Q/Q, -4.7% Y/Y) due to lower real estate costs and IT expenses. Cost/Income ratio stood at 57.1% in 3Q16 (+4.8p.p. Q/Q). Cost control in 9M16 reduced total expenses to €9.6 bn (-2.8% 9M/9M).

LLP dropped to €462 m in 3Q16 (-10.0% Q/Q, -15.3% Y/Y) benefiting from improved performance in CEE and CIB. Cost of risk came down to 41bp in 3Q16 (-5bp Q/Q, -10bp Y/Y). LLP decreased to €1.4 bn in 9M16 (-19.1% 9M/9M).

---

[14]Contribution from macro hedging strategy on non-naturally hedged sight deposits in 3Q16 at €398 m (€400 m recasted in 2Q16 and €365 m in 3Q15).
[15]Include dividends, equity investments and balance of other operating income / expenses. Turkey contribution based on a divisional view.
[16]Net of expenses recovery and indirect costs.

Net operating profit reached €1.9 bn in 3Q16 (-21.9% Q/Q, +25.5% Y/Y) with improved cost management and provisions partially offsetting the decrease in revenues. Net operating profit grew to €6.2 bn in 9M16 (+20.9% 9M/9M) thanks to the positive dynamics of operating costs and provisions.

Other charges and provisions decreased to €285 m in 3Q16 (-43.9% Q/Q, +86.3% Y/Y), including €214 m[17] of additional costs for systemic charges. Other charges and provisions reached €1.2 bn in 9M16 (+65.1% 9M/9M).

Integration costs shrunk to €48 m in 3Q16 (-45.9% Q/Q, above 100% Y/Y) and reached €395 m in 9M16.

Income tax at € 550 m in 3Q16 (+22.5% Q/Q, +43.2% Y/Y). The implied tax rate was 35.1%.

Net profit of €921 m in 3Q16 (-17.0% Q/Q, +2.7% Y/Y) with main contributors being Commercial Bank Italy at €256 m (-18.8% Q/Q, -29.4% Y/Y), CEE at €420 m (-0.6% Q/Q, above 100% Y/Y at current FX) and CIB with €366 m (+1.4% Q/Q, +17.9% Y/Y). **RoAC** stood at 10.4% in 3Q16. Net profit of €2.9 bn in 9M16 (+11.9% 9M/9M).

NON-CORE – 3Q16 AND 9M16 RESULTS

Bottom line showed a loss of €474 m in 3Q16. LLP, reaching €546 m in 3Q16 (+36.3% Q/Q, +18.7% Y/Y), were broadly flat Q/Q if considering €100 m of LLP release in 2Q16. Net loss registered €1.1 bn in 9M16.

De-risking continued with **gross customer loans** further down to €56.4 bn at the end of September (-€1.4 bn Q/Q, -€8.9 bn Y/Y), mainly thanks to cash recoveries and write offs (€0.5 bn), maturities (€0.2 bn) and impaired loans disposals (€0.7 bn). As of end of October, the total disposals of gross bad loans amounted to €2.3 bn. Continued RWA reduction to €26.3 bn in 3Q16 (-4.3% Q/Q, -19.6% Y/Y).

Gross impaired loans confirmed the downward trend reaching €49.7 bn (-1.5% Q/Q, -5.3% Y/Y), coupled with a coverage ratio at 53.6% (+0.6p.p. Q/Q). **Gross bad loans** reduced to €37.1 bn (-0.9% Q/Q, +1.2% Y/Y), with a coverage ratio at 60.6% (+0.6p.p. Q/Q).

Gross **unlikely to pay** loans further down at €12.0 bn (-3.5% Q/Q, -16.9% Y/Y) with a coverage ratio equal to 33.4% (+0.2p.p. Q/Q). **Past due** loans amounted to €609 m in 3Q16 (+0.4% Q/Q, -57.6% Y/Y) with a coverage ratio at 25.5% (+0.7p.p. Q/Q).

DIVISIONAL HIGHLIGHTS – 3Q16 AND 9M16 RESULTS

CEE[18]: revenues across all countries at €1.0 bn (-10.0% Q/Q, +10.9% Y/Y) with a positive dynamic coming from net interest income at €623 m (+4.0% Q/Q, +3.9% Y/Y) and fee income at €193 m (+1.8% Q/Q, +8.4% Y/Y). Operating expenses at €383 m (+1.0% Q/Q, +5.9% Y/Y). Net profit at €420 m in 3Q16 (-0.6% Q/Q, above 100% Y/Y) leading to a €1.1 bn in 9M16 (above 100% 9M/9M).

The main contributors to CEE division's bottom line were Turkey with €102 m (-30.2% Q/Q, +63.1% Y/Y) and Hungary with €65 m (+35.5% Q/Q, +95.9% Y/Y). Positive results were also achieved in Czech Republic with €55 m (-30.4% Q/Q, -1.7% Y/Y) and in Bulgaria with earnings at €53 m (+3.6% Q/Q, +6.5% Y/Y).

[17]Referring to: (i) bank levies of €93 m (of which €29 m in Italy, €32 m in Austria, €28 m in Poland and €4 m in CEE) and (ii) Deposit Guarantee Scheme of €122 m (of which €84 m in Italy, €10 m in CEE, €13 m in Germany and €15 m in Poland).

[18]For CEE, changes at current exchange rate. Please considers that 2Q16 CEE net profit was positively affected by €97 m of extraordinary revenues from the disposal of VISA Europe stake.

CIB[19]: revenues exceeded €1.0 bn in 3Q16 (+25.7% Y/Y) sustained by all product lines. The positive cost management, combined with a reduction in LLP (at €29 m in 3Q16) led to a RoAC of 19.6% in 3Q16, confirming CIB as one of the most efficient platform in the market.

Year to date, CIB is #1 in "Syndicated Loans EUR-denominated"[20] across all asset classes in EMEA with a market share of 9% (vs 6% last year), an overall lending volume increasing to €60.0 bn (+14.7% Y/Y) and RWA at €73.1 bn in 3Q16. CIB European leading financing role is confirmed by its position as the most active player in the EUR bonds market with over 270 offerings in the first 9 months[21].

CIB remains one of the top contributors to Group bottom-line result with an increasing net profit equal to €366 m in 3Q16 (+1.4% Q/Q, +17.9% Y/Y) and to €1.0 bn in 9M16 (+5.7% 9M/9M).

Commercial Bank Italy: Revenues were down at €1.8 bn in 3Q16 (-7.9% Q/Q, -1.1% Y/Y), due to market conditions affecting net interest, commissions and trading, but were partially offset by a decrease in operating costs at €1.1 bn in 3Q16 (-2.0% Q/Q, +3.7% Y/Y) mainly sustained by a reduction of staff expenses. LLP increased slightly to €239 m in 3Q16 (+1.1% Q/Q, -3.6% Y/Y) with a cost of risk almost stable at 69.0bp (+0.4bp Q/Q, -5.1bp Y/Y). Net profit equalled €256 m in 3Q16 (-18.8% Q/Q, -29.4% Y/Y), reaching €921 m in 9M16 (-22.2% 9M/9M).

SIGNIFICANT EVENTS DURING AND AFTER 3Q16

With reference to the significant events occurred during 3Q16 and after September 30, please see the section "Subsequent Events" in the Interim Report on Operations, which is integral part of the Consolidated First Half Financial Report as at June 30, 2016, as well as the press releases published on the UniCredit Group website. In particular:

- UniCredit Board approves in depth strategic review led by new CEO Jean Pierre Mustier with specific focus on capital optimization opportunities, further cost reduction, cross selling across Group entities and improved risk discipline (press release published on July 11, 2016)
- UniCredit launched and completed an accelerated placement of ordinary shares in FinecoBank S.p.A. representing up to 10% of the Company's share capital (press releases published on July 11 and 12, 2016);
- UniCredit launched and completed an accelerated placement representing up to 10.0% of the existing share capital of Bank Pekao S.A. (press releases published on July 12, 2016);
- UniCredit streamlines a new organisational structure aimed at simplifying the Group, clarifying roles and responsibilities of senior management (press release published on July 26, 2016);
- UniCredit, Banco Santander and Sherbrooke Acquisition Corp ended Pioneer Santander AM merger talks (press release published on July 27, 2016);
- UniCredit was subject to the 2016 EU-wide stress test carried out by the European Banking Authority (press release published on July 29, 2016);

[19]We highlight developments in the quarter with reference to loan restructuring operation into participating instruments (Carlo Tassara S.p.A.). Based on the third amendment agreement on the moratorium on debt payments, the fifth adjustment of SFP (Strumenti Finanziari Partecipativi) was concluded in 3Q16, following which UniCredit S.p.A. reached overall n. 32,184,744, each with a face value of Euro 1.00. The credit exposure recorded in UniCredit S.p.A. as at September 30, 2016 amounts to approximately €68 m (basically unchanged compared to June 30, 2016) against which impairment losses amounting to €28 m were recognized (unchanged compared to June 30, 2016). Please refer to the Consolidated First Half Financial Report as at June 30, 2016 for further details of the recovery plan.

[20]Source: Dealogic Loanware, per 5 October 2016. Period: 1 Jan – 30 Sep 2016.

[21]Source: Dealogic Analytics, per 6 October 2016. Period: 1 Jan – 30 Sep 2016.

- UniCredit announced to sell its card processing activities in Italy, Germany and Austria to SIA (press release published on August 3, 2016);
- UniCredit announced the sale of an Italian SME non performing credit portfolio (press release published on September 8, 2016);
- The transfer of the CEE Division, including the CEE Subsidiaries, from UniCredit Bank Austria AG to UniCredit Holding has been successfully completed (press release published on September 30, 2016);
- UniCredit launched and closed an accelerated placement of ordinary shares in FinecoBank S.p.A. representing 20% of the Company's share capital (press releases published on October 12 and 13, 2016);
- UniCredit reached an agreement with Kruk Group in relation to the disposal on non-recourse basis (pro-soluto) of a non performing credit portfolio (press release published on October 19, 2016);
- UniCredit Group completed the sale of Ukrsotsbank to Alfa Group's ABH Holdings (press release published on October 31, 2016);
- Following approvals received by Regulators and the transfer of UniCredit Wealth Management division, on November 1, Cordusio SIM S.p.A. was born (press release published on October 31, 2016).

UNICREDIT GROUP: RECLASSIFIED INCOME STATEMENT

(€ million)	9M15	9M16	*9M/9M*	3Q15	2Q16	3Q16	*Y/Y %*	*Q/Q %*
Net interest	8,887	8,644	*-2.7%*	2,925	2,918	2,850	*-2.6%*	*-2.3%*
Dividends and other income from equity investments	579	700	*+20.9%*	192	299	189	*-1.2%*	*-36.7%*
Net fees and commissions	5,914	5,736	*-3.0%*	1,902	1,932	1,858	*-2.3%*	*-3.9%*
Net trading, hedging and fair value income	1,342	1,820	*+35.6%*	250	950	509	*n.m.*	*-46.4%*
Net other expenses/income	94	170	*+81.7%*	63	41	50	*-21.3%*	*+22.4%*
OPERATING INCOME	**16,816**	**17,071**	***+1.5%***	**5,332**	**6,139**	**5,455**	***+2.3%***	***-11.1%***
Staff expenses	(6,287)	(6,013)	*-4.4%*	(2,067)	(2,022)	(1,964)	*-5.0%*	*-2.9%*
Other administrative expenses	(3,869)	(3,628)	*-6.2%*	(1,286)	(1,221)	(1,205)	*-6.3%*	*-1.3%*
Recovery of expenses	599	562	*-6.2%*	198	195	191	*-3.5%*	*-1.9%*
Amort. deprec. and imp. losses on intang. & tang. assets	(678)	(728)	*+7.3%*	(228)	(241)	(251)	*+10.1%*	*+4.2%*
OPERATING COSTS	**(10,236)**	**(9,808)**	***-4.2%***	**(3,383)**	**(3,289)**	**(3,228)**	***-4.6%***	***-1.8%***
OPERATING PROFIT (LOSS)	**6,580**	**7,263**	***+10.4%***	**1,949**	**2,850**	**2,227**	***+14.2%***	***-21.9%***
Net write-downs on loans and provisions	(2,898)	(2,677)	*-7.6%*	(1,005)	(914)	(1,008)	*+0.3%*	*+10.3%*
NET OPERATING PROFIT (LOSS)	**3,682**	**4,586**	***+24.6%***	**944**	**1,937**	**1,219**	***+29.1%***	***-37.0%***
Other charges and provisions	(777)	(1,231)	*+58.4%*	(154)	(522)	(292)	*+90.1%*	*-43.9%*
Integration costs	(12)	(398)	*n.m.*	(8)	(90)	(48)	*n.m.*	*-47.5%*
Net income from investments	33	(24)	*n.m.*	20	(0)	(7)	*n.m.*	*n.m.*
PROFIT (LOSS) BEFORE TAX	**2,925**	**2,933**	***+0.3%***	**802**	**1,324**	**872**	***+8.7%***	***-34.1%***
Income tax for the period	(778)	(821)	*+5.5%*	(197)	(247)	(328)	*+66.2%*	*+32.7%*
NET PROFIT (LOSS)	**2,148**	**2,112**	***-1.7%***	**605**	**1,077**	**545**	***-10.0%***	***-49.5%***
Profit (Loss) from non-current assets held for sale, after tax	(152)	13	*n.m.*	27	(11)	9	*-65.5%*	*n.m.*
PROFIT (LOSS) FOR THE PERIOD	**1,995**	**2,124**	***+6.5%***	**633**	**1,067**	**554**	***-12.4%***	***-48.1%***
Minorities	(280)	(343)	*+22.6%*	(78)	(147)	(103)	*+31.6%*	*-30.1%*
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**1,715**	**1,781**	***+3.8%***	**554**	**920**	**451**	***-18.6%***	***-50.9%***
Purchase Price Allocation effect	(174)	(13)	*-92.7%*	(48)	(4)	(4)	*-91.0%*	*+0.7%*
Goodwill impairment	-	-	*n.m.*	-	-	-	*n.m.*	*n.m.*
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**1,541**	**1,768**	***+14.7%***	**507**	**916**	**447**	***-11.8%***	***-51.2%***

UNICREDIT GROUP: RECLASSIFIED BALANCE SHEET

(€ million)	3Q15	2Q16	3Q16	Y/Y %	Q/Q %
ASSETS					
Cash and cash balances	11,182	12,523	16,153	*+44.5%*	*+29.0%*
Financial assets held for trading	91,612	105,075	94,110	*+2.7%*	*-10.4%*
Loans and receivables with banks	90,689	69,078	76,750	*-15.4%*	*+11.1%*
Loans and receivables with customers	474,122	489,155	480,926	*+1.4%*	*-1.7%*
Financial investments	152,909	163,684	155,336	*+1.6%*	*-5.1%*
Hedging instruments	8,939	8,085	8,094	*-9.5%*	*+0.1%*
Property, plant and equipment	10,064	9,559	9,555	*-5.1%*	*-0.0%*
Goodwill	3,601	3,563	3,591	*-0.3%*	*+0.8%*
Other intangible assets	2,016	2,110	2,087	*+3.6%*	*-1.1%*
Tax assets	15,036	15,700	15,469	*+2.9%*	*-1.5%*
Non-current assets and disposal groups classified as held for sale	3,454	3,501	3,369	*-2.4%*	*-3.8%*
Other assets	9,882	9,445	9,085	*-8.1%*	*-3.8%*
Total assets	**873,506**	**891,477**	**874,527**	***+0.1%***	***-1.9%***
LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits from banks	120,555	113,036	114,983	*-4.6%*	*+1.7%*
Deposits from customers	450,204	472,369	470,296	*+4.5%*	*-0.4%*
Debt securities in issue	137,491	124,039	119,803	*-12.9%*	*-3.4%*
Financial liabilities held for trading	67,334	79,991	68,387	*+1.6%*	*-14.5%*
Financial liabilities designated at fair value	455	1,465	1,509	*n.m.*	*+3.0%*
Hedging instruments	11,717	12,703	11,797	*+0.7%*	*-7.1%*
Provisions for risks and charges	9,958	9,876	9,849	*-1.1%*	*-0.3%*
Tax liabilities	1,569	1,430	1,495	*-4.7%*	*+4.6%*
Liabilities included in disposal groups classified as held for sale	1,415	2,770	2,651	*+87.3%*	*-4.3%*
Other liabilities	19,242	20,501	18,615	*-3.3%*	*-9.2%*
Minorities	3,327	3,174	3,906	*+17.4%*	*+23.1%*
Group Shareholders' Equity:	50,239	50,123	51,237	*+2.0%*	*+2.2%*
- Capital and reserves	49,248	49,814	50,411	*+2.4%*	*+1.2%*
- Available-for-sale assets fair value reserve, cash-flow hedging reserve and defined benefits plans reserve	*(551)*	*(1,013)*	*(943)*	*+71.2%*	*-6.9%*
- Net profit (loss)	*1,541*	*1,321*	*1,768*	*+14.7%*	*+33.8%*
Total liabilities and Shareholders' Equity	**873,506**	**891,477**	**874,527**	***+0.1%***	***-1.9%***

CORE BANK: RECLASSIFIED INCOME STATEMENT

(€ million)	9M15	9M16	9M/9M	3Q15	2Q16	3Q16	Y/Y %	Q/Q %
Net interest	8,864	8,766	-1.1%	2,930	2,963	2,900	-1.0%	-2.1%
Dividends and other income from equity investments	579	700	+20.9%	192	299	189	-1.2%	-36.7%
Net fees and commissions	5,862	5,763	-1.7%	1,886	1,943	1,873	-0.7%	-3.7%
Net trading, hedging and fair value income	1,329	1,799	+35.4%	247	945	510	n.m.	-46.0%
Net other expenses/income	122	197	+61.2%	74	55	57	-23.8%	+3.1%
OPERATING INCOME	**16,756**	**17,224**	**+2.8%**	**5,330**	**6,205**	**5,529**	**+3.7%**	**-10.9%**
Staff expenses	(6,183)	(5,976)	-3.4%	(2,034)	(2,011)	(1,953)	-4.0%	-2.9%
Other administrative expenses	(3,525)	(3,372)	-4.4%	(1,171)	(1,148)	(1,121)	-4.3%	-2.3%
Recovery of expenses	505	474	-6.1%	167	152	164	-1.8%	+8.3%
Amort. deprec. and imp. losses on intang. & tang. assets	(678)	(727)	+7.3%	(227)	(240)	(250)	+10.1%	+4.2%
OPERATING COSTS	**(9,881)**	**(9,600)**	**-2.8%**	**(3,265)**	**(3,247)**	**(3,159)**	**-3.2%**	**-2.7%**
OPERATING PROFIT (LOSS)	**6,875**	**7,623**	**+10.9%**	**2,065**	**2,958**	**2,370**	**+14.7%**	**-19.9%**
Net write-downs on loans and provisions	(1,716)	(1,388)	-19.1%	(545)	(513)	(462)	-15.3%	-10.0%
NET OPERATING PROFIT (LOSS)	**5,159**	**6,235**	**+20.9%**	**1,520**	**2,445**	**1,908**	**+25.5%**	**-21.9%**
Other charges and provisions	(717)	(1,183)	+65.1%	(153)	(508)	(285)	+86.3%	-43.9%
Integration costs	(12)	(395)	n.m.	(8)	(88)	(48)	n.m.	-45.9%
Net income from investments	35	(14)	n.m.	20	7	(7)	n.m.	n.m.
PROFIT (LOSS) BEFORE TAX	**4,465**	**4,643**	**+4.0%**	**1,379**	**1,855**	**1,569**	**+13.8%**	**-15.4%**
Income tax for the period	(1,270)	(1,402)	+10.4%	(384)	(449)	(550)	+43.2%	+22.5%
NET PROFIT (LOSS)	**3,195**	**3,242**	**+1.5%**	**995**	**1,406**	**1,019**	**+2.4%**	**-27.6%**
Profit (Loss) from non-current assets held for sale, after tax	(152)	13	n.m.	27	(11)	9	-65.5%	n.m.
PROFIT (LOSS) FOR THE PERIOD	**3,043**	**3,254**	**+6.9%**	**1,023**	**1,396**	**1,028**	**+0.5%**	**-26.3%**
Minorities	(280)	(343)	+22.6%	(78)	(147)	(103)	+31.6%	-30.1%
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**2,763**	**2,911**	**+5.4%**	**944**	**1,249**	**925**	**-2.0%**	**-25.9%**
Purchase Price Allocation effect	(174)	(13)	-92.7%	(48)	(4)	(4)	-91.0%	+0.7%
Goodwill impairment	-	-	n.m.	-	-	-	n.m.	n.m.
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**2,589**	**2,898**	**+11.9%**	**897**	**1,244**	**921**	**+2.7%**	**-26.0%**

NON-CORE: RECLASSIFIED INCOME STATEMENT

(€ million)	9M15	9M16	9M/9M	3Q15	2Q16	3Q16	Y/Y %	Q/Q %
Net interest	24	(122)	n.m.	(5)	(45)	(51)	n.m.	+12.8%
Dividends and other income from equity investments	-	-	n.m.	-	-	-	n.m.	n.m.
Net fees and commissions	51	(27)	n.m.	16	(11)	(15)	n.m.	+30.6%
Net trading, hedging and fair value income	13	22	+64.9%	2	5	(2)	n.m.	n.m.
Net other expenses/income	(28)	(26)	-7.0%	(11)	(14)	(7)	-38.0%	-51.5%
OPERATING INCOME	**60**	**(153)**	**n.m.**	**2**	**(66)**	**(74)**	**n.m.**	**+12.7%**
Staff expenses	(103)	(37)	-64.3%	(33)	(11)	(11)	-66.7%	-1.3%
Other administrative expenses	(344)	(257)	-25.5%	(115)	(73)	(84)	-26.9%	+14.7%
Recovery of expenses	93	87	-6.5%	31	43	27	-12.4%	-38.0%
Amort. deprec. and imp. losses on intang. & tang. assets	(1)	(1)	+84.7%	(0)	(0)	(0)	+47.9%	+8.7%
OPERATING COSTS	**(355)**	**(207)**	**-41.5%**	**(118)**	**(42)**	**(69)**	**-41.6%**	**+64.9%**
OPERATING PROFIT (LOSS)	**(295)**	**(361)**	**+22.3%**	**(116)**	**(107)**	**(143)**	**+23.5%**	**+33.0%**
Net write-downs on loans and provisions	(1,182)	(1,289)	+9.0%	(460)	(401)	(546)	+18.7%	+36.3%
NET OPERATING PROFIT (LOSS)	**(1,477)**	**(1,649)**	**+11.7%**	**(576)**	**(508)**	**(689)**	**+19.7%**	**+35.6%**
Other charges and provisions	(60)	(48)	-20.2%	(1)	(14)	(8)	n.m.	-45.7%
Integration costs	-	(3)	n.m.	-	(2)	0	n.m.	n.m.
Net income from investments	(2)	(10)	n.m.	(1)	(7)	(0)	-22.7%	-94.2%
PROFIT (LOSS) BEFORE TAX	**(1,540)**	**(1,711)**	**+11.1%**	**(577)**	**(531)**	**(697)**	**+20.7%**	**+31.2%**
Income tax for the period	492	581	+18.1%	187	202	223	+19.0%	+10.1%
NET PROFIT (LOSS)	**(1,048)**	**(1,130)**	**+7.8%**	**(390)**	**(329)**	**(474)**	**+21.5%**	**+44.2%**
Profit (Loss) from non-current assets held for sale, after tax	-	-	n.m.	-	-	-	n.m.	n.m.
PROFIT (LOSS) FOR THE PERIOD	**(1,048)**	**(1,130)**	**+7.8%**	**(390)**	**(329)**	**(474)**	**+21.5%**	**+44.2%**
Minorities	-	-	n.m.	-	-	-	n.m.	n.m.
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	**(1,048)**	**(1,130)**	**+7.8%**	**(390)**	**(329)**	**(474)**	**+21.5%**	**+44.2%**
Purchase Price Allocation effect	-	-	n.m.	-	-	-	n.m.	n.m.
Goodwill impairment	-	-	n.m.	-	-	-	n.m.	n.m.
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP	**(1,048)**	**(1,130)**	**+7.8%**	**(390)**	**(329)**	**(474)**	**+21.5%**	**+44.2%**

UNICREDIT GROUP: SHAREHOLDERS' EQUITY

(€ million)	
Shareholders' Equity as at December 31, 2015	**50,087**
Capital increase (net of capitalized costs)	-
Equity instruments	-
Disbursements related to Cashes transaction ("canoni di usufrutto")	(96)
Dividend payment (*)	(158)
Forex translation reserve (**)	253
Change in afs/cash-flow hedge reserve	(165)
Others (***)	(452)
Net profit (loss) for the period	1,768
Shareholders' Equity as at September 30, 2016	**51,237**

Note: (*) The dividends distributed equal to €158 m mainly refer to the share of dividends paid in cash with respect to a total of approved dividends for scrip dividend equal to €706 m. (**) This positive effect is mainly due to the impact of the Ruble for €331 m, partially net of the negative impact of the Zloty for €40 m. (***) This includes mainly the negative change in the reserves relating to the actuarial gains/losses on defined benefit plans of €855 m net of taxes and the negative change in the valuation reserve of the companies accounted for using the equity method for €193 m, mainly due to the revaluation of the items in Turkish Lira. Furthermore are included the effects of the sale of 10% of Pekao S.A and the 10% of Finecobank S.p.A., UniCredit still has a controlling shareholding of both companies.

UNICREDIT GROUP: STAFF AND BRANCHES

Staff and Branches (units)	3Q15	2Q16	3Q16	*Y/Y Δ*	*Q/Q Δ*
Employees(*)	126,849	123,888	122,990	*-3,859*	*-898*
Branches	7,055	6,606	6,592	*-463*	*-14*
- o/w, Italy	*3,921*	*3,614*	*3,613*	*-308*	*-1*
- o/w, other countries	*3,134*	*2,992*	*2,979*	*-155*	*-13*

Note: (*) FTE data: number of employees counted for the rate of presence.

UNICREDIT GROUP: RATINGS

	SHORT-TERM DEBT	MEDIUM AND LONG-TERM	OUTLOOK	STANDALONE RATING
Standard & Poor's	A-3	BBB-	STABLE	bbb-
Moody's	P-2	Baa1	STABLE	ba1
Fitch Ratings	F2	BBB+	NEGATIVE	bbb+

Note: S&P lowered Italy's long-term and short-term ratings to "BBB-"/"A-3"' on December 5th, 2014 and subsequently took the same rating action on December 18th, 2014 on UniCredit S.p.A.. On the 20th of July 2016, S&P affirmed UniCredit S.p.A.'s ratings with Stable outlook.

Moody's on June 22nd, 2015 when implementing its new bank rating criteria and reduced government support assumptions, upgraded UniCredit S.p.A.'s long-term deposit and senior unsecured debt ratings to "Baa1" (from "Baa2"), which is 1 notch higher than Italy. On the 18th of May 2016, Moody's affirmed UniCredit S.p.A.'s ratings with Stable outlook.

Fitch on March 24th, 2016 changed the outlook of UniCredit S.p.A.'s "BBB+" rating to Negative (from Stable). On the 21st of October, Fitch has revised the outlook of Italy's "BBB+" rating to Negative from Stable.

UNICREDIT GROUP: LOANS TO CUSTOMER – ASSET QUALITY(*)

(€ million)	Bad exposures	Unlikely to pay other than bad	Non performing past-due	**Total non performing**	Perfoming	**TOTAL LOANS**
As at 09.30.2016						
Gross Exposure	51,310	23,373	2,100	**76,784**	446,643	**523,426**
as a percentage of total loans	*9.8%*	*4.5%*	*0.4%*	***14.7%***	*85.3%*	
Writedowns	31,753	8,022	592	**40,367**	2,133	**42,500**
as a percentage of face value	*61.9%*	*34.3%*	*28.2%*	***52.6%***	*0.5%*	
Carrying value	19,557	15,351	1,508	**36,417**	444,510	**480,926**
as a percentage of total loans	*4.1%*	*3.2%*	*0.3%*	***7.6%***	*92.4%*	
As at 12.31.2015						
Gross Exposure	51,089	26,054	2,617	**79,760**	437,495	**517,255**
as a percentage of total loans	*9.9%*	*5.0%*	*0.5%*	***15.4%***	*84.6%*	
Writedowns	31,165	8,968	707	**40,840**	2,417	**43,257**
as a percentage of face value	*61.0%*	*34.4%*	*27.0%*	***51.2%***	*0.6%*	
Carrying value	19,924	17,086	1,910	**38,920**	435,079	**473,999**
as a percentage of total loans	*4.2%*	*3.6%*	*0.4%*	***8.2%***	*91.8%*	

Note: (*)The perimeter of impaired loans is substantially equivalent to the perimeter of EBA "Non-Performing Exposure" (NPE).

UNICREDIT GROUP: SOVEREIGN DEBT SECURITIES – BREAKDOWN BY COUNTRY/PORTFOLIO

With reference to the Group's sovereign exposures[22], the book value of sovereign debt securities as at September 30, 2016 amounted to €134,972 m, of which about 90% concentrated in eight countries; Italy, with €56,482 m, represents about 42% of the total. For each of the eight countries, the table below shows the book value of the exposures broken down by portfolio as at September 30, 2016.

(€ million)	Book value
As at 09.30.2016	
- Italy	**56,482**
financial assets/liabilities held for trading (net exposures *)	2,298
financial assets at fair value through profit or loss	1
available for sale financial assets	53,245
loans and receivables	184
held to maturity investments	755
- Germany	**21,739**
financial assets/liabilities held for trading (net exposures *)	3,120
financial assets at fair value through profit or loss	16,534
available for sale financial assets	1,049
loans and receivables	1,036
held to maturity investments	-
- Spain	**15,917**
financial assets/liabilities held for trading (net exposures *)	9
financial assets at fair value through profit or loss	119
available for sale financial assets	15,783
loans and receivables	-
held to maturity investments	6
- Austria	**9,629**
financial assets/liabilities held for trading (net exposures *)	175
financial assets at fair value through profit or loss	409
available for sale financial assets	8,796
loans and receivables	141
held to maturity investments	108
- Poland	**8,664**
financial assets/liabilities held for trading (net exposures *)	205
financial assets at fair value through profit or loss	-
available for sale financial assets	6,582
loans and receivables	1,189
held to maturity investments	687
- France	**4,219**
financial assets/liabilities held for trading (net exposures *)	(325)
financial assets at fair value through profit or loss	481
available for sale financial assets	4,063
loans and receivables	-
held to maturity investments	-
- Czech Republic	**2,294**
financial assets/liabilities held for trading (net exposures *)	59
financial assets at fair value through profit or loss	0
available for sale financial assets	2,235
loans and receivables	-
held to maturity investments	-
- Hungary	**1,874**
financial assets/liabilities held for trading (net exposures *)	81
financial assets at fair value through profit or loss	-
available for sale financial assets	1,793
loans and receivables	-
held to maturity investments	-
Total on-balance sheet exposures	**120,819**

Note: (*)including exposures in Credit Derivatives.

[22]Sovereign exposures are bonds issued by and loans given to central and local governments and governmental bodies. ABSs are not included

The remaining 10% of the total of sovereign debt securities, amounting to €14,153 m with reference to the book values as at September 30, 2016, is divided into 47 countries, including Russia (€1,386 m), Slovenia (€482 m), the US (€462 m), Portugal (€106 m), Ireland (€36 m) and Argentina (€7 m). The sovereign exposure to Greece, Cyprus and Ukraine is immaterial.
With respect to these exposures, as at September 30, 2016 there were no indications that impairment may have occurred.
It should moreover be noted that among the aforementioned remaining part of sovereign debt securities as at 30 September 2016 there are also debt securities towards Supranational Organizations such as the European Union, the European Financial Stability Facility and the European Stability Mechanism amounting to €3,941 m.
In addition to the exposures to sovereign debt securities, loans[23] given to central and local governments and governmental bodies must be taken into account.

UNICREDIT GROUP: SOVEREIGN LOANS – BREAKDOWN BY COUNTRY

The table below shows the total amount as at September 30, 2016 of loans given to countries towards which the overall exposure exceeds €140 m, representing about 94% of the total.

(€ million)	**Book value**
As at 09.30.2016	
- Germany (*)	7,265
- Italy	5,583
- Austria (**)	5,519
- Croatia	2,551
- Poland	1,290
- Serbia	291
- Indonesia	289
- Slovenia	204
- Gabon	202
- Bosnia and Herzegovina	187
- Bulgaria	166
- Turkey	161
Total on-balance sheet exposures	**23,710**

Note: (*)of which €1,045.4 m in financial assets held for trading and those at fair value through profit or loss. (**)of which €293.7 m in financial assets at fair value through profit or loss.

[23] Tax items are not included.

BASIS OF PREPARATION

1. This Consolidated Interim Report as at September 30, 2016 - Press Release has been prepared on a voluntary basis, with the aim to ensure continuity with the previous quarterly reports , following the elimination of the requirement to disclose additional financial information to the half-year and annual reports pursuant to law (D. Lgs.) 25/2016, issued in application of Directive 2013/50/EU. This Consolidated Interim Report as at September 30, 2016 - Press Release as well as the press releases on significant events occurred during the period, the market presentation of 3Q16 results, the Divisional Database and the disclosure by institutions pursuant to Regulation (EU) No.575/2013 are available on UniCredit Group website.
2. Reclassified balance sheet and income statements have been prepared pursuant to Banca d'Italia instructions laid down in Circular 262/2005 and applying the aggregations and reclassifications disclosed in Annex 1 of Consolidated First Half Financial Report as at June 30, 2016.
3. In order to provide further information about Group's performance, a number of alternative performance measures (APM) has been used (such as Cost/income ratio, Net bad loans to customers/Loans to customers, Net Non-Performing loans to customers/Loans to customers, RoAC, Cost of risk), whose description is included in last Consolidated First Half Financial Report as at June 30, 2016 (Consolidated Interim Report on Operations and Annexes) in accordance with European Securities and Markets Authority Guidelines (ESMA/2015/1415) of October 5, 2015. With reference to RoAC, please refer to note 13 on page 3 for the calculation of the allocated capital (ratio denominator). Within this Consolidated Interim Report - Press Release, RoTE is defined in note 4 on page 1.
4. The contents of this Consolidated Interim Report as at September 30, 2016 - Press Release are not prepared according to the international accounting standard on interim reporting (IAS 34).
5. The Consolidated Interim Report as at September 30, 2016 - Press Release, which is presented in reclassified form, has been prepared on the basis of IAS/IFRSs in force, as detailed in the Explanatory Notes to the Consolidated Accounts - Part A - Accounting Policies of the Consolidated First Half Financial Report as at June, 30 2016.
   We note that the measurement process of tangible and intangible assets (including goodwill and assets evaluated on the basis of the same estimates) and, for some countries, deferred tax assets as at 30 September 2016 has been performed by assessing that, since 31 December 2015, there have not been events or changes in circumstance that may indicate that the amounts recognized are no more recoverable.
6. With reference to the ordinary contributions due for 2016 to the Single Resolution Fund and to Deposit Guarantee Schemes, the relevant costs are presented into "Other charges and provisions" according to requested amounts by Single Resolution Board with reference to Single Resolution Fund and, referring to Deposit Guarantee Schemes, including best estimation on the basis of the information available as of September, 30 2016 of annual contribution to Italian Fondo Interbancario di Tutela dei Depositi. Similarly, the same item reflects the costs originated by application of the law (D.L.) dated May, 3 2016, n. 59 related to deferred tax assets for an amount equal to contribution for previous reporting period and best estimate of costs for nine months of current period.
7. Scope of consolidation: in the first nine months of 2016 the following changes occurred in the scope of consolidation:
   a. the number of fully consolidated companies changed from 713 at the end of 2015 to 681 at September 2016 (13 incoming and 45 exited), presenting a decrease of 32 (exits are mainly attributable to disposals and mergers in other Group's companies);
   b. the number of companies consolidated using the equity method changed from 67 at the end of 2015 to 68 at September 2016 (1 incoming).
8. Non-current assets and asset groups held for sale: in the Balance Sheet as at September 30, 2016 the main reclassified assets based on the IFRS 5 accounting principle, as non-current assets and asset disposal groups refer to:
   a. regarding the individual assets and liabilities held for sale:
      I. the subsidiary Bankhaus Neelmayer AG and to assets and liabilities referred to UBIS's card processing activities in Italy, Germany and Austria;
      II. properties held by some Group entities;
   b. regarding the data relating to group of assets held for sale and associated liabilities, the following companies, already reported in the Consolidated Financial Statements as at December 31, 2015:
      I. the companies of the Ukrainian Group (Public Joint Stock Company Ukrsotsbank, Private Joint Stock Company Ferrotrade International, LLC Ukrsotsbud, LTD SI&C AMC Ukrsots Real Estate);
      II. the companies of Immobilien Holding Group (Austria).
9. All intercompany transactions of a material amount were eliminated (both balance sheet and income statement figures). All unreconciled amounts were posted to other assets or liabilities or to net other income/expenses, if not related to interests or commissions.
10. This Consolidated Interim Report - Press Release is not audited by the External Auditors.

Declaration by the Manager charged with preparing the financial reports

The undersigned, Francesco Giordano, in his capacity as the Manager charged with preparing UniCredit S.p.A.'s financial reports

DECLARES

That, pursuant to Article 154 bis, paragraph 2, of the "Consolidated Law on Financial Intermediation" the information disclosed in this document corresponds to the accounting documents, books and records.

Milan, November 10 2016

Manager charged with preparing the financial reports

Investor Relations:
Tel.+39-02-88624324; e-mail: investorrelations@unicredit.eu
Media Relations:
Tel.+39-02-88623569; e-mail: mediarelations@unicredit.eu

UNICREDIT 3Q16 GROUP RESULTS – DETAILS OF CONFERENCE CALL

MILAN, NOVEMBER 10, 2016 – 14.30 CET

CONFERENCE CALL DIAL IN

ITALY: +39 02 805 88 11

UK: +44 1 212818003

USA: +1 718 7058794

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

Fine Comunicato n.0263-202	Numero di Pagine: 19