3Q19 and 9M19 Results

Milan, 7 November 2019

Banking that matters. | UniCredit

Agenda

1. **Executive summary**
2. Transform 2019 update
3. Group results highlights
4. Divisional results highlights
5. Asset quality
6. Capital
7. Closing remarks
8. Annex

3Q19 net profit at 1.1bn, CET1 ratio at 12.60%

Strong quarterly results with no exceptional items. Resilient commercial dynamics

- 3Q19 Group stated net profit of 1.1bn equal to 3Q19 Group adjusted net profit, up 25.7% Y/Y(1),(2)
- 9M19 adjusted Group Core RoTE at 10.6% up 0.2p.p. 9M/9M(2). 9M19 adjusted Group RoTE at 8.7% up 0.4p.p. 9M/9M(2)

Focused execution of Transform 2019 continues to deliver tangible results

- Net FTE and branch reduction targets achieved
- 3Q19 costs at 2.5bn, down 1.8% Y/Y. FY19 costs of 10.1bn confirmed
- 3Q19 Group gross NPE ratio at 5.7%(3). 3Q19 Non Core gross NPEs 11.2bn, down 9.3bn Y/Y
- 3Q19 NPE disposals of 5.4bn(3), including 4.1bn of residential mortgages

Solid capital position and successful execution of mitigation actions(4)

- 3Q19 CET1 ratio at 12.60%(5), MDA buffer of 252bps. 3Q19 TLAC ratio 21.85%(6), MDA buffer of 226bps
- 3Q19 tangible equity up 1.7% Q/Q to 51.6bn, TBVpS up 1.7% Q/Q to 23.1

(1) Y/Y change refers to adjusted net profit.

(2) Group and Group Core adjusted net profit and RoTE exclude net impacts from the impairment of Yapi (-846m in 3Q18), disposal of real estate (+258m in 1Q19), Fineco (+1,176m in 2Q19) and one-offs (-351m in 2Q19, o/w Ocean Breeze disposal -178m and others -173m (o/w -151m Core and -22m Non Core)).

(3) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio in Italy of 4.1bn (gross book value).

(4) Including disposal of real estate in 1Q19, Fineco in 2Q19 and 3Q19.

(5) Including +31bps from 3Q19 Fineco disposal as per guidance.

(6) 3Q19 TLAC ratio 21.85%, o/w 19.37% TLAC subordination ratio and 2.5% senior preferred exemption.

Group – Adjusted 3Q19 net profit at 1.1bn up 25.7% Y/Y[(1)]

Group key figures	3Q18	2Q19	3Q19	Δ % vs. 2Q19	Δ % vs. 3Q18	9M18	9M19	Δ % vs. 9M18
Total revenues, m	4,622	4,517	4,701	+4.1%	+1.7%	14,270	13,984	-2.0%
Operating costs, m	-2,497	-2,452	-2,451	-0.0%	-1.8%	-7,695	-7,418	-3.6%
Loan loss provisions, m	-696	-707	-563	-20.4%	-19.1%	-1,693	-1,738	+2.6%
Net profit, m	29	1,854	1,101	-40.6%	n.m.	2,165	4,342	n.m.
Adjusted net profit[(1)], m	875	1,029	1,101	+7.0%	+25.7%	3,012	3,258	+8.2%
Fully loaded CET1 ratio	12.11%	12.08%	12.60%	+0.5p.p.	+0.5p.p.	12.11%	12.60%	+0.5p.p.
RWA, bn	362.6	387.1	387.8	+0.2%	+6.9%	362.6	387.8	+6.9%
Loans, exc. repos, bn	429.5	432.2	431.9	-0.1%	+0.6%	429.5	431.9	+0.6%
Gross NPE[(2)], bn	40.8	34.4	28.8	-16.4%	-29.5%	40.8	28.8	-29.5%
Adjusted RoTE[(1)]	7.5%	8.3%	8.6%	+0.3p.p.	+1.1p.p.	8.3%	8.7%	+0.4p.p.
C/I	54.0%	54.3%	52.1%	-2.2p.p.	-1.9p.p.	53.9%	53.0%	-0.9p.p.
Cost of risk, bps	61	60	47	-13	-13	50	49	-1

(1) Group and Group Core adjusted net profit and RoTE exclude net impacts from the impairment of Yapi (-846m in 3Q18), disposal of real estate (+258m in 1Q19), Fineco (+1,176m in 2Q19) and one-offs (-351m in 2Q19, o/w Ocean Breeze disposal -178m and others -173m (o/w -151m Core and -22m Non Core)).

(2) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio in Italy of 4.1bn (gross book value).

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Transform 2019 achievements (1/2)

1 2 3 4 5 6 7 8 — Transform 2019 update

STRENGTHEN AND OPTIMISE CAPITAL	**FY19 CET1 ratio guidance confirmed** **TLAC guidance confirmed** **TLAC pre-funding at tight spread**	• 3Q19 CET1 ratio at 12.60%. MDA buffer of 252bps • 2019 CET1 MDA buffer confirmed at the upper end of target range of 200-250bps(1) by year end • 3Q19 TLAC ratio 21.85%(2), MDA buffer of 226bps, well above the target of being at the upper end of 50-100bps range, also thanks to pre-funding • Successful pre-funding of TLAC with 1.25bn Tier 2 placement with a coupon of 2.0%, at 240bps(3), the tightest issue spread for UniCredit's Tier 2 since 2011
IMPROVE ASSET QUALITY	**Group gross NPE ratio below 6%** **FY19 Non Core gross NPEs below 10bn**	• 3Q19 Group gross NPE ratio improved to 5.7% (-264bps Y/Y)(4) with Group gross NPEs down 12.0bn Y/Y and 5.7bn Q/Q, of which 5.4bn(4),(5) disposals in 3Q19 • Group Core gross NPE ratio 3.6%(4),(6), down 78bps Y/Y, well below FY19 4.7% target • FY19 Non Core gross NPEs below 10bn
TRANSFORM OPERATING MODEL	**Transform 2019 branch and FTE targets achieved** **FY19 costs confirmed**	• Transform 2019 Western European branch closure target achieved. Branches down by 19 Q/Q • Transform 2019 net FTE reduction target of 14,000 achieved. FTEs down by 184 Q/Q • FY19 cost confirmed at 10.1bn, materially better than original Transform 2019 target

(1) Assuming BTP spreads remain at 3Q19 levels.
(2) 3Q19 TLAC ratio 21.85%, o/w 19.37% TLAC subordination ratio and 2.5% senior preferred exemption.
(3) Over mid swap of equivalent maturity.
(4) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.
(5) Of which 4.0bn in Non Core.
(6) Weighted average "NPL" ratio of EBA sample banks is 3.0%. Source: EBA risk dashboard (data as at 2Q19). UniCredit's definition of "NPE" ratio is more conservative than EBA. Comparable "NPL" ratio for UniCredit at 3Q19 would be 3.2% for Group Core.

Transform 2019 achievements (2/2)

1 2 3 4 5 6 7 8

Transform 2019 update

MAXIMISE COMMERCIAL BANK VALUE	Support for real economy and community	• "Made4Italy", a new initiative to support Italian SMEs and promote an integrated agri-tourism sector, supported by 5bn of new financing and consultancy services • Agreement with the European Investment Fund to support Italian micro enterprises with additional 60m • Subscription of the first social impact minibond of 5m
	Commercial partnerships	• Successful joint venture with Allianz with over 100,000 clients choosing My Care Family, an innovative non-life product customised to cover a wide range of client needs • Memorandum of Understanding signed with the Export-Import Bank of China to intensify cooperation between Chinese, Italian and Central Eastern European companies
	Industry awards	• Euromoney Cash Management 2019: Best Service Provider in 9 European countries • The Banker Transaction Banking Award 2019: Best Transaction Services Provider in W.E.
	Leading European CIB franchise	• Leading bond and loan market franchise confirmed: #2 in "EMEA All Bonds in EUR" by number of transactions, #1 in EMEA Syndicated Loans in All Currencies in Italy, Austria and CEE, #2 in Germany(1)
ADOPT LEAN BUT STEERING CENTRE	Governance	• Cesare Bisoni appointed as new Chairman
	Group CC streamlining	• The ratio of GCC costs to total costs is down to 3.3% in 9M19. FY19 target of 3.5% confirmed

(1) Source: Dealogic, as at 1 October 2019. Period: 1 January – 30 September 2019; rankings by volume, unless otherwise stated.

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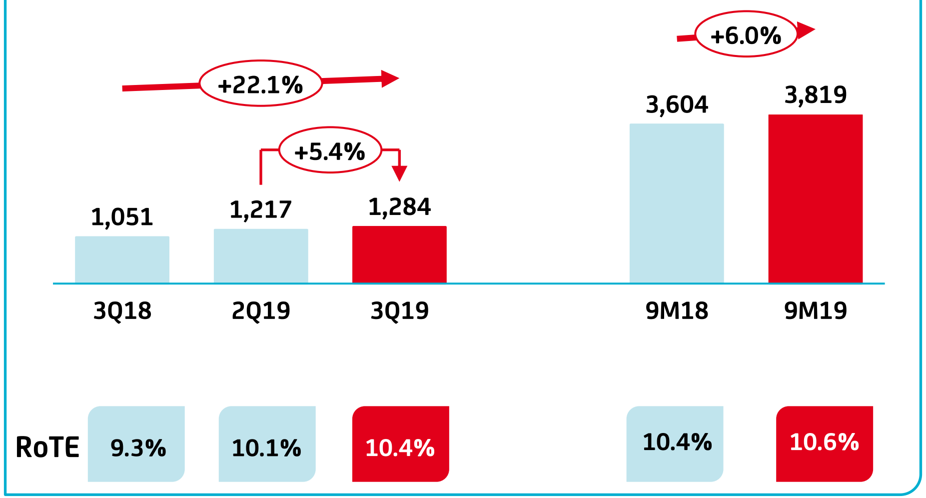
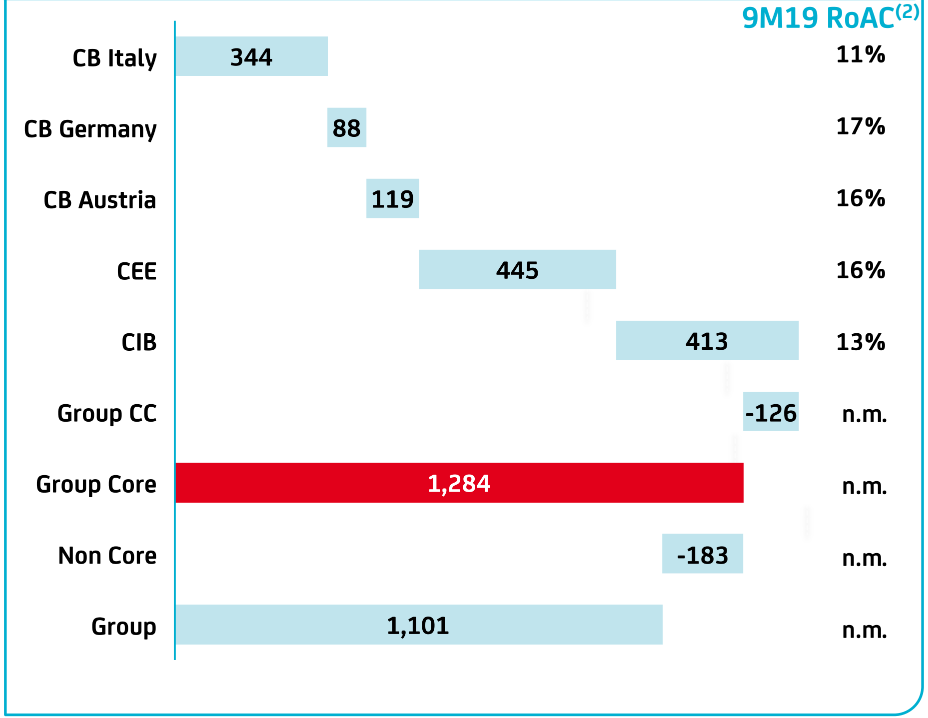
Group Core – Adjusted 9M19 RoTE 10.6% up 0.2p.p. 9M/9M(1)

Group Core adjusted net profit(1), m



- Adjusted 9M19 Group Core RoTE at 10.6%, up 0.2p.p. 9M/9M(1)
- CEE and CIB main drivers
- FY19 Group Core RoTE target >10% confirmed

Adjusted net profit by division 3Q19, m



(1) Group and Group Core adjusted net profit and RoTE exclude net impacts from the impairment of Yapi (-846m in 3Q18), disposal of real estate (+258m in 1Q19), Fineco (+1,176m in 2Q19) and one-offs (-351m in 2Q19, o/w Ocean Breeze disposal -178m and others -173m (o/w -151m Core and -22m Non Core)).

(2) Stated 9M19 RoAC. Normalised for non recurring items (summarised in Annex on page 44-45), 9M19 RoAC are: CB Italy 11.1%, CB Germany 8.8%, CB Austria 13.5% and CIB 12.6%.

Group Core – Adjusted 3Q19 net profit 1.3bn up 22.1% Y/Y[(1)]
Adjusted 9M19 RoTE at 10.6% up 0.2p.p. 9M/9M[(1)]

Group Core results highlights

Main drivers

- Revenues up 2.2% Y/Y thanks to resilient commercial dynamics and trading
- Net interest up 0.6% Q/Q with days effect and higher loan volumes partially offsetting lower loan rates
- Fees up 3.3% Y/Y thanks to investment fees (+9.4% Y/Y) and transactional fees (+3.6% Y/Y)
- Trading up 22.2% Y/Y thanks to stronger underlying client activity
- 438,000 gross new clients in 3Q19 (-4.7% Y/Y)
- Gross new loan production[(2)] at 67.3bn in 9M19 (-14.0% 9M/9M)
- Costs down 2.0% Y/Y thanks to continued strong focus on cost discipline. 9M19 C/I ratio at 52.0%, down 1.1p.p. 9M/9M
- LLPs down 12.9% Y/Y as the overall risk environment remains supportive
- Gross NPE ratio 3.6%[(3),(4)], down 78bps Y/Y, well below FY19 4.7% target
- 9M19 adjusted RoTE at 10.6% up 0.2p.p. 9M/9M[(1)]

Data in m	*3Q18*	*2Q19*	*3Q19*	*Δ % vs.2Q19*	*Δ % vs.3Q18*	*9M18*	*9M19*	*Δ % vs. 9M18*
Total revenues	4,604	4,521	4,708	+4.1%	+2.2%	14,218	13,996	-1.6%
o/w Net interest	*2,659*	*2,549*	*2,564*	*+0.6%*	*-3.6%*	*7,767*	*7,689*	*-1.0%*
o/w Fees	*1,517*	*1,562*	*1,567*	*+0.3%*	*+3.3%*	*4,755*	*4,667*	*-1.9%*
o/w Trading	*307*	*259*	*376*	*+45.0%*	*+22.2%*	*1,118*	*1,079*	*-3.5%*
Operating costs	-2,449	-2,410	-2,401	-0.4%	-2.0%	-7,557	-7,283	-3.6%
Gross operating profit	2,155	2,111	2,306	+9.2%	+7.0%	6,661	6,714	+0.8%
LLPs	-478	-514	-416	-19.0%	-12.9%	-961	-1,294	+34.6%
Net operating profit	1,678	1,597	1,890	+18.3%	+12.7%	5,700	5,420	-4.9%
Net profit	204	2,065	1,284	-37.8%	n.m.	2,757	4,924	+78.6%
Adjusted net profit[(1)]	1,051	1,217	1,284	+5.4%	+22.1%	3,604	3,819	+6.0%
Adjusted RoTE[(1)]	9.3%	10.1%	10.4%	+0.3p.p.	+1.1p.p.	10.4%	10.6%	+0.2p.p.
C/I	53.2%	53.3%	51.0%	-2.3p.p.	-2.2p.p.	53.2%	52.0%	-1.1p.p.
CoR (bps)	43	44	35	-9	-7	29	37	+8
Gross NPE ratio	4.4%	3.9%	3.6%	-35bps	-78bps	4.4%	3.6%	-78bps

(1) Group and Group Core adjusted net profit and RoTE exclude net impacts from the impairment of Yapi (-846m in 3Q18), disposal of real estate (+258m in 1Q19), Fineco (+1,176m in 2Q19) and one-offs (-351m in 2Q19, o/w Ocean Breeze disposal -178m and others -173m (o/w -151m Core and -22m Non Core)).
(2) Managerial figures.
(3) Weighted average "NPL" ratio of EBA sample banks is 3.0%. Source: EBA risk dashboard (data as at 2Q19). UniCredit's definition of "NPE" ratio is more conservative than EBA. Comparable "NPL" ratio for UniCredit at 3Q19 would be 3.2% for Group Core.
(4) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.

Group – Adjusted 3Q19 net profit 1.1bn up 25.7% Y/Y(1)
Adjusted 9M19 net profit 3.3bn up 8.2% 9M/9M(1)

Main drivers

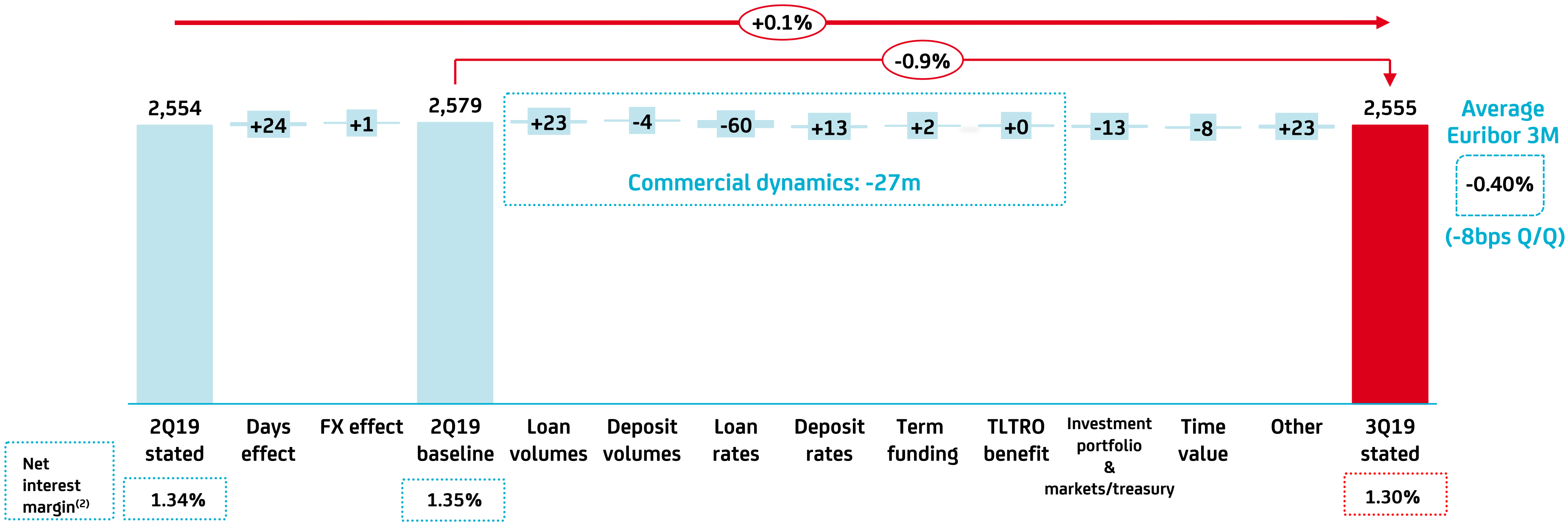
- Net interest flat Q/Q with days effect and higher loan volumes partially offsetting lower loan rates
- Fees up 3.0% Y/Y thanks to investment fees (+9.4% Y/Y) and transactional fees (+3.2% Y/Y)
- Costs at 2.5bn in 3Q19 down 1.8% Y/Y thanks to lower HR costs (-1.9% Y/Y) and Non HR costs (-1.6% Y/Y)
- LLPs down 19.1% Y/Y, leading to 47bps CoR in 3Q19 (including -1bp of models)
- Other charges & provisions down 74.2% Y/Y, 3Q18 impacted by provisions for US sanctions
- Stated 9M19 tax rate 25.8%
- 3Q19 Group stated net profit of 1.1bn equal to 3Q19 Group adjusted net profit, up 25.7% Y/Y(1),(2)

Data in m	*3Q18*	*2Q19*	*3Q19*	*Δ % vs.2Q19*	*Δ % vs.3Q18*	*9M18*	*9M19*	*Δ % vs. 9M18*
Total revenues	4,622	4,517	4,701	+4.1%	+1.7%	14,270	13,984	-2.0%
o/w Net interest	*2,689*	*2,554*	*2,555*	*+0.1%*	*-5.0%*	*7,858*	*7,688*	*-2.2%*
o/w Fees	*1,523*	*1,565*	*1,569*	*+0.3%*	*+3.0%*	*4,777*	*4,675*	*-2.1%*
o/w Trading	*293*	*253*	*378*	*+49.2%*	*+28.9%*	*1,075*	*1,073*	*-0.1%*
Operating costs	-2,497	-2,452	-2,451	-0.0%	-1.8%	-7,695	-7,418	-3.6%
Gross operating profit	2,126	2,065	2,250	+9.0%	+5.9%	6,575	6,567	-0.1%
LLPs	-696	-707	-563	-20.4%	-19.1%	-1,693	-1,738	+2.6%
Net operating profit	1,430	1,357	1,687	+24.3%	+18.0%	4,882	4,829	-1.1%
Other charges & provisions	-725	-236	-187	-20.7%	-74.2%	-1,902	-637	-66.5%
o/w Systemic charges	*-134*	*-118*	*-148*	*+24.8%*	*+10.3%*	*-772*	*-804*	*+4.1%*
Profit from investments	-655	-307	-45	-85.2%	-93.1%	-434	39	n.m.
Profit before taxes	47	812	1,453	+78.8%	n.m.	2,552	4,224	+65.5%
Income taxes	-20	-174	-341	+96.6%	n.m.	-440	-1,092	n.m.
Net profit from discontinued operations	59	1,307	0	-100.0%	-99.7%	223	1,372	n.m.
Net profit	29	1,854	1,101	-40.6%	n.m.	2,165	4,342	n.m.
Adjusted net profit(1)	875	1,029	1,101	+7.0%	+25.7%	3,012	3,258	+8.2%

(1) Group and Group Core adjusted net profit and RoTE exclude net impacts from the impairment of Yapi (-846m in 3Q18), disposal of real estate (+258m in 1Q19), Fineco (+1,176m in 2Q19) and one-offs (-351m in 2Q19, o/w Ocean Breeze disposal -178m and others -173m (o/w -151m Core and -22m Non Core)).
(2) Y/Y change refers to adjusted net profit.

Group – 3Q19 net interest at 2.6bn flat Q/Q despite lower Euribor

Net interest[1] Q/Q, m

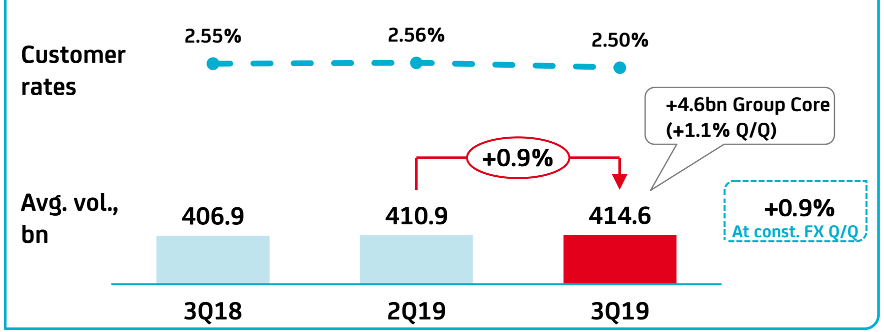


(1) Net contribution from hedging strategy of non-maturity deposits in 3Q19 at 353m, +4.4m Q/Q and -16.1m Y/Y.

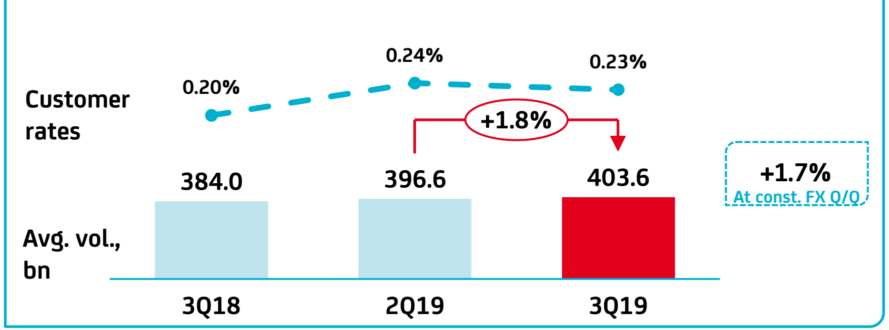
(2) Net interest margin calculated as interest income divided by interest earning assets minus interest expenses divided by interest bearing liabilities.

Group – Average Group Core loan volumes up 4.6bn Q/Q, customer rates down 6bps due to Euribor

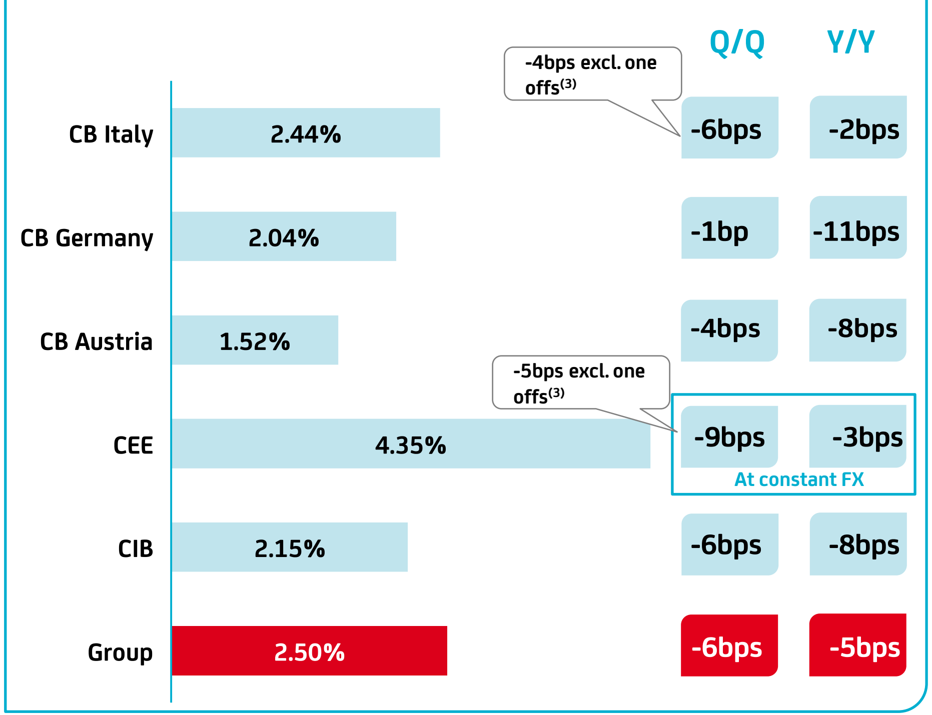
Avg. commercial loans[1] and rates[2]



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



Customer loan rates[2] 3Q19



(1) Average commercial volumes are managerial figures and are calculated as daily averages. Loans net of provisions.

(2) Customer loan rates calculated assuming 365 days convention, adjusted for 360 days convention where analytically available.

(3) Customer rate Q/Q excluding one-offs: CB Italy -4bps (days effect), CEE -5bps at constant FX (single names).

Group – End-of-period Group Core customer loans up 1.3bn Q/Q

Customer loans (end-of-period)[1] 3Q19, bn

	bn	Q/Q	Y/Y
CB Italy	143.2	-0.5%	-0.2%
CB Germany	88.5	+1.1%	+4.5%
CB Austria	45.0	+1.0%	+1.6%
CEE (At constant FX)	68.2	+1.0%	+5.5%
CIB	80.6	+0.3%	-0.0%
Group CC	2.5	-2.4%	-22.9%
Group Core	428.1	+0.3%	+1.8%
Non Core	3.8	-28.1%	-56.6%
Group	431.9	-0.1%	+0.6%

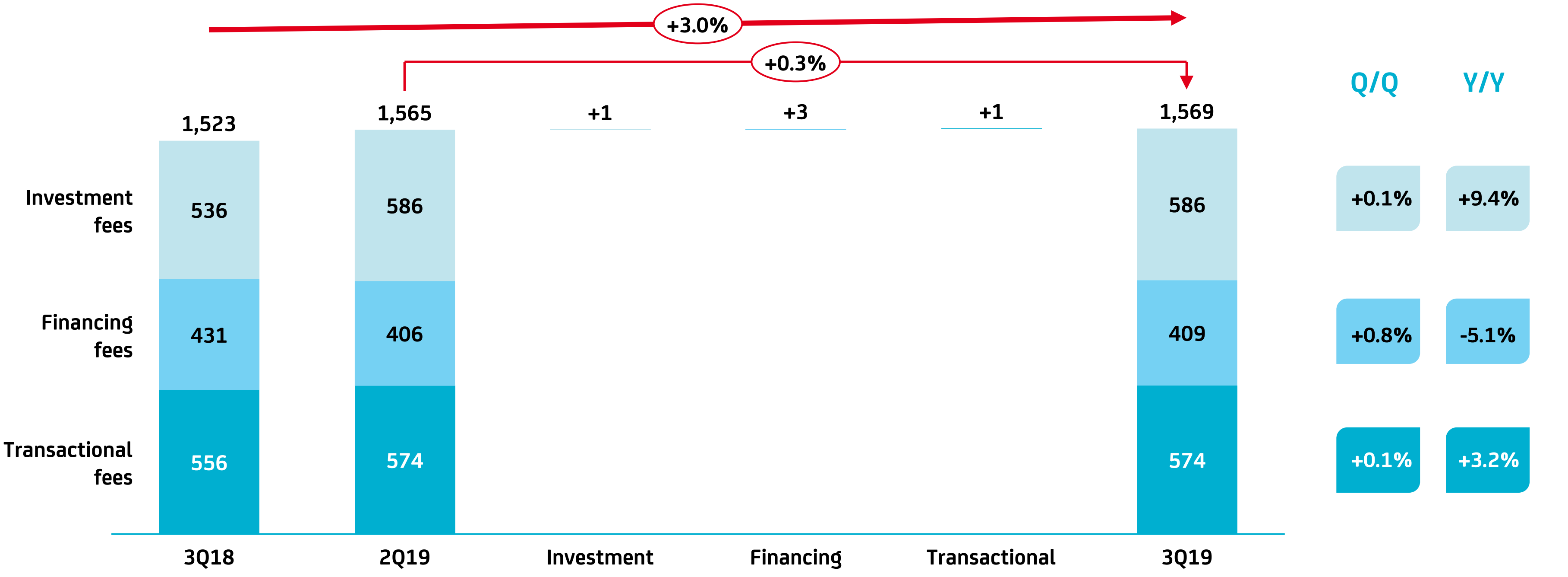
Customer deposits (end-of-period)[1] 3Q19, bn

	bn	Q/Q	Y/Y
CB Italy	152.7	+1.0%	+5.0%
CB Germany	91.4	+2.0%	+4.3%
CB Austria	47.3	-0.3%	+1.5%
CEE (At constant FX)	71.6	+1.8%	+13.4%
CIB	51.4	+7.2%	-2.7%
Group CC	2.3	-12.1%	-22.1%
Group Core	416.7	+1.8%	+4.7%
Non Core	0.5	-13.7%	-37.1%
Group	417.2	+1.7%	+4.6%

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

Group – Fees up 3.0% Y/Y mainly thanks to investment fees

Fees, m

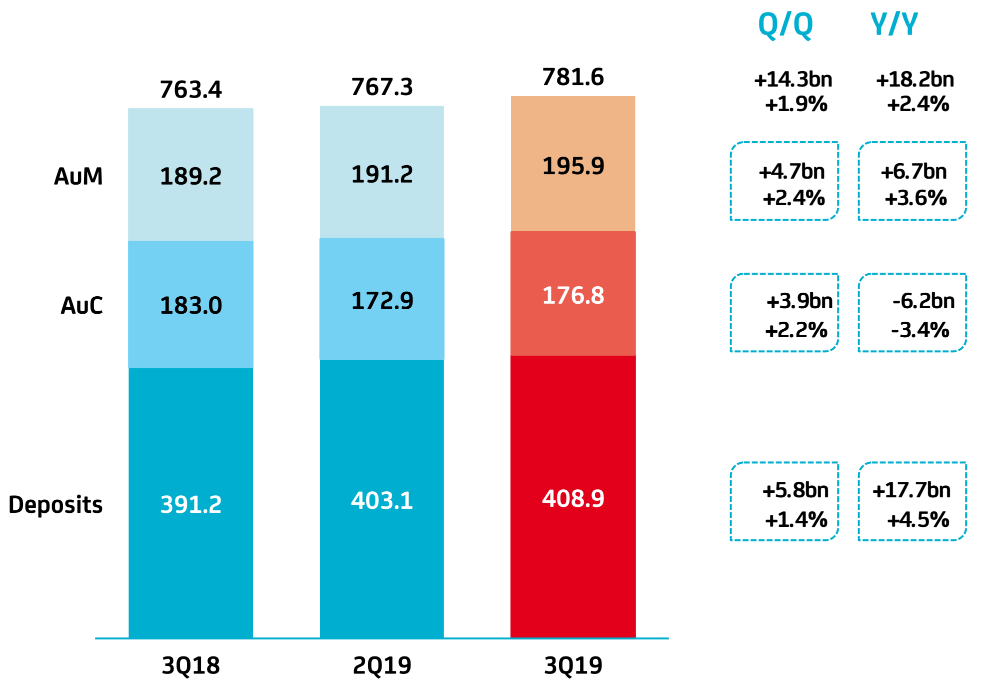


Group – TFAs up 1.9% Q/Q mainly driven by market performance

Main drivers

- **TFAs** up 1.9% Q/Q to 781.6bn:
  - **Assets under Management** at 195.9bn, up 2.4% Q/Q. Strong AuM net sales (+2.5bn 3Q19) and positive market performance (+2.2bn 3Q19).
  - **Assets under Custody** at 176.8bn, up 2.2% Q/Q. Positive market performance (+7.9bn 3Q19) offsetting negative net sales (-3.9bn 3Q19)
  - **Deposits** at 408.9bn, up 1.4% Q/Q thanks to CIB (+4.1% Q/Q), CEE (+2.6% Q/Q at constant FX) and CB Italy (+1.1% Q/Q)

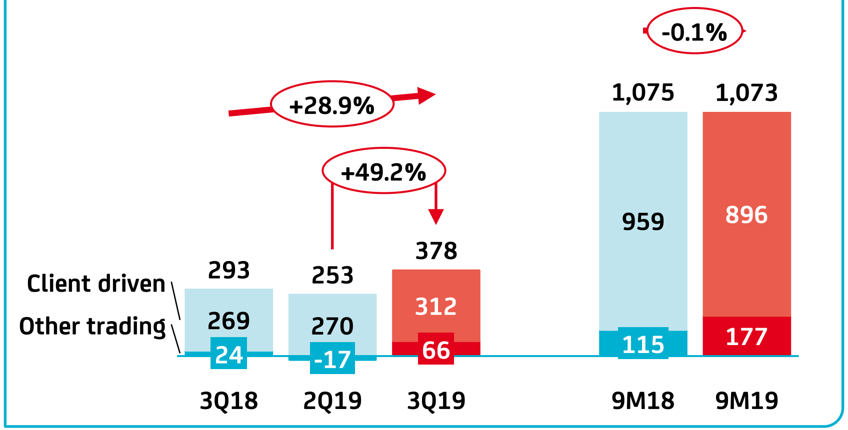
Group TFAs[1] 3Q19, bn



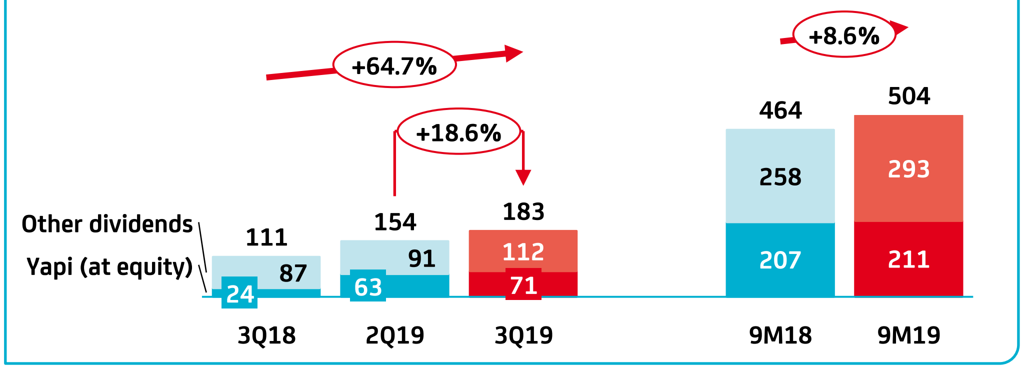
(1) Refers to Group commercial Total Financial Assets. Non-commercial elements, i.e. Group Corporate Centre, Non Core, Leasing/Factoring and Market Counterparts are excluded. Numbers are managerial figures.

Group – Trading income up 28.9% Y/Y thanks to stronger underlying client activity

Trading income, m



Dividends[(2)], m



- Trading income up 28.9% Y/Y thanks to stronger underlying client activity, despite negative impact from XVA[(1)] (-17m Y/Y)
- Client driven trading includes valuation adjustments (XVA[(1)]) equal to +5m in 3Q19 (-61m in 2Q19 and +22m in 3Q18)
- Expected average quarterly run rate of around 300m confirmed

- Strong contribution from Yapi, up 98.7% Y/Y at constant FX
- The regulatory consolidation of Yapi's RWA is pro rata (23.0bn)
- The TRY FX sensitivity on the Group's CET1 ratio is positive at around +1bp net impact for 10% adverse FX move[(3)]
- Other dividends up 28.6% Y/Y mainly thanks to insurance JVs in Italy

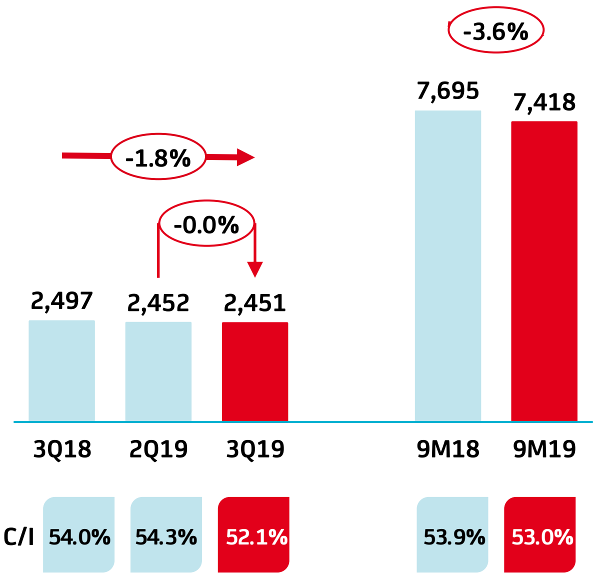
(1) Valuation adjustments (XVA) include: Debt/Credit Value Adjustment (DVA/CVA), Funding Valuation Adjustments (FuVa) and Hedging desk.
(2) Include dividends and equity investments. Yapi is valued by the equity method and contributes to the dividend line of the Group P&L based on managerial view.
(3) TRY sensitivity: 10% depreciation of the TRY has around +1bp net impact (-3bps from capital, +4bps from RWA) on the fully loaded CET1 ratio. Managerial data as at 30 September 2019.

Group – 3Q19 Group costs at 2.5bn down 1.8% Y/Y and stable Q/Q
FY19 costs confirmed at 10.1bn

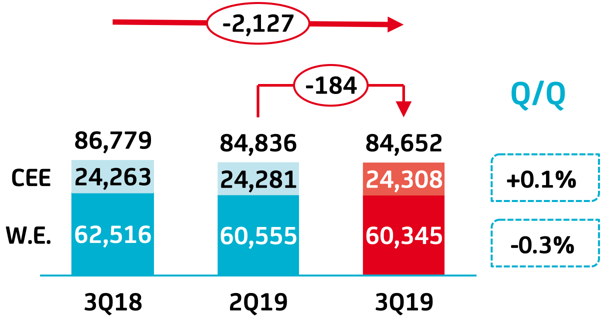
Main drivers

- Transform 2019 targets for net FTE reduction and Western European branch closures achieved
- FTEs down 2,127 Y/Y, branches down 137 Y/Y
- 3Q19 total costs at 2.5bn down 1.8% Y/Y and stable Q/Q
- FY19 costs confirmed at 10.1bn
- 9M19 C/I 53.0%, down 0.9p.p. 9M/9M

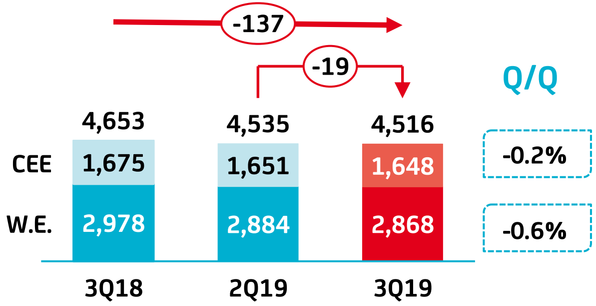
Costs, m



FTEs (end-of-period)



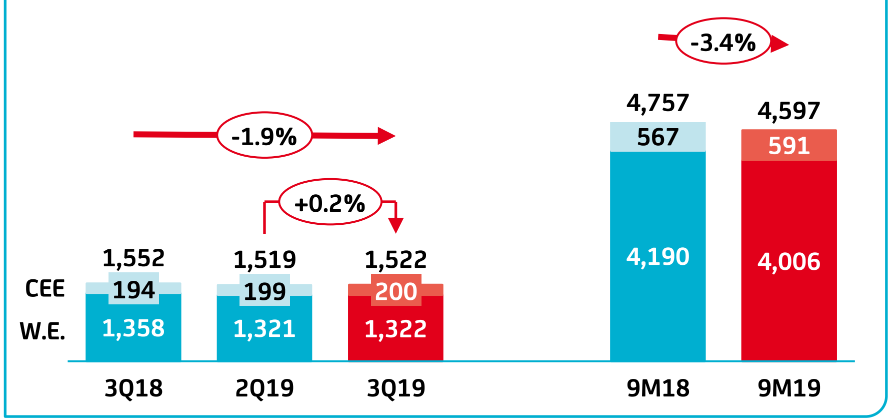
Branches[1]



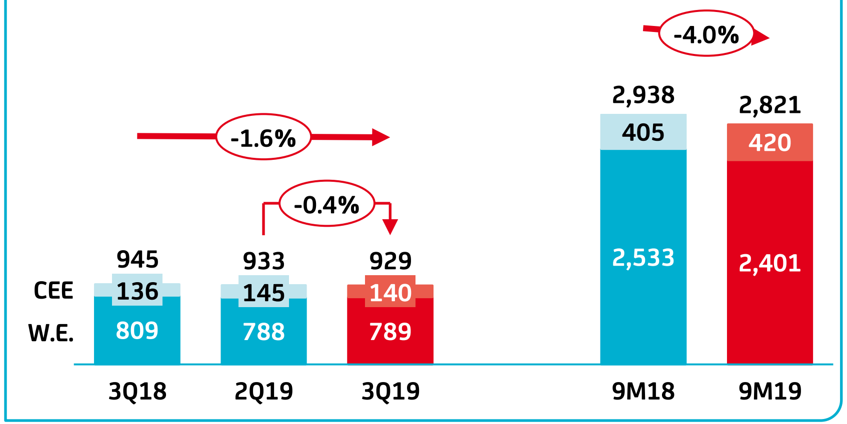
(1) Branch figures consistent with CMD 2016 perimeter.

Group – Disciplined cost reduction, both HR and Non HR costs down Y/Y

HR costs, m



Non HR costs(1), m



- HR costs down 1.9% Y/Y, confirming continued cost reduction efforts supported by lower FTEs, down 2,127 Y/Y

- Non HR costs down 1.6% Y/Y mainly thanks to lower real estate expenses

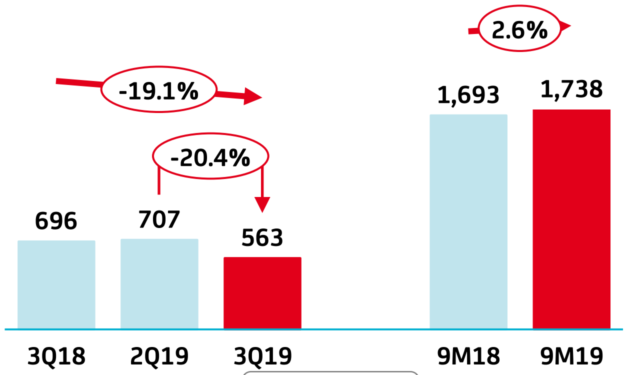
(1) Non HR costs include "other administrative expenses", "recovery of expenses" and "amortisation, depreciation and impairment losses on intangible and tangible assets".

Group – 3Q19 LLPs down 19.1% Y/Y
Gross NPE ratio 5.7% down 264bps Y/Y

Main drivers

- 3Q19 LLPs down 19.1% Y/Y, leading to CoR of 47bps, including -1bp of models. 9M19 CoR at 49bps, FY19 55bps CoR target confirmed, including 4bps from models
- Group gross NPE ratio improved to 5.7%(1) in 3Q19, down 264bps Y/Y. Coverage ratio at 61.0%, up 0.1p.p. Y/Y
- Group Core gross NPE ratio at 3.6%(1),(2) in 3Q19, down 78bps Y/Y, well below FY19 4.7% target
- CoR across divisions in 3Q19:
  - CB Italy CoR at 70bps. FY19 CoR will be in the low 70s bps due to residential mortgage transaction
  - CB Germany CoR at 12bps. FY19 CoR expected to be low
  - CB Austria CoR at 17bps. FY19 CoR expected to be very low
  - CEE CoR at 68bps thanks to a supportive risk environment. FY19 CoR will be well below 102bps target
  - CIB CoR at 1bp. FY19 CoR target confirmed at 21bps

Loan loss provisions, m



	3Q18	2Q19	3Q19	9M18	9M19
Cost of risk	61bps	60bps	47bps	50bps	49bps
Cov. ratio gross NPE	60.9%	61.0%	61.0%		
Gross NPE ratio	8.4%	7.0%	5.7%		

o/w +1bp models impact (3Q18)

o/w -1bp models impact (3Q19)

o/w +2bps models impact (9M18)

o/w 0bps models impact (9M19)

(1) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.

(2) Weighted average "NPL" ratio of EBA sample banks is 3.0%. Source: EBA risk dashboard (data as at 2Q19). UniCredit's definition of "NPE" ratio is more conservative than EBA. Comparable "NPL" ratio for UniCredit at 3Q19 would be 3.2% for Group Core.

Agenda

CB Italy – Net operating profit 0.6bn in 3Q19 up 35.2% Y/Y mainly thanks to higher revenues and lower costs

1 2 3 4 5 6 7 8

Divisional results highlights

Main drivers

- Net interest up 0.2% Q/Q with days effect and a non recurring item compensating lower deposit spreads
- Gross new loan production[(1)] at 16.1bn in 9M19 (-14.6% 9M/9M), mainly driven by corporates
- Fees up 3.3% Y/Y mainly driven by investment fees (+7.5% Y/Y) and transactional fees (+5.6% Y/Y), the latter mainly thanks to insurance
- 75,000 gross new clients in 3Q19 (-19.1% Y/Y)
- Costs down 5.3% Y/Y driven by both HR (-4.3% Y/Y) and non HR cost (-6.7% Y/Y). 9M19 C/I ratio at 52.9%, down 2.8p.p. 9M/9M
- 3Q19 CoR at 70bps. FY19 CoR will be in the low 70s bps due to residential mortgage transaction
- Gross NPE ratio 5.0%, down 118bps Y/Y supported by disposals[(3)]
- Normalised[(4)] RoAC at 11.1% in 9M19. FY19 RoAC target around 11% confirmed

Data in m	*3Q18*	*2Q19*	*3Q19*	*Δ % vs.2Q19*	*Δ % vs.3Q18*	*9M18*	*9M19*	*Δ % vs. 9M18*
Total revenues	1,739	1,802	1,771	-1.7%	+1.9%	5,436	5,366	-1.3%
o/w Net interest	*862*	*844*	*845*	*+0.2%*	*-1.9%*	*2,634*	*2,548*	*-3.3%*
o/w Fees	*871*	*918*	*899*	*-2.0%*	*+3.3%*	*2,772*	*2,731*	*-1.5%*
Operating costs	-991	-949	-938	-1.1%	-5.3%	-3,030	-2,840	-6.2%
Gross operating profit	748	853	833	-2.3%	+11.4%	2,406	2,526	+5.0%
LLPs	-317	-316	-251	-20.7%	-20.9%	-748	-774	+3.5%
Net operating profit	431	537	582	+8.5%	+35.2%	1,658	1,752	+5.6%
Net profit	369	244	344	+41.1%	-6.7%	1,115	987	-11.5%
RoAC	13.4%	7.7%	10.6%	+2.8p.p.	-2.8p.p.	13.7%	10.5%	-3.2p.p.
C/I	57.0%	52.7%	53.0%	+0.3p.p.	-4.0p.p.	55.7%	52.9%	-2.8p.p.
CoR (bps)	89	88	70	-18	-19	71	72	+0
Branches[(2)]	2,516	2,425	2,409	-0.7%	-4.3%	2,516	2,409	-4.3%
FTEs	30,211	29,098	28,830	-0.9%	-4.6%	30,211	28,830	-4.6%
Gross NPE ratio	6.2%	5.6%	5.0%	-56bps	-118bps	6.2%	5.0%	-118bps

(1) Managerial figures.
(2) Branch figures consistent with CMD 2016 perimeter.
(3) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.
(4) Normalised for the release of provisions for US sanctions (+60m) in 1Q19 and one-offs (-118m) in 2Q19.

CB Germany – Net operating profit 0.2bn in 3Q19 down 29.1% Y/Y due to LLPs normalisation

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Divisional results highlights

Main drivers

- Revenues down 2.9% Y/Y due to lower trading. Commercial revenues up 3.0% Y/Y
- Net interest up 0.9% Q/Q with higher loan volumes partially compensating lower deposit spreads
- Gross new loan production(1) at 12.3bn in 9M19 (-15.7% 9M/9M), mainly driven by corporates
- Fees up 7.5% Y/Y mainly thanks to higher investment fees (+16.9% Y/Y)
- 18,000 gross new clients in 3Q19 (-7.5% Y/Y)
- Costs down 1.0% Y/Y driven by both HR (-1.3% Y/Y) and non HR cost (-0.6% Y/Y). 9M19 C/I ratio at 69.2%, up 0.9p.p. 9M/9M
- 3Q19 CoR at 12bps. FY19 CoR expected to be low
- Normalised(3) RoAC at 8.8% in 9M19. FY19 RoAC target confirmed at 9.1%

Data in m	*3Q18*	*2Q19*	*3Q19*	*Δ % vs.2Q19*	*Δ % vs.3Q18*	*9M18*	*9M19*	*Δ % vs. 9M18*
Total revenues	596	586	579	-1.1%	-2.9%	1,824	1,757	-3.7%
o/w Net interest	*380*	*381*	*384*	*+0.9%*	*+1.0%*	*1,119*	*1,143*	*+2.2%*
o/w Fees	*166*	*175*	*178*	*+1.7%*	*+7.5%*	*548*	*538*	*-1.7%*
Operating costs	-403	-399	-399	+0.1%	-1.0%	-1,244	-1,215	-2.3%
Gross operating profit	193	187	180	-3.6%	-6.7%	580	542	-6.5%
LLPs	23	-4	-27	n.m.	n.m.	-39	-53	+34.1%
Net operating profit	216	183	153	-16.3%	-29.1%	540	489	-9.5%
Net profit	56	146	88	-39.5%	+57.7%	204	605	n.m.
RoAC	4.8%	12.6%	7.6%	-5.0p.p.	+2.8p.p.	6.0%	17.4%	+11.4p.p.
C/I	67.6%	68.0%	68.9%	+0.8p.p.	+1.3p.p.	68.2%	69.2%	+0.9p.p.
CoR (bps)	-11	2	12	+10	+23	6	8	+2
Branches(2)	339	337	337	+0.0%	-0.6%	339	337	-0.6%
FTEs	9,284	9,047	9,138	+1.0%	-1.6%	9,284	9,138	-1.6%
Gross NPE ratio	1.9%	1.8%	1.7%	-4bps	-21bps	1.9%	1.7%	-21bps

(1) Managerial figures.
(2) Branch figures consistent with CMD 2016 perimeter.
(3) Normalised for release of provisions for US sanctions (+41m) and disposal of real estate (+258m) in 1Q19.

CB Austria – Net operating profit 0.1bn in 3Q19 down 6.8% Y/Y mainly due to lower trading

1 2 3 4 5 6 7 8

Main drivers

- Revenues down 2.5% Y/Y due to lower trading. Commercial revenues flat
- Net interest up 2.7% Q/Q thanks to resilient commercial dynamics
- Gross new loan production[(1)] at 5.4bn in 9M19 (-0.3% 9M/9M), driven by corporates
- Fees down 1.2% Y/Y mainly due to lower transactional fees (-1.4% Y/Y) and investment fees (-1.2% Y/Y)
- 14,000 gross new clients in 3Q19 (+1.0% Y/Y)
- Costs up 1.4% Y/Y impacted by HR one-offs. 9M19 C/I ratio at 63.9%, down 0.6p.p. 9M/9M
- CoR at 17bps in 3Q19 due to a non recurring item. FY19 CoR expected to be very low
- Normalised[(3)] RoAC at 13.5% in 9M19. FY19 RoAC target confirmed at 13.3%

Data in m	*3Q18*	*2Q19*	*3Q19*	*Δ % vs.2Q19*	*Δ % vs.3Q18*	*9M18*	*9M19*	*Δ % vs. 9M18*
Total revenues	402	389	392	+0.9%	-2.5%	1,184	1,136	-4.0%
o/w Net interest	*178*	*175*	*180*	*+2.7%*	*+1.1%*	*512*	*525*	*+2.4%*
o/w Fees	*149*	*149*	*147*	*-0.8%*	*-1.2%*	*460*	*441*	*-4.1%*
Operating costs	-241	-226	-244	+8.1%	+1.4%	-764	-726	-4.9%
Gross operating profit	162	163	148	-9.1%	-8.4%	420	410	-2.4%
LLPs	-23	2	-19	n.m.	-17.6%	31	-9	n.m.
Net operating profit	138	165	129	-21.8%	-6.8%	451	401	-11.2%
Net profit	119	165	119	-27.9%	+0.2%	325	352	+8.2%
RoAC	17.9%	22.6%	16.1%	-6.5p.p.	-1.8p.p.	16.2%	16.0%	-0.2p.p.
C/I	59.8%	58.1%	62.2%	+4.1p.p.	+2.4p.p.	64.5%	63.9%	-0.6p.p.
CoR (bps)	21	-2	17	+19	-4	-9	3	+12
Branches[(2)]	123	122	122	+0.0%	-0.8%	123	122	-0.8%
FTEs	4,894	4,845	4,890	+0.9%	-0.1%	4,894	4,890	-0.1%
Gross NPE ratio	4.0%	4.0%	3.9%	-11bps	-16bps	4.0%	3.9%	-16bps

(1) Managerial figures.
(2) Branch figures consistent with CMD 2016 perimeter.
(3) Normalised for release of provisions for US sanctions (+39m) in 1Q19 and one-off pension related item (+16m) in 2Q19.

CEE – Net operating profit 0.6bn in 3Q19 up 9.0% Y/Y thanks to higher revenues

Main drivers

- Net interest down 0.7% Q/Q at constant FX due to a non recurring item
- Gross new loan production(2) at 15.4bn in 9M19 (-9.3% 9M/9M at constant FX)
- Dividends up 90.9% Y/Y at constant FX thanks to increased Yapi contribution (+98.7% Y/Y)
- Fees up 2.6% Y/Y at constant FX thanks to higher investment fees (+18.8% Y/Y) and transaction fees (+5.2% Y/Y)
- 331,000 gross new clients in 3Q19 (-0.8% Y/Y)
- Costs up 0.9% Y/Y at constant FX, below inflation. 9M19 C/I ratio at 35.2%, down 0.5p.p. 9M/9M
- 3Q19 CoR low at 68bps thanks to a supportive risk environment. FY19 CoR will be well below 102bps target
- Successful de-risking, gross NPE ratio down 140bps Y/Y to 5.1% in 3Q19. Coverage ratio at 69.4% (+1.8p.p. Y/Y)
- RoAC at 15.6% in 9M19. FY19 RoAC target confirmed at 13.4%

Data in m (1)	3Q18	2Q19	3Q19	Δ % vs.2Q19	Δ % vs.3Q18	9M18	9M19	Δ % vs. 9M18
Total revenues	980	1,069	1,061	-0.9%	+7.5%	3,105	3,204	+4.7%
o/w Net interest	*678*	*683*	*680*	*-0.7%*	*-0.8%*	*1,994*	*2,041*	*+2.7%*
o/w Dividends	*30*	*71*	*79*	*+6.3%*	*+90.9%*	*226*	*231*	*+16.0%*
o/w Fees	*205*	*202*	*211*	*+4.6%*	*+2.6%*	*604*	*617*	*+2.5%*
Operating costs	-372	-386	-378	-2.0%	+0.9%	-1,108	-1,129	+2.2%
Gross operating profit	607	683	683	-0.2%	+11.4%	1,997	2,075	+6.0%
LLPs	-91	-87	-116	+34.3%	+25.3%	-297	-304	+2.5%
Net operating profit	516	596	566	-5.0%	+9.0%	1,700	1,772	+6.6%
Net profit	425	484	445	-8.0%	+4.3%	1,307	1,320	+4.1%
RoAC	15.6%	17.1%	15.6%	-1.4p.p.	-0.0p.p.	15.8%	15.6%	-0.2p.p.
C/I	38.0%	36.1%	35.7%	-0.4p.p.	-2.3p.p.	35.7%	35.2%	-0.5p.p.
CoR (bps)	58	52	68	+17	+11	64	60	-4
Branches	1,675	1,651	1,648	-0.2%	-1.6%	1,675	1,648	-1.6%
FTEs	24,263	24,281	24,308	+0.1%	+0.2%	24,263	24,308	+0.2%
Gross NPE ratio	6.5%	5.5%	5.1%	-38bps	-140bps	6.5%	5.1%	-140bps

(1) Stated numbers at current FX. Variations Q/Q and Y/Y at constant FX (RoAC, C/I, gross NPE ratio, coverage ratio and CoR variations at current FX). Yapi is valued by the equity method and contributes to the dividend line of the Group P&L based on managerial view. Yapi's branches and clients considered at 100%, Yapi not considered in CoR, FTEs and gross NPE ratio.

(2) Managerial figures.

CIB – Net operating profit 0.6bn in 3Q19 up 33.4% Y/Y thanks to lower LLPs and higher trading

Main drivers

- Net interest up 4.0% Q/Q mainly thanks to positive contribution from Investment & Trading activities and non recurring items
- Fees down 2.3% Y/Y mainly due to financing fees (-3.5% Y/Y)
- Trading up 42.0% Y/Y mainly thanks to robust client activity
- Leading franchise confirmed: #1 in "All Bonds in EUR" in Italy, Germany and Austria, #2 in "EMEA All Bonds in EUR" by number of transactions[(1)]. Overall client driven revenues at 73%[(2)] in 3Q19
- Costs down 2.5% Y/Y driven by both HR (-3.1% Y/Y) and non HR cost (-2.1 % Y/Y). 9M19 C/I ratio at 39.3%, down 0.6p.p. 9M/9M
- CoR at 1bp in 3Q19. FY19 CoR target confirmed at 21bps
- Normalised[(3)] RoAC at 12.6% in 9M19. FY19 RoAC target confirmed at 11.7%

Data in m	*3Q18*	*2Q19*	*3Q19*	*Δ % vs.2Q19*	*Δ % vs.3Q18*	*9M18*	*9M19*	*Δ % vs. 9M18*
Total revenues	910	868	978	+12.7%	+7.4%	2,870	2,868	-0.1%
o/w Net interest	*586*	*548*	*570*	*+4.0%*	*-2.7%*	*1,707*	*1,666*	*-2.4%*
o/w Fees	*148*	*128*	*145*	*+13.2%*	*-2.3%*	*444*	*377*	*-15.0%*
o/w Trading	*166*	*193*	*236*	*+22.3%*	*+42.0%*	*655*	*760*	*+16.2%*
Operating costs	-369	-379	-360	-5.2%	-2.5%	-1,146	-1,127	-1.6%
Gross operating profit	541	489	618	+26.5%	+14.2%	1,725	1,740	+0.9%
LLPs	-81	-106	-4	-96.5%	-95.4%	81	-153	n.m.
Net operating profit	461	382	615	+60.7%	+33.4%	1,805	1,587	-12.1%
Net profit	98	100	413	n.m.	n.m.	661	1,005	+52.1%
RoAC	3.8%	3.9%	15.4%	+11.5p.p.	+11.6p.p.	8.9%	12.9%	+4.0p.p.
C/I	40.5%	43.7%	36.8%	-6.9p.p.	-3.8p.p.	39.9%	39.3%	-0.6p.p.
CoR (bps)	28	35	1	-34	-27	-10	17	+26
FTEs	3,257	3,212	3,202	-0.3%	-1.7%	3,257	3,202	-1.7%
Gross NPE ratio	2.6%	2.5%	2.3%	-23bps	-29bps	2.6%	2.3%	-29bps

(1) Source: Dealogic, as at 1 October 2019. Period: 1 January – 30 September 2019; rankings by volume, unless otherwise stated.
(2) Of total CIB revenues.
(3) Normalised for release of provisions for US sanctions (+180m) in 1Q19, and disposal of Ocean Breeze (-178m) and a participation (+15m) in 2Q19.

Group Corporate Centre – Net operating loss 0.2bn in 3Q19 higher Y/Y due to lower revenues

Main drivers

- Revenues down Y/Y mainly due to higher term funding costs
- Lean but Steering Corporate Centre transformation on track with a reduction of 507 FTEs Y/Y (HR costs down 2.6% Y/Y). Since December 2015, FTEs down 21.5% (-3,822 FTEs)
- The ratio of GCC costs to total costs is down to 3.3% in 9M19. FY19 target of 3.5% confirmed
- Net loss of 126m in 3Q19, improving by 85.4% Y/Y

Data in m	3Q18	2Q19	3Q19	Δ % vs.2Q19	Δ % vs.3Q18	9M18	9M19	Δ % vs. 9M18
Total revenues	-22	-191	-74	-61.3%	n.m.	-201	-335	+67.2%
Operating costs	-73	-72	-82	+13.9%	+11.8%	-266	-245	-8.0%
Gross operating profit	-96	-263	-156	-40.7%	+63.2%	-467	-580	+24.3%
LLPs	12	-2	1	n.m.	-88.0%	12	-0	n.m.
Net operating profit	-83	-265	-155	-41.7%	+85.5%	-455	-580	+27.6%
Other Charges & Provisions	-72	-115	-17	-84.9%	-75.8%	-266	-211	-20.6%
o/w Systemic Charges	*-36*	*-87*	*-35*	*-59.8%*	*-1.4%*	*-188*	*-202*	*+7.5%*
Profit from investments	-841	8	3	-67.9%	n.m.	-738	23	n.m.
Profit before taxes	-997	-373	-171	-54.2%	-82.9%	-1,449	-771	-46.8%
Income taxes	111	70	46	-34.7%	-59.0%	498	177	-64.4%
Net profit	-862	925	-126	n.m.	-85.4%	-856	655	n.m.
FTEs	14,474	14,026	13,967	-0.4%	-3.5%	14,474	13,967	-3.5%
Costs GCC/ Tot. costs	2.9%	2.9%	3.4%	+0.4p.p.	+0.4p.p.	3.5%	3.3%	-0.2p.p.

Non Core – 2021 runoff fully on track, FY19 gross NPEs below 10bn

Main drivers

- In 3Q19 gross NPEs down by 4.4bn Q/Q to 11.2bn mainly driven by disposals(1)
- FY19 Non Core gross NPEs below 10bn
- Revenues down 24m Y/Y due to lower contribution from time value
- Costs up 5.1% Y/Y due to higher Non HR costs (+9.4% Y/Y) offsetting lower HR costs (-14.7% Y/Y)
- LLPs at 147m in 3Q19 down 32.7% Y/Y, with coverage ratio improving to 65.8% (+1.5p.p. Y/Y)
- Net loss of 183m in 3Q19

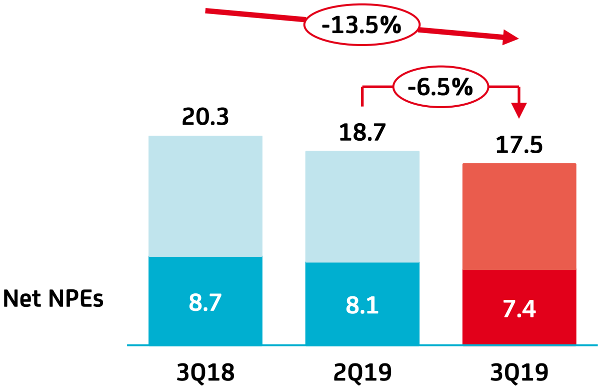
Data in m	3Q18	2Q19	3Q19	Δ % vs.2Q19	Δ % vs.3Q18	9M18	9M19	Δ % vs. 9M18
Total revenues	18	-5	-6	+29.1%	n.m.	52	-12	n.m.
Operating costs	-48	-42	-50	+19.7%	+5.1%	-137	-135	-1.6%
Gross operating profit	-30	-46	-56	+20.6%	+89.1%	-86	-147	+71.6%
LLPs	-218	-194	-147	-24.2%	-32.7%	-732	-444	-39.3%
Net operating profit	-248	-240	-203	-15.5%	-18.1%	-818	-591	-27.7%
Net profit	-176	-211	-183	-13.2%	+4.2%	-592	-582	-1.6%
Gross customer loans	22,177	15,679	11,230	-28.4%	-49.4%	22,177	11,230	-49.4%
o/w NPEs	*20,543*	*15,679*	*11,230*	*-28.4%*	*-45.3%*	*20,543*	*11,230*	*-45.3%*
o/w Performing	*1,634*	*0*	*0*	*n.m.*	*-100%*	*1,634*	*0*	*-100%*
NPE coverage ratio	64.4%	66.0%	65.8%	-0.2p.p.	+1.5p.p.	64.4%	65.8%	+1.5p.p.
Net NPEs	7,320	5,333	3,837	-28.1%	-47.6%	7,320	3,837	-47.6%
RWA	13,966	15,240	13,641	-10.5%	-2.3%	13,966	13,641	-2.3%

(1) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.

Agenda

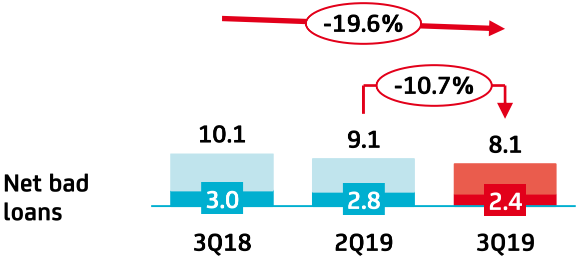
Group Core – Gross NPE ratio 3.6% down 78bps Y/Y
Coverage ratio 57.8% up 0.6p.p. Y/Y

Non performing exposures[1], bn



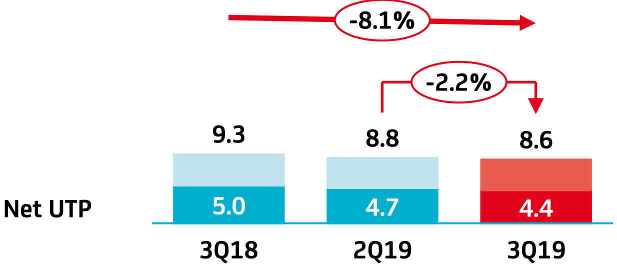
	3Q18	2Q19	3Q19
Gross NPE ratio	4.4%	3.9%	3.6%[2]
Net NPE ratio	1.9%	1.7%	1.5%
Coverage ratio	57.3%	56.7%	57.8%

o/w Gross bad loans, bn



	3Q18	2Q19	3Q19
Coverage ratio	70.3%	69.6%	70.7%

o/w Gross unlikely to pay, bn



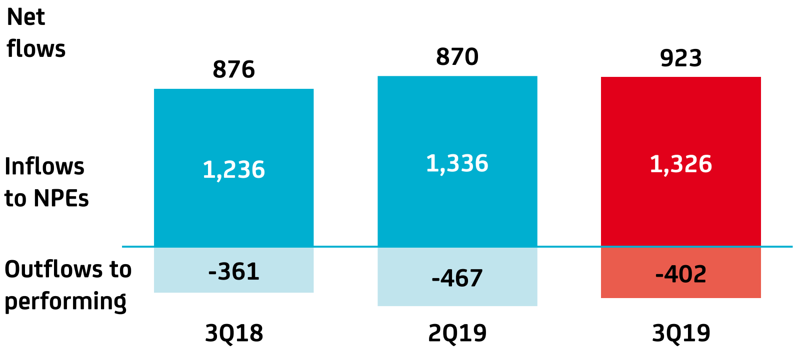
	3Q18	2Q19	3Q19
Coverage ratio	45.8%	46.1%	48.3%

(1) Gross NPEs including gross bad loans, gross unlikely to pay and gross past due. Gross past due at 875m in 3Q19 (-4.7% Q/Q and -1.5% Y/Y). Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.

(2) Weighted average "NPL" ratio of EBA sample banks is 3.0%. Source: EBA risk dashboard (data as at 2Q19). UniCredit's definition of "NPE" ratio is more conservative than EBA. Comparable "NPL" ratio for UniCredit at 3Q19 would be 3.2% for Group Core.

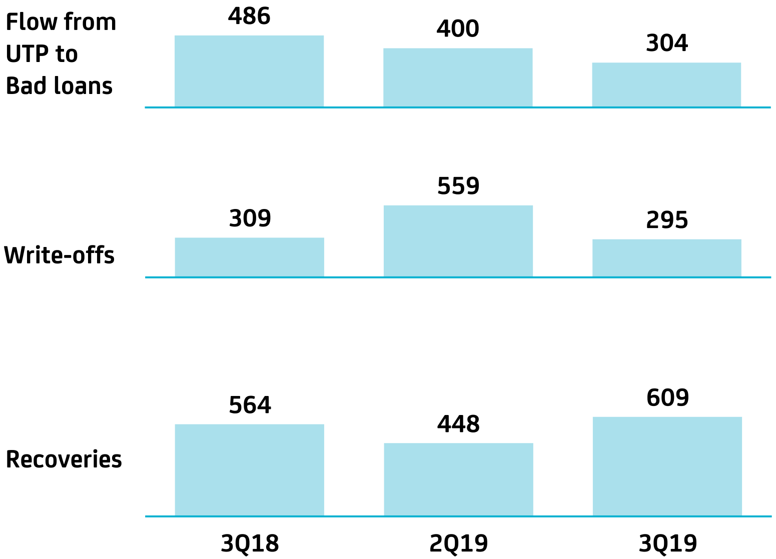
Group Core – Default rate at 1.2% in 3Q19, down 3bps Y/Y

Group Core – net flows to NPEs, m



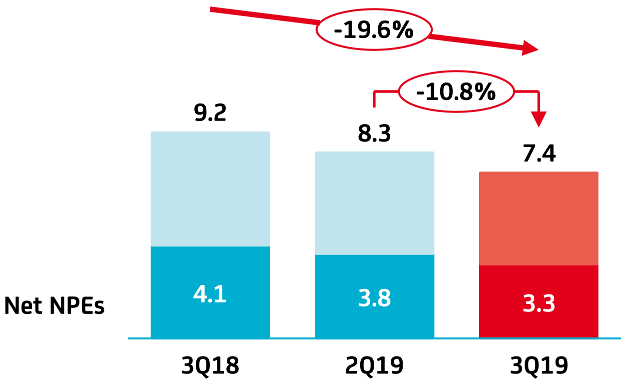
	3Q18	2Q19	3Q19
Default rate	1.2%	1.2%	1.2%
Cure rate	6.5%	9.5%	8.2%
Migration rate	18.4%	17.1%	13.0%

Group Core – key drivers, m



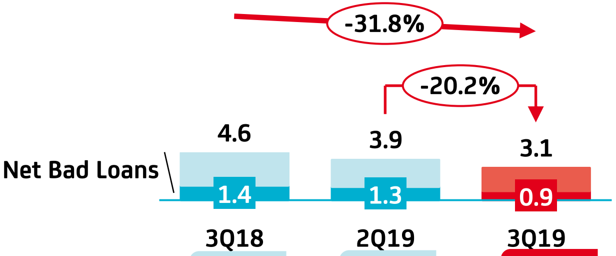
CB Italy – Gross NPE ratio 5.0% down 118bps Y/Y
Coverage ratio 55.4% up 0.3p.p. Y/Y

Non performing exposures[1], bn



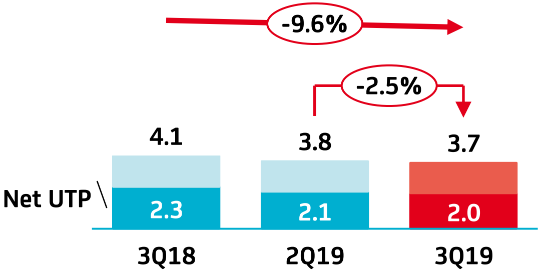
	3Q18	2Q19	3Q19
Gross NPE ratio	6.2%	5.6%	5.0%
Net NPE ratio	2.9%	2.6%	2.3%
Coverage ratio	55.1%	54.6%	55.4%

o/w Gross bad loans, bn



	3Q18	2Q19	3Q19
Coverage ratio	69.6%	67.6%	71.8%

o/w Gross unlikely to pay, bn

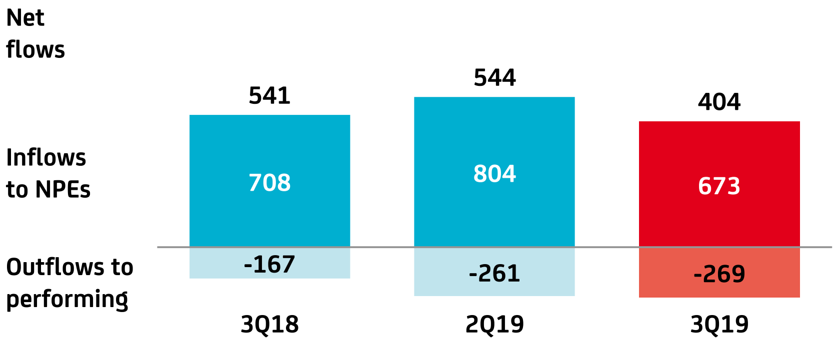


	3Q18	2Q19	3Q19
Coverage ratio	42.7%	45.2%	46.0%

(1) Gross NPEs including gross bad loans, gross unlikely to pay and gross past due. Gross past due at 604m in 3Q19 (-1.0% Q/Q and +6.3% Y/Y). Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.

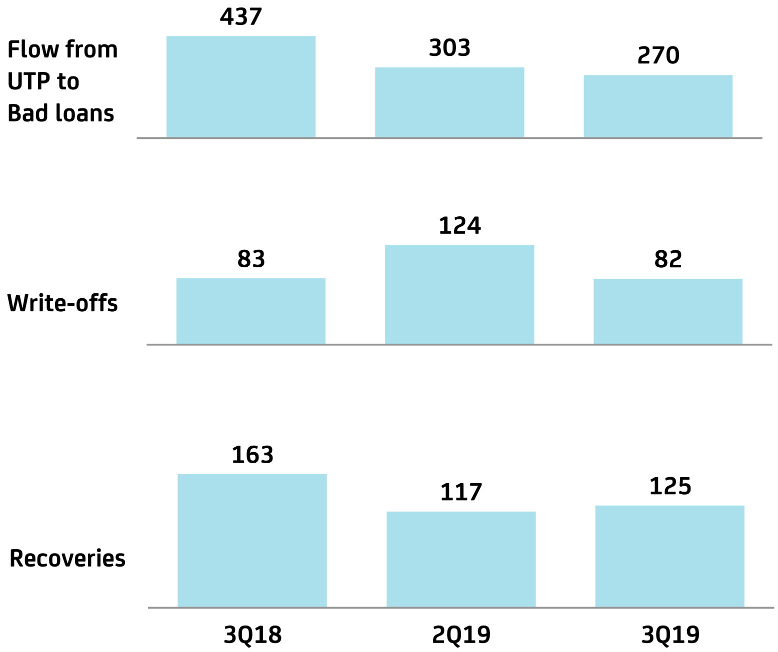
CB Italy – Default rate at 1.9% in 3Q19, down 24bps Y/Y

CB Italy – net flows to NPEs, m



	3Q18	2Q19	3Q19
Default rate	2.1%	2.2%	1.9%
Cure rate	7.0%	12.0%	12.4%
Migration rate	38.3%	31.0%	27.7%

CB Italy – key drivers, m

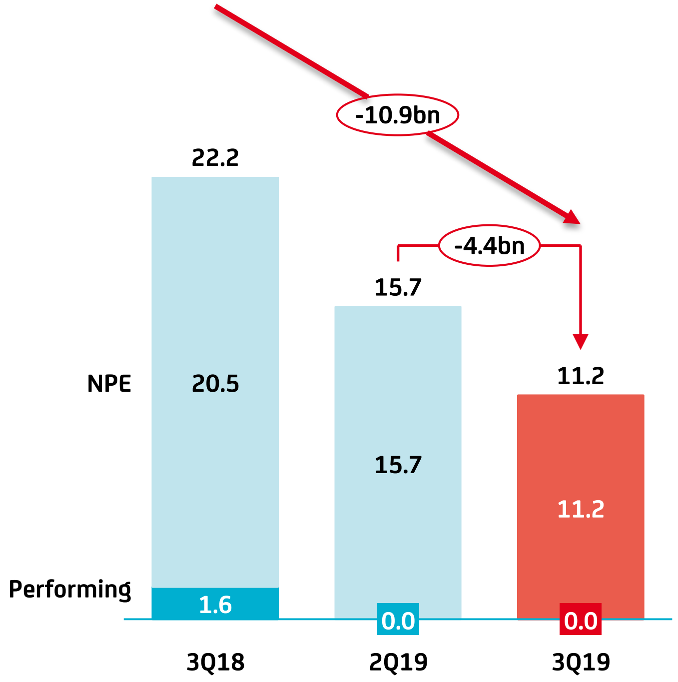


Non Core – Gross loans reduced by 10.9bn Y/Y

Actions of Non Core rundown, bn

	3Q19	9M19
Disposals[1]	4.0	5.5
Recoveries	0.2	0.6
Write-offs	0.2	0.9
Back to Core[2]	0.1	0.3
Repayments	-	-
Other	-	-
Total	4.4	7.3

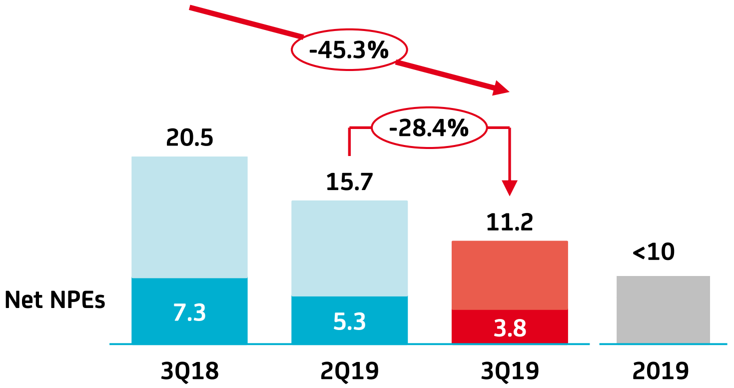
Gross loans, bn



(1) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.
(2) Outflow to performing.

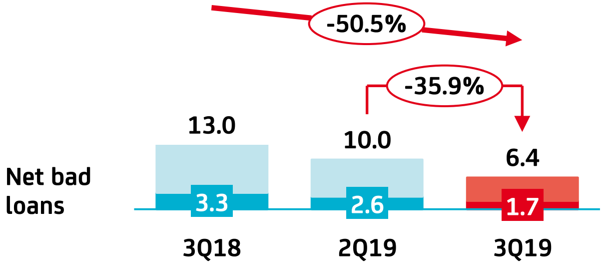
Non Core – Gross NPEs at 11.2bn, down 45.3% Y/Y and 28.4% Q/Q
Coverage ratio 65.8%, up 1.5p.p. Y/Y

Non performing exposures[1], bn



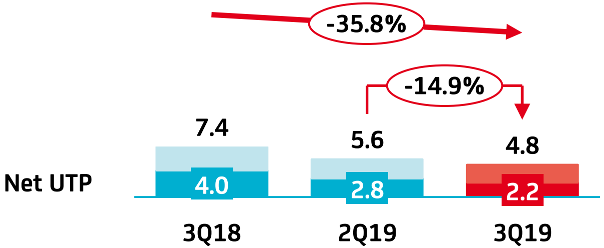
	3Q18	2Q19	3Q19	2019
Gross NPE ratio	92.6%	100.0%	100.0%	100%
Net NPE ratio	82.9%	100.0%	100.0%	100%
Coverage ratio	64.4%	66.0%	65.8%	>57%

o/w Gross bad loans, bn



	3Q18	2Q19	3Q19
Coverage ratio	74.7%	74.6%	74.1%

o/w Gross unlikely to pay, bn



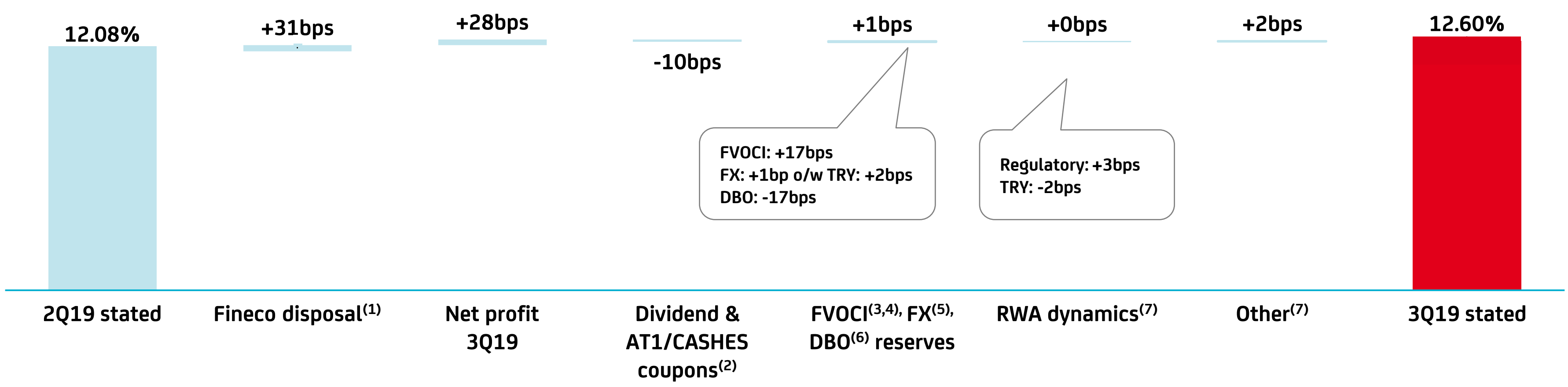
	3Q18	2Q19	3Q19
Coverage ratio	46.7%	50.6%	54.8%

(1) Gross NPEs including gross bad loans, gross unlikely to pay and gross past due. Gross past due at 23m in 3Q19 (-17.4% Q/Q and -80.4% Y/Y). Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.

Agenda

Group – CET1 ratio at 12.60% thanks to disposal of the remaining stake in Fineco and retained earnings

Common Equity Tier 1 ratio, %

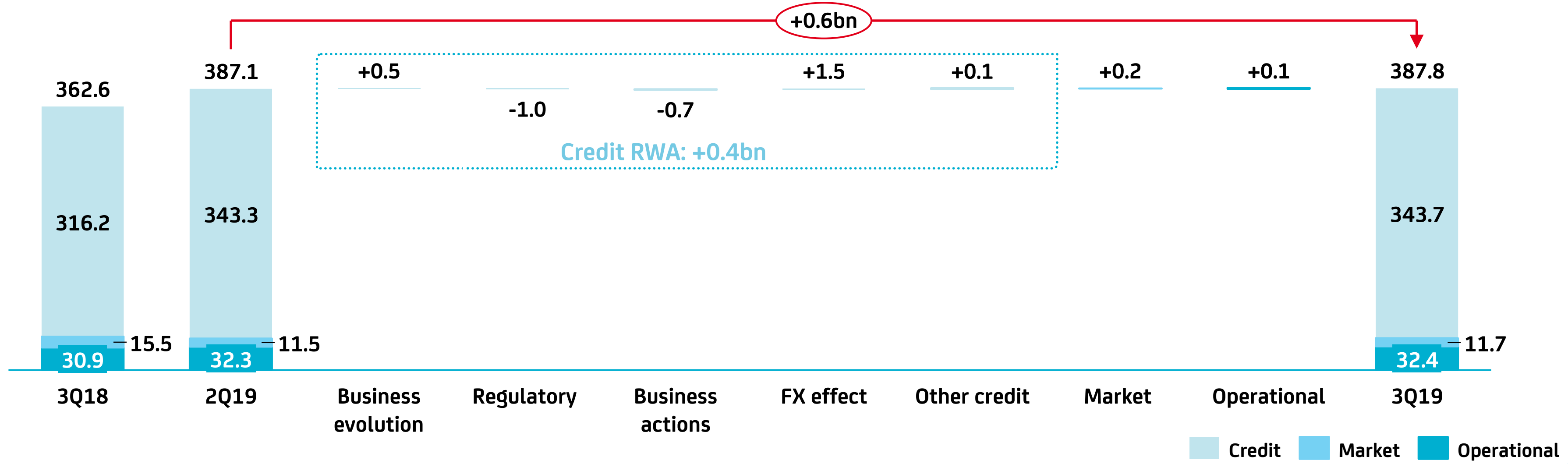


- 3Q19 CET1 ratio at 12.60% up 53bps Q/Q thanks to disposal of the remaining stake in Fineco and retained earnings
- CET1 MDA buffer by year end 2019 confirmed at the upper end of 200-250bps[8] target range

(1) Combined impact on CET1 ratio from sale of second tranche of Fineco in July 2019, primarily resulting from the reversal of the 15% threshold deduction.
(2) Payment of coupons on AT1 instruments (34m pre tax in 3Q19, 371m expected for FY19) and CASHES (31m pre and post tax in 3Q19, 124m expected for FY19). Dividends accrued on adjusted net profit.
(3) In 3Q19 CET1 ratio impact from FVOCI +17bps, o/w +14bps thanks to BTP.
(4) BTP sensitivity: +10bps parallel shift of BTP asset swap spreads has a -2.3bps pre and -1.7bps post tax impact on the fully loaded CET1 ratio as at 30 September 2019.
(5) TRY sensitivity: 10% depreciation of the TRY has around +1bp net impact (-3bps from capital, +4bps from RWA) on the fully loaded CET1 ratio. Managerial data as at 30 September 2019.
(6) DBO sensitivity: 10bps decrease in discount rate has a -4bps pre and -3bps post tax impact on the fully loaded CET1 ratio as at 30 September 2019.
(7) Excluding impact from disposal of Fineco.
(8) Assuming BTP spreads remain at 3Q19 levels.

Group – RWA up 0.6bn Q/Q mainly due to FX effect

RWA[1] Q/Q, bn



- Credit RWA up 0.4bn Q/Q mainly due to FX effect
- Market RWA up 0.2bn Q/Q
- Operational RWA up 0.1bn Q/Q

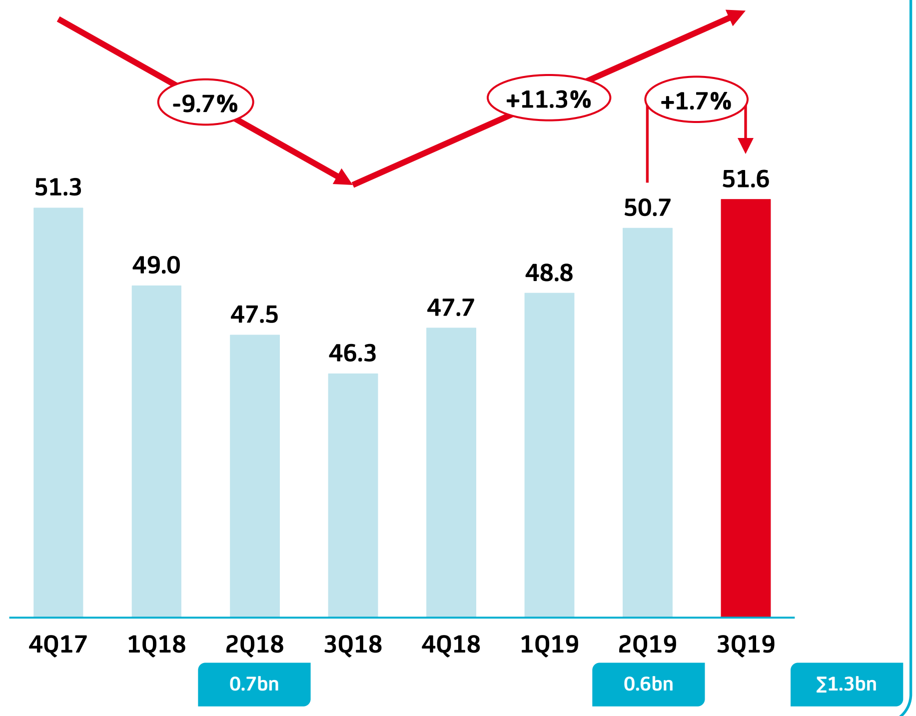
(1) Business evolution: changes related to customer driven activities (mainly loans); Regulatory include Regulation: changes (e.g. CRR or CRD) determining variations of RWA, Procyclicality: change in macroeconomy or client's credit worthiness and Models: methodological changes to existing or new models;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

Group – 3Q19 tangible equity 51.6bn up 11.3% from 3Q18 trough

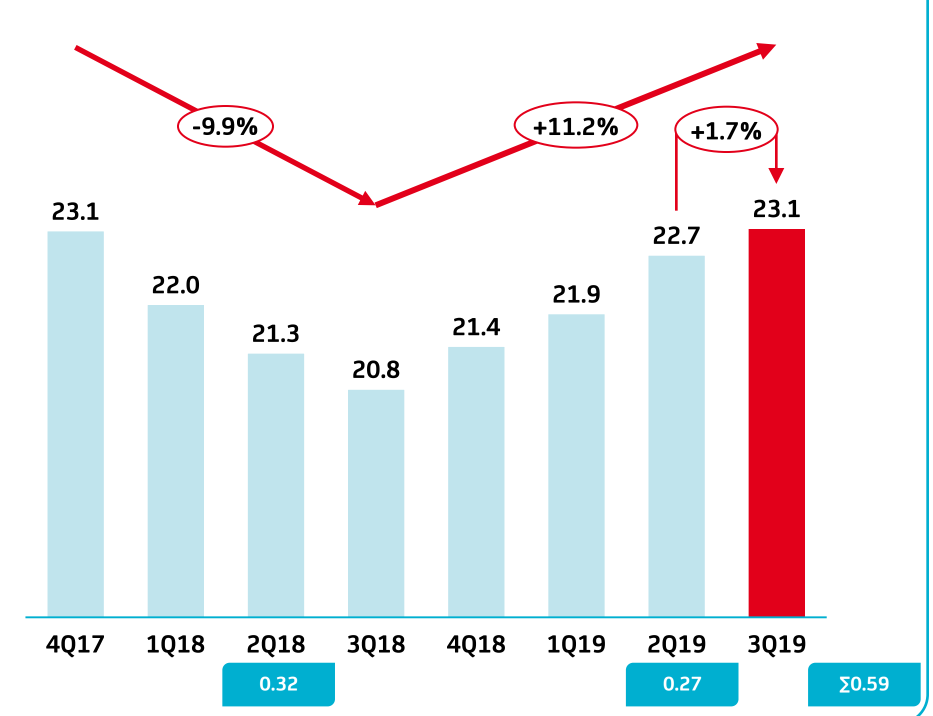
1 2 3 4 5 6 7 8

Tangible equity

Tangible equity (end-of-period), bn



Tangible book value per share(1)



(1) End of period tangible book value per share equals end of period tangible equity divided by end of period number of shares excluding treasury shares.

Dividends/DPS.

Group – TLAC ratio 21.85%[1], 226bps MDA buffer

UniCredit SpA 2019 TLAC Funding Plan

	3Q19	Target FY 2019
TLAC Requirement >19.6%	**21.85%**	**20.1-20.6%**
Senior Preferred exemption		**2.5%**
Subordination req. >17.1%	**19.37%**	**17.6-18.1%**
Senior Non Preferred & Other[2]		
Tier 2		
AT1		
CET1 ratio	**12.60%**	

TLAC MDA buffer target at upper end of 50-100bps range confirmed

CET1 MDA buffer target 200-250bps confirmed

€/bn	Plan 2019	o/w to be issued[3]
Senior Preferred	2.5	0
Senior Non Preferred & Other	3.2	0
Tier 2	2.3	0
AT1	1.0	0
Total	**9.0**	**0**
o/w subordinated	***6.5***	***0***

- 2019 TLAC funding plan has been completed. T2 issued in September as pre-funding for 2020 needs
- Fully compliant with TLAC requirements of >19.6%. 3Q19 TLAC ratio 21.85%[1]
- TLAC MDA buffer of 226bps, well above the target at the upper end of 50-100bps range, also thanks to pre-funding

(1) 3Q19 TLAC ratio 21.85%, o/w 19.37% TLAC subordination ratio and 2.5% senior preferred exemption.

(2) Non computable portion of subordinated instruments.

(3) As of 17 October 2019.

Agenda

1. Executive summary
2. Transform 2019 update
3. Group results highlights
4. Divisional results highlights
5. Asset quality
6. Capital
7. **Closing remarks**
8. Annex

Transform 2019 delivered

Transform 2019 delivered

All FY19 guidance confirmed

See you for 'Team 23' in London, 3 December 2019

Agenda

Group – 2018 non recurring items

2018

		Net Profit, m	Division
1Q	Net gains from participations	+39	CIB
2Q	Net gains from participations	+27	CB Germany
3Q	Pawn disposal	+114	CB Italy
3Q	Yapi impairment	-846	GCC

Used to calculate Group and Group Core adjusted net profit and RoTE as well as normalised RoAC for divisions.

Used to calculate normalised RoAC for divisions only.

Group – 2019 non recurring items

2019

			Net Profit, m	Division
1Q	Disposal of real estate		+258	CB Germany
1Q	Release of provisions for US sanctions		+60	CB Italy
1Q	Release of provisions for US sanctions		+41	CB Germany
1Q	Release of provisions for US sanctions		+39	CB Austria
1Q	Release of provisions for US sanctions		+180	CIB
2Q	Fineco disposal		+1,176	GCC
2Q	One-offs	Ocean Breeze disposal	-178	CIB
2Q	One-offs	Others	-173	CB Italy, GCC, Non Core
2Q	Net gains from participations		+15	CIB
2Q	Pension related item		+16	CB Austria
3Q	No adjustments			

Used to calculate Group and Group Core adjusted net profit and RoTE as well as normalised RoAC for divisions.

Used to calculate normalised RoAC for divisions only.

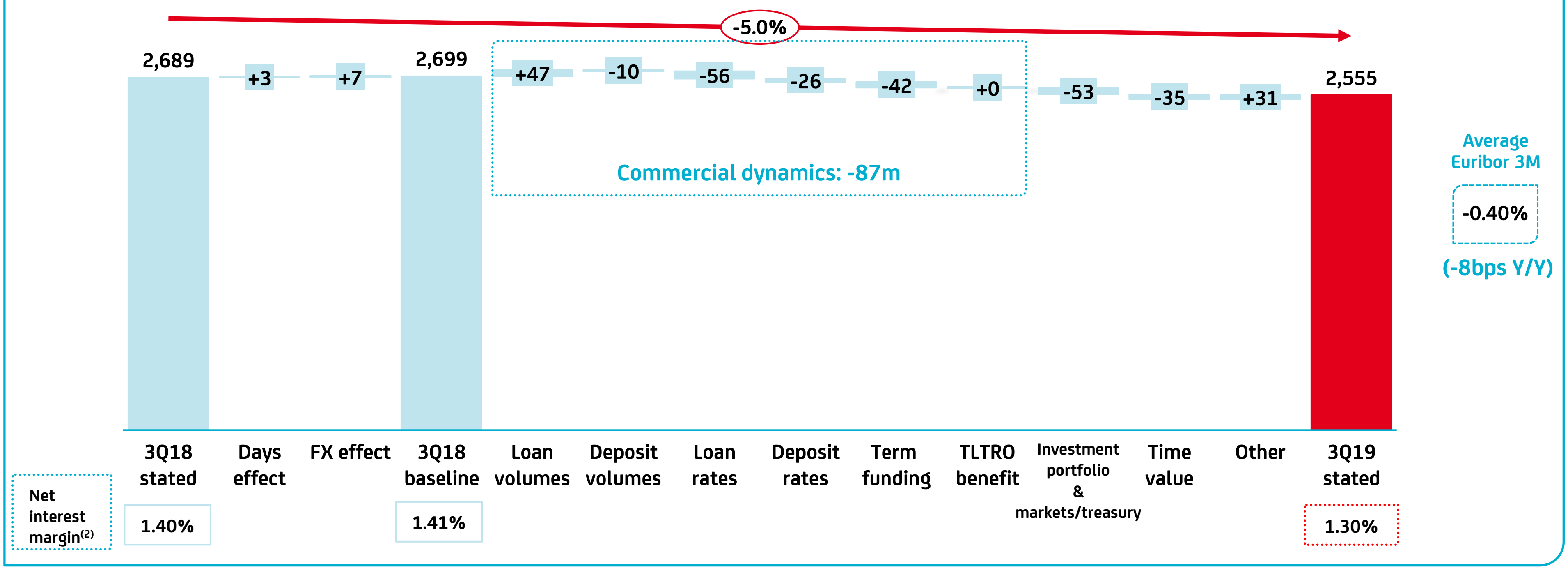
Divisional monitoring KPIs for Group, Group Core and Non Core

	Group		Group Core		Non Core	
	9M19	FY19	9M19	FY19	9M19	FY19
Revenues, bn	14.0	18.7	14.0		0.0	0.1
Cost, bn	-7.4	-10.1	-7.3		-0.1	-0.2
Cost/Income, %	53.0	53-54	52.0		n.m.	n.m.
LLPs, bn	-1.7	-2.6	-1.3		-0.4	-0.7
Cost of Risk, bps	49	55	37	43	n.m.	n.m.
Net profit(1), bn	4.3	4.7	4.9		-0.6	-0.6
RWA, bn	387.8	404	374.1		13.6	~11
RoTE(2), %	8.7%	>9	10.6%	>10		
CET1 MDA buffer, bps	252	200-250				
Loans(3), bn	431.9	441	428.1			
Deposits(3), bn	417.2	380	416.7			
Gross loans(4), bn	501.2	<496	489.9	486	11.2	<10
Gross NPE(4), bn	28.8	<33	17.5	23.0	11.2	<10
Net NPE(4), bn	11.2	<14	7.4	10.2	3.8	<4
Gross NPE ratio(4), %	5.7	<6.7	3.6	4.7	100	100
Net NPE ratio(4), %	2.3	<3	1.5	2.2	100	100
NPE coverage(4), %	61.0	>54	57.8	>51	65.8	>57
UTP coverage, %	50.7	>38	48.3	>39	54.8	>38
Bad loans coverage(4), %	72.2	>63	70.7	>64	74.1	>63

(1) Stated net profit for 9M19 and adjusted net profit for FY19.
(2) Group and Group Core adjusted net profit and RoTE exclude net impacts from disposal of real estate (+258m in 1Q19), Fineco (+1,176m in 2Q19) and one-offs (-351m in 2Q19, o/w Ocean Breeze disposal -178m and others -173m (o/w -151m Core and -22m Non Core)).
(3) End-of-period accounting volumes calculated excluding repos and intercompany items.
(4) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.

Group – Net interest at 2.6bn in 3Q19, down 5.0% Y/Y mainly due to more competitive loan rates and lower investment portfolio and treasury

Net interest[1] Y/Y, m



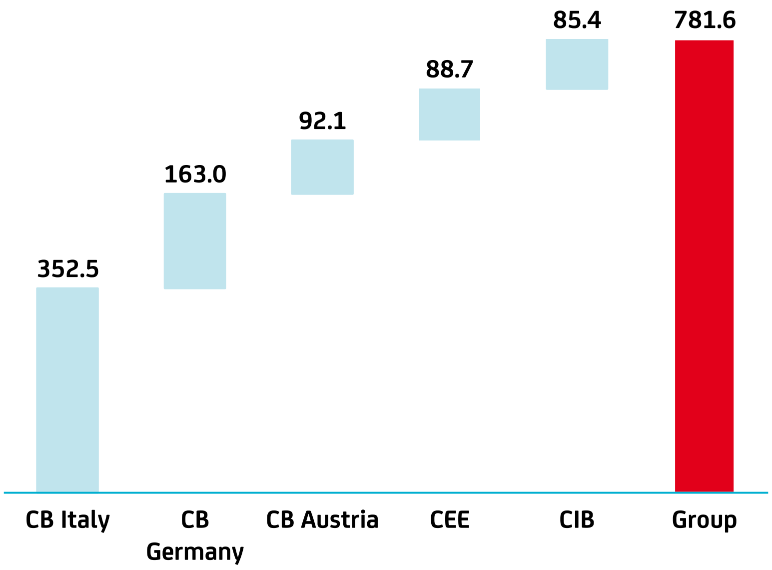
(1) Net contribution from hedging strategy of non-maturity deposits in 3Q19 at 353m, +4.4m Q/Q and -16.1m Y/Y.
(2) Net interest margin calculated as interest income divided by interest earning assets minus interest expenses divided by interest bearing liabilities.

TFAs – Divisional breakdown

Main drivers

- Group TFAs up 14.3bn (+1.9% Q/Q) to 781.6bn in 3Q19:
  - CB Italy: TFAs up 4.0bn (+1.1% Q/Q) to 352.5bn thanks to higher AuM (+2.3% Q/Q)
  - CB Germany: TFAs up 2.3bn (+1.4% Q/Q) to 163.0bn thanks to higher AuM (+3.2% Q/Q) and deposits (+1.2% Q/Q)
  - CB Austria: TFAs up 1.0bn (+1.1% Q/Q) to 92.1bn thanks to higher AuC (+3.9% Q/Q)
  - CEE: TFAs up 2.0bn (+3.0% Q/Q at constant FX) to 88.7bn thanks to higher deposits (+2.6% Q/Q at constant FX)
  - CIB: TFAs up 5.0bn (+6.2% Q/Q) to 85.4bn. AuC (+8.6% Q/Q) performed very well

3Q19 TFAs(1) divisional breakdown, bn

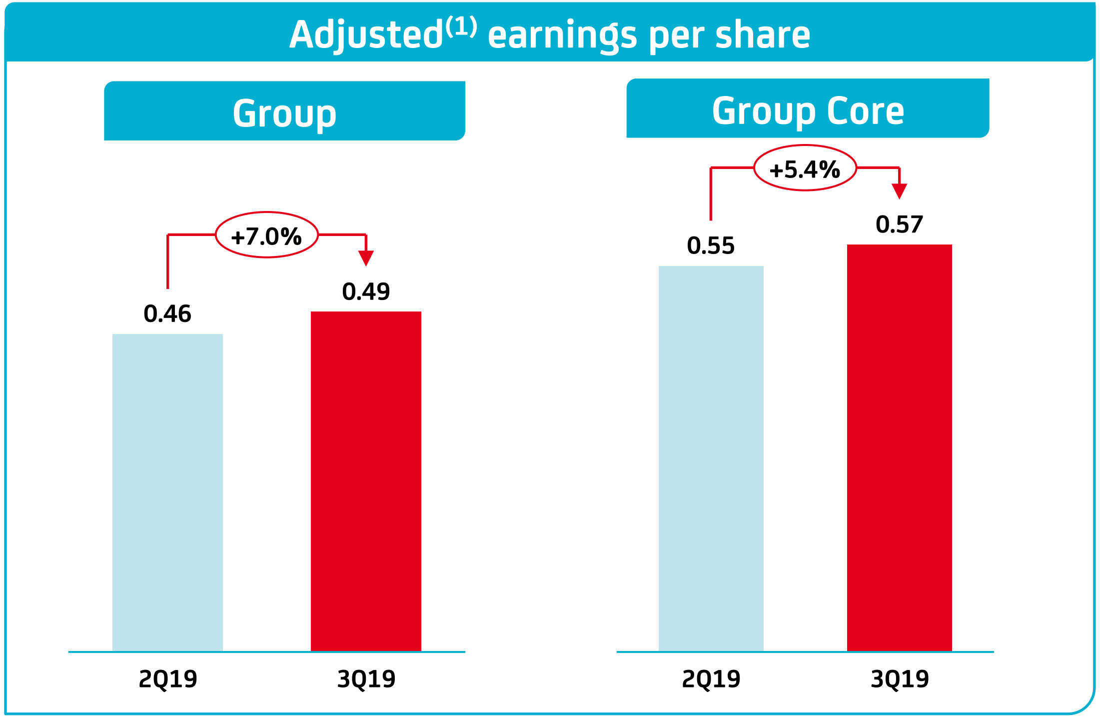


(1) Refers to Group Commercial Total Financial Assets. Non-commercial elements, i.e. Group Corporate Centre, Non-Core, Leasing/Factoring and Market Counterparts, are excluded. Numbers are managerial figures.

Systemic charges – Breakdown by type and division

3Q19, m	Systemic Charges	o/w SRF	o/w DGS	o/w Bank levies
CB Italy	**81**	0	81	0
CB Germany	**7**	0	7	0
CB Austria	**4**	0	0	4
CEE	**16**	0	14	2
CIB	**3**	0	2	1
GCC	**35**	0	8	27
Non Core	**1**	0	0	1
Group	**148**	0	112	36

Group – Adjusted[1] 3Q19 Core earnings per share at 0.57



(1) Group and Group Core adjusted net profit exclude net impacts from Fineco (+1,176m in 2Q19) and one-offs (-351m in 2Q19, o/w Ocean Breeze disposal -178m and others -173m (o/w -151m Core and -22m Non Core)); average number of shares excluding treasury equal to 2,233m in 2Q19 and 3Q19.

Yapi – Net operating profit 0.1bn in 3Q19 up 24.6% Y/Y at constant FX

Main drivers[1]

- Net interest up 0.5% Q/Q at constant FX thanks to lower cost of funding
- Fees up 30.2% Y/Y at constant FX, with positive contributions from all fee components
- Costs up 1.8% Y/Y at constant FX, with lower HR costs (-2.4% Y/Y) thanks to efficiency measures, offsetting higher Non HR costs (+8.1% Y/Y)
- CoR at 278bps in 3Q19, down 83bps Y/Y thanks to FX rate impact on stage 2 provisioning
- Net operating profit 102m in 3Q19 up 24.6% Y/Y at constant FX thanks to lower LLPs
- Further reduction of FX loans / total loans ratio to 40.1% (-3.8p.p. Q/Q)
- RoAC at 9.8% in 9M19

Data in m	*3Q18*	*2Q19*	*3Q19*	*Δ % vs.2Q19*	*Δ % vs.3Q18*	*9M18*	*9M19*	*Δ % vs. 9M18*
Total revenues	302	272	300	+4.9%	-4.3%	883	887	+15.3%
o/w Net interest	*253*	*201*	*211*	*+0.5%*	*-18.3%*	*687*	*621*	*+3.7%*
o/w Fees	*50*	*66*	*73*	*+4.6%*	*+30.2%*	*192*	*213*	*+27.7%*
Operating costs	-83	-90	-91	-3.8%	+1.8%	-279	-273	+12.2%
Gross operating profit	219	182	209	+9.2%	-6.8%	605	614	+16.8%
LLPs	-152	-105	-108	-1.8%	-24.5%	-265	-320	+38.7%
Net operating profit	67	77	102	+24.2%	+24.6%	339	294	-0.6%
Net profit	24	63	71	+6.9%	+98.7%	207	211	+17.0%
RoAC	3.2%	8.8%	10.0%	+1.2p.p.	+6.8p.p.	8.7%	9.8%	+1.0p.p.
C/I	27.4%	33.2%	30.3%	-2.9p.p.	+2.9p.p.	31.5%	30.7%	-0.8p.p.
CoR (bps)	361	270	278	+7	-83	197	273	+76
FX loans/Total loans	50.1%	43.9%	40.1%	-3.8p.p.	-10.0p.p.	50.1%	40.1%	-10.0p.p.
Gross NPE ratio[2]	5.9%	8.5%	9.3%	+83bps	+337bps	5.9%	9.3%	+337bps

(1) Managerial view representing proportional contribution of Yapi to P&L (UniCredit Group participates with 40.95% through the Joint Venture). Yapi is valued at equity method and contributes to the Group P&L via the dividend line. RWA of Yapi contributes to Group RWA through CEE division, following the proportional consolidation of Yapi for regulatory purposes. Stated numbers at current FX. Variations Q/Q and Y/Y at constant FX (RoAC, C/I, gross NPE ratio and CoR variations at current FX).

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

Russia – Net operating profit 0.1bn in 3Q19 up 57.6% Y/Y at constant FX

1 2 3 4 5 6 7 8

Main drivers(1)

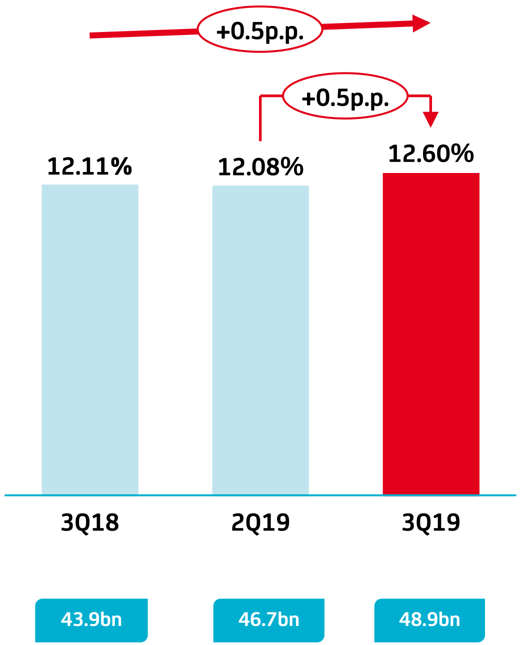
- Net interest down 5.3% Q/Q at constant FX due to impacts from currency swaps
- Fees up 3.1% Y/Y at constant FX, thanks to financing fees (+2.7% Y/Y) and transactional fees (+3.5% Y/Y)
- Trading +30m Q/Q largely linked to the currency swaps which had impacted NII
- Costs stable Y/Y at constant FX thanks to lower Non HR costs (-5.2% Y/Y) offsetting higher HR costs (+4.7% Y/Y)
- CoR at 127bps in 3Q19, up 17bps Y/Y driven by increased coverage
- Net operating profit 97m in 3Q19 up 57.6% Y/Y at constant FX thanks to higher revenues
- RoAC at 12.9% in 9M19

Data in m	*3Q18*	*2Q19*	*3Q19*	*Δ % vs.2Q19*	*Δ % vs.3Q18*	*9M18*	*9M19*	*Δ % vs. 9M18*
Total revenues	143	170	195	+13.3%	+27.2%	514	530	+2.7%
o/w Net interest	*130*	*144*	*138*	*-5.3%*	*-0.3%*	*414*	*422*	*+1.5%*
o/w Fees	*29*	*31*	*31*	*+0.1%*	*+3.1%*	*88*	*91*	*+2.5%*
Operating costs	-59	-63	-63	-1.1%	+0.1%	-179	-186	+3.4%
Gross operating profit	84	108	132	+21.7%	+45.9%	335	344	+2.3%
LLPs	-26	-24	-35	+47.7%	+21.0%	-109	-107	-2.2%
Net operating profit	57	84	97	+14.6%	+57.6%	226	237	+4.4%
Net profit	42	64	73	+13.4%	+60.8%	170	181	+5.7%
RoAC	10.5%	13.3%	15.8%	+2.5p.p.	+5.3p.p.	13.2%	12.9%	-0.3p.p.
C/I	41.2%	36.8%	32.2%	-4.6p.p.	-9.0p.p.	34.8%	35.1%	+0.3p.p.
CoR (bps)	110	87	127	+40	+17	150	130	-19
FTEs	4,135	4,159	4,201	+1.0%	+1.6%	4,135	4,201	+1.6%
Gross NPE ratio	8.2%	7.7%	6.9%	-81bps	-125bps	8.2%	6.9%	-125bps

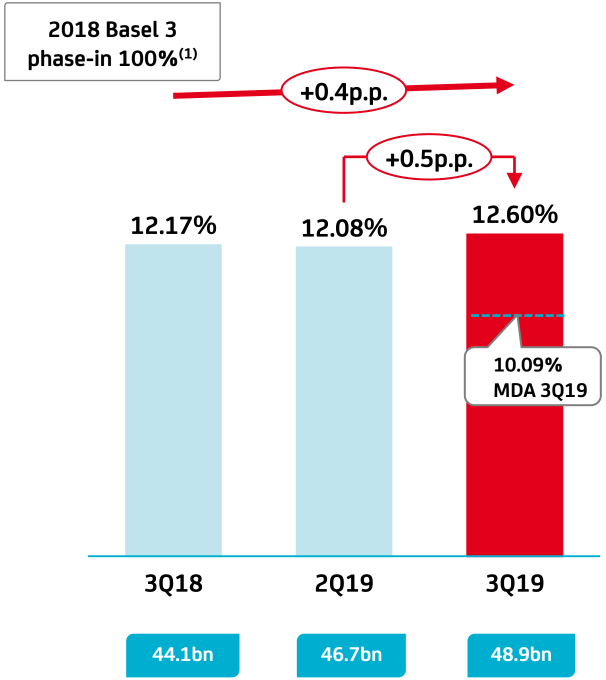
(1) Stated numbers at current FX. Variations Q/Q and Y/Y at constant FX (RoAC, C/I, gross NPE ratio and CoR variations at current FX).

Group – CET1 capital fully loaded and transitional

CET1 fully loaded



CET1 transitional(1)

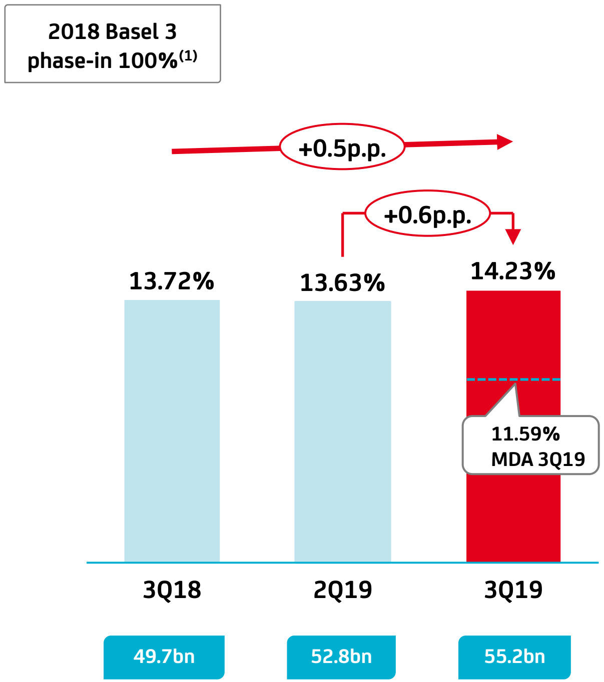


(1) Phase-in of net liability related to Defined Benefit Obligation at 80% in 2018.

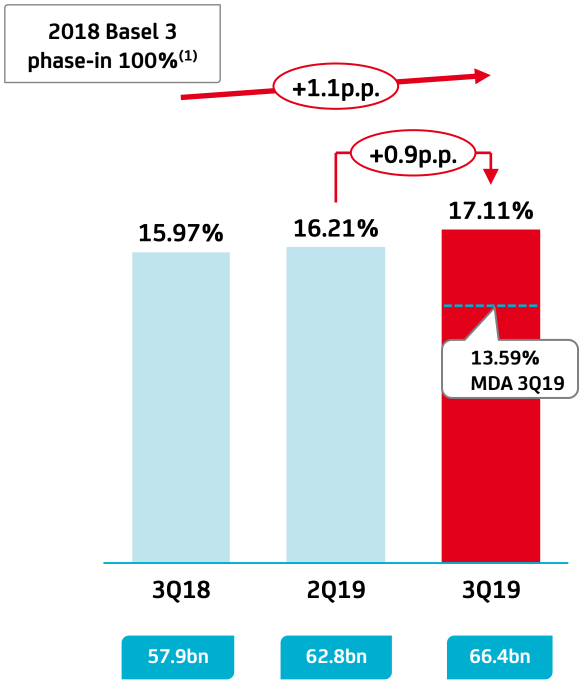
Absolute amount for CET1 fully loaded and CET1 transitional.

Group – Transitional Tier 1 and total capital ratios well above MDA levels

Tier 1 transitional(1)



Total capital transitional(1)

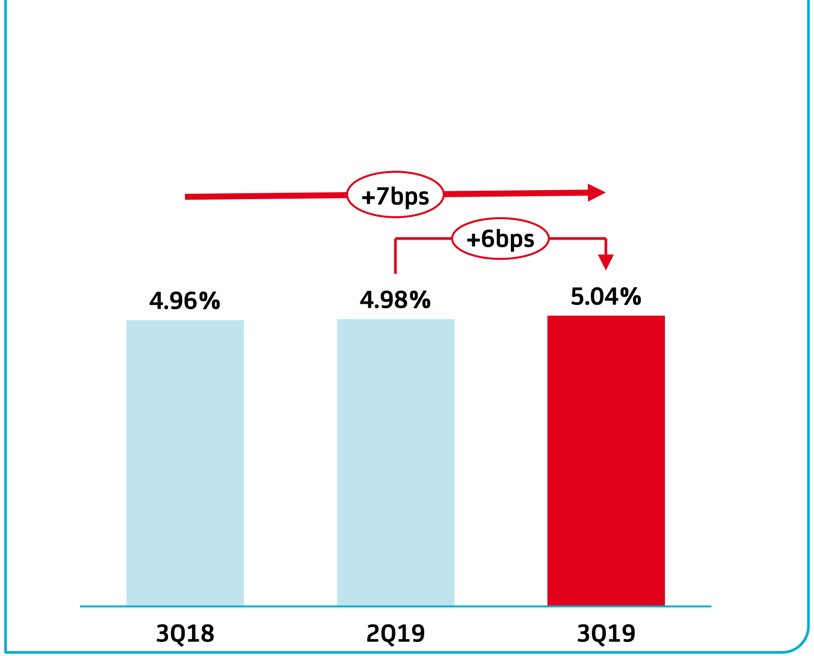


(1) Phase-in of net liability related to Defined Benefit Obligation at 80% in 2018.

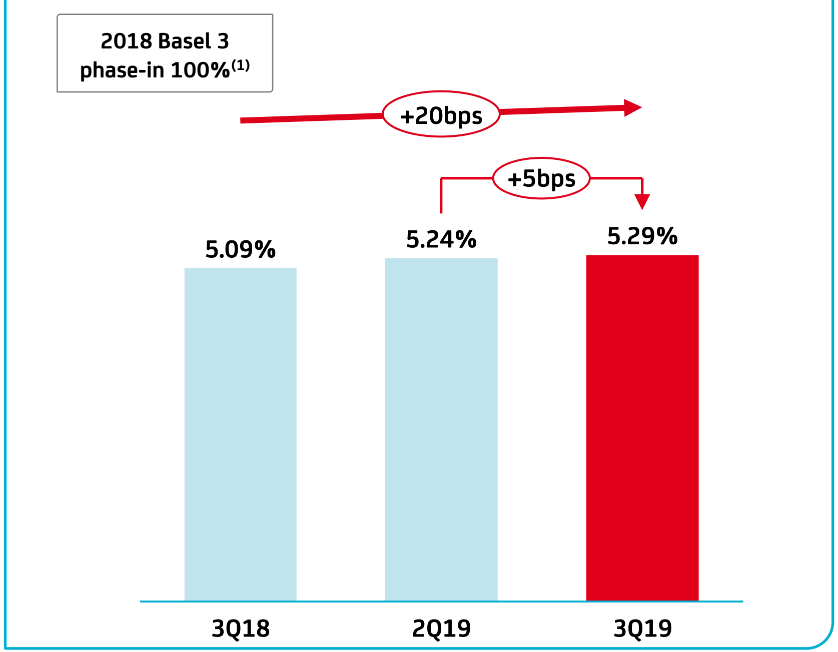
Absolute amount for Tier 1 capital transitional and total capital transitional.

Group – Leverage ratio fully loaded at 5.04%, up 6bps Q/Q and up 7bps Y/Y

Basel 3 leverage ratio fully loaded[1]



Basel 3 leverage ratio transitional[1]



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

Asset quality by division

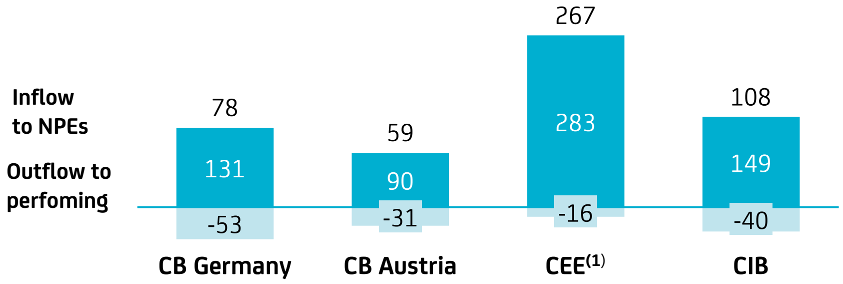
3Q19	Group	Group Core	CB Italy	CB Germany	CB Austria	CEE	CIB	Non Core
Gross loans[1], bn	**501.2**	489.9	148.6	89.7	46.9	71.5	134.7	11.2
Gross NPE[1], bn	**28.8**	17.5	7.4	1.5	1.8	3.7	3.0	11.2
Net NPE[1], bn	**11.2**	7.4	3.3	0.8	0.9	1.1	1.2	3.8
Gross NPE ratio[1],%	**5.7**	3.6	5.0	1.7	3.9	5.1	2.3	100.0
Net NPE ratio[1],%	**2.3**	1.5	2.3	0.9	1.9	1.6	0.9	100.0
NPE coverage[1],%	**61.0**	57.8	55.4	46.0	51.5	69.4	59.7	65.8
UTP coverage,%	**50.7**	48.3	46.0	30.9	27.7	61.9	49.8	54.8
Bad loans coverage[1],%	**72.2**	70.7	71.8	46.9	84.3	85.2	71.6	74.1

(1) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.

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

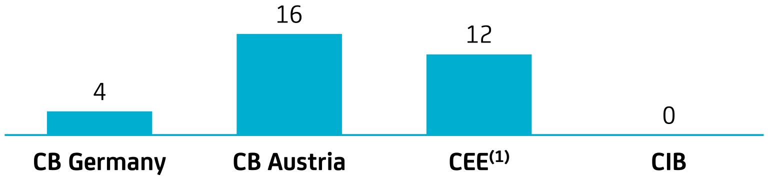
Net flows to NPEs, recoveries and write-offs – 3Q19, m

	CB Germany	CB Austria	CEE(1)	CIB
Recoveries	109	65	189	121
Write-off	49	43	96	24



	CB Germany	CB Austria	CEE(1)	CIB
Default rate	0.6%	0.8%	1.7%	0.5%
Cure rate	13.4%	6.7%	1.4%	5.3%

Migrations from Unlikely to Pay to Bad Loans – 3Q19, m

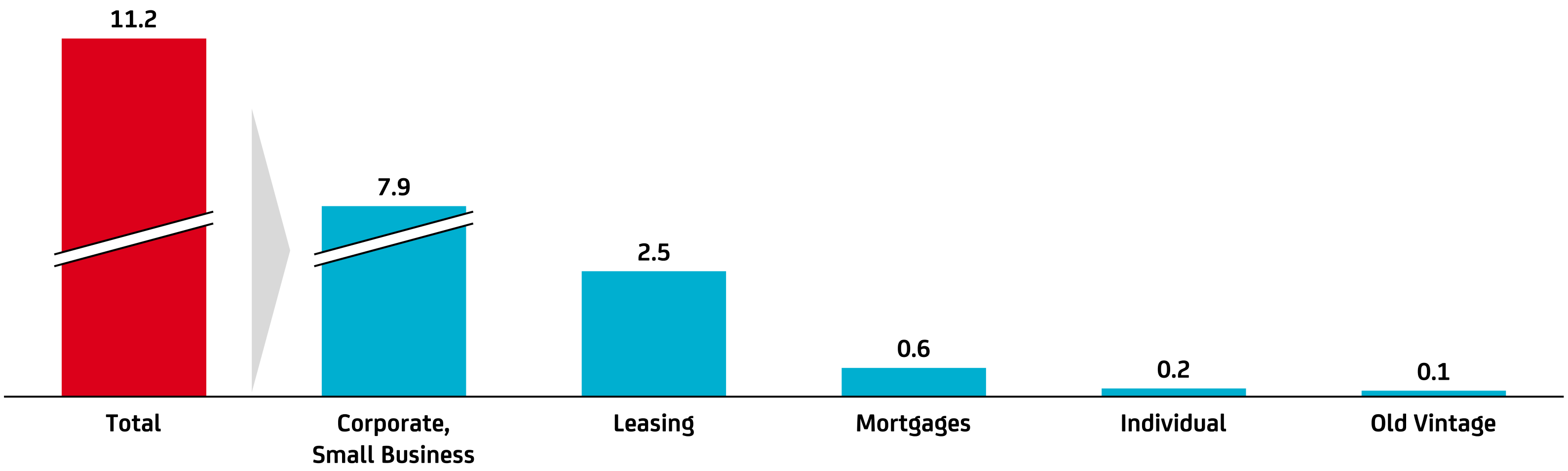


	CB Germany	CB Austria	CEE(1)	CIB
Migration rate	12.6%	6.5%	1.9%	0.0%

(1) Including Profit Centre Milan.

Asset quality – Non Core gross NPEs breakdown by asset class

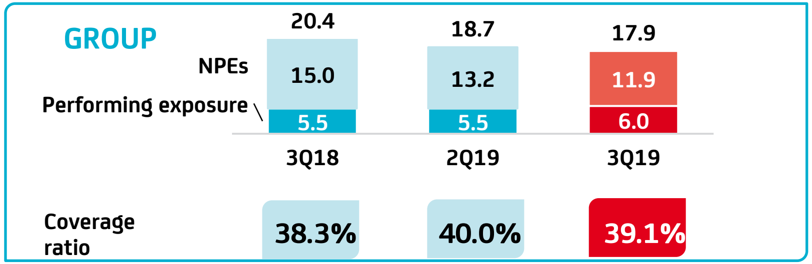
3Q19 Non Core gross NPEs[(1)], bn

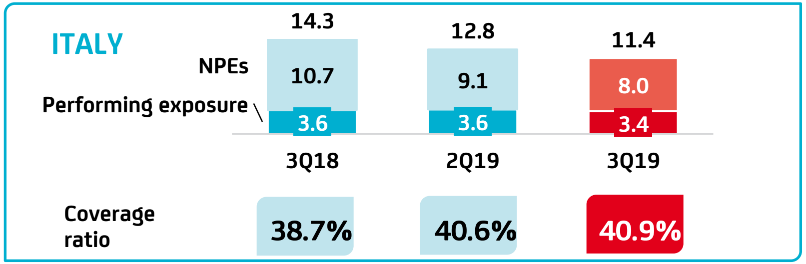


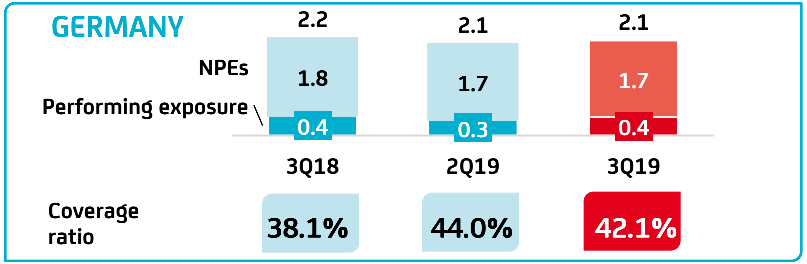
(1) Figures as of 3Q19 benefit from IFRS5 classification of a NPL residential mortgage portfolio.

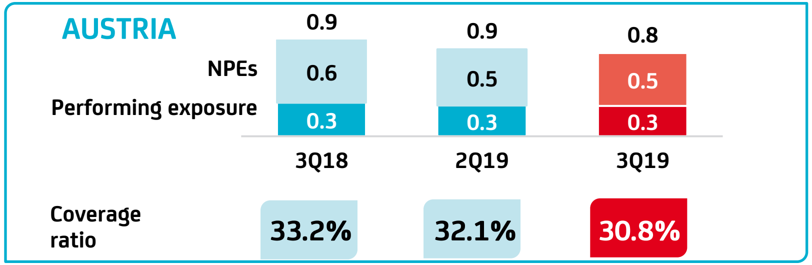
Asset quality – Forborne exposures by region

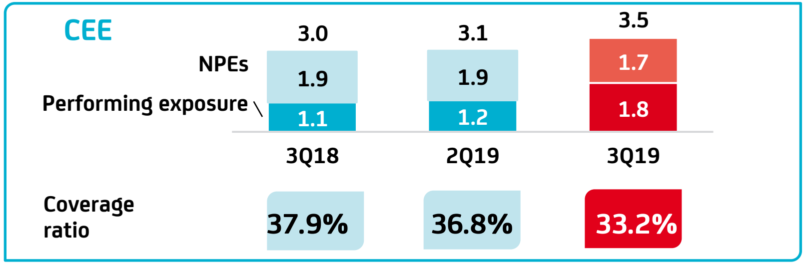
Forborne loans[1], bn





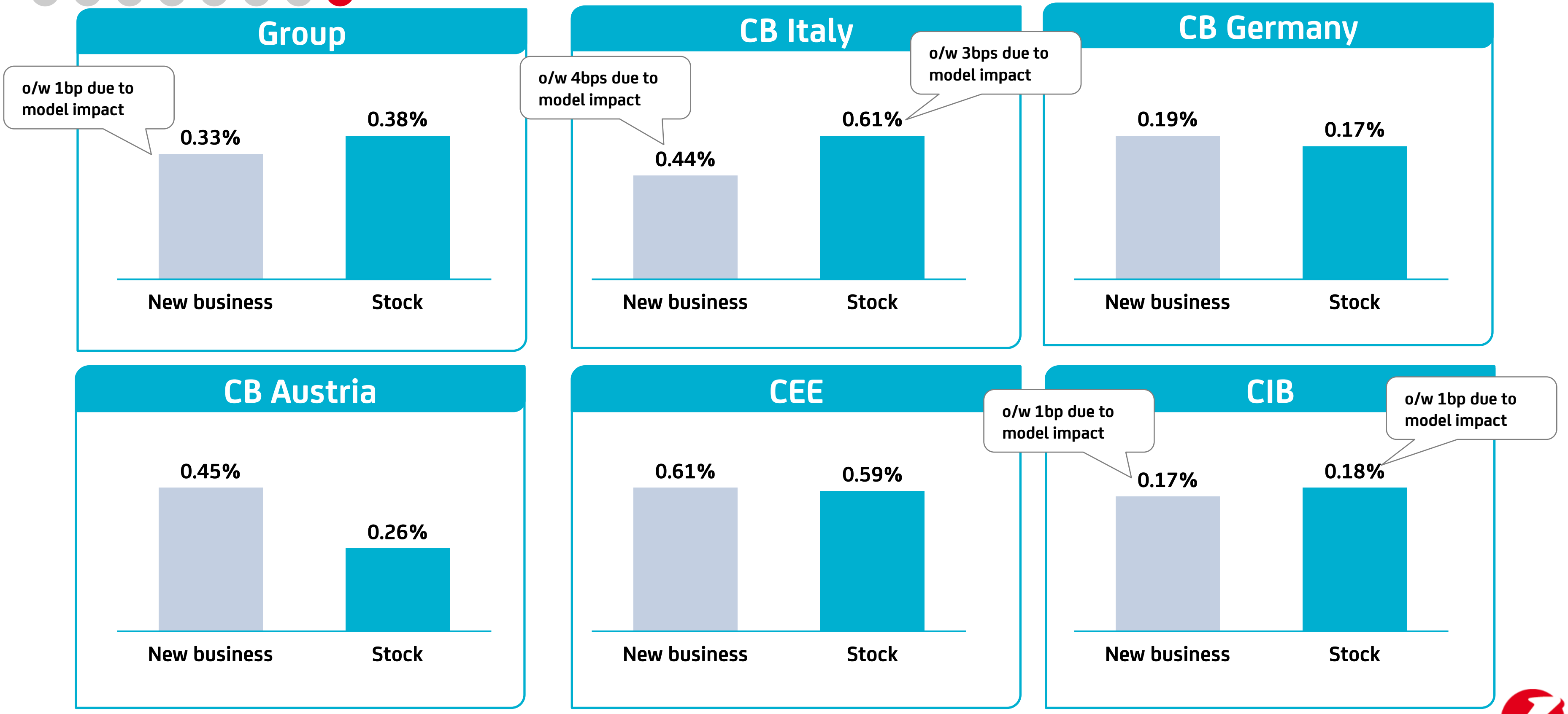






(1) Regulatory reporting data.

Asset quality – 3Q19 Group EL stock at 38bps with new business contribution at 33bps



Glossary

Glossary(1) (1/6)

Adjusted Net Profit	Refers to Group, Group Core and divisions. Stated net profit adjusted for non recurring items of relevance at Group level
AT1	Additional Tier 1 Capital
AuC	Assets under Custody
AuM	Assets under Management (including Asset under Advisory)
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 2016 perimeter, i.e. retail only. Excluding minor premises, corporate and private banking (Yapi at 100%)
BTP	This refers to the whole Italian sovereign bond portfolio (BTPs, BOTs, et al)
C/I	Cost/Income ratio
CB	Commercial Banking
CC	Corporate Centre

(1) All financial data reported in the presentation are in euro. Numbers may not add up due to rounding. Numbers for past quarters recasted as per divisional database.

Glossary (2/6)

CEE	Central Eastern Europe includes: Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Russia, Romania, Bulgaria, Turkey (at equity). Baltics only for Leasing
CET1 ratio	Common Equity Tier 1 ratio fully loaded throughout the document unless otherwise stated
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
Commercial revenues	Sum of net interest and fees
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 loan rates	Real interest on loans divided by the daily average volume of commercial net loans (assuming 365 days convention, adjusted for 360 days convention where analytically available)
Days effect	Effect related to quarters having different numbers of days
DBO	Defined Benefit Obligation

Glossary (3/6)

Default rate	Percentage of gross loans migrating from performing to NPEs over a given period (annualised) divided by the initial amount of gross loans
DGS	Deposit Guarantee Scheme
DPS	Dividend per share
EBA	European Banking Authority
EL	Expected Loss
EMEA	Europe, Middle East and Africa
EPS	Earnings per share
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
FVOCI	Fair Value through Other Comprehensive Income
FTE	Full-Time Equivalent: an FTE of 1.0 is equivalent to a full-time worker
FY/FY	Current full year vs previous full year

Glossary (4/6)

Group Core	Group Core is equivalent to Group excluding Non Core. It is not a separate division
Group Corporate Centre (Group CC)	"Global Corporate Centre" includes COO Services, Corporate Centre Global Functions, inter-segment adjustments and consolidation adjustments not attributable to individual segments
1H/1H	Current half year vs same period previous year
LLP	Loan Loss Provision
MDA	Maximum Distributable Amount
9M/9M	Current nine months vs same period previous year
Migration rate	Representing the percentage of UTPs that turn into bad loans
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)
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
Non HR costs	Other administrative expenses (incl. indirect costs) net of expense recoveries, plus depreciation and amortisation
Normalised Net Profit	Refers to divisions only. Stated net profit adjusted for non-recurring items of relevance at divisional level

Glossary (5/6)

NPEs	Non-Performing Exposures (customer loans) including the following: Bad Loans (“Sofferenze”), Unlikely to Pay ("Inadempienze Probabili") and Past Due ("Esposizioni scadute e/o sconfinanti deteriorate")
NPE ratio (UCG definition)	NPEs (customer loans) divided by total customer loans
NPL ratio (EBA definition)	NPLs (Bad loans, Unlikely to Pay and Past Due from customer loans and loans to banks) divided by (total customer loans and loans to banks)
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
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 of 12.5%, including deductions for shortfall and securitisations
RoTE	Return on Tangible Equity (Annualised Net Profit divided by Average Tangible Equity)
RWA	Risk-Weighted Asset
SMEs	Small and Medium sized Enterprises
SRF	Single Resolution Fund

Glossary (6/6)

Stated Net Profit	Refers to Group, Group Core and divisions. Profit as shown in our financial statements
Tangible equity	Shareholders' equity (including consolidated profit of the period) less intangible assets (goodwill and other intangibles), less AT1 component; dividend pay-out is accounted for on a cash basis
TBVpS	Tangible Book Value per Share
TFAs	Group commercial Total Financial Assets. Non-commercial elements, i.e. Group Corporate Centre, Non Core, Leasing/Factoring and Market Counterparts are excluded
Time Value	Difference between the sum of expected recoverable cash flows of NPEs and its net present value
TLAC	Total Loss-Absorbing Capacity
TLTRO	Targeted Longer-Term Refinancing Operations
TRY	Turkish New Lira
T2	Tier 2 capital
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

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