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1Q18 Results

Milan, 10 May 2018

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Agenda

Transform 2019 drives tangible improvements. Best first quarter since 2007
Non Core rundown accelerated to 2021

Core Bank solid performance with 1Q18 Group Core RoTE at 10.4%, up 1.1p.p. Y/Y. 1Q18 Group Core gross NPE ratio improving, down 0.9p.p. Y/Y to 4.7%

Group 1Q18 net profit at 1.1bn, up 22.6% Y/Y. Underlying financial performance is strong with net operating profit at 1.9bn, up 25.5% Y/Y. 1Q18 RoTE at 8.9%, up 1.8p.p. Y/Y. FY19 RoTE target >9% confirmed

Resilient 1Q18 Group NII at 2.6bn (-0.4% Q/Q), in line with guidance. Positive sustained commercial dynamics, fees up 2.8% Y/Y driven by investment fees (+2.3% Y/Y) and transactional fees (+9.3% Y/Y)

1Q18 costs at 2.74bn, down 2.0% Q/Q and 5.2% Y/Y. Cost/Income ratio at 53.5%, down 2.5p.p. Y/Y

1Q18 CoR at 45bps. FY18 CoR target of 68bps confirmed

Non Core rundown accelerated to 2021 from 2025. In 1Q18 1.8bn write-offs in Non Core. FY18 Group gross NPE disposal target of 4bn, of which 2bn in Non Core

Group gross NPE ratio down to 9.5% with gross NPEs down 10.6bn Y/Y and 3.8bn Q/Q

IFRS9 FTA impact(1) of 104bps including accelerated Non Core rundown through NPE sales and write-offs

1Q18 CET1 ratio at 13.06%. Fully loaded CET1 ratio for year end 2018 between 12.3% and 12.6%

Impact of models, procyclicality and EBA guidelines anticipation confirmed, the majority of which is expected in 2H18

NB: Numbers throughout the document reflect "line adjustments from accounting changes" as announced during the CMD 2017, details can be found in Annex on pages 62 to 63.

(1) IFRS9 first time adoption (FTA) impact on 1 January 2018 of -104bps on fully loaded CET 1 ratio, equivalent to around -3.8bn deriving from LLP effect and write offs. Higher than -75bps communicated at 4Q17 due to sale price update of selling scenario and write-offs.

Group – 1Q18 net profit at 1.1bn, up 22.6% Y/Y

Group key figures	1Q17	4Q17	1Q18	Δ % vs. 4Q17	Δ % vs. 1Q17
Total revenues, m	5,150	4,906	5,114	+4.2%	-0.7%
Operating costs, m	-2,886	-2,794	-2,738	-2.0%	-5.2%
Loan loss provisions, m	-766	-835	-496	-40.6%	-35.2%
Net profit, m	907	801	1,112	+38.9%	+22.6%
Adjusted net profit(1), m	907	708	1,112	+57.1%	+22.6%
Fully loaded CET1 ratio	11.45%	13.60%	13.06%	-0.5p.p.	+1.6p.p.
RWA transitional, bn	385.3	356.1	353.3	-0.8%	-8.3%
Loans, excluding repos, bn	409.5	413.0	414.9	+0.5%	+1.3%
Gross NPE, bn	55.1	48.3	44.6	-7.8%	-19.1%
Adjusted RoTE(2)	7.0%	5.5%	8.9%	+3.3p.p.	+1.8p.p.
C/I	56.0%	56.9%	53.5%	-3.4p.p.	-2.5p.p.
Cost of risk, bps	70	76	45	-31bps	-25bps

(1) Group adjusted net profit excludes the net impact of the Pioneer and Pekao disposals (+93m 4Q17).

(2) Group adjusted RoTE excludes the net impact of the Pioneer and Pekao disposals (+93m 4Q17). RoTE calculated at CMD perimeter, taking into account the capital increase and Pekao and Pioneer disposals as at 1 January 2017.

Transform 2019 achievements (1/2)

STRENGTHEN AND OPTIMISE CAPITAL	**Strong capitalisation** **Higher IFRS9 FTA** **Acceleration of Non Core rundown**	• 1Q18 fully loaded CET1 ratio at 13.06%, including 99bps IFRS9 FTA (net of tax) • Strong capital position allowing the Group to accelerate the Non Core rundown. Higher IFRS9 FTA on non performing residential mortgages • Fully loaded CET1 ratio for year end 2018 between 12.3% and 12.6%. 2019 fully loaded CET1 ratio target confirmed >12.5%
IMPROVE ASSET QUALITY	**NPE disposals and targets improved** **Accelerated Non Core rundown by 2021**	• FINO transaction successfully closed in January 2018 • Group gross NPE ratio 9.5% in 1Q18, down 2.1p.p. Y/Y • Group Core gross NPE ratio 4.7% down by 0.9p.p. Y/Y • Accelerated full Non Core rundown by end 2021, brought forward from 2025. In 1Q18 1.8bn write-offs in Non Core • Improved 2019 Gross NPE targets of 37.9bn for Group, of which 14.9bn in Non Core • FY18 Group gross NPE disposal target of 4bn, of which 2bn in Non Core
TRANSFORM OPERATING MODEL	**Branch and FTE reductions ahead of schedule**	• Branches down by 50 Q/Q and 732 since December 2015 in Western Europe, meaning 78% of 944 Transform 2019 target achieved • FTEs down by 1,587 Q/Q and 10,586 since December 2015, meaning 75% of the 14,000 Transform 2019 target achieved

Transform 2019 achievements (2/2)

1 2 3 4 5 6 7 8

Transform 2019 update

MAXIMISE COMMERCIAL BANK VALUE	Multichannel offer/ customer experience	• UniCredit is the only bank in Italy to offer all three mobile payments Apple Pay, Alipay and Samsung Pay, the latter successfully launched in 1Q18, further strengthening the Group's offer • In Italy, 93% (vs. 95% 2019 target) of basic transactions[(1)] migrated to self-service channels, while remote sales increased by 4.5p.p Y/Y, reaching 20.8% of total bank sales[(2)] • In CEE, the mobile user penetration[(3)] improved by 2.2p.p. Q/Q to 33.8%
	E2E redesign and streamlining	• Following the successful execution of the E2E redesign of the first 8 products[(4)], 3 additional products launched in Italy (online banking, deposits & withdrawals and bancassurance) taking the total of E2E redesigns running in parallel to 11. Redesign concept extended to Germany
	Commercial partnerships	• Launched new "Easy Export" product in Italy to support the internationalisation of Italian companies leveraging on new partnership with Alibaba.com
	Leading Debt and Trade Finance house in Europe	• Confirmed leading Trade Finance House with strong progress in Germany • Ranking #1 in "EMEA All Bonds in EUR" by number of transactions underlining the strength of the fully plugged-in CIB platform[(5)]
ADOPT LEAN BUT STEERING CENTRE	Governance	• New corporate governance in line with best in class European peers. Annual General Meeting approved Board list with 90% of votes. Fabrizio Saccomanni elected new Chairman
	Group CC streamlining	• Weight of Group Corporate Centre of total costs at 3.4% in 1Q18, stable Y/Y (+0.1p.p.) (FY15 actual: 5.1%, FY19 target: 3.5%)

(1) Includes cash withdrawals, cash deposits and transfers.

(2) Percentage of remote sales (transactions concluded through ATM, online, mobile or Contact Centre) calculated on total bank products that have a direct selling process.

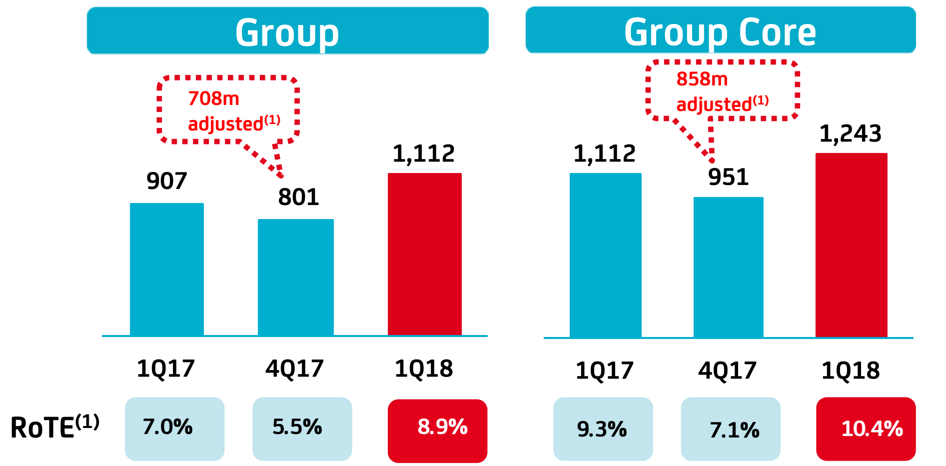
(3) Including Turkey at 100%. Ratio defined as number of retail mobile users as percentage of active customers.

(4) Current accounts, credit cards, receivable financing, residential mortgages, advisory, assets under management, corporate mortgages and debit cards.

(5) Source: Dealogic, as of 3 April 2018. Period 1 January – 31 March 2018.

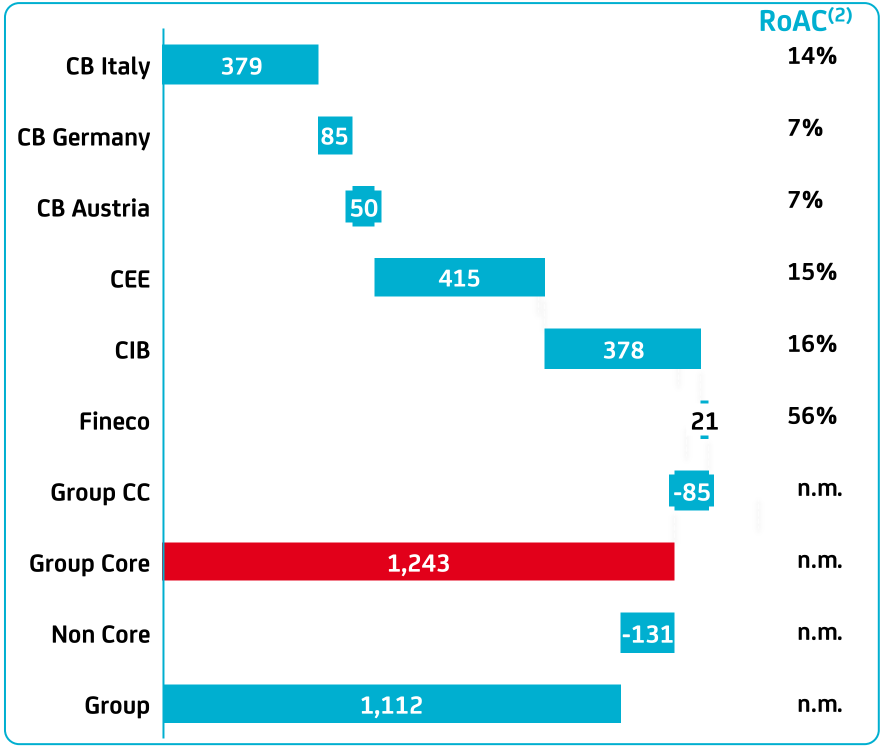
Group – 1Q18 net profit at 1.1bn, up 22.6% Y/Y, underpinned by sustained positive Group wide commercial dynamics

Net profit, m



- Group RoTE 8.9% in 1Q18, up 1.8p.p. Y/Y. CEE, CB Italy and CIB as main drivers
- FY19 Group RoTE target >9% confirmed
- Group Core RoTE 10.4% in 1Q18, up 1.1p.p. Y/Y

Net profit by division 1Q18, m



(1) Group and Group Core adjusted net profit and adjusted RoTE exclude the net impact of the Pioneer and Pekao disposals (+93m 4Q17). RoTE calculated at CMD perimeter, taking into account the capital increase and Pekao and Pioneer disposals as at 1 January 2017. Group Core RoTE for 1Q17 adjusted versus the previously published version for Non Core allocated capital.

(2) Normalised RoAC: CIB 14.1%. Adjustment for 1Q18 summarised in Annex on page 44.

Group Core – 1Q18 net profit at 1.2bn, up 11.8% Y/Y. RoTE at 10.4%, up 1.1p.p. Y/Y

Main drivers

- Stable revenues at 5.1bn in 1Q18 (+0.1% Y/Y), supported by fees (+2.4% Y/Y)
- Costs down 2.9% Q/Q and 4.9% Y/Y thanks to continued strong cost discipline. C/I ratio at 52.7%, down 2.8p.p. Y/Y
- LLPs down 25.7% Y/Y. 1Q18 CoR at 35bps
- Gross NPE ratio 4.7%[(2)], down by 0.9p.p Y/Y
- Net profit at 1.2bn, up 11.8% Y/Y. RoTE at 10.4%, up 1.1p.p. Y/Y

Data in m	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17*	*Δ % vs. 1Q17*
Total revenues	5,127	4,893	5,132	+4.9%	+0.1%
o/w Net interest	*2,612*	*2,608*	*2,615*	*+0.3%*	*+0.1%*
o/w Fees	*1,719*	*1,704*	*1,761*	*+3.4%*	*+2.4%*
Operating costs	-2,846	-2,785	-2,705	-2.9%	-4.9%
Gross operating profit	2,281	2,108	2,426	+15.1%	+6.4%
LLP	-499	-663	-371	-44.1%	-25.7%
Net operating profit	1,782	1,445	2,056	+42.2%	+15.3%
Net profit	1,112	951	1,243	+30.8%	+11.8%
Adjusted net profit[(1)]	1,112	858	1,243	+44.9%	+11.8%
Adjusted RoTE[(1)]	9.3%	7.1%	10.4%	+3.3p.p.	+1.1p.p.
C/I	55.5%	56.9%	52.7%	-4.2p.p.	-2.8p.p.
CoR (bps)	47	62	35	-28bps	-13bps
Gross NPE ratio	5.6%	5.0%	4.7%	-29bps	-87bps

(1) Group Core adjusted net profit and adjusted RoTE exclude the net impact of the Pioneer and Pekao disposals (+93m 4Q17). RoTE calculated at CMD perimeter, taking into account the capital increase and Pekao and Pioneer disposals as at 1 January 2017. Group Core RoTE for 1Q17 adjusted versus the previously published version for Non Core allocated capital.

(2) Weighted average of EBA sample banks is 4.0%. Source: EBA risk dashboard (data as of 4Q17).

Group – 1Q18 net profit at 1.1bn, up 22.6% Y/Y mainly thanks to lower LLPs and lower costs

Main drivers

- Resilient NII at 2.6bn in 1Q18 (-0.4% Q/Q) in line with guidance as the days effect was mainly offset by lower funding costs
- Fees increased 2.8% Y/Y, underpinned by sustained positive commercial dynamics mainly in investment fees (+2.3% Y/Y) and transactional fees (+9.3% Y/Y)
- Costs down 2.0% Q/Q and 5.2% Y/Y mainly thanks to lower HR costs (-3.9% Q/Q, -6.9% Y/Y). FTE down 1,587 Q/Q
- LLPs down 35.2% Y/Y, leading to a seasonally low CoR of 45bps. No impact from models
- Other charges & provisions include 465m systemic charges[(1)] as more than half of the FY systemic charges are booked in 1Q
- Tax rate down 4.9p.p. Y/Y based on changes in the geographical mix of profits and impact from IFRS9 FTA

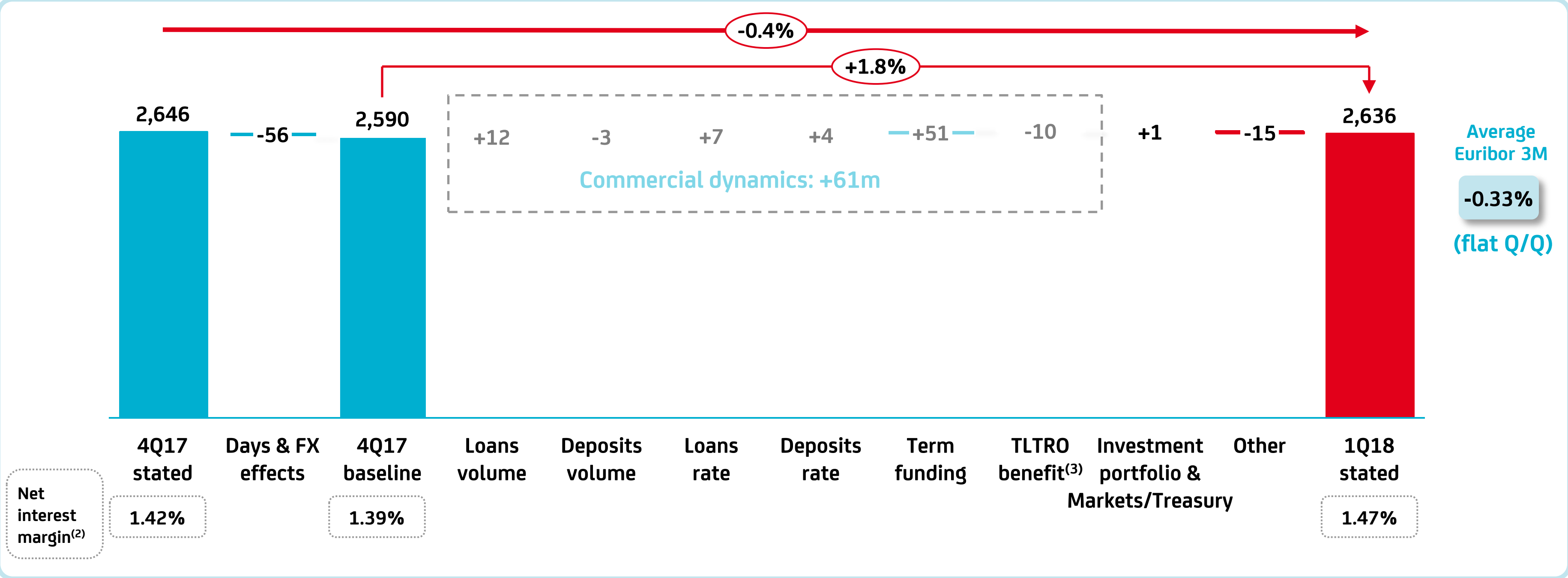
Data in m	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17*	*Δ % vs. 1Q17*
Total revenues	5,150	4,906	5,114	+4.2%	-0.7%
o/w Net interest	*2,660*	*2,646*	*2,636*	*-0.4%*	*-0.9%*
o/w Fees	*1,703*	*1,683*	*1,750*	*+4.0%*	*+2.8%*
o/w Trading	*590*	*384*	*478*	*+24.5%*	*-19.0%*
Operating costs	-2,886	-2,794	-2,738	-2.0%	-5.2%
Gross operating profit	2,264	2,112	2,376	+12.5%	+5.0%
Loan loss provisions	-766	-835	-496	-40.6%	-35.2%
Net operating profit	1,498	1,277	1,880	+47.2%	+25.5%
Other charges & provisions	-463	-193	-519	n.m.	+12.0%
o/w Systemic charges	*-434*	*14*	*-465*	*n.m.*	*+7.1%*
Profit before taxes	1,054	830	1,389	+67.4%	+31.8%
Income taxes	-219	-66	-221	n.m.	+0.6%
Net profit from discontinued operations	162	96	-1	n.m.	n.m.
Net profit	907	801	1,112	+38.9%	+22.6%
Adjusted net profit[(2)]	907	708	1,112	+57.1%	+22.6%

(1) 1Q18 systemic charges details by type and division in Annex on page 49.

(2) Group adjusted net profit excludes the net impact of the Pioneer and Pekao disposals (+93m 4Q17).

Group – Resilient 1Q18 net interest mainly thanks to lower funding costs

Net interest(1) Q/Q, m



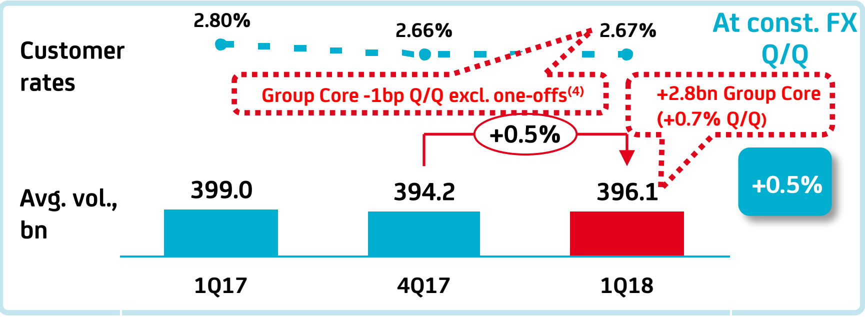
(1) Net contribution from hedging strategy of non-maturity deposits in 1Q18 at 378m, -2.6m Q/Q and -3.8m Y/Y.

(2) Net interest margin calculated as interest income divided by interest earning assets minus interest expenses divided by interest bearing liabilities.

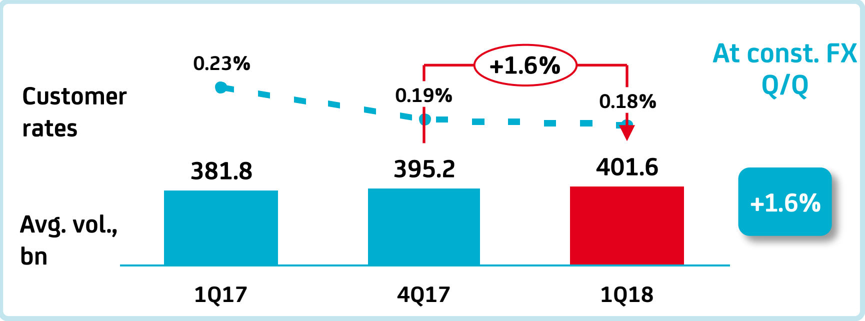
(3) Drop in TLTRO is due to base effect, as FY17 included some spill over benefit from FY16. Absolute TLTRO benefit during the rest of FY18 is stable at c. 50m each quarter.

Group – Average Group Core loan volumes up 2.8bn Q/Q, while customer rates stable in 1Q18

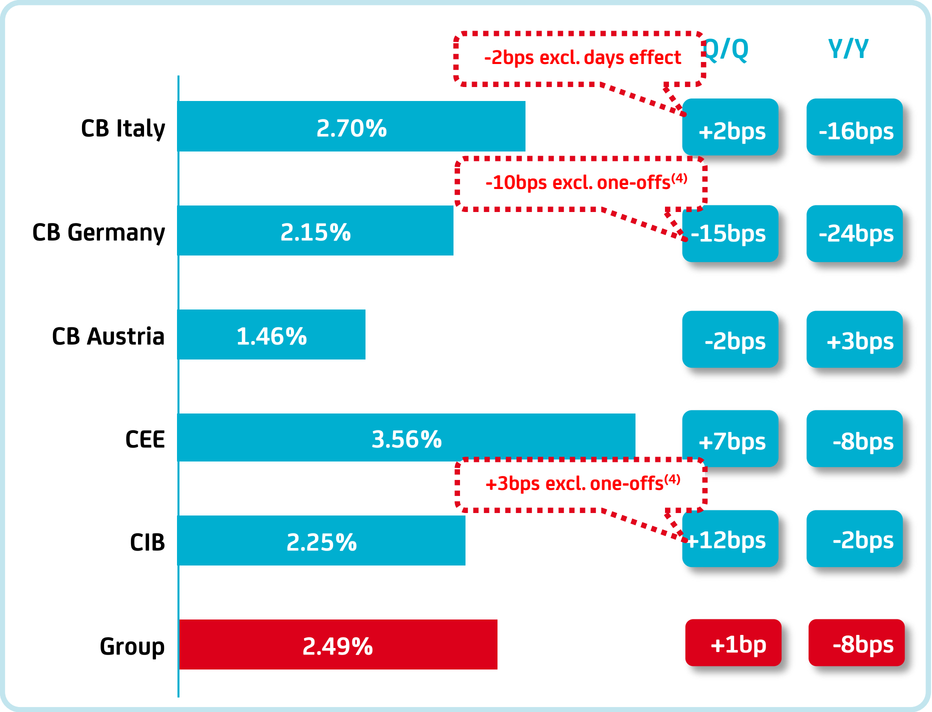
Avg. commercial loans[1] and rates[2]



Avg. commercial deposits[1] and rates[2]



Customer spreads[3] 1Q18



(1) Average commercial volumes are managerial figures and are calculated as daily averages. Loans net of provisions.
(2) Customer rates calculated assuming the 365 days convention.
(3) Customer spread defined as the difference between rate on customer loans and rate on customer deposits.
(4) Excluding one-offs in CB Germany (lower prepayments) and CIB (non-recurring income).

Group – End-of-period Group Core customer loans up 5.1bn(1) Q/Q

Customer loans (end-of-period)(2), bn

	bn	Q/Q	Y/Y
CB Italy	137.7	-0.0%(3)	+1.9%
CB Germany	82.3	+1.8%	+0.8%
CB Austria	44.0	-0.7%	-2.1%
CEE	60.7	At constant FX +1.5%	At constant FX +2.0%
CIB	74.5	+4.2%	+11.2%
Fineco	2.1	+9.4%	n.m.
Group CC	2.5	+2.5%	+59.8%
Group Core	403.8	+1.3%	+3.1%
Non Core	11.1	-22.1%	-37.9%
Group	414.9	+0.5%	+1.3%

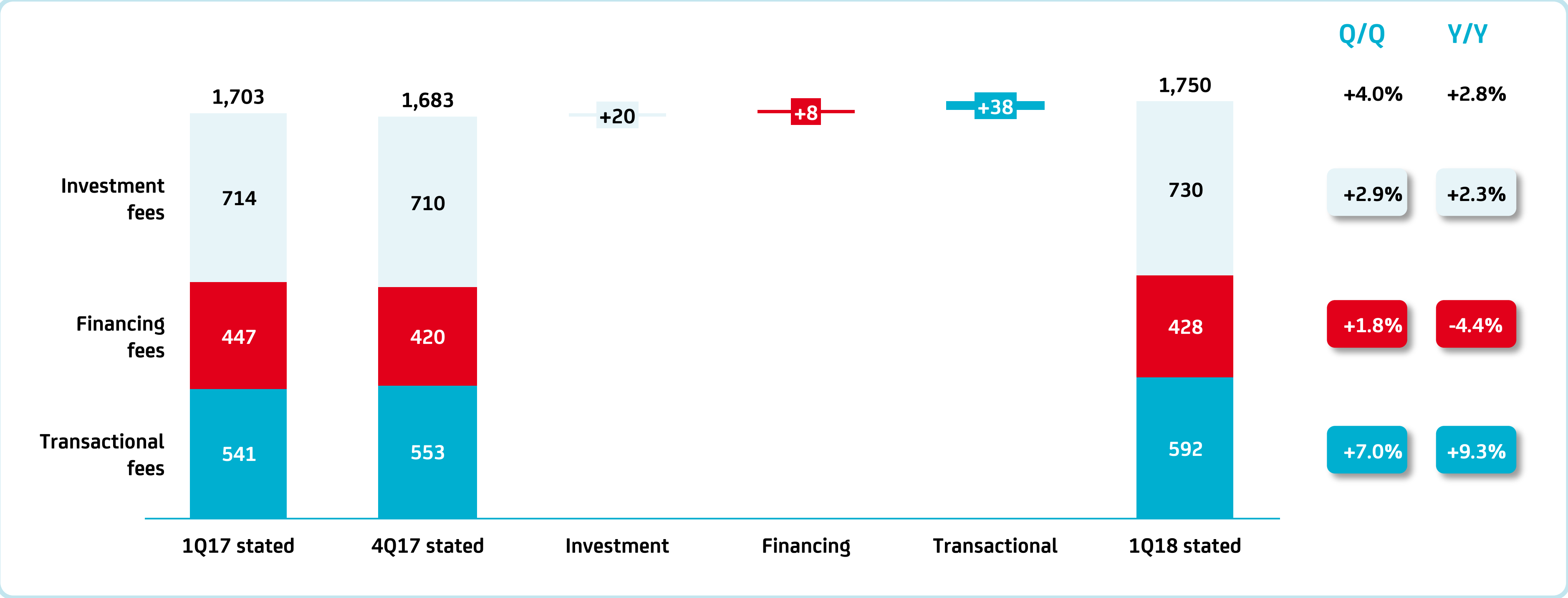
Customer deposits (end-of-period)(2), bn

	bn	Q/Q	Y/Y
CB Italy	143.1	+0.8%	+7.9%
CB Germany	89.0	-2.9%	+6.9%
CB Austria	46.8	+1.1%	+0.1%
CEE	61.8	At constant FX -0.6%	At constant FX +3.7%
CIB	46.9	-2.3%	+2.8%
Fineco	20.8	+3.5%	+11.0%
Group CC	2.3	-6.7%	-19.7%
Group Core	410.6	-0.5%	+5.1%
Non Core	1.0	-3.5%	+5.8%
Group	411.6	-0.5%	+5.1%

(1) Excluding +1.1bn reclassified into customer loans in CIB and excluding -1.2bn IFRS9 FTA impact.
(2) End-of-period accounting volumes calculated excluding repos and intercompany items.
(3) +0.4% Q/Q excluding IFRS9 FTA impact.

Group – Fees up 2.8% Y/Y driven by investment and transactional fees, up 2.3% and 9.3% Y/Y respectively

Fees Q/Q, stated figures[1] m



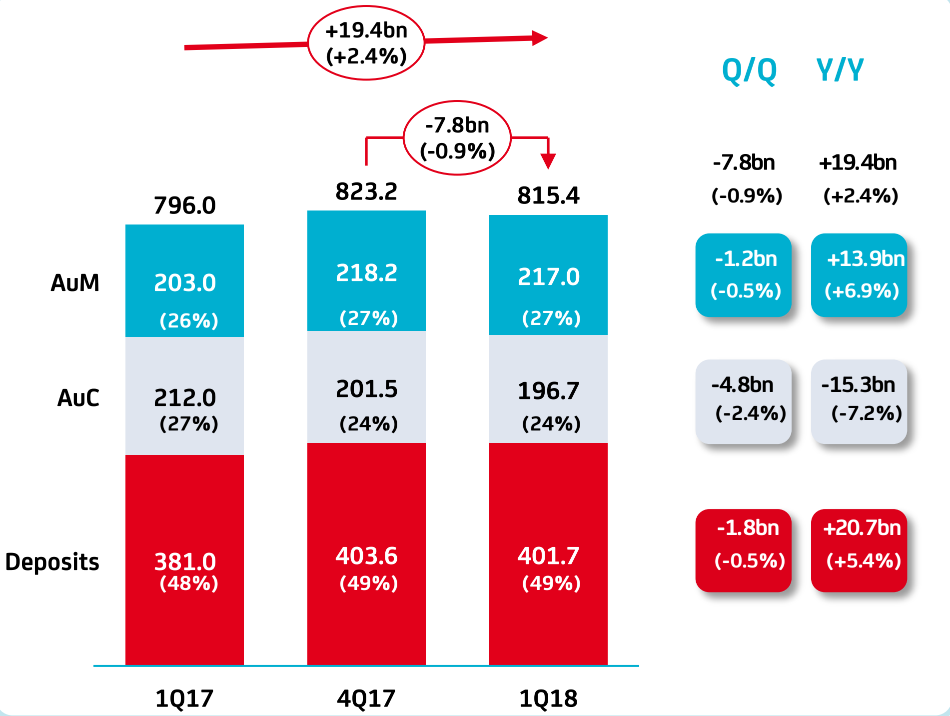
(1) All 2017 figures have been restated for the consolidation effects arising from the intercompany fees relating to Bank Pekao and Pioneer, which until 2Q17 were classified as held for sale, in accordance with IFRS5.

Group – TFAs at 815.4bn, up 2.4% Y/Y. AuM net sales up 8.4% Y/Y
Transformation of client liquidity into AuM continues

Main drivers

- **TFAs** up 2.4% Y/Y to 815.4bn:
  - ✓ **Assets under Management** at 217.0bn, up 6.9% Y/Y driven by CB Italy (+7.6% Y/Y) as AuC were transformed into AuM. In 1Q18 AuM net sales increased to 3.9bn (+8.4% Y/Y), despite challenging markets
  - ✓ **Assets under Custody** at 196.7bn, down 7.2% Y/Y primarily due to CB Italy (-12.2% Y/Y)
  - ✓ **Deposits** at 401.7bn, up 5.4% Y/Y mainly thanks to CB Italy (+7.7% Y/Y) and CB Germany (+7.6% Y/Y)
- **TFAs** down 0.9% Q/Q mainly due to negative market performance (-6.3bn Q/Q)

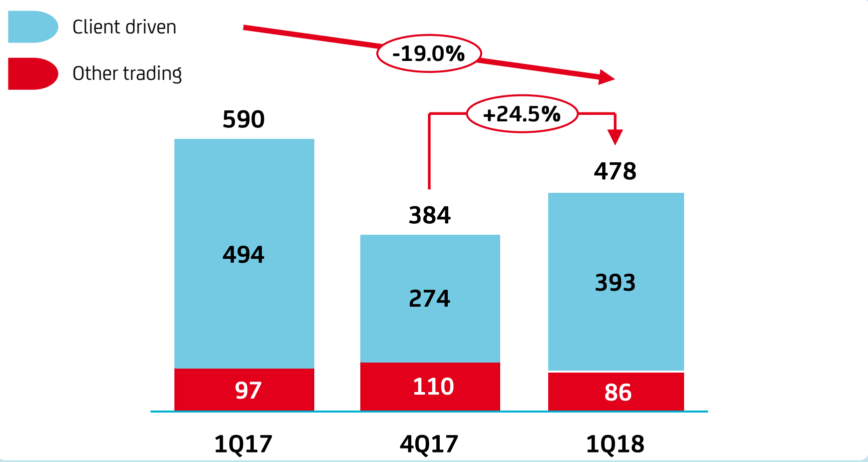
Group TFAs[1] 1Q18, bn



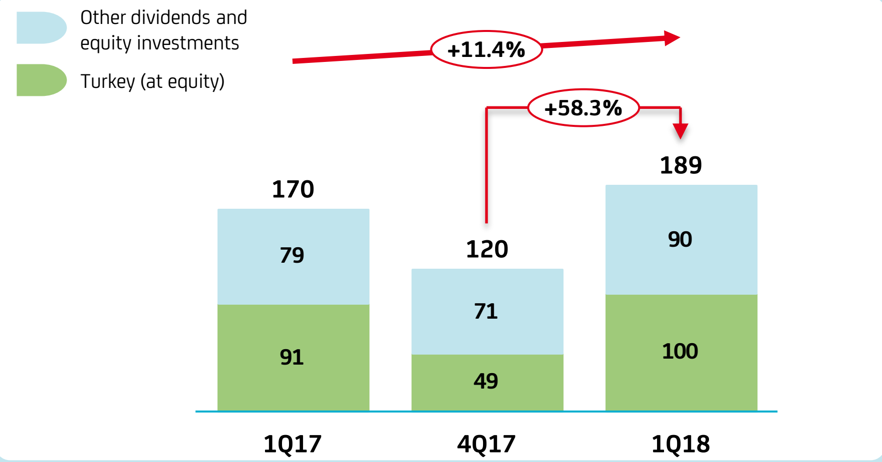
(1) Refers to Group commercial Total Financial Assets. Non-commercial elements, i.e. Group Corporate Centre, Non Core, Leasing/Factoring and Market Counterparts are excluded. Numbers are managerial figures.

Group – Trading income down 19.0% Y/Y
Dividends increased by 11.4% Y/Y, thanks to the strong performance of Turkey

Trading income, m



Dividends[1], m



- Trading income down 19.0% Y/Y, after some large client driven transactions in 1Q17
- Up 24.5% Q/Q on increased market volatility and some non-recurring trading gains, up 23.2% Q/Q adjusted for the latter[2]
- Client driven share of trading high at 82% in 1Q18, stabilising trading income

- Turkey's contribution up 29.7% Y/Y at constant FX
- Other dividends up 13.5% Y/Y mainly thanks to insurance JVs in Italy

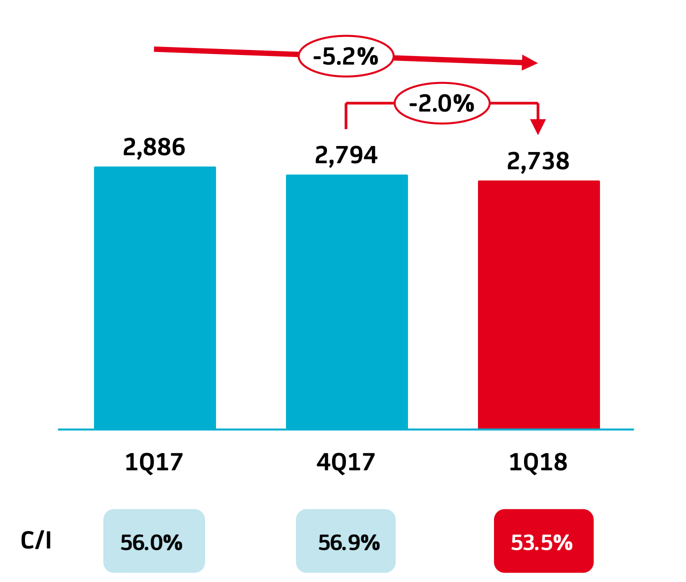
(1) Include dividends and equity investments. Turkey is valued at equity method and contributes to the dividend line to the Group P&L based on managerial view.
(2) Adjusted for non-recurring net trading gains from participations in 1Q18 +39m in CIB and in 4Q17 +28m in CB Germany.

Group – Costs down 5.2% Y/Y, down 2.0% Q/Q
FY18 11.0bn and FY19 10.6bn total cost targets confirmed

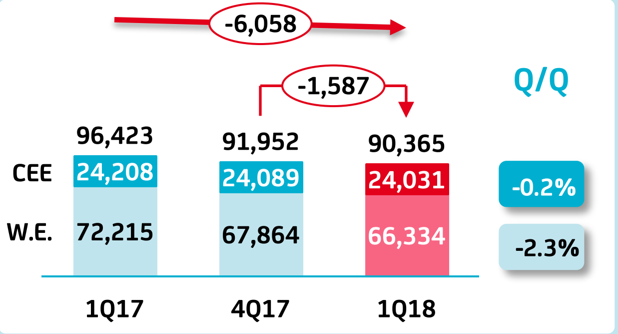
Main drivers

- Execution of Transform 2019 progressing:
  - ✓ 75% of FTE reduction target achieved (11k out of 14k)
  - ✓ 78% of branch closures completed (732 out of 944)
- FTEs down 6,058 Y/Y, branches down 504 Y/Y
- C/I 53.5% in 1Q18, down 2.5p.p. Y/Y. FY18 <55% C/I target confirmed
- 1Q18 total costs at 2.74bn, ahead of schedule
- 1Q18 expense recoveries lower, as mentioned last quarter
- FY18 11.0bn and FY19 10.6bn total cost targets confirmed

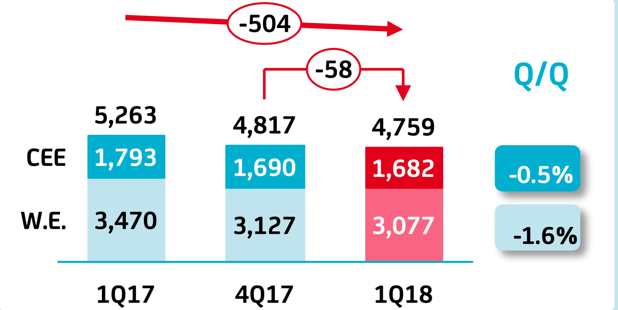
Costs, m



FTEs (eop)



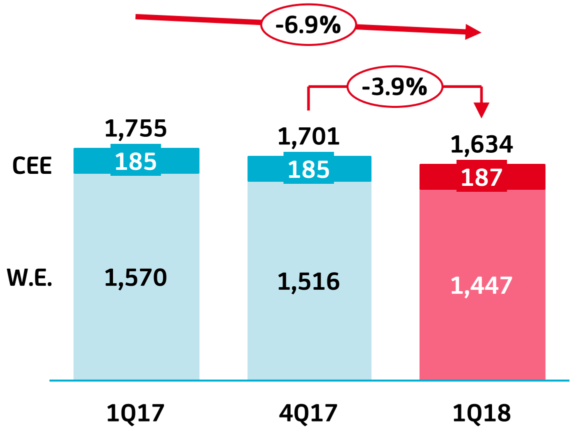
Branches(1)



(1) Branch figures consistent with CMD perimeter.

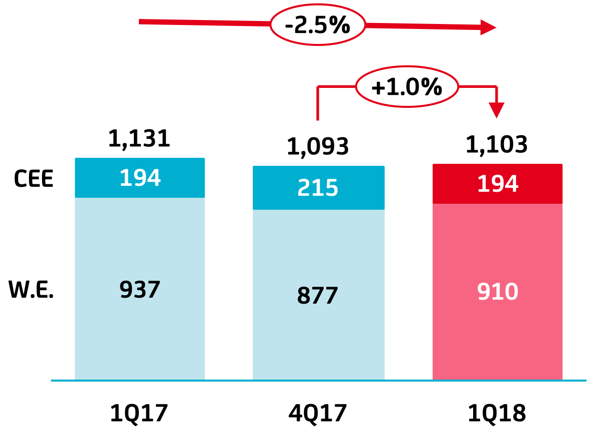
Group – Cost reduction on track with HR and Non HR costs down Y/Y, thanks to disciplined cost control

Staff expenses, m



- Staff expenses down 3.9% Q/Q, down 6.9% Y/Y driven by FTE reduction, down 6,058 Y/Y

Non HR costs(1), m



- Non HR costs down 2.5% Y/Y mainly thanks to lower real estate and consulting expenses
- As mentioned last quarter, expense recoveries lower in 1Q18, leading to Non HR costs up 1.0% Q/Q

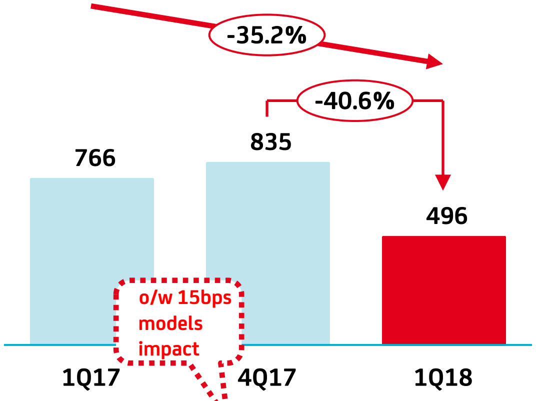
(1) Non HR costs include "other administrative expenses", "recovery of expenses" and "amortisation, depreciation and impairment losses on intangible and tangible assets".

Group – 1Q18 LLPs down 35.2% Y/Y, leading to low CoR of 45bps
FY18 68bps CoR target confirmed, of which 15bps due to models impact

Main drivers(1)

- 1Q18 LLPs down 35.2% Y/Y to 496m, with CoR seasonally low at 45bps. No models impact
- FY18 68bps CoR target confirmed, o/w 15bps due to models impact, the majority of which is expected in 2H18
- Group gross NPE ratio 9.5% in 1Q18, down 2.1p.p. Y/Y. Coverage ratio improved to 60.3% (up 3.8p.p. Y/Y)
- Group Core gross NPE ratio 4.7%, down by 0.9p.p. Y/Y
- CoR across divisions in 1Q18:
  - ✓ CB Italy CoR at 64bps down 11bps Y/Y with no models impact
  - ✓ CB Germany CoR at seasonally low 13bps, stable Y/Y (+1bp)
  - ✓ CB Austria CoR at -34bps due to net write-backs. CoR expected to normalise over the course of 2018
  - ✓ CEE CoR low at 69bps thanks to repayments and write-backs. CoR expected to normalise over the course of 2018
  - ✓ CIB CoR at a seasonally low 19bps in 1Q18, down 13bps Y/Y

Loan loss provisions, m



	1Q17	4Q17	1Q18
Cost of risk	70bps	76bps	45bps
Cov. ratio gross NPE	56.5%	56.3%	60.3%
Gross NPE ratio	11.6%	10.3%	9.5%

59.3% pro-forma IFRS9 FTA

(1) Following the "FINO" portfolio disposal, which occurred in July 2017 and the application of the IAS39 principle, the credit exposures related to portfolio have been derecognised for accounting purposes from the balance sheet assets. The NPE data are calculated accordingly.

CB Italy – Net operating profit 0.6bn, up 23.2% Y/Y thanks to strong fees, strict cost discipline and lower LLPs

Main drivers

- NII 1.4% down Q/Q due to ongoing pressure on customer rates
- New loans production[1] at 5.9bn in 1Q18. Up 3.4% Q/Q, supported by small business and retail
- Fees up 3.2% Y/Y, thanks to transactional fees (+10.3% Y/Y). AuM net sales of 2.4bn in 1Q18 (up 18.5% Y/Y) despite challenging markets, underpinned by the strategic partnership with Amundi
- 90,000 gross new clients in 1Q18, despite closing 50 branches in the quarter
- Costs down 3.8% Q/Q and 6.0% Y/Y mainly driven by strong HR cost reduction (-7.2% Y/Y) thanks to lower FTEs. C/I ratio down 4.1p.p. Y/Y to 55.9% in 1Q18
- CoR at 64bps in 1Q18, down 11bps Y/Y with no models impact. Models impact is expected to be primarily taken in 2H18
- RoAC at 14.2% in 1Q18

Data in m	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17*	*Δ % vs. 1Q17*
Total revenues	1,868	1,868	1,884	+0.9%	+0.9%
o/w Net interest	*936*	*915*	*902*	*-1.4%*	*-3.6%*
o/w Fees	*945*	*937*	*975*	*+4.1%*	*+3.2%*
Operating costs	-1,121	-1,095	-1,054	-3.8%	-6.0%
Gross operating profit	747	773	831	+7.4%	+11.2%
LLP	-251	-270	-220	-18.6%	-12.5%
Net operating profit	496	503	611	+21.4%	+23.2%
Net profit	312	342	379	+11.0%	+21.6%
RoAC	12.6%	12.2%	14.2%	+2.0p.p.	+1.7p.p.
C/I	60.0%	58.6%	55.9%	-2.7p.p.	-4.1p.p.
CoR (bps)	75	79	64	-15bps	-11bps
Branches[2]	2,995	2,663	2,613	-1.9%	-12.8%
FTEs	34,573	32,354	31,865	-1.5%	-7.8%
Gross NPE ratio	7.3%	6.7%	6.6%	-9bps	-68bps

(1) Managerial figures.
(2) Branch figures consistent with CMD perimeter.

CB Germany – Net operating profit 0.2bn, down 20.7% Y/Y due to lower revenues partially offset by lower costs

Main drivers

- NII down 8.1% Q/Q as pressure on customer rates and lower prepayments in 1Q18 were only partially offset by increased volumes and lower funding costs
- New loans production[1] at 4.5bn in 1Q18 mainly driven by corporates
- Fees down 6.9% Y/Y due to investment fees (-11.0% Y/Y), while the new partnership with Allianz was off to a promising start in 1Q18
- 14,000 gross new clients in 1Q18
- Costs under control, down 5.4% Y/Y, mainly driven by strong HR costs reduction (-8.0% Y/Y)
- FTEs further reduced, down 4.1% Q/Q and 10.1% Y/Y
- CoR at seasonally low 13bps in 1Q18, stable Y/Y (+1bp)
- RoAC at 7.5% in 1Q18, target for 2019 confirmed at 9.1%

Data in m	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17*	*Δ % vs. 1Q17*
Total revenues	704	637	639	+0.2%	-9.2%
o/w Net interest	*398*	*395*	*364*	*-8.1%*	*-8.6%*
o/w Fees	*233*	*178*	*217*	*+21.7%*	*-6.9%*
Operating costs	-475	-444	-450	+1.3%	-5.4%
Gross operating profit	228	193	189	-2.3%	-17.2%
LLP	-25	-59	-27	-53.7%	+11.2%
Net operating profit	204	134	161	+20.4%	-20.7%
Net profit	111	132	85	-35.8%	-23.6%
RoAC	9.1%	10.8%	7.5%	-3.4p.p.	-1.6p.p.
C/I	67.6%	69.6%	70.4%	+0.8p.p.	+2.9p.p.
CoR (bps)	12	29	13	-16bps	+1bp
Branches[2]	341	341	341	+0.0%	+0.0%
FTEs	10,774	10,094	9,684	-4.1%	-10.1%
Gross NPE ratio	2.6%	2.2%	2.2%	+0bp	-38bps

(1) Managerial figures.
(2) Branch figures consistent with CMD perimeter.

CB Austria – Net operating profit 0.2bn, up 10.9% Y/Y driven by cost reductions

Main drivers

- NII down 2.4% Q/Q due to repayments in commercial real estate and some pressure on customer rates
- New loans production(1) at 1.6bn in 1Q18 thanks to residential mortgages and consumer loans. Renewed commercial focus on existing client base and cross-selling
- Fees up 1.2% Y/Y driven by investment fees (+0.8% Y/Y) from AuM (+1.6% Y/Y)
- 12,000 gross new clients in 1Q18, focus on affluent
- Costs down 6.2% Y/Y thanks to a reduction of HR costs (-7.5% Y/Y) and Non HR costs (-4.6% Y/Y). Branch closures completed
- CoR at -34bps due to net write-backs in 1Q18. CoR expected to normalise over the course of 2018
- RoAC at a low 7.2% as systemic charges for FY18 are mostly booked in 1Q18 (86m). Target for 2019 confirmed at 13.3%

Data in m	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17*	*Δ % vs. 1Q17*
Total revenues	374	404	381	-5.9%	+1.9%
o/w Net interest	*179*	*173*	*169*	*-2.4%*	*-5.6%*
o/w Fees	*154*	*164*	*156*	*-4.8%*	*+1.2%*
Operating costs	-284	-269	-266	-1.0%	-6.2%
Gross operating profit	90	135	114	-15.6%	+27.3%
LLP	48	-39	38	n.m.	-19.8%
Net operating profit	138	96	153	+58.4%	+10.9%
Net profit	71	99	50	-49.5%	-29.8%
RoAC	9.4%	14.8%	7.2%	-7.7p.p.	-2.2p.p.
C/I	76.0%	66.5%	70.0%	+3.5p.p.	-6.0p.p.
CoR (bps)	-40	34	-34	-68bps	+6bps
Branches(2)	134	123	123	+0.0%	-8.2%
FTEs	5,321	4,970	4,864	-2.1%	-8.6%
Gross NPE ratio	4.6%	4.4%	4.3%	-12bps	-29bps

(1) Managerial figures.
(2) Branch figures consistent with CMD perimeter.

CEE – Net operating profit 0.6bn, up 26.0% Y/Y thanks to higher revenues and lower LLPs
Substantial de-risking with gross NPE ratio down 153bps Y/Y to 7.7%

Main drivers

- NII down 2.4% Q/Q at constant FX due to lower average loan volumes at constant FX only partially offset by stabilised loan rates
- Fees stable Y/Y (-0.0%) at constant FX
- 304,000 gross new clients in 1Q18[2]
- Costs up 1.5% Y/Y at constant FX, below inflation. C/I ratio at a very low 34.8% in 1Q18, down 0.7p.p. Y/Y
- CoR low at 69bps in 1Q18 thanks to repayments and write-backs. CoR expected to normalise over the course of 2018
- Gross NPE ratio down 153bps Y/Y to 7.7% thanks to strict risk discipline, focus on restructuring and disposals
- RoAC at 15.0% in 1Q18

Data in m [1]	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17 constant*	*Δ % vs. 1Q17 constant*
Total revenues	1,069	1,004	1,095	+10.1%	+5.5%
o/w Net interest	*646*	*666*	*651*	*-2.4%*	*+2.4%*
o/w Fees	*211*	*199*	*210*	*+5.0%*	*-0.0%*
Operating costs	-379	-401	-381	-5.0%	+1.5%
Gross operating profit	690	603	715	*+19.9%*	*+7.7%*
LLP	-187	-149	-105	-29.4%	-42.1%
Net operating profit	503	454	609	+36.0%	+26.0%
Net profit	330	348	415	+22.2%	+32.9%
RoAC	11.3%	12.4%	15.0%	+2.7p.p.	+3.8p.p.
C/I	35.4%	39.9%	34.8%	-5.2p.p.	-0.7p.p.
CoR (bps)	124	99	69	-30bps	-54bps
Branches[2]	1,793	1,690	1,682	-0.5%	-6.2%
FTEs	24,208	24,089	24,031	-0.2%	-0.7%
Gross NPE ratio	9.2%	7.9%	7.7%	-19bps	-153bps

(1) Stated numbers at current FX. Variations Q/Q and Y/Y at constant FX (RoAC, C/I, NPEs and CoR variations at current FX).
(2) Including Turkey at 100%.

CIB – Net operating profit 0.7bn, stable at -0.1% Y/Y

Main drivers

- The overall resilience of the fully plugged-in CIB business model is underlined by the sound client driven revenues at 74% in 1Q18, also highlighted by the strong Capital Markets positioning
- NII up 5.3% Q/Q, thanks to stabilising lending rates and some one-offs
- Fees up 10.5% Y/Y thanks to active primary market and financing flows, including significant landmark capital markets transactions. #1 in "EMEA All Bonds in EUR"(1)
- Trading income down 28.1% Y/Y, after some large client driven transactions in 1Q17
- Costs down 7.3% Y/Y with best in class C/I ratio at 36.3% (-0.7p.p. Y/Y)
- CoR at a seasonally low 19bps in 1Q18, down 13bps Y/Y
- Normalised RoAC(2) at 14.1% in 1Q18

Data in m (1)	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17*	*Δ % vs. 1Q17*
Total revenues	1,163	1,006	1,099	+9.2%	-5.5%
o/w Net interest	*535*	*528*	*556*	*+5.3%*	*+4.0%*
o/w Fees	*146*	*169*	*161*	*-4.5%*	*+10.5%*
o/w Trading	*457*	*254*	*328*	*+29.0%*	*-28.1%*
Operating costs	-430	-388	-399	+2.7%	-7.3%
Gross operating profit	733	618	700	+13.3%	-4.5%
LLP	-81	-128	-49	-61.9%	-39.7%
Net operating profit	652	490	651	+32.9%	-0.1%
Net profit	352	373	378	+1.3%	+7.3%
RoAC	14.8%	15.9%	15.7%	-0.2p.p.	+0.9p.p.
C/I	37.0%	38.6%	36.3%	-2.3p.p.	-0.7p.p.
CoR (bps)	32	50	19	-31bps	-13bps
FTEs	3,452	3,322	3,272	-1.5%	-5.2%
Gross NPE ratio	3.9%	3.6%	2.9%	-69bps	-101bps

(1) Source: Dealogic, as of 3 April 2018. Period 1 January – 31 March 2018. #1 by number of transactions.
(2) Normalised RoAC for non-recurring net trading gains from participations in 1Q18 +39m.

Fineco – Net operating profit 91m up 12.6% Y/Y, driven by NII and fees

Main drivers

- Revenues up 9.5% Y/Y supported by NII (+9.3% Y/Y) and fees (+10.5% Y/Y)
- Loan volumes[1] at 2.1bn in 1Q18, up 9.4% Q/Q
- Strong AuM performance Y/Y (+11.2%) driving management fees up 10.7% Y/Y
- In 1Q18 30,000 gross new clients and 1.22m total clients (+6.3% Y/Y)
- Costs up 4.8% Y/Y to support business expansion. Costs under control as demonstrated by C/I ratio of 41.0%, down 1.8p.p. Y/Y
- Net profit at 21m in 1Q18, up 15.5% Y/Y
- RoAC at 56.5% in 1Q18

Data in m	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17*	*Δ % vs. 1Q17*
Total revenues	142	156	155	-0.3%	+9.5%
o/w Net interest	*63*	*70*	*69*	*-1.8%*	*+9.3%*
o/w Fees	*65*	*71*	*71*	*+1.1%*	*+10.5%*
Operating costs	-61	-59	-64	+8.7%	+4.8%
Gross operating profit	81	97	91	-5.7%	+12.9%
LLP	-1	-2	-1	-55.5%	+58.7%
Net operating profit	80	95	91	-4.6%	+12.6%
Minorities	-33	-41	-38	-6.9%	+13.7%
Net profit[2]	18	22	21	-5.4%	+15.5%
RoAC	59.8%	66.3%	56.5%	-9.8p.p.	-3.3p.p.
C/I	42.9%	37.6%	41.0%	+3.4p.p.	-1.8p.p.
AuM	29,742	33,080	33,062	-0.1%	+11.2%
AuM/TFA %	47.8%	49.2%	48.6%	-0.7p.p.	+0.8p.p.

(1) End-of-period accounting volumes calculated excluding repos and intercompany items.
(2) Consolidated view, i.e. 35% ownership by UniCredit.

Group Corporate Centre – Net operating loss 0.2bn, improved by 24.0% Y/Y thanks to better revenues

Main drivers

- Revenues improved by 37.0% Y/Y thanks to lower cost of term funding
- Costs down 3.7% Y/Y driven by HR (-9.1% Y/Y) and non HR (-11.4% Y/Y) costs
- Lean but Steering Corporate Centre transformation on track with a reduction of 441 FTEs Q/Q. Since December 2015, FTEs down by 15% (-2,669 FTEs)
- Group Corporate Centre costs/Total costs at 3.4% in 1Q18, stable Y/Y (+0.1p.p.). FY19 target of 3.5% confirmed

Data in m	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17*	*Δ % vs. 1Q17*
Total revenues	-192	-182	-121	-33.5%	-37.0%
Operating costs	-96	-130	-93	-28.6%	-3.7%
Gross operating profit	-288	-312	-214	-31.5%	-25.8%
LLP	-3	-16	-7	-55.2%	+182.2%
Net operating profit	-291	-328	-221	-32.6%	-24.0%
Profits on investments	42	-89	3	n.m.	-92.2%
Profit before taxes	-283	-596	-255	-57.1%	-9.6%
Income taxes	115	137	172	+25.9%	+49.3%
Net profit from discontinued operations	138	97	0	n.m.	n.m.
Net loss/profit	-83	-365	-85	-76.8%	+2.7%
FTEs	16,540	15,578	15,137	-2.8%	-8.5%
Costs GCC/ Tot. costs	3.3%	4.7%	3.4%	-1.3p.p.	+0.1p.p.

Non Core – Further decisive action to accelerate the Non Core rundown to 2021 from 2025

Main drivers(1)

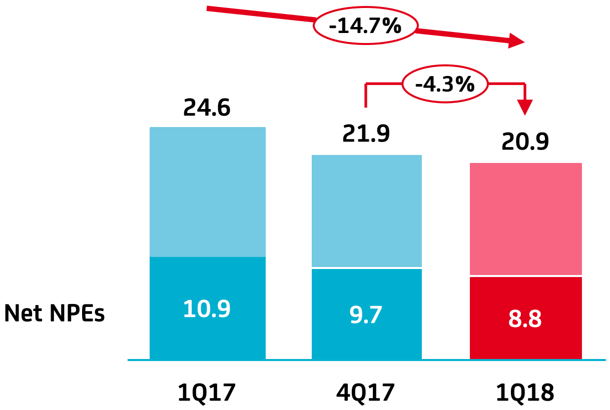
- Full rundown of Non Core accelerated to 2021 from 2025. Decisive action taken on non performing residential mortgages with 1.1bn higher IFRS9 FTA
- In 1Q18 1.8bn write-offs in Non Core. FY18 gross NPE disposal target increased to 2bn
- 2019 gross NPE target improved by 2.3bn down to 14.9bn
- NII and LLP of the division are impacted by line adjustments, which are reducing over time as the NPE stock reduces
- LLPs at 126m in 1Q18 (-52.9% Y/Y), with coverage ratio improving to 62.4% (5.1p.p. Y/Y)
- Net loss of 131m in 1Q18, reduced by 36.0% Y/Y

Data in m	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17*	*Δ % vs. 1Q17*
Total revenues	24	12	-18	n.m.	n.m.
Operating costs	-41	-9	-32	n.m.	-21.3%
Gross operating profit	-17	4	-50	n.m.	+191.1%
LLP	-267	-172	-126	-26.9%	-52.9%
Net operating profit	-284	-168	-176	+4.3%	-38.2%
Net loss	-205	-150	-131	-12.6%	-36.0%
Gross customer loans	35,783	29,706	26,322	-11.4%	-26.4%
o/w NPEs	*30,560*	*26,475*	*23,629*	*-10.7%*	*-22.7%*
o/w Performing	*5,223*	*3,231*	*2,692*	*-16.7%*	*-48.5%*
NPE coverage ratio, %	57.3%	56.9%	62.4%	+5.5pp	+5.1pp
Net NPEs	13,051	11,405	8,886	-22.1%	-31.9%
RWA	24,934	21,595	17,125	-20.7%	-31.3%

(1) Following the "FINO" portfolio disposal, which occurred in July 2017 and the application of the IAS39 principle, the credit exposures related to the portfolio have been derecognised for accounting purposes from the balance sheet assets. The NPE data are calculated accordingly.

Group Core – Ongoing de-risking, gross NPE ratio improving, down 0.9p.p. Y/Y to 4.7%

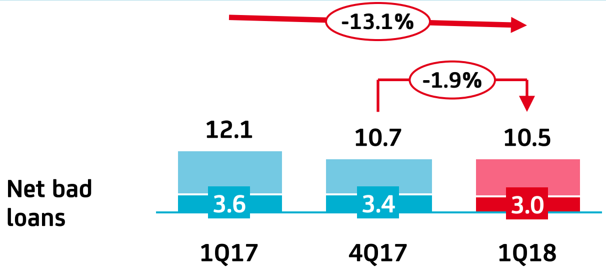
Non performing exposures[1], bn



	1Q17	4Q17	1Q18
Gross NPE ratio	5.6%	5.0%	4.7%
Net NPE ratio	2.6%	2.3%	2.0%
Coverage ratio	55.5%	55.6%	57.9%

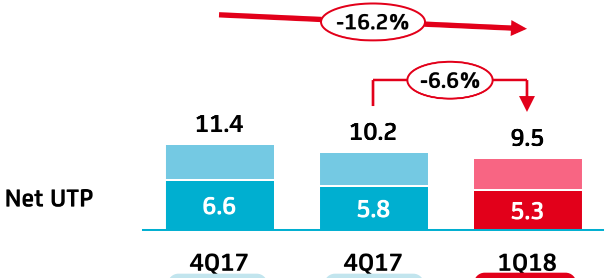
56.9% pro-forma IFRS9 FTA

o.w. Gross bad loans, bn



	1Q17	4Q17	1Q18
Coverage ratio	70.0%	68.6%	71.9%

o.w. Gross unlikely to pay, bn

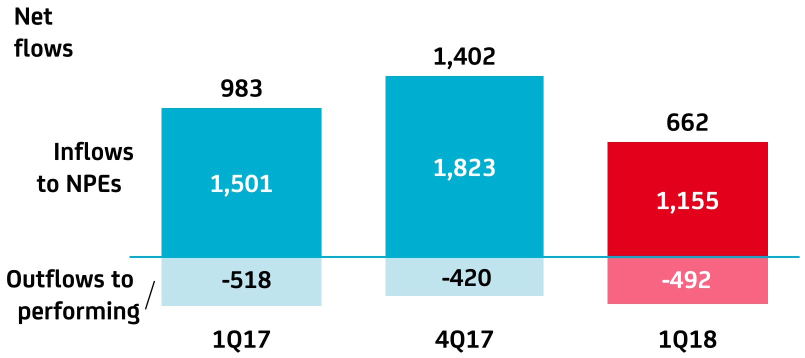


	4Q17	4Q17	1Q18
Coverage ratio	42.3%	43.5%	44.6%

(1) Gross NPEs including gross bad loans, gross unlikely to pay and gross past due. Gross past due at 907m in 1Q18 (-6.4% Q/Q and -18.6% Y/Y).

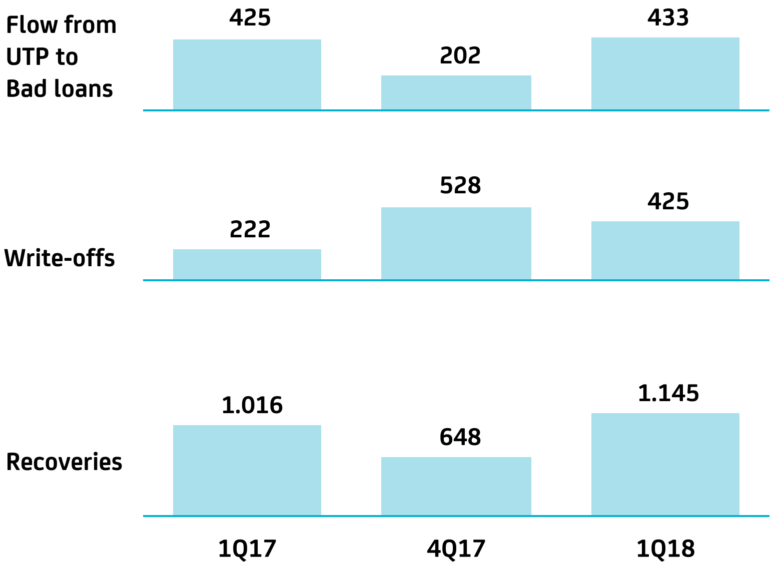
Group Core – Net flows to NPEs down 32.7% Y/Y

Group Core – net flows to NPEs, m



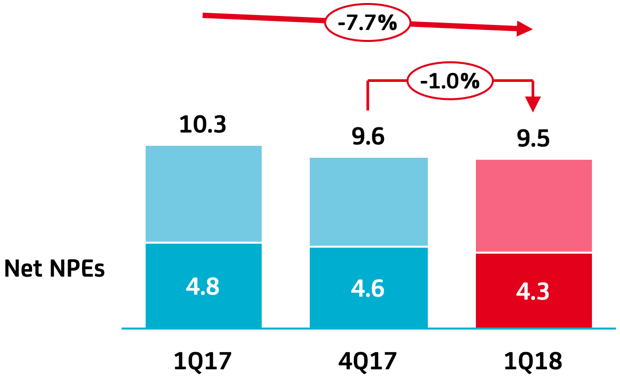
	1Q17	4Q17	1Q18
Default rate	1.4%	1.8%	1.1%
Cure rate	8.3%	6.8%	9.0%
Migration rate	15.5%	7.4%	17.0%

Group Core – Loan evolution drivers, m



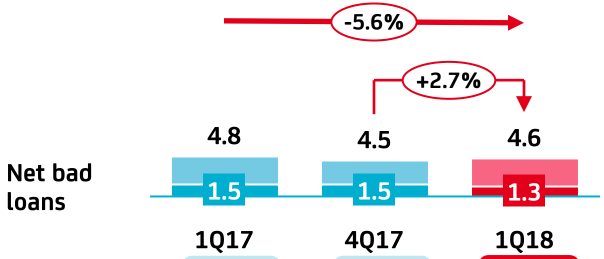
CB Italy – Gross NPEs at 9.5bn, down 7.7% Y/Y, down 1.0% Q/Q

Non performing exposures[1], bn



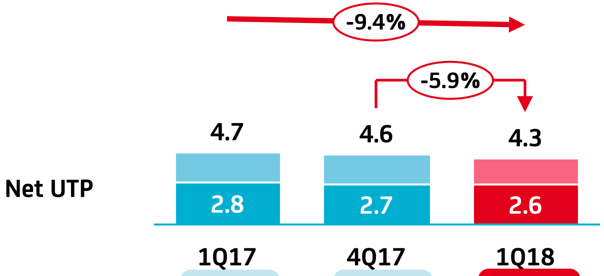
	1Q17	4Q17	1Q18
Gross NPE ratio	7.3%	6.7%	6.6%
Net NPE ratio	3.5%	3.3%	3.1%
Coverage ratio	53.4%	52.2%	54.8%

o.w. Gross bad loans, bn



	1Q17	4Q17	1Q18
Coverage ratio	69.6%	65.7%	71.6%

o.w. Gross unlikely to pay, bn



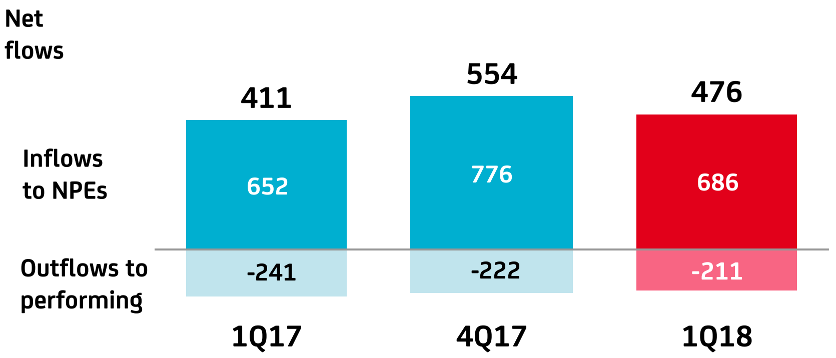
	1Q17	4Q17	1Q18
Coverage ratio	40.5%	41.2%	40.2%

(1) Gross NPEs including gross bad loans, gross unlikely to pay and gross past due. Gross past due at 593m in 1Q18 (+9.2% Q/Q and -10.6% Y/Y).

CB Italy – Default rate up 10bps Y/Y, down 30bps Q/Q

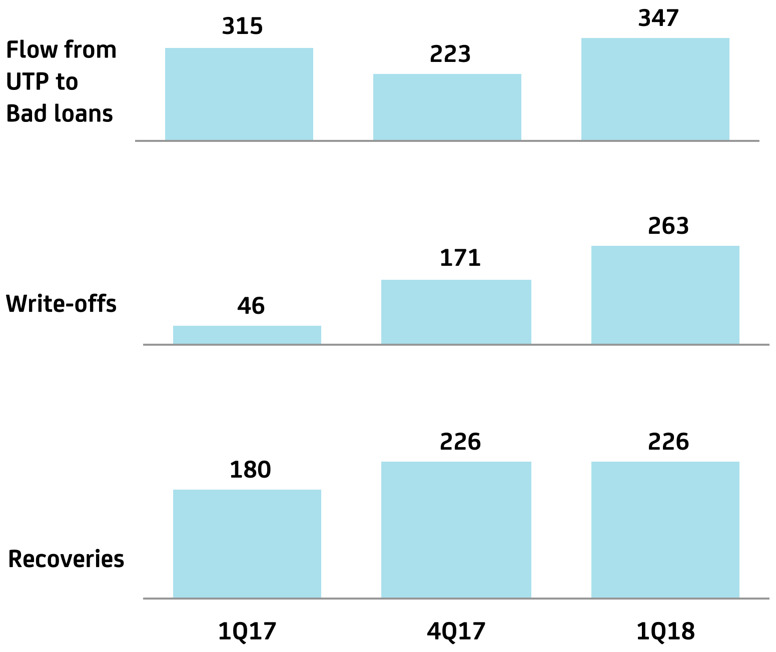
Migration rate up from seasonally low 4Q17, recoveries higher Y/Y

CB Italy – Net flows to NPEs, m



	1Q17	4Q17	1Q18
Default rate	2.0%	2.4%	2.1%
Cure rate	10.0%	9.2%	8.8%
Migration rate	28.3%	20.1%	30.4%

CB Italy – Loan evolution drivers, m

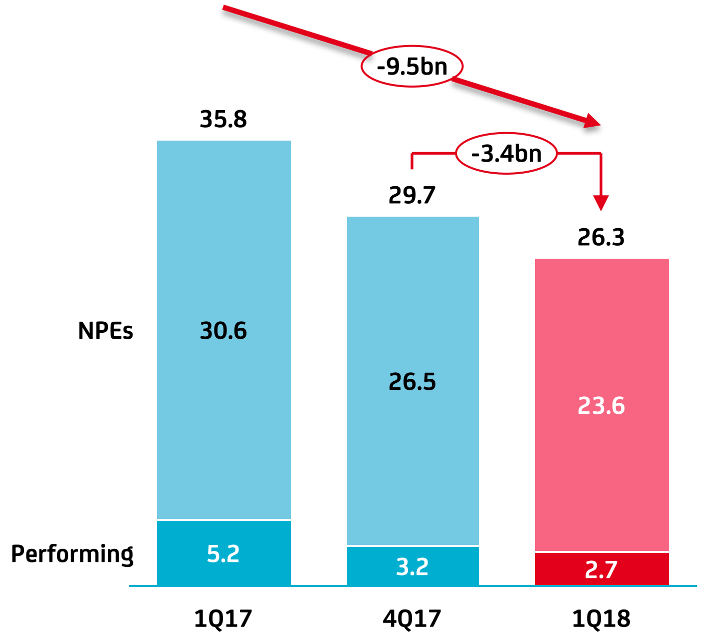


Non Core – Gross loans reduced by 9.5bn Y/Y, including 1.4bn write-off on residential mortgages in 1Q18. NPE disposals target for FY18 increased to 2bn

1Q18 actions of Non Core rundown[1]

FINO	FINO phase 2 closed in January 2018
Disposals	68m. FY18 target increased from 1.7bn to 2bn
Recoveries	0.3bn
Write-offs	1.8bn, of which 1.4bn on residential mortgages
Back to Core	0.4bn
Other	0.9bn one-off due to methodology changes[2] in regulatory reporting

Gross loans, bn

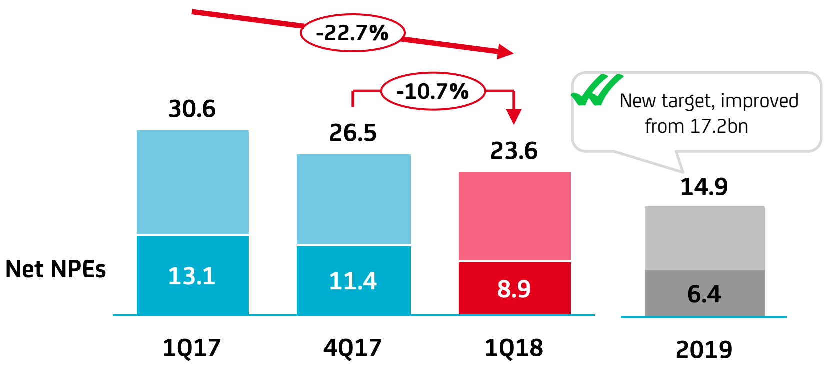


(1) Following the "FINO" portfolio disposal, which occurred in July 2017 and the application of the IAS39 principle, the credit exposures related to portfolio have been derecognised for accounting purposes from the balance sheet assets. The NPE data are calculated accordingly.

(2) One-off reduction in GBV by 0.9bn from default interest ("interessi di mora") in 1Q18. No impact on NBV.

Non Core – Gross NPEs at 23.6bn, down 22.7% Y/Y and 10.7% Q/Q

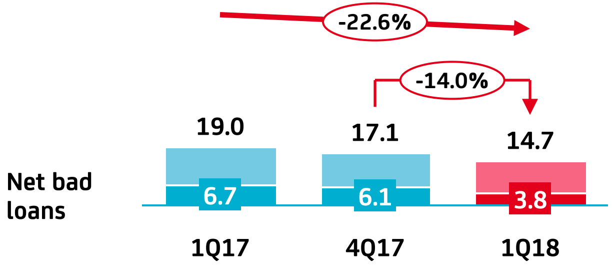
Non performing exposures[1], bn



	1Q17	4Q17	1Q18	2019
Gross NPE ratio	85.4%	89.1%	89.8%	100%
Net NPE ratio	72.2%	78.8%	78.1%	100%
Coverage ratio	57.3%	56.9%	62.4%	>57%

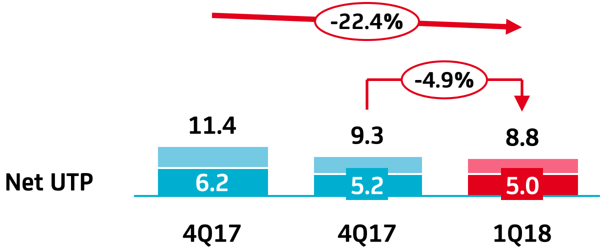
61.3% pro-forma IFRS9 FTA

o.w. Gross bad loans, bn



	1Q17	4Q17	1Q18
Coverage ratio	64.6%	64.2%	73.9%

o.w. Gross unlikely to pay, bn

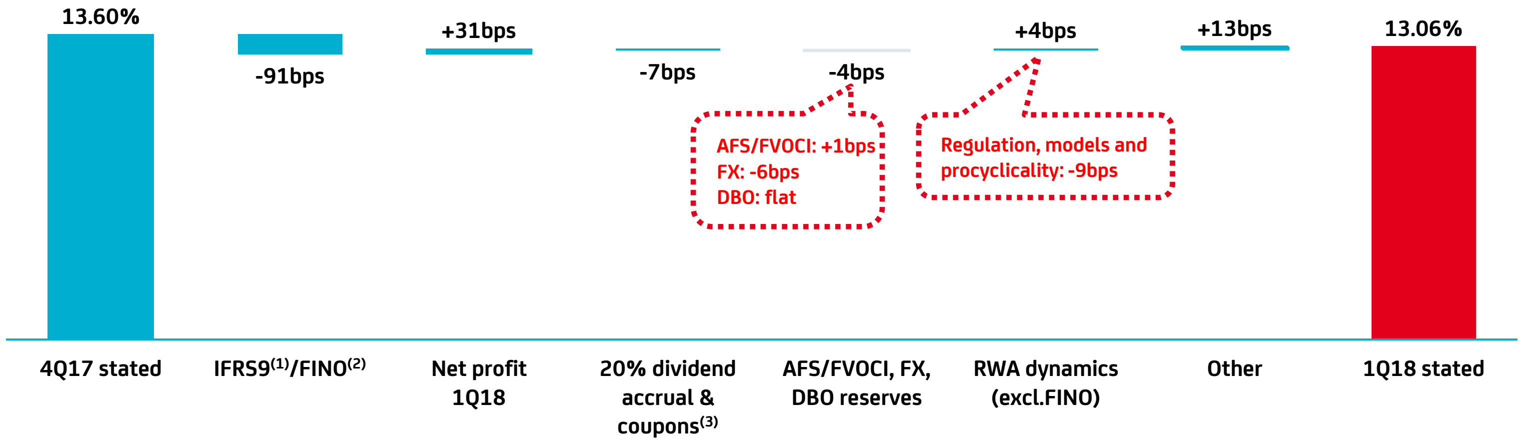


	4Q17	4Q17	1Q18
Coverage ratio	45.7%	43.8%	43.6%

(1) Following the "FINO" portfolio disposal, which occurred in July 2017 and the application of the IAS39 principle, the credit exposures related to portfolio have been derecognised for accounting purposes from the balance sheet assets. The NPE data are calculated accordingly.

Group – CET1 ratio down to 13.06%, mostly due to IFRS9 FTA impact

Fully loaded Common Equity Tier 1 ratio, %



- CET1 ratio down 53bps Q/Q mainly due to IFRS9 FTA, partially compensated by earnings generation
- Impacts from models, procyclicality and EBA guidelines anticipation confirmed, the majority of which is expected in 2H18
- Fully loaded CET1 ratio for year end 2018 between 12.3% and 12.6%

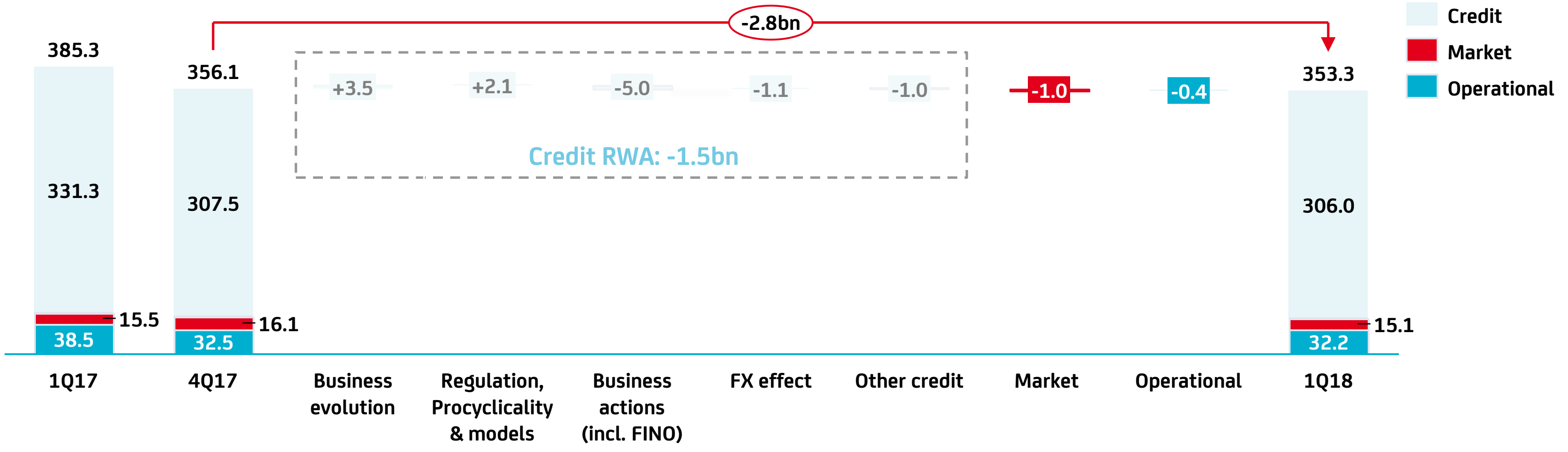
(1) IFRS9 first time adoption (FTA) impact (net of tax) on 1 January 2018 of -99bps on fully loaded CET 1 ratio, equivalent to around -3.5bn (net of tax) deriving from LLP effect and write offs.

(2) The completion of FINO phase 2 in January 2018 with the connected Significant Risk Transfer (SRT) of the FINO portfolio results in a +8bps fully loaded CET1 ratio impact in 1Q18, that will increase over time due to the evolution of retained exposures. The +8bps capital benefit in 1Q18, in comparison to +17bps previously disclosed, is due to higher capital requirements for retained regulatory exposures as shared with ECB.

(3) Coupons on AT1 instruments paid in 1Q18 equal to 34m before tax.

Group – RWA down by 2.8bn Q/Q, thanks to the derecognition of FINO, partially compensated by loan growth

RWA transitional[1] Q/Q, bn



- Credit RWA down by 1.5bn Q/Q thanks to the derecognition of FINO, partially compensated by loan growth
- Market RWA down by 1.0bn Q/Q due to reduced intensity of market making activity
- Operational RWA down by 0.4bn Q/Q mainly thanks to better operational loss history

(1) Business evolution: changes related to loan evolution; Regulation: changes (eg. CRR or CRD) determining variations of RWA; Procyclicality: change in macroeconomy or client's credit worthiness; Models: methodological changes to existing or new models; Business actions: initiatives to decrease RWA (e.g. securitisations, changes in collaterals); FX effect: impact from other exposures in foreign currencies.

Continued disciplined execution of Transform 2019
Decisive action with accelerated full rundown of Non Core by end 2021

Transform 2019 is fully on track, delivering tangible improvements. Solid Core Bank performance with net profit at 1.2bn, up 11.8% Y/Y. 1Q18 Group Core RoTE at 10.4%, up 1.1p.p. Y/Y

Resilient Group revenues of 5.1bn, down 0.7% Y/Y. FY18 20.1bn revenue target including NII guidance confirmed

Operating model transformation ahead of schedule. Branch closures and FTE reductions are progressing, respectively reaching 78% and 75% of target. FY18 11.0bn and FY19 10.6bn cost targets confirmed

Decisive action to accelerate Non Core rundown by end 2021, brought forward from 2025. In 1Q18 1.8bn write-offs in Non Core. FY18 Group gross NPE disposal target of 4bn, of which 2bn in Non Core. 2019 Group NPE target improved by 2.4bn down to 37.9bn

FY18 CoR of 68bps confirmed, 15bps of which from models. 1Q18 Group Core gross NPE ratio down 0.9p.p. Y/Y to 4.7%

1Q18 fully loaded CET1 ratio at 13.06%. Fully loaded CET1 ratio for year end 2018 between 12.3% and 12.6%. 2019 fully loaded CET1 ratio target confirmed >12.5%

Impact of models, procyclicality and EBA guidelines anticipation confirmed, the majority of which is expected in 2H18

UniCredit: a pan European Winner

Group – 2017 and 2018 non recurring items

2017		Net Profit, m	Division
1Q	none		
4Q	Pekao and Pioneer disposals	+93	GCC

2018		Net Profit, m	Division
1Q	Net trading gains from participations	+39	CIB

Used to calculate Group and Group Core adjusted net profit

Used to calculate normalised RoAC for divisions

Divisional monitoring KPIs for Group, Group Core and Non Core

	Group			Group Core		Non Core	
	1Q18	2018	2019	1Q18	2019	1Q18	2019
Revenues, bn	5.1	20.1	20.6	5.1		0.0	0.0
Cost, bn	-2.7	-11.0	-10.6	-2.7		0.0	-0.1
Cost/Income, %	53.5	<55	<52	52.7		n.m.	n.m.
LLP, bn	-0.5	-3.1	-2.6	-0.4		-0.1	-0.6
Cost of Risk, bps	45	68	55	35		n.m.	n.m.
Net Profit, bn	1.1		4.7	1.2		-0.1	-0.5
RWA, bn	353.3		406	336.1		17.1	20.8
RoTE, %			>9		>10		
FL CET1 ratio, %		12.3/12.6	>12.5				
Loans(1), bn	414.9		444	403.8			
Deposits(1), bn	411.6		404	410.6			
Gross Loans, bn	471.4		505	445.1	490	26.3	14.9
Gross NPE(2), bn	44.6		37.9	20.9	23.0	23.6	14.9
Net NPE(2), bn	17.7		16.6	8.8	10.2	8.9	6.4
Gross NPE Ratio(2), %	9.5		7.5	4.7	4.7	89.8	100
Net NPE Ratio(2), %	4.0		3.5	2.0	2.2	78.1	100
NPE Coverage, %	60.3		>54	57.9	>51	62.4	>57
UTP Coverage, %	44.1		>38	44.6	>39	43.6	>38
Bad Loans Coverage, %	73.0		>63	71.9	>64	73.9	>63

New target, improved from 7.8%

New target, improved from 17.7bn

New target, improved from 17.2bn

(1) End-of-period accounting volumes calculated excluding repos and intercompany items.

(2) New 2019 target.

Divisional monitoring KPIs by division

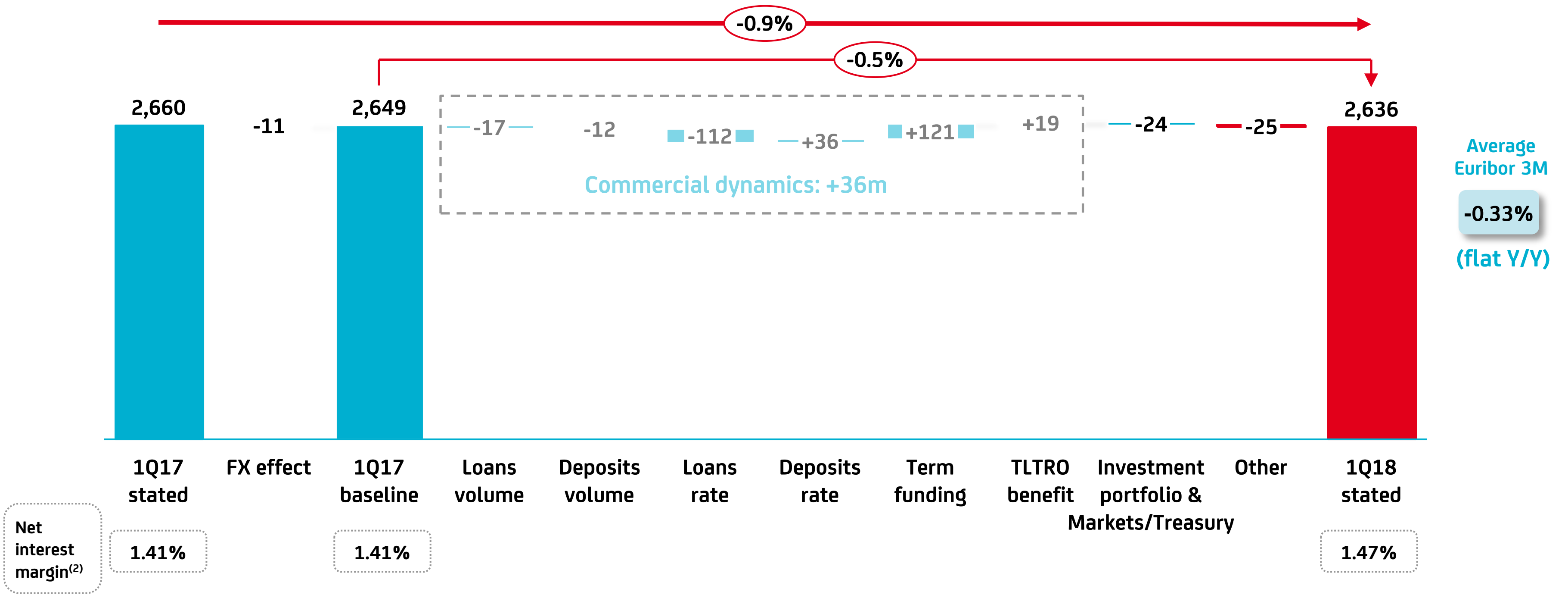
	CB Italy		CB Germany		CB Austria		CEE		CIB		GCC	
	1Q18	2019	1Q18	2019	1Q18	2019	1Q18	2019	1Q18	2019	1Q18	2019
Revenues, bn	1.9	7.5	0.6	2.5	0.4	1.6	1.1	4.4	1.1	3.9	-0.1	0.0
Cost,bn	-1.1	-4.0	-0.4	-1.7	-0.3	-1.0	-0.4	-1.6	-0.4	-1.6	-0.1	-0.4
Cost/Income, %	55.9	52.6	70.4	67.0	70.0	63.3	34.8	36.9	36.3	40.2	n.m.	n.m.
Cost of Risk, bps	64	58	13	15	-34	16	69	102	19	21	-99	n.m.
RWA, bn	84.7	105.2	34.8	36.2	20.9	22.5	87.7	99.1	75.8	87.5	29.9	31.0
RoAC, %	14.2	12.9	7.5	9.1	7.2	13.3	15.0	13.4	15.7	11.7	-6.7	n.m.
Loans[1], bn	137.7	149.3	82.3	89.0	44.0	47.6	60.7	68.2	74.5	78.7	2.5	
Gross NPE ratio[2], %	6.6	5.3	2.2	2.8	4.3	4.3	7.7	7.2	2.9	4.1	18.4	5.4
Net NPE Ratio, %	3.1		0.9		1.9		2.8		1.4		11.6	
NPE Coverage, %	54.8	>52	60.1	>46	56.8	>59	65.9	>59	51.1	>43	41.9	0.0
UTP Coverage, %	40.2	>38	37.8	>29	29.5	>37	53.5	>47	47.0	>34	25.4	0.0
Bad Loans Coverage, %	71.6	>68	63.3	>54	85.4	>80	84.9	>72	56.1	>51	97.3	0.0

(1) End-of-period accounting volumes calculated excluding repos and intercompany items.

(2) New 2019 target.

Group – Net interest resilient Y/Y thanks to lower funding costs, compensating lower customer loan rates

Net interest(1) Y/Y, m



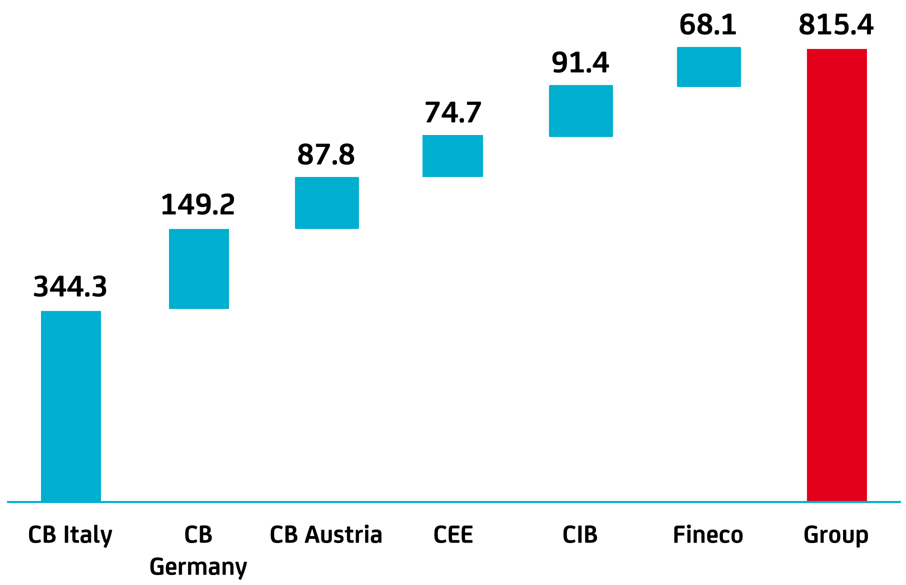
(1) Net contribution from hedging strategy of non-maturity deposits in 1Q18 at 378m, -2.6m Q/Q and -3.8m Y/Y.
(2) Net interest margin calculated as interest income divided by interest earning assets minus interest expenses divided by interest bearing liabilities.

TFAs – Divisional breakdown

Main drivers

- Group TFAs amounted to 815.4bn in 1Q18, up by 2.4% Y/Y mainly driven by CB Italy, CB Germany and Fineco:
  - ✓ CB Italy: TFAs up by 8.7bn (+2.6% Y/Y) to 344.3bn, mainly thanks to increased AuM (+7.6% Y/Y) as the transformation of AuC (-12.2% Y/Y) is continuing and higher deposits (+7.7% Y/Y)
  - ✓ CB Germany: TFAs up by 7.2bn (+5.1% Y/Y) to 149.2bn, mainly thanks to increased deposits (+7.6% Y/Y) as corporates are cash rich in Germany
  - ✓ Fineco: TFAs up by 5.8bn (+9.4% Y/Y) to 68.1bn, mainly thanks to increased AuM (+11.2% Y/Y)
  - ✓ CB Austria: TFAs down by 1.4% Y/Y to 87.8bn due to lower AuC (-9.5% Y/Y)
  - ✓ CEE: TFAs up by 2.6% Y/Y at constant FX supported by higher deposits (+3.1% Y/Y at constant FX)
  - ✓ CIB: TFAs down by 1.8% Y/Y to 91.4bn due to lower AuC (-8.3% Y/Y)

1Q18 TFAs[1] divisional breakdown, bn



(1) Refers to Group Commercial Total Financial Assets. Non-commercial elements, i.e. Group Corporate Centre, Non-Core, Leasing/Factoring and Market Counterparts, are excluded. Numbers are managerial figures.

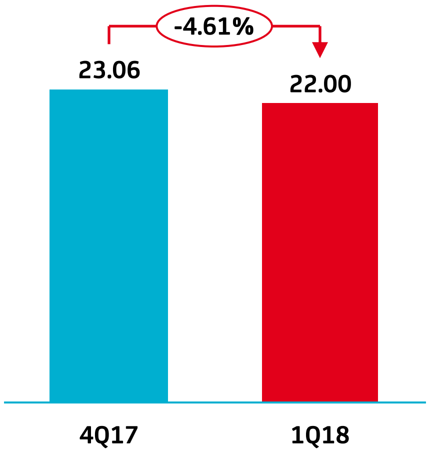
Systemic charges – Breakdown by type and division

1Q18	Systemic Charges	o/w SRF	o/w DGS	o/w Bank levies
CB Italy	**-36**	-36	0	0
CB Germany	**-39**	-28	-11	0
CB Austria	**-86**	-29	-18	-39
CEE	**-124**	-72	-33	-19
CIB	**-109**	-95	-4	-10
Fineco	**0**	0	0	0
GCC	**-51**	-23	0	-28
Non Core	**-20**	-19	0	-1
Group	**-465**	-302	-65	-98

Group – Core earnings per share up 55.8% Q/Q
Group tangible book value per share at 22.00

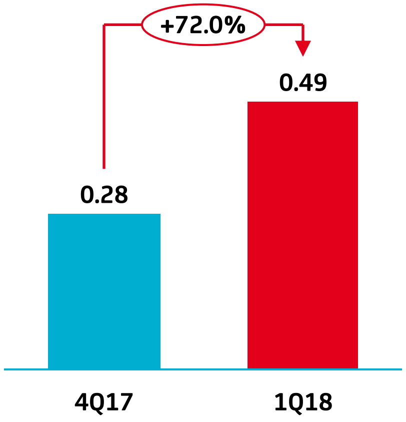
Tangible book value per share(1)

Group

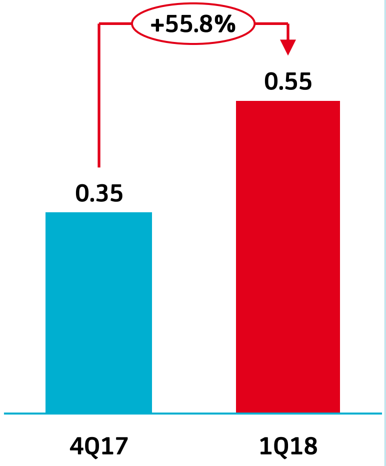


Adj. Earnings per share(2)

Group



Group Core



(1) End of period tangible book value per share; end of period number of shares of 2,226m in 4Q17 and 2,227m in 1Q18 excluding treasury shares.

(2) Group and Group Core adjusted earnings exclude the net impact of the Pioneer and Pekao disposals (+93m 4Q17) and also exclude the payment of coupons for AT1 net of tax (76m in 4Q17 and 24m in 1Q18); average number of shares of 2,226m in 4Q17 and 1Q18, excluding treasury shares.

Turkey – Strong performance with net operating profit 146m, up 35.5% Y/Y at constant FX

Main drivers[1]

- Revenues up 12.4% Y/Y at constant FX, underpinned by improved NII (+14.0% Y/Y) and strong fees (+21.3% Y/Y)
- Good cost performance thanks to digitalisation initiatives with C/I down 2.2p.p. Y/Y to 35.2%. Operating expenses up 6.0% Y/Y at constant FX, below inflation
- CoR at 89bps in 1Q18, down by 35bps Y/Y thanks to proactive risk management
- Net operating profit 146m up 35.5% Y/Y at constant FX thanks to improved NII and lower LLPs
- Net profit 100m, up by 29.2% Y/Y at constant FX
- New strategic plan "YapiKredi 2020" announced recently

Data in m [2]	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17 constant*	*Δ % vs. 1Q17 constant*
Total revenues	306	294	290	+3.3%	+12.4%
Operating costs	-114	-121	-102	-11.5%	+6.0%
Net operating profit	127	102	146	+47.8%	+35.5%
Net profit	91	49	100	+101.6%	+29.2%
C/I	37.4%	41.3%	35.2%	-6.1pp	-2.2pp
CoR (bps)	124	143	89	-54bps	-35bps
Loans[3]	20,661	19,354	18,195	+1.0%	+10.1%
Deposits[3]	16,466	14,751	13,925	+1.4%	+5.8%
Total RWA	28,659	26,813	25,280	+1.4%	+10.4%
FX loans/Total loans	42.1%	40.0%	42.4%	+244bps	+34bps
Gross NPE ratio[4]	5.2%	4.9%	5.5%	+59bps	+35bps

(1) Managerial view representing proportional contribution of Turkey to P&L (UniCredit Group participates with 40.9% through the Joint Venture in Turkey). Turkey is valued at equity method and contributes to the Group P&L via the dividend line. RWA of Turkey contribute to Group RWA through CEE division, following the proportional consolidation of Turkey for regulatory purposes.

(2) Stated numbers at current FX. Variations Q/Q and Y/Y at constant FX (C/I, NPEs and CoR variations at current FX).

(3) End-of-period accounting volumes calculated excluding repos and intercompany items.

(4) NPE ratio not included in consolidated view following the equity accounting method.

Russia – Solid performance with net operating profit 120m, up 12.9% Y/Y at constant FX, driven by higher revenues

Main drivers(1)

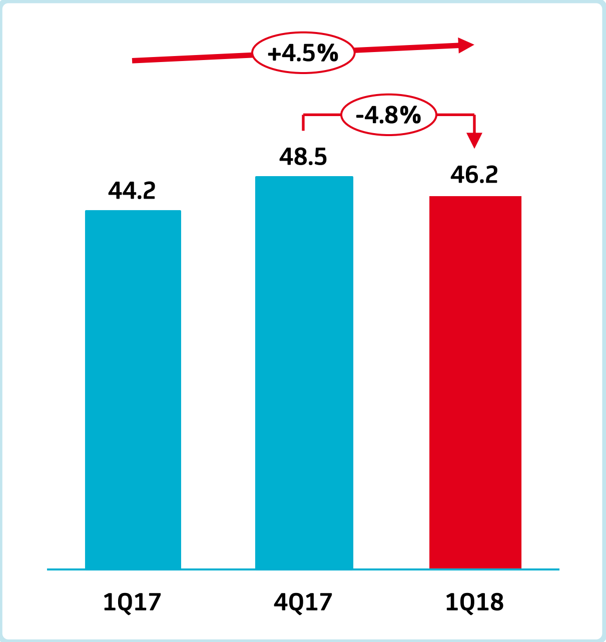
- NII down by 6.7% Q/Q at constant FX, due to loan reductions from repayments by liquid clients
- Fees up by 19.2% Y/Y at constant FX, thanks to financing (+25.2% Y/Y) and transactional fees (+12.4% Y/Y)
- C/I ratio down by 0.2p.p. Y/Y to 29.9%
- CoR at 105bps down by 3bps Y/Y
- Solid performance with net operating profit at 120m, up by 12.9% Y/Y at constant FX thanks to positive revenue growth (+10.1% Y/Y)
- Net profit 91m up by 9.9% Y/Y at constant FX. At current FX net profit was down by 1.4% Y/Y, as FX impacted the performance in Euro

Data in m (1)	*1Q17*	*4Q17*	*1Q18*	*Δ % vs. 4Q17 constant*	*Δ % vs. 1Q17 constant*
Total revenues	210	182	207	+15.1%	+10.1%
o/w Net interest	*174*	*162*	*148*	*-6.7%*	*-4.5%*
o/w Fees	*26*	*27*	*28*	*+4.9%*	*+19.2%*
Operating costs	-63	-66	-62	-3.7%	+9.3%
Gross operating profit	147	116	145	*+25.7%*	*+10.4%*
LLP	-28	-55	-25	-52.8%	+0.0%
Net operating profit	118	61	120	+94.1%	+12.9%
Net profit	92	45	91	+99.2%	+9.9%
RoAC	20.5%	9.8%	20.9%	+11.1p.p.	+0.3p.p.
C/I	30.2%	36.0%	29.9%	-6.1p.p.	-0.2p.p.
CoR (bps)	108	230	105	-125bps	-3bps
FTEs	4,100	4,109	4,139	+0.7%	+0.9%
Gross NPE ratio	8.6%	7.8%	7.5%	-26bps	-108bps

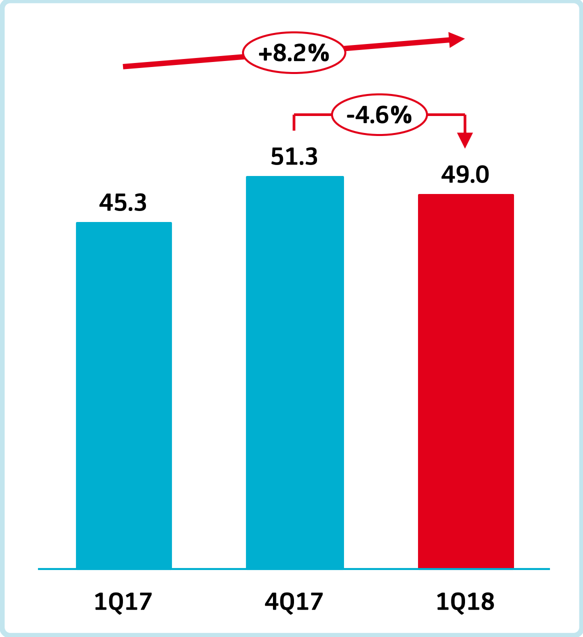
(1) Stated numbers at current FX. Variations Q/Q and Y/Y at constant FX (RoAC, C/I, NPEs and CoR variations at current FX).

Group – CET1 capital fully loaded and tangible equity

CET1 capital FL (eop), bn

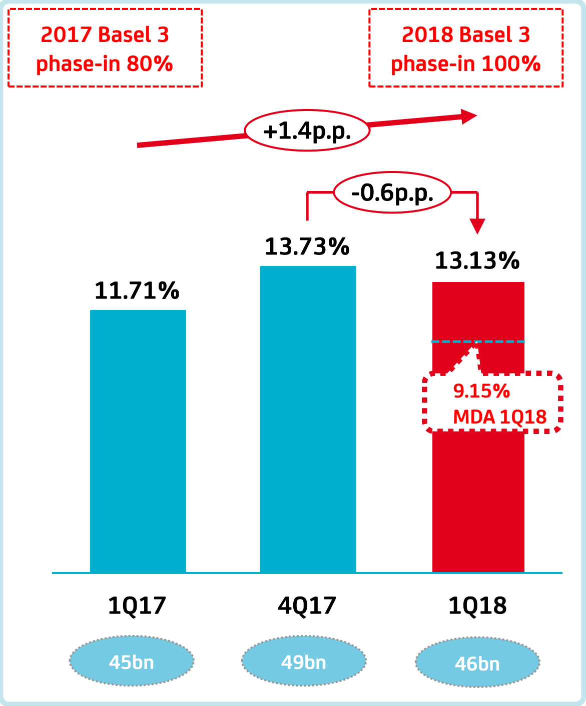


Tangible equity (eop), bn

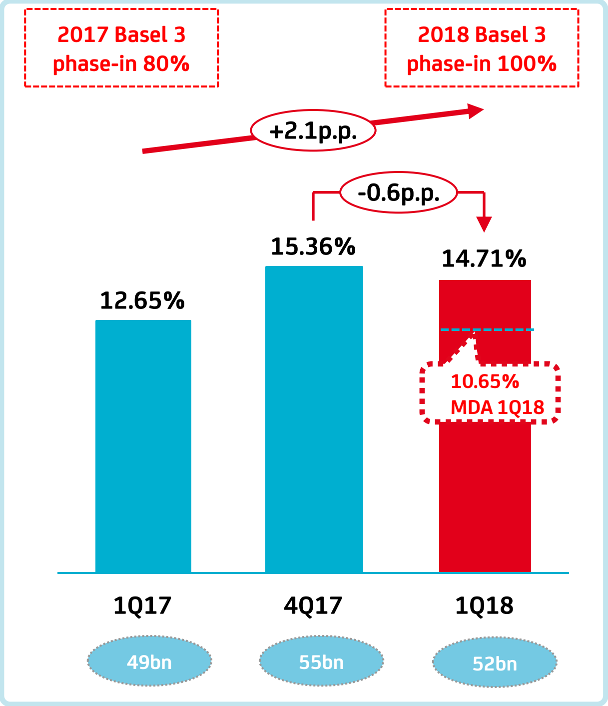


Group – Transitional capital ratios well above MDA levels

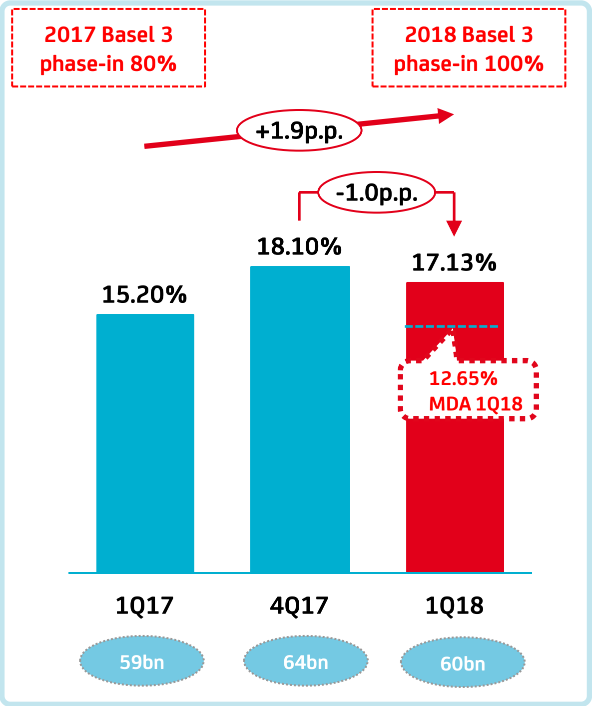
CET1 transitional[1]



Tier 1 transitional[1]



Total capital transitional[1]

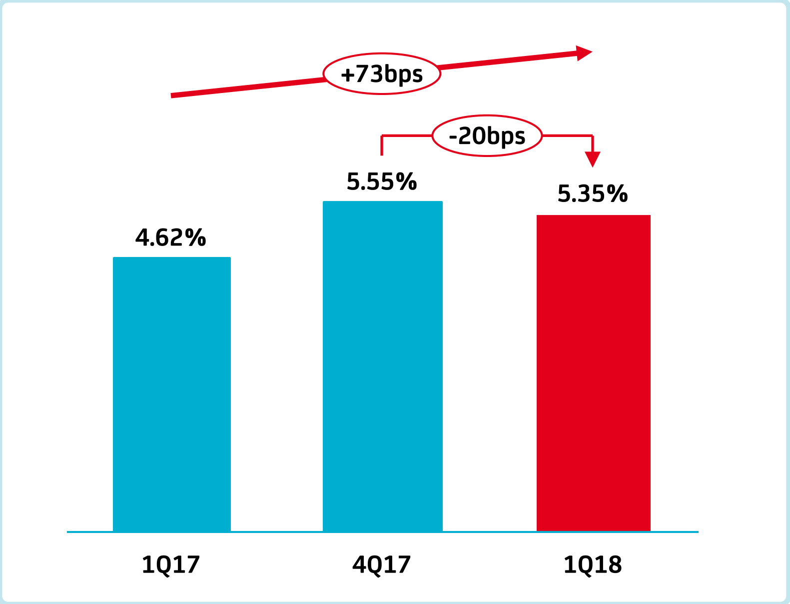


(1) Phase-in of net liability related to Defined Benefit Obligation at 60% in 2017 and 80% in 2018.

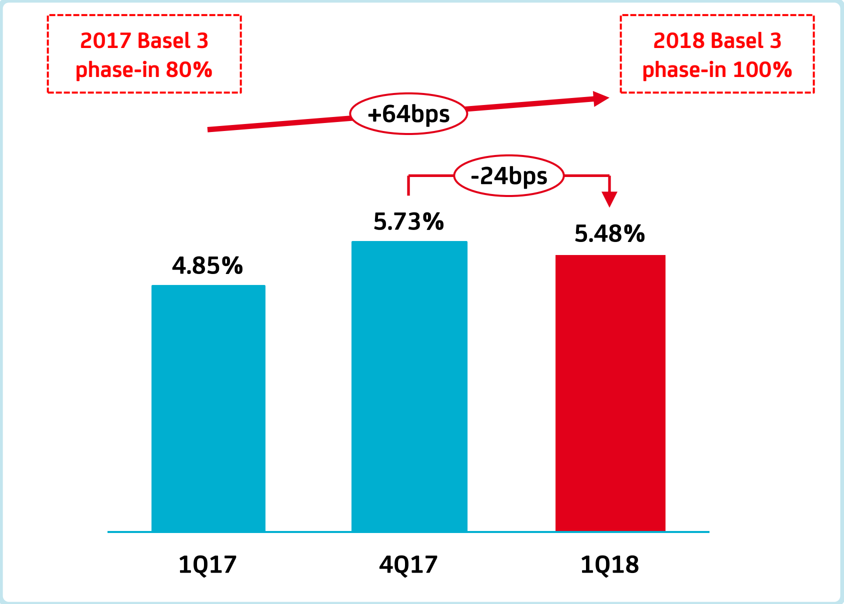
xxbn Absolute amount for CET1 transitional, Tier1 capital transitional and total capital transitional.

Group – Leverage ratio fully loaded at 5.35%, down 20bps Q/Q and up 73bps Y/Y

Basel 3 leverage ratio fully loaded



Basel 3 leverage ratio transitional[1]



(1) Phase-in of net liability related to Defined Benefit Obligation at 60% in 2017 and 80% in 2018.

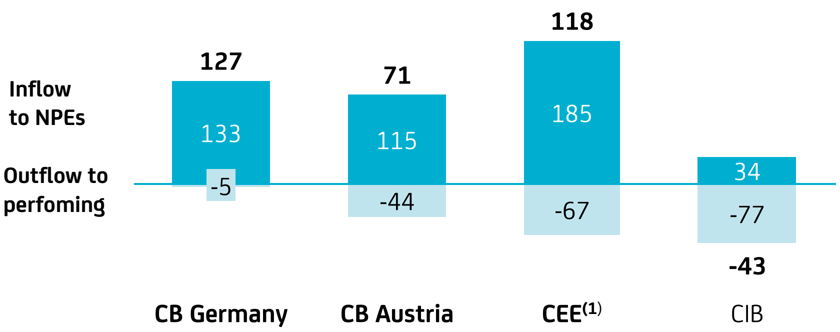
Asset quality by division

1Q18	Group	Group Core	CB Italy	CB Germany	CB Austria	CEE	CIB	Non Core
Gross loans, bn	**471.4**	445.1	143.9	83.8	46.9	64.8	106.0	26.3
Gross NPE, bn	**44.6**	20.9	9.5	1.9	2.0	5.0	3.1	23.6
Net NPE, bn	**17.7**	8.8	4.3	0.7	0.9	1.7	1.5	8.9
Gross NPE ratio,%	**9.5**	4.7	6.6	2.2	4.3	7.7	2.9	89.8
Net NPE ratio,%	**4.0**	2.0	3.1	0.9	1.9	2.8	1.4	78.1
NPE coverage,%	**60.3**	57.9	54.8	60.1	56.8	65.9	51.1	62.4
Bad loans coverage,%	**73.0**	71.9	71.6	63.3	85.4	84.9	56.1	73.9
UTP coverage,%	**44.1**	44.6	40.2	37.8	29.5	53.5	47.0	43.6

Asset quality – NPE dynamics[1] CB Germany, CB Austria, CEE and CIB

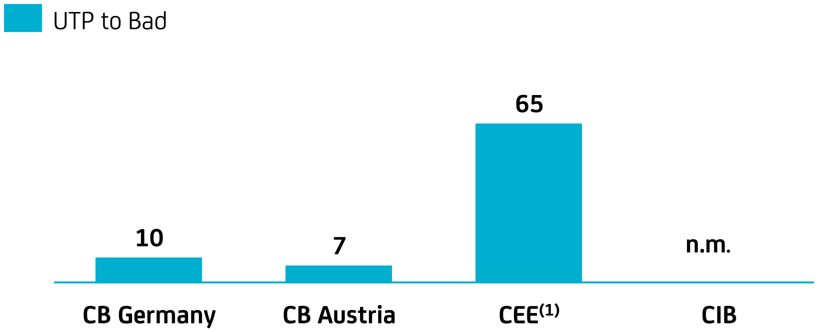
Net flows to NPEs, recoveries and write-offs – 1Q18, m

	CB Germany	CB Austria	CEE[1]	CIB
Recoveries	203	127	147	441
Write-off	0	47	24	49



	CB Germany	CB Austria	CEE[1]	CIB
Default rate	0.7%	1.0%	1.3%	0.1%
Cure rate	1.1%	8.3%	5.3%	8.4%

Migrations from Unlikely-to-pay to Bad loans – 1Q18, m



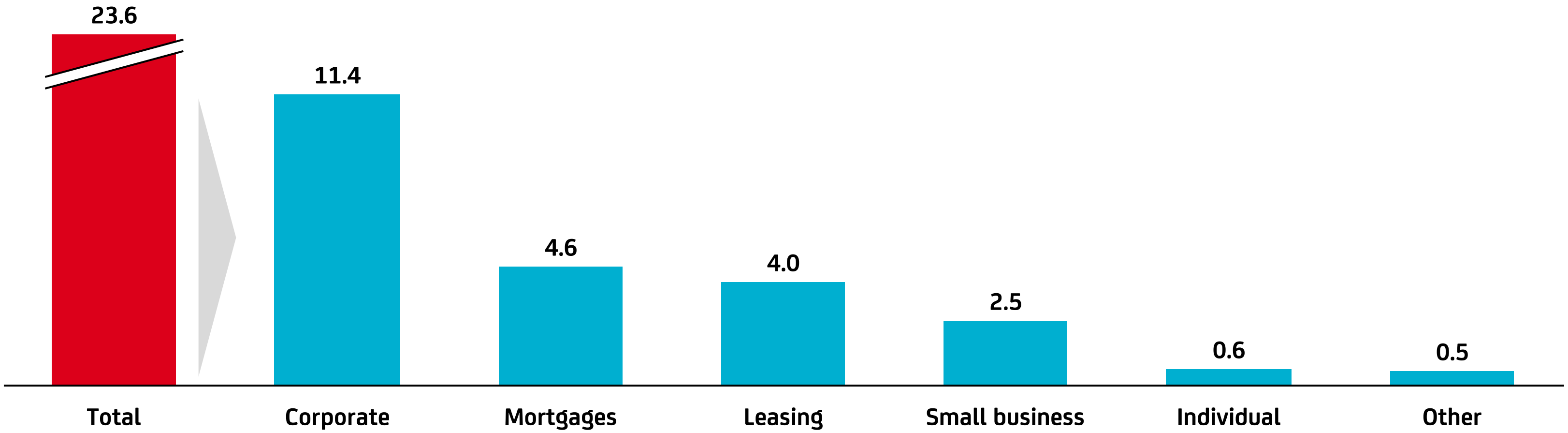
	CB Germany	CB Austria	CEE[1]	CIB
Migration rate, %	21.0%	2.7%	9.6%	n.m.

(1) Managerial figures.
(2) Including Profit Center Milan.

Asset quality – Non Core gross NPEs breakdown by asset class

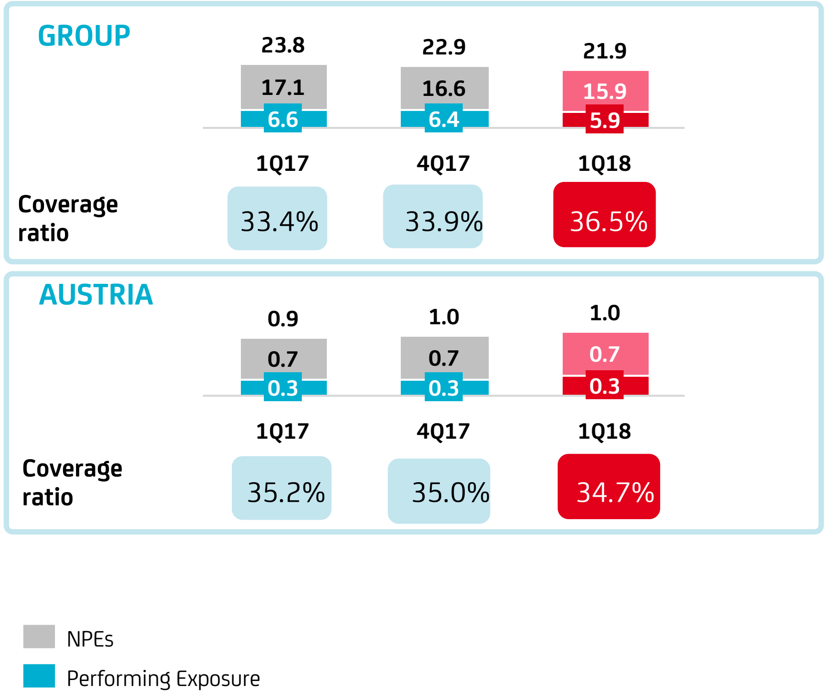
Non Core gross NPEs, bn

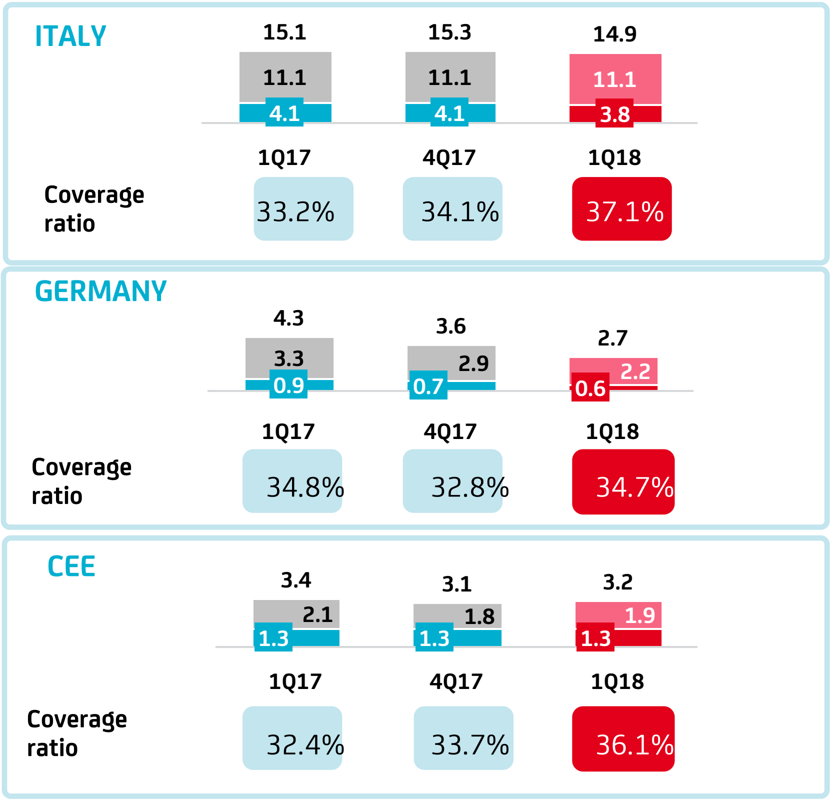
Data as of 1Q18



Asset quality – Forborne exposures by region

Forborne loans[1], bn





(1) Regulatory reporting data.

Strengthen and optimise capital
2019 CET1 ratio target confirmed whilst anticipating additional regulatory headwinds

Fully loaded CET1 ratio evolution to 2019[1], %

	2018	2019
Regulation, models and procyclicality	-0.4	-0.1
Net IFRS9[2]	-0.7	
EBA guidelines (anticipation) etc.[3]	-0.8	-0.1
Organic Capital Generation & others[4]	+0.6 to +0.9	+0.5
Total CET1 impact, %	**-1.0 to -1.3**	**+0.3**
Fully loaded CET1 ratio, %	**12.3/12.6[4]**	**>12.5[4]**
Dividend payout	**20%**	**30%**

(1) Managerial estimate based on current information.

(2) IFRS9 first time adoption (FTA) impact on fully loaded CET 1 ratio on 1 January 2018 of -104bps (gross of tax), -99bps (net of tax), equivalent to around -3.5bn (net of tax) deriving from LLP effect and write offs. The overall "net impact" is expected at c. -0.7%, as the FTA will be partially compensated by lower shortfall over the course of FY18.

(3) Partial anticipation impacts include EBA guidelines related effect and other minor adjustments.

(4) Includes: managerial estimation of retained earnings net of dividend payout (FY18: 20%, FY19: 30%) and of AT1 coupons, RWA growth and other; for 2018 includes FINO Significant Risk Transfer benefit.

Cumulative organic capital generation above estimated regulatory impacts post 2019

Regulatory Headwinds post 2019 – CET1 ratio impact (managerial estimates)

% of cumulative phase-in	Estimated CET1 impact, *%*	2020	2021	2022	2023	2024	2025	up to 2027
EBA guidelines (remaining)	-0.9	20%	100%					
Calendar provisioning[1]	-0.4		13%	37%	54%	66%	86%	100%
FRTB[2]	-0.1			65%	65%	100%		
Basel IV[3]	< -0.9			20%	40%	60%	80%	100%
Estimated CET1 impact, *%*		-0.2	< -0.8	-0.3	-0.2	-0.3	-0.3	-0.2
Cumulative net CET1 impact including organic capital generation[4], *%*		+0.3	< +0.1	+0.3	+0.5	+0.7	+1.0	> +1.7

Post 2019 dividend payout to increase from 30% up to 50% once upcoming regulatory impacts are confirmed with CET1 ratio[5] >12.5%

(1) Conservative approach based on ECB proposal has been used.
(2) Expected phase-in period of 2 years; no impact expected during phase-in, full impact in 2024.
(3) Our expectation is that a phase-in approach will be introduced through the EU transposition in law; assumption of 5 years is consistent with foreseen phase-in period for output floor implementation.
(4) Assuming net annual organic capital generation equivalent to 2019 of +0.5, net of 30% dividend payout.
(5) Refers to CET1 ratio phasing-in regulatory headwinds post 2019 (managerial estimates).

Line adjustments from accounting changes (1/2)

Accounting change[1]	Description	Impact	Net effect
NPEs time value accounting[2]	New Bank of Italy regulation requires to account for Time value release as NII and no longer as LLP write-back	NII ↑ LLPs ↑	0
NPEs accrued interest	Interest from UTP and Past Due calculated on Net Book Value rather than Gross Book Value resulting in lower NII and lower associated LLP, according to IFRS9 guidance	NII ↓ LLPs ↓	0
Reclassification of customers loans	Customers debt securities in issue[3] excluded from customers loans and included in financial asset	Loans to customers ↓ Financial assets ↑	0

Combined effect in 2019

bn

NII	+0.2
LLPs	-0.2
Loans to customers	-12
Financial assets	+12

No Net Income and RoTE impact

(1) All effects from 2018.
(2) Difference between (i) the sum of expected recoverable cash flows of NPEs and (ii) its Net Present Value (i.e. Net Book Value).
(3) Currently included in loan book.

Line adjustments from accounting changes (2/2)

	FY17			2019		
	Previous	Delta	Restated	Previous	Delta	Restated
P&L, *bn*						
Revenues	19.6	0.33	**20.0**	20.4	0.24	**20.6**
of which NII	10.3	0.33	**10.6**	*10.9*	*0.24*	***11.1***
LLPs	-2.6	-0.33	**-2.9**	-2.4	-0.24	**-2.6**
Net income	5.5	0	**5.5**	4.7	0	**4.7**
Other						
Loans[(1)], *bn*	422	-8.8	**413**	467	-11.9	**455**
CoR, *bps*	58	8.8	**67**	48.7	6.3	**55**
Cost/Income	57.9%	-1.0p.p.	**56.9%**	<52%	-0.6p.p.	**<52%**

(1) Excluding repos.

Glossary

Glossary[1] (1/5)

AFS	Available for Sale
AT1	Additional Tier 1 Capital
AuC	Assets under Custody
AuM	Assets under Management
Bad loans	Exposures to borrowers in a state of insolvency or in an essentially similar situation, regardless of any loss forecasts made by the bank
Branches	Number of branches consistent with CMD perimeter, i.e. retail only excluded minor premises, corporate and private banking (Turkey at 100%)
C/I	Cost/Income ratio
CB	Commercial Banking (previously defined CBK)
CC	Corporate Centre
CEE	Central Eastern Europe includes: Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Russia, Romania, Bulgaria, Turkey (at equity), Baltics (Latvia) only for Leasing
CET1 ratio	Common Equity Tier 1 ratio fully loaded throughout the document unless otherwise stated

(1) All financial data reported in the presentation are in Euro. Numbers may not add up due to rounding.

Glossary (2/5)

CMD	Capital Markets Day – CMD perimeter as announced at CMD on 13 December 2016: variations related to disposals of Immo Holding, Ukraine, 30% Fineco, Pekao and Pioneer
Collateral coverage ratio	Calculated as per EBA methodology, with collateral value capped at net loan level
CoR	Cost of Risk calculated as LLPs of the period annualised divided by the average net customer loans volume
Core RoTE	Group Rote excluding Non Core (Group Core Annualised Net Profit divided by Average Tangible Equity netted of Non Core Allocated Capital)
Coverage ratio	Stock of LLPs on NPEs divided by Gross NPEs
Cure rate	Back to performing (annualised) divided by the stock of NPEs at the beginning of the period
Customer spread	Rate on customer loans minus Rate on customer deposits
Days effect	Effect related to quarters having different numbers of days
DGS	Deposit Guarantee Scheme
Default rate	Percentage of gross loans migrating from performing to NPEs over a given period (annualised) divided by the initial amount of gross loans

Glossary (3/5)

DVA	Debt Value Adjustment
E2E	End-to-End
FINO	Failure Is Not an Option: project name for the disposal of a NPE portfolio (original gross book value of 17.7bn)
Forborne loan	Exposure to which forbearance measures have been applied, i.e. concessions towards a debtor who is facing or about to face financial difficulties
FL	Fully Loaded
FTA	First Time Adoption
FV-OCI	Fair value through other comprehensive income
FY/FY	Current full year vs previous full year
Group Core	Group Core is equivalent to Group excluding Non Core. It is not a separate division
Group Corporate Centre (Group CC)	Corresponding to the divisional database section: "Global Corporate Centre" including Corporate Centre, Chief Operating Officier Services and Elisions
Migration rate	Representing the percentage of UTPs that turn into bad loans

Glossary (4/5)

Net Inflows	Inflows (from gross performing loans to gross impaired loans) minus outflows (collections and flows from gross impaired loans back to gross performing loans)
Net Outflows	Outflows (collections and flows from gross impaired loans back to gross performing loans) minus inflows (from gross performing loans to gross impaired loans)
NPEs	Non-Performing Exposures including the following: Bad Loans ("Sofferenze"), Unlikely to Pay ("Inadempienze Probabili") and Past Due ("Esposizioni scadute e/o sconfinanti deteriorate")
Non Core	In 2013 UniCredit ring-fenced the so-called "Non-Core" portfolio in Italy with a target to reduce clients exposure considered as not strategic; selected assets in Italy to be managed with a risk mitigation approach
NPE Ratio	(Gross or Net) Non-Performing Exposure as a percentage of total loans
Non HR costs	Other administrative expenses (including indirect costs) net of expense recoveries, plus depreciation and amortisation
OCS	Own Credit Spread
Past Due	Problematic exposures that, at the reporting date, are more than 90 days past due on any material obligation
Q/Q	Current quarter vs previous quarter
Recovery rate	NPE exposure reduction (gross Book Value) due to recovery activity on stock of NPEs at the beginning of the period

Glossary (5/5)

RoAC	Return on Allocated Capital (annualised net profit divided by the allocated capital), Allocated Capital based on RWA equivalent figures calculated with a CET1 ratio target of 12.5% as for plan horizon, including deductions for shortfall and securitisations
RoTE	Return on Tangible Equity (Annualised Net Profit divided by Average Tangible Equity)
SRF	Single Resolution Fund
SRT	Significant Risk Transfer
Tangible equity	Tangible equity excluding AT1
TFAs	Group commercial Total Financial Assets. Non-commercial elements, i.e. Group Corporate Centre, Non Core, Leasing/Factoring and Market Counterparts are excluded
UTP	Unlikely To Pay: the classification in this category is the result of the judgment of the bank about the unlikeliness, without recourse to actions such as realizing collaterals, that the obligor will pay in full (principal and / or interest) its credit obligations
W.E.	Western Europe includes Italy, Germany and Austria
Y/Y	Current quarter vs same quarter in the previous year