4Q19 and FY19 Results

Milan, 6 February 2020

Banking that matters. | UniCredit

Agenda

1. **Executive summary**
2. Transform 2019 achievements
3. Group results highlights
4. Divisional results highlights
5. Asset quality
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Transform 2019 successfully delivered. Strong capital, pro forma CET1 ratio at 13.09%(1). Capital distribution(2) of 1.9bn

Strong FY19 results

- FY19 Group underlying net profit(3) 4.7bn, up 55.5% FY/FY. FY19 Group stated net profit 3.4bn
- FY19 underlying Group RoTE(3) at 9.2%, up 1.3p.p. FY/FY

Key Transform 2019 targets achieved, beating FY19 guidance

- FY19 revenues 18.8bn, above 18.7bn guidance
- FY19 costs 9.9bn, better than original Transform 2019 target of 10.6bn
- FY19 underlying CoR 49bps(4), beating guidance of 55bps
- FY19 Non Core gross NPEs 8.6bn, beating guidance of <9bn and more than 50% better than 19.2bn Transform 2019 target

Strong balance sheet. Capital distribution of 1.9bn, up 3x FY/FY

- Pro forma FY19 CET1 ratio at 13.09%(1), pro forma MDA buffer of 300bps(1)
- Pro forma FY19 TLAC ratio 22.35%(5), pro forma MDA buffer of 276bps(5)
- FY19 tangible equity 53.0bn, up 4.7bn FY/FY and +9.8% FY/FY
- Proposed cash dividend of 0.63 per share equal to 1.4bn(6), proposed share buyback equal to 0.5bn(7)

(1) Including deduction of share buyback of 467m, subject to supervisory and AGM approval. Stated CET1 ratio at 13.22% and stated MDA buffer at 312bps. This does not include the SREP P2R reduction of 25bps, from 200bps to 175bps with effect from 1 January 2020.
(2) Capital distribution defined as cash dividend and / or share buyback. Share buyback subject to supervisory and AGM approval. See Glossary.
(3) Underlying net profit is the basis for capital distribution. See pages 45-47 in Annex for details.
(4) Excluding Non Core LLPs for updated rundown strategy (-1,049m in 4Q19).
(5) Including deduction of share buyback of 467m, subject to supervisory and AGM approval. Stated FY19 TLAC ratio 22.48% (o/w 19.98% TLAC subordination ratio and 2.5% senior preferred exemption) and stated MDA buffer of 288bps.
(6) Subject to AGM approval: 30% payout on underlying net profit as cash dividend.
(7) Subject to supervisory and AGM approval: 10% payout on underlying net profit as share buyback.

4Q19 underlying net profit[1] 1.4bn, up 68.5% Y/Y
4Q19 non-operating items of -2.3bn[2] as per CMD19

Record underlying quarterly results

- 4Q19 gross operating profit 2.3bn, up 13.3% Y/Y
- 4Q19 Group underlying net profit[1] of 1.4bn, up 68.5% Y/Y

Sustained Group commercial results underpin strong financial performance

- 4Q19 net interest 2.5bn (-1.6% Q/Q) and fees 1.6bn (+5.1% Y/Y)
- 4Q19 costs 2.5bn, down 4.4% Y/Y
- 4Q19 underlying CoR of 49bps[3] (-30bps Y/Y)
- 4Q19 gross NPE ratio at 5.0%, better than guidance and down significantly by 2.7p.p. Y/Y

4Q19 underlying net profit adjusted for non-operating items as per CMD19[2]

- Net capital impact of non-operating items +1bp CET1 in 4Q19[2]
- P&L impact of non-operating items -2.3bn post-tax[2]
- 4Q19 underlying net profit[1] 1.4bn, 4Q19 stated net profit -0.8bn
- Yapi stake reduced to 20%[4] via ABB in February 2020, for expected CET1 ratio impact[5] of +0.5p.p. in 1Q20

(1) Underlying net profit is the basis for capital distribution. See pages 45-47 in Annex for details.
(2) See pages 46-47 in Annex for details of non-operating items. See page 38 for details of impact of non-operating items on CET1.
(3) Excluding Non Core LLPs for updated rundown strategy. 4Q19 underlying cost of risk includes 2bps of models and -3bps of IFRS9 macro scenario impact.
(4) Expected to keep Yapi stake at that level for the remainder of 2020.
(5) Overall impact in 1Q20 of the transactions in Yapi, assuming regulatory deconsolidation.

Group – Underlying FY19 net profit(1) 4.7bn delivered

Group key figures	FY18	FY19	Δ % vs. FY18	4Q18	3Q19	4Q19	Δ % vs. 3Q19	Δ % vs. 4Q18
Total revenues, m	18,965	18,839	-0.7%	4,692	4,703	4,850	+3.1%	+3.4%
Operating costs, m	-10,307	-9,929	-3.7%	-2,640	-2,447	-2,525	+3.2%	-4.4%
Loan loss provisions, m	-2,614	-3,382	+29.4%	-921	-563	-1,645	n.m.	+78.6%
Net profit(2), m	4,107	3,373	-17.9%	1,992	1,180	-835	n.m.	n.m.
Underlying net profit(1), m	3,006	4,675	+55.5%	840	1,101	1,416	+28.7%	+68.5%
Fully loaded CET1 ratio	12.07%	13.09% (3)	+1.0p.p.	12.07%	12.60%	13.09% (3)	+0.5p.p.	+1.0p.p.
RWA, bn	370.2	378.7	+2.3%	370.2	387.8	378.7	-2.3%	+2.3%
Loans, exc. repos, bn	430.8	424.4	-1.5%	430.8	431.9	424.4	-1.8%	-1.5%
Gross NPE, bn	38.2	25.3	-33.7%	38.2	28.8	25.3	-12.0%	-33.7%
Underlying RoTE(4)	8.0%	9.2%	+1.3p.p.	7.1%	8.5%	10.8%	+2.2p.p.	+3.7p.p.
C/I	54.3%	52.7%	-1.6p.p.	56.3%	52.0%	52.1%	+0.0p.p.	-4.2p.p.
Cost of risk(5), bps	58	71	+14	79	47	137	+89	+57

(1) Underlying net profit is the basis for capital distribution. See pages 45-47 in Annex for details.
(2) Stated net profit recast for revaluation of real estate and effect of disposals at Group level, see pages 46-47 in Annex for details.
(3) Pro forma including deduction of share buyback of 467m, subject to supervisory and AGM approval. Stated CET1 ratio at 13.22% and stated MDA buffer at 312bps.
(4) Based on underlying net profit adjusted for non-operating items, see pages 45-47 in Annex for details. RoTE for FY18 based on stated net profit adjusted for Yapi impairment (-846m) and IFRS9 FTA tax effect (+887m) and the recast of revaluation of real estate and effect of disposals at Group level (+215m).
(5) Stated figures, including Non Core LLPs for updated rundown strategy (-1,049m). Excluding them, underlying cost of risk for FY19 and 4Q19 at 49bps.

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Transform 2019 achievements (1/3)

1 2 3 4 5 6 7 8

Transform 2019 update

STRENGTHEN AND OPTIMISE CAPITAL	FY19 CET1 ratio guidance exceeded TLAC guidance exceeded Strong investor demand for TLAC funding	• Pro forma 4Q19 CET1 ratio at 13.09%(1), pro forma MDA buffer of 300bps(1) • Pro forma 4Q19 TLAC ratio 22.35%(2), pro forma TLAC MDA buffer of 276bps, well above the upper end of the target range of 50-100bps • UniCredit's strong investor base and diversified market access reaffirmed with EUR1.25bn Tier 2 and EUR2bn dual tranche Senior Non Preferred issued in January
IMPROVE ASSET QUALITY	Group gross NPE ratio at 5% FY19 Non Core gross NPEs below 9bn	• 4Q19 Group gross NPE ratio improved to 5.0% (-2.7p.p. Y/Y) with Group gross NPEs down 12.9bn Y/Y and 3.5bn Q/Q • Group gross NPE ratio excluding Non Core at 3.4%(3), down 74bps Y/Y, much better than FY19 4.7% target • 4Q19 Non Core gross NPEs at 8.6bn beating guidance of <9bn
TRANSFORM OPERATING MODEL	Transform 2019 branch and FTE targets achieved FY19 cost target beaten	• Western European branches down 22 Q/Q, Transform 2019 branch closure target achieved • Transform 2019 net FTE reduction target achieved; FTEs down 407 Q/Q • FY19 cost at 9.9bn, better than original Transform 2019 target of 10.6bn

(1) Including deduction of share buyback of 467m, subject to supervisory and AGM approval. Stated CET1 ratio at 13.22% and stated MDA buffer at 312bps.
(2) Including deduction of share buyback of 467m, subject to supervisory and AGM approval. Stated 4Q19 TLAC ratio 22.48%, o/w 19.98% TLAC subordination ratio and 2.5% senior preferred exemption and stated MDA buffer of 288bps.
(3) Weighted average "NPL" ratio of EBA sample banks is 2.9%. Source: EBA risk dashboard (data as at 3Q19). UniCredit's managerial definition of "NPE" ratio presented is more conservative than EBA. Comparable "NPL" ratio for UniCredit at 4Q19 is 3.0% for the Group excluding Non Core.

Transform 2019 achievements (2/3)

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

MAXIMISE COMMERCIAL BANK VALUE	Support for the real economy and communities	• Renewed 250m funding agreement with European Investment Bank to support Italian SMEs operating in the agriculture, bio-economy and renewable energy sectors • Launch of “HVB Premium Invest” initiative in Germany with dedicated sustainability investment strategy, satisfying customer demand for sustainable investment products • 500m agreement with European Investment Fund to support innovative Austrian SMEs
	Multichannel offer / Customer experience	• After successful roll-out in Italy, the new Western European Mobile Banking App was released in Germany; Austria to follow in 2020 • Launched Apple Pay in Austria
	Leading European CIB franchise	• Leading bond and loan market franchise confirmed: #2 in “EMEA All Bonds in EUR”, #1 in EMEA Syndicated Loans in All Currencies in Italy, Austria and CEE, #2 in Germany(1)
ADOPT LEAN BUT STEERING CENTRE	Governance Group CC streamlining	• Wouter Devriendt appointed as new Head of Finance & Control • Beatriz Lara Bartolomé and Diego De Giorgi have been co-opted to the Board of Directors • New ESG targets disclosed as part of long term commitment to sustainability • The ratio of GCC costs to total costs is down to 3.0% in FY19, better than target of 3.5%

(1) Source: Dealogic, as of 7 January 2020. Period: 1 January – 31 December 2019; rankings by volume.

Transform 2019 achievements (3/3)

		2015[1]	2019	
			CMD16 Target	Actual
Significant de-risking	Gross NPE, bn Gross NPE ratio, %	77.8 16.0	44.3 8.4	25.3 5.0
Material cost reduction	Costs, bn C/I ratio, %	12.2 60.0	10.6 <52	9.9 52.7
Improved RoTE	RoTE, %	4	>9	9.2[2]
Strong capital position	CET1 ratio, %	10.4	>12.5	13.1[3]
Regulatory requirement	SREP Pillar 2 req., bps	250	n.a.	175[4]
Shareholder return	Capital distribution, %		20	40[5]
Strengthened corporate governance			In line with best-in-class EU companies	

(1) Figures for 2015 as per CMD 2016 perimeter, not recast.
(2) Based on underlying net profit.
(3) Pro forma FY19 CET1 ratio, including deduction of share buyback of 467m (subject to supervisory and AGM approval).
(4) SREP P2R reduced from 200bps to 175bps with effect from 1 January 2020.
(5) 30% cash dividend and a proposal of 10% share buyback subject to supervisory approval and AGM authorisation.

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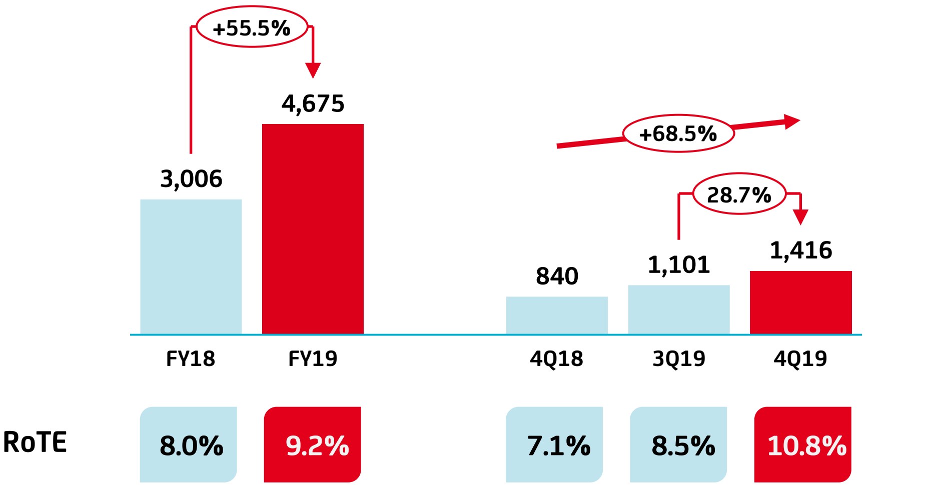
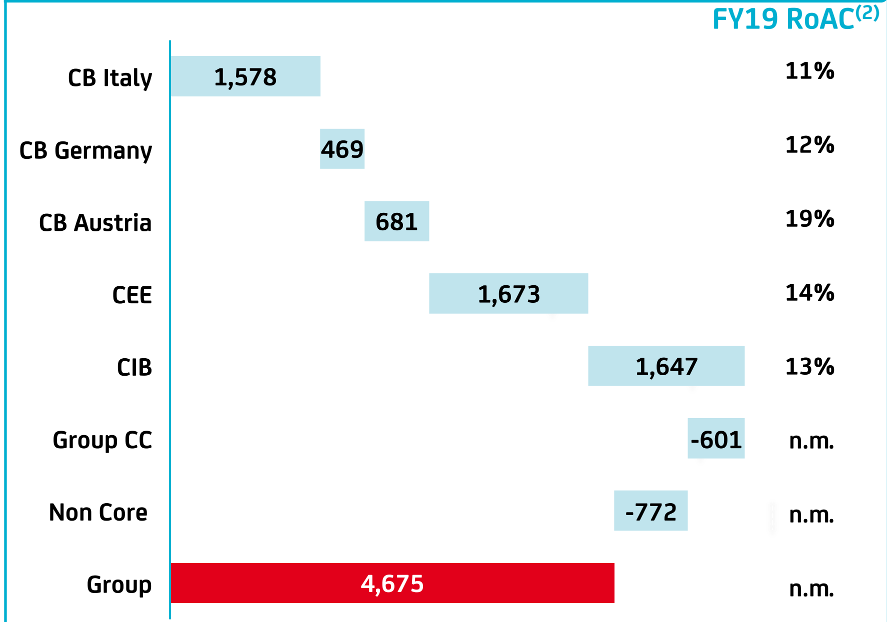
Group – Underlying FY19 RoTE(1) 9.2%, up 1.3p.p. FY/FY

Group underlying net profit(1), m



- Underlying FY19 Group RoTE(1) at 9.2%, up 1.3p.p. FY/FY
- CEE, CIB and CB Italy main drivers
- Underlying FY19 Group RoTE(1) above target of >9%

Underlying net profit(1) by division FY19, m



(1) Underlying net profit is the basis for capital distribution. See pages 45-47 in Annex for details.
(2) Stated FY19 RoAC. Normalised for non-recurring items (summarised in Annex on pages 46-47), FY19 RoACs are: CB Italy 10.8%, CB Germany 9.2%, CB Austria 14.1%, CEE 14.8% and CIB 13.9%.

Group – Underlying FY19 net profit[(1)] 4.7bn, up 55.5% FY/FY

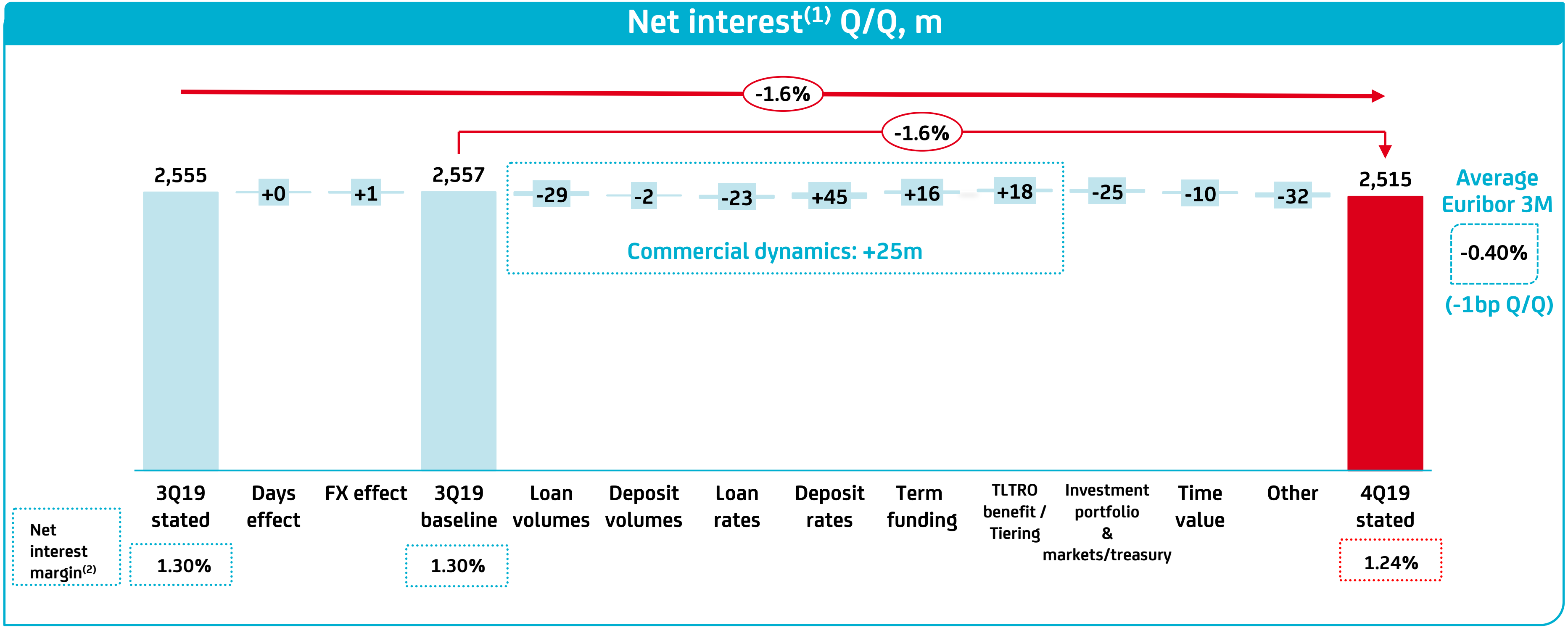
Main drivers

- 4Q19 net interest down 1.6% Q/Q mainly due to loans and non commercial dynamics, partially offset by deposit rates
- Fees in 4Q19 up 5.1% Y/Y thanks to investment fees (+23.4% Y/Y)
- 4Q19 trading up 259m Y/Y thanks to XVA and sound underlying client activity
- Costs down 4.4% Y/Y in 4Q19 thanks to continued cost discipline
- 4Q19 LLPs down 35.3% Y/Y excluding Non Core LLPs for updated rundown strategy (-1.0bn[(2)] in 4Q19)
- Other charges & provisions -14.3% Y/Y in 4Q19
- Integration costs equal of 657m booked in 4Q19
- Stated FY19 tax rate 29.0%
- Material non-operating items of -2.3bn (post tax) booked in 4Q19 as per CMD19
- FY19 Group underlying net profit of 4.7bn, up 55.5% FY/FY[(1)], delivering Transform 2019 target. Stated net profit of 3.4bn

Data in m	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	18,965	18,839	-0.7%	4,692	4,703	4,850	+3.1%	+3.4%
o/w Net interest	*10,570*	*10,203*	*-3.5%*	*2,712*	*2,555*	*2,515*	*-1.6%*	*-7.3%*
o/w Fees	*6,328*	*6,304*	*-0.4%*	*1,551*	*1,569*	*1,629*	*+3.8%*	*+5.1%*
o/w Trading	*1,279*	*1,538*	*+20.2%*	*204*	*378*	*464*	*+22.9%*	*n.m.*
Operating costs	-10,307	-9,929	-3.7%	-2,640	-2,447	-2,525	+3.2%	-4.4%
Gross operating profit	8,658	8,910	+2.9%	2,053	2,256	2,325	+3.1%	+13.3%
LLPs	-2,614	-3,382	+29.4%	-921	-563	-1,645	n.m.	+78.6%
Net operating profit	6,044	5,527	-8.6%	1,132	1,694	681	-59.8%	-39.8%
Other charges & provisions	-2,271	-954	-58.0%	-369	-187	-316	+68.9%	-14.3%
o/w Systemic charges	*-832*	*-886*	*+6.5%*	*-60*	*-148*	*-82*	*-44.5%*	*+37.4%*
Integration costs	-9	-664	n.m.	-15	-2	-657	n.m.	n.m.
Profit (loss) from investments	-198	-844	n.m.	338	41	-665	n.m.	n.m.
Profit before taxes	3,566	3,065	-14.0%	1,086	1,545	-958	n.m.	n.m.
Income taxes	489	-890	n.m.	906	-338	119	n.m.	-86.9%
Net profit from discontinued operations	288	1,383	n.m.	65	0	11	n.m.	-83.1%
Net profit	4,107	3,373	-17.9%	1,992	1,180	-835	n.m.	n.m.
Underlying net profit[(1)]	3,006	4,675	+55.5%	840	1,101	1,416	+28.7%	+68.5%

(1) Underlying net profit is the basis for capital distribution. See pages 45-47 for details.
(2) Excluding -6m related to net interest.

Group – 4Q19 net interest at 2.5bn, down 1.6% Q/Q

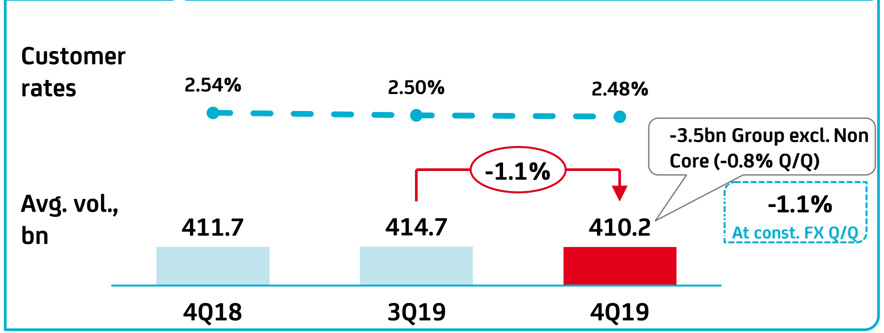


(1) Net contribution from hedging strategy of non-maturity deposits in 4Q19 at 361.5m, +8.4m Q/Q and -5.2m Y/Y.

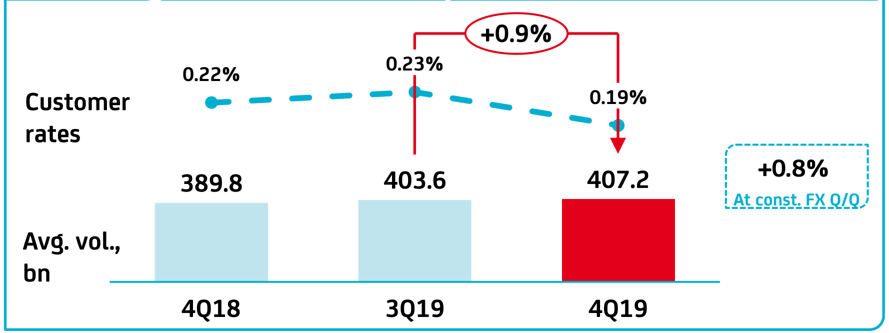
(2) Net interest margin calculated as interest income divided by interest earning assets minus interest expenses divided by interest bearing liabilities.

Group – Average Group loan volumes excluding Non Core down 3.5bn Q/Q, customer rates down 2bps

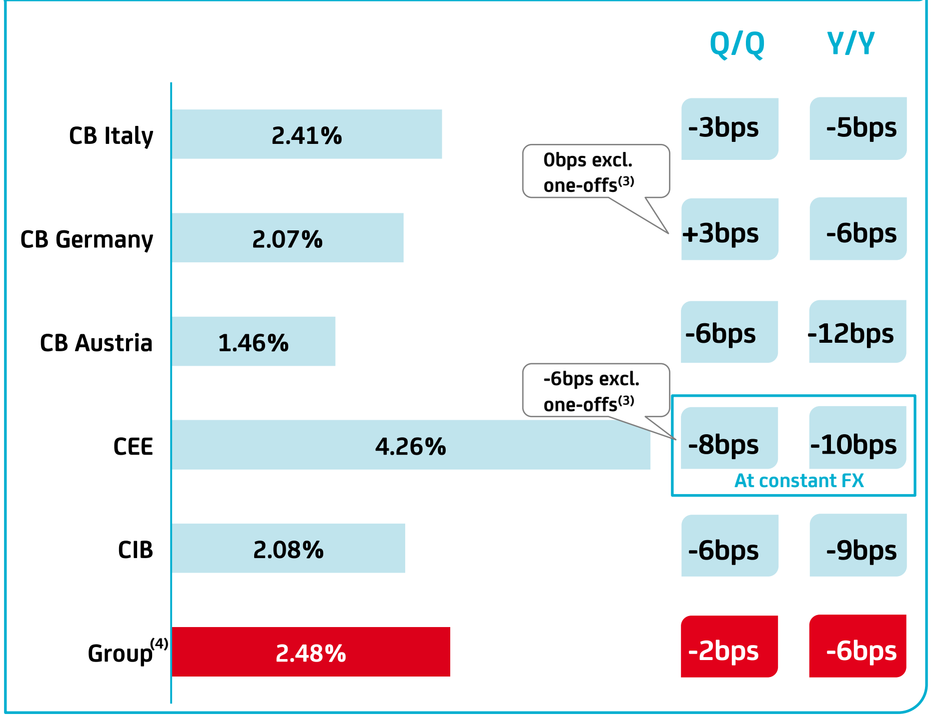
Avg. commercial loans[1] and rates[2]



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



Customer loan rates[2] 4Q19



(1) Average commercial volumes are managerial figures and are calculated as daily averages. Loans net of provisions.
(2) Customer rates calculated assuming 365 days convention, adjusted for 360 days convention where analytically available.
(3) Customer rate Q/Q excluding one-offs: CB Germany 0bps (single names), CEE -6bps at constant FX (single names).
(4) Includes Group Corporate Centre and Non Core.

Group – End-of-period Group customer loans excluding Non Core down 5.6bn Q/Q

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

	bn	Q/Q	Y/Y
CB Italy	141.3	-1.3%	-3.0%
CB Germany	87.2	-1.5%	+4.1%
CB Austria	45.3	+0.5%	+1.0%
CEE	67.5	At constant FX -1.5%	At constant FX +1.3%
CIB	78.9	-2.1%	-3.0%
Group CC	2.3	-9.9%	-29.9%
Group excl. Non Core	422.5	-1.3%	-0.4%
Non Core	1.9	-50.9%	-71.5%
Group	424.4	-1.8%	-1.5%

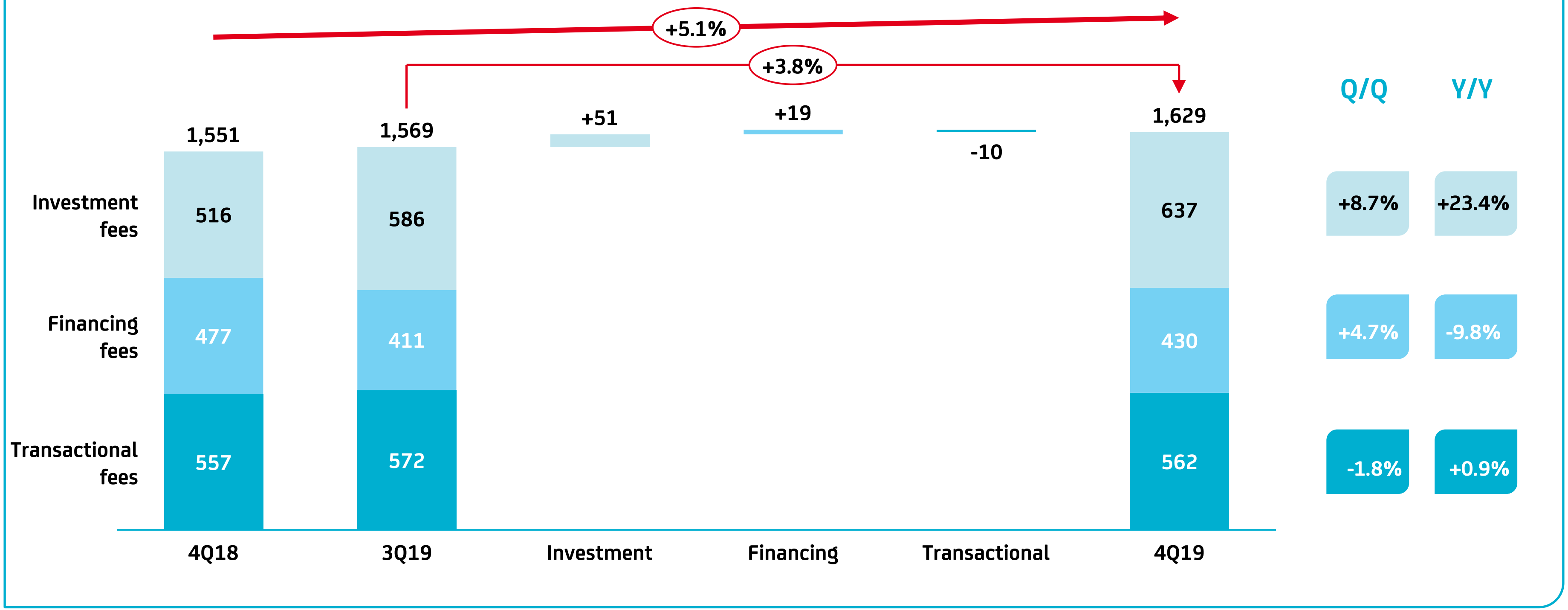
Customer deposits (end-of-period)[1], bn

	bn	Q/Q	Y/Y
CB Italy	152.9	+0.1%	+4.5%
CB Germany	92.7	+1.4%	+1.1%
CB Austria	48.5	+2.4%	+2.3%
CEE	70.7	At constant FX -1.6%	At constant FX +5.1%
CIB	52.8	+2.8%	+16.5%
Group CC	2.3	+0.6%	-21.9%
Group excl. Non Core	420.0	+0.8%	+5.2%
Non Core	0.5	+3.5%	-7.5%
Group	420.4	+0.8%	+5.1%

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

Group – Fees up 5.1% Y/Y thanks to investment fees

Fees Q/Q, m

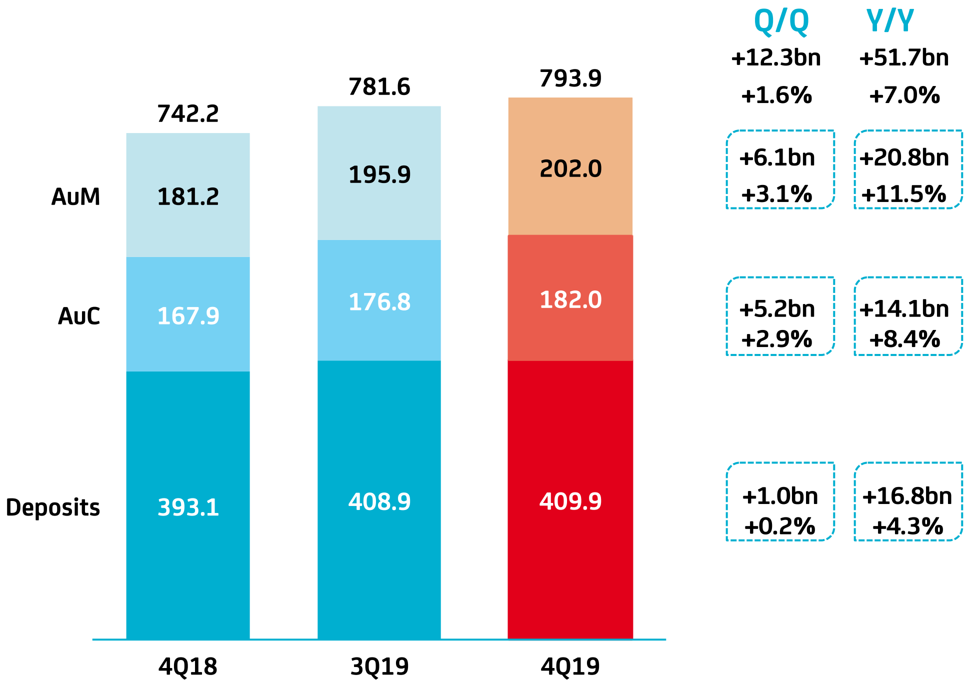


Group – TFAs up 12.3bn Q/Q and 51.7bn Y/Y thanks to market performance

Main drivers

- **TFAs** up 1.6% Q/Q to 793.9bn, mainly thanks to higher AuM and AuC:
  - **Assets under Management** at 202.0bn, up 3.1% Q/Q. Strong AuM net sales (+2.0bn in 4Q19) and positive market performance (+4.1bn 4Q19)
  - **Assets under Custody** at 182.0bn, up 2.9% Q/Q. Positive market performance (+7.5bn 4Q19), offsetting negative net sales (-2.4bn in 4Q19)
  - **Deposits** at 409.9bn, up 0.2% Q/Q mainly thanks to CB Germany (+2.2% Q/Q) and CB Austria (+2.2% Q/Q) partially offset by CEE (-7.0% Q/Q at constant FX)

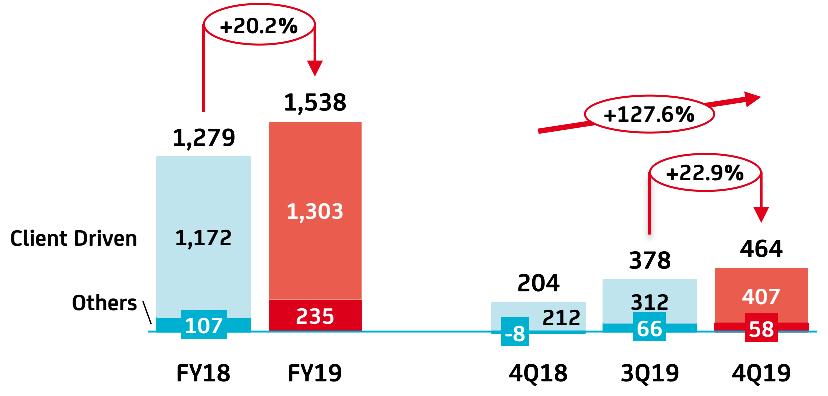
Group TFAs(1) 4Q19, bn



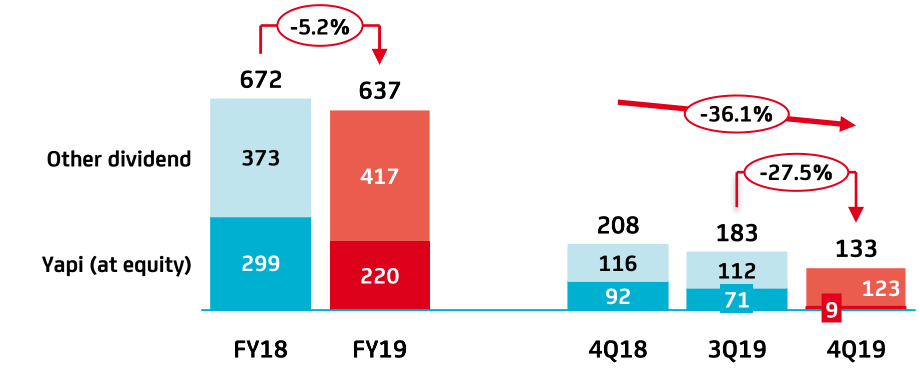
(1) Refers to Group commercial Total Financial Assets. Non-commercial elements, i.e. Group Corporate Centre, Non Core, Leasing/Factoring and Market Counterparts are excluded. Numbers are managerial figures.

Group – Trading income up 20.2% FY/FY thanks to strong underlying client activity

Trading income, m



Dividends(1), m



- Trading income up 20.2% FY/FY thanks to strong underlying client activity and better market making conditions
- Client driven trading includes valuation adjustments (XVA(2)) equal to +112m in FY18 and -35m in FY19
- Expected average quarterly run rate of around 300m confirmed

- Yapi´s contribution down 18.5% FY/FY at constant FX due to higher LLPs
- The regulatory consolidation of Yapi's RWA is pro rata (21.8bn)
- Other dividends up 11.6% FY/FY mainly thanks to insurance JVs in Italy

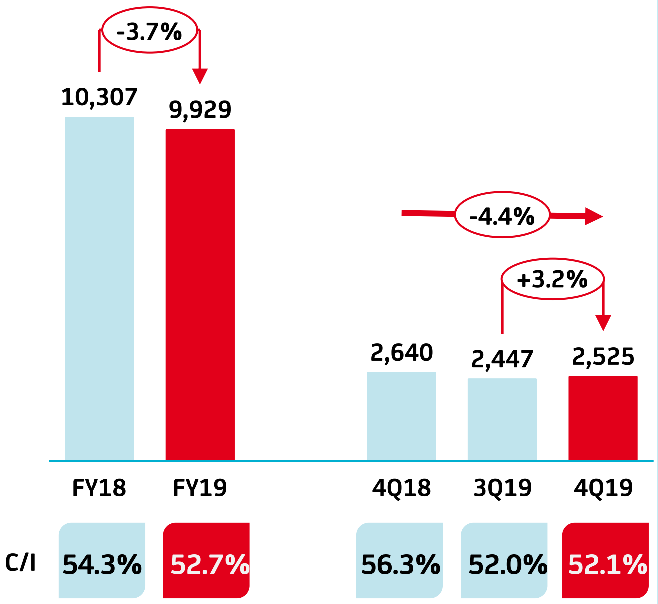
(1) Include dividends and equity investments. Yapi is valued by the equity method and contributes to the dividend line of the Group P&L based on managerial view.
(2) Valuation adjustments (XVA) include: Debt/Credit Value Adjustment (DVA/CVA), Funding Valuation Adjustments (FuVA) and Hedging desk. XVA equals -28m in 4Q18, +5m in 3Q19 and +107m in 4Q19.

Group – FY19 Group costs at 9.9bn, better than guidance

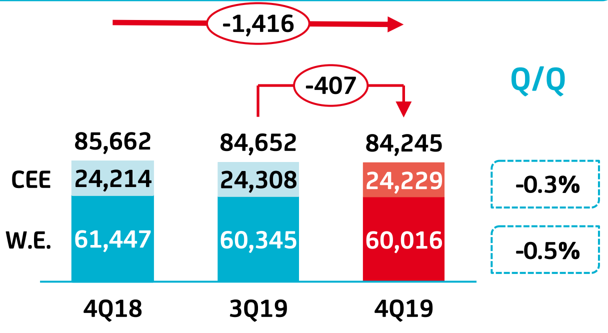
Main drivers

- Transform 2019 targets for net FTE reduction and Western Europe branch closures achieved
- FTEs down 1,416 Y/Y, branches down 105 Y/Y
- 4Q19 total costs at 2.5bn, up 3.2% Q/Q due to seasonality
- FY19 C/I 52.7% (-1.6p.p. FY/FY)
- FY19 Group costs at 9.9bn, better than 10.1bn guidance
- FY20 target confirmed <10.2bn

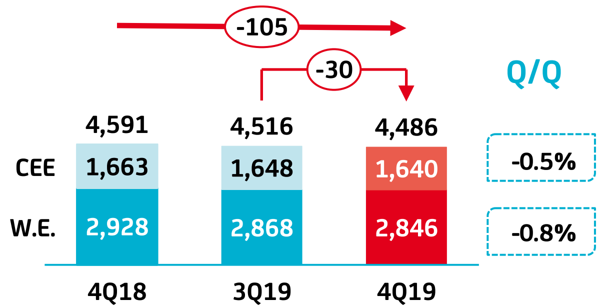
Costs, m



FTEs (eop)



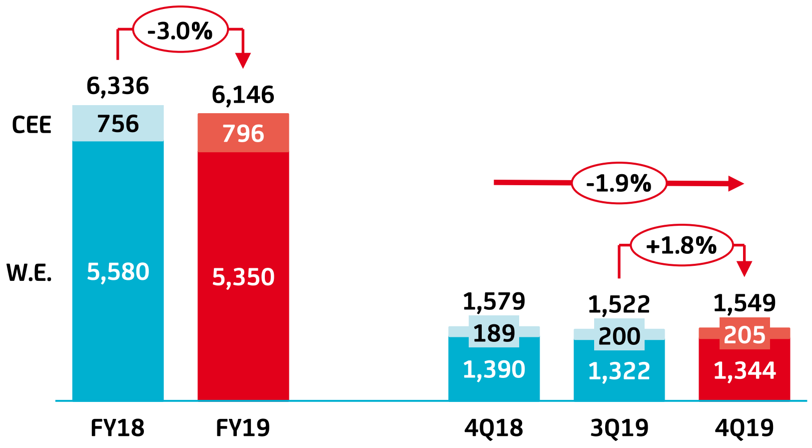
Branches(1)



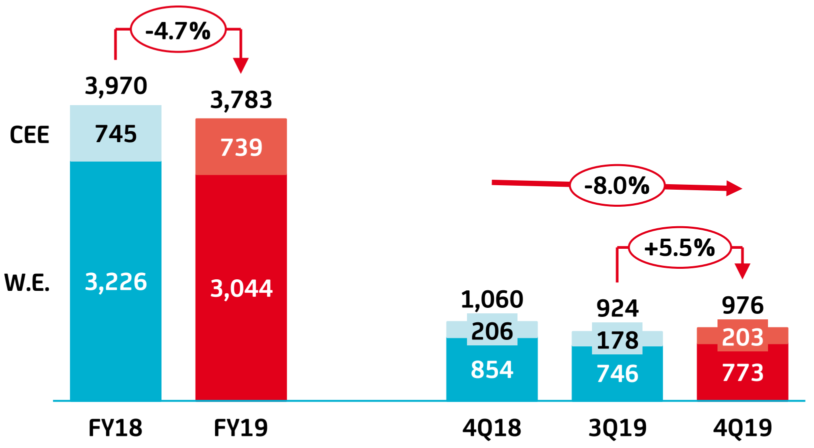
(1) Branch figures consistent with CMD 2016 perimeter.

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

HR costs, m



Non HR costs(1), m



- HR costs down 3.0% FY/FY, confirming cost reduction efforts supported by lower FTEs, down 1,416 Y/Y

- Non HR costs down 4.7% FY/FY mainly thanks to lower real estate expenses, outsourcing and consulting fees
- Non HR costs up 5.5% Q/Q due to seasonality

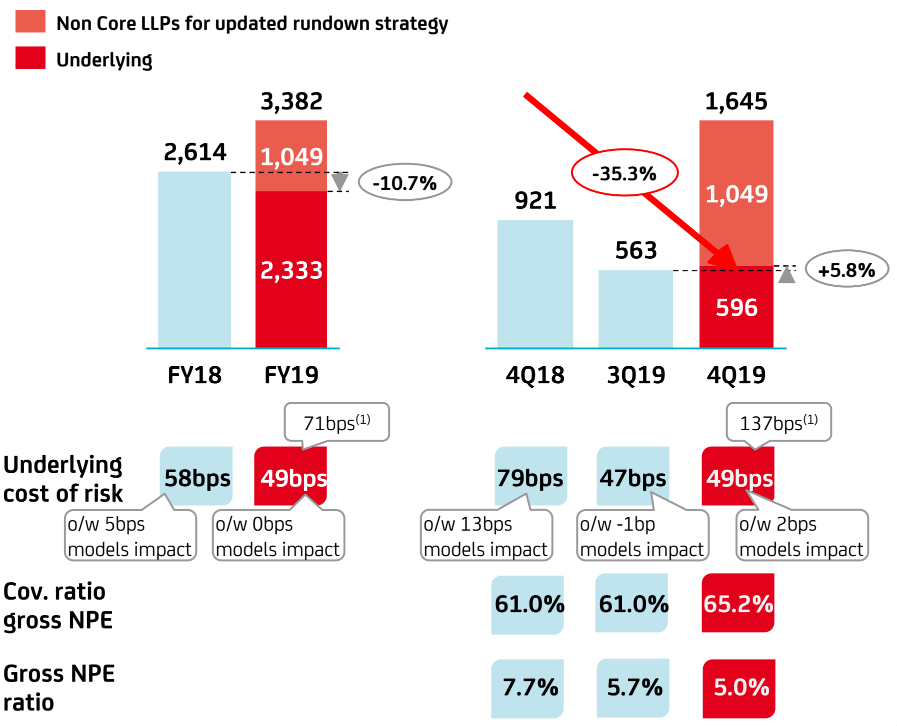
(1) Non HR costs include "other administrative expenses", "recovery of expenses" and "amortisation, depreciation and impairment losses on intangible and tangible assets".

Group – Gross NPE ratio 5.0%, down 2.7p.p. Y/Y
FY19 underlying CoR at 49bps, better than target

Main drivers

- LLPs down 10.7% FY/FY excluding Non Core LLPs for updated rundown strategy (1.0bn in 4Q19). The underlying risk environment remains supportive
- FY19 underlying CoR of 49bps (stated CoR FY19 at 71bps[(1)]) includes 0bps of models and IFRS9 macro scenario impact. 9bps FY/FY reduction mainly thanks to focus on improved asset quality and disciplined new business
- Group gross NPE ratio improved to 5.0% in 4Q19, down 2.7p.p. Y/Y. Coverage ratio at 65.2% up 4.3p.p. Y/Y thanks to Non Core LLPs for updated rundown strategy
- Group gross NPE ratio excluding Non Core at 3.4%[(2)], down 74bps Y/Y
- CoR across divisions in FY19:
  - CB Italy CoR at 73bps, down 1bp FY/FY in line with guidance
  - CB Germany CoR at 12bps in FY19 in line with guidance
  - CB Austria CoR at 9bps better than FY target of 16bps
  - CEE CoR at 68bps better than FY target of 102bps
  - CIB CoR at a low 8bps better than FY target of 21bps

Loan loss provisions, m



(1) Stated figures, including 1,049m Non Core LLPs for updated rundown strategy.
(2) Weighted average "NPL" ratio of EBA sample banks is 2.9%. Source: EBA risk dashboard (data as at 3Q19). UniCredit's managerial definition of "NPE" ratio presented is more conservative than EBA. Comparable "NPL" ratio for UniCredit at 4Q19 is 3.0% for the Group excluding Non Core.

Agenda

1. Executive summary
2. Transform 2019 achievements
3. Group results highlights
4. **Divisional results highlights**
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CB Italy – Net operating profit 2.3bn in FY19, up 11.3% FY/FY mainly thanks to lower costs and higher fees

Main drivers

- FY19 net interest down 3.8% FY/FY mainly due to pressure on spreads including deposits; 4Q19 down 3.2% Q/Q mainly due to non recurring item
- Gross new loan production[(1)] at 22.0bn in FY19 (-11.7% FY/FY), reflecting market slowdown while maintaining strict underwriting criteria
- FY19 fees up 1.0% FY/FY, mainly thanks to transaction fees (+5.9% FY/FY) which benefitted from strong insurance sales. 4Q19 up 9.0% Y/Y mainly thanks to investment fees (+19.5% Y/Y)
- 349,000 gross new clients in FY19 (-3.9% FY/FY)
- FY19 costs down 6.1% FY/FY driven by both HR cost reduction (-5.7% FY/FY) and Non HR cost (-6.7% FY/FY). FY19 C/I ratio at 53.0%, down 3.3p.p. FY/FY
- CoR at 73bps in FY19, down 1bp FY/FY, including 2bps of models and 0bps of IFRS9 macro scenario impact
- Gross NPE ratio at 5.1%, down 67bps Y/Y
- FY19 RoAC[(3)] at 10.8%, in line with the target of around 11%

Data in m	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	7,163	7,148	-0.2%	1,727	1,771	1,782	+0.6%	+3.2%
o/w Net interest	*3,498*	*3,366*	*-3.8%*	*863*	*845*	*818*	*-3.2%*	*-5.2%*
o/w Fees	*3,635*	*3,672*	*+1.0%*	*863*	*899*	*940*	*+4.6%*	*+9.0%*
Operating costs	-4,033	-3,786	-6.1%	-1,004	-938	-946	+0.8%	-5.7%
Gross operating profit	3,130	3,362	+7.4%	724	833	836	+0.4%	+15.5%
LLPs	-1,046	-1,044	-0.2%	-298	-251	-270	+7.6%	-9.6%
Net operating profit	2,083	2,318	+11.3%	425	582	566	-2.7%	+33.1%
Net profit	1,323	1,404	+6.1%	207	344	417	+21.2%	n.m.
Stated RoAC	12.0%	11.2%	-0.8p.p.	7.2%	10.6%	13.1%	+2.5p.p.	+5.9p.p.
C/I	56.3%	53.0%	-3.3p.p.	58.1%	53.0%	53.1%	+0.1p.p.	-5.0p.p.
CoR (bps)	74	73	-1	83	70	76	+6	-7
Branches[(2)]	2,466	2,387	-3.2%	2,466	2,409	2,387	-0.9%	-3.2%
FTEs	29,582	28,640	-3.2%	29,582	28,830	28,640	-0.7%	-3.2%
Gross NPE ratio	5.7%	5.1%	-67bps	5.7%	5.0%	5.1%	+6bps	-67bps

(1) Managerial figures.
(2) Branch figures consistent with CMD 2016 perimeter.
(3) RoAC normalised for release of provisions for US sanctions (+60m) in 1Q19, one-offs (-118m) in 2Q19, non-operating items (-56m) and DTA tax loss carried forward (+155m) in 4Q19.

CB Germany – Net operating profit 0.7bn in FY19, up 0.8% thanks to LLPs offsetting lower revenues from trading

Main drivers

- FY19 revenues down 2.2% FY/FY due to lower trading. Resilient commercial revenues[(1)]
- Net interest down 0.2% FY/FY in FY19 due to deposit rates, partially compensated by growth in average loan volumes; 4Q19 down 2.7% Q/Q mainly due to non commercial items
- Gross new loan production[(2)] at 16.2bn in FY19 (-12.2% FY/FY)
- FY19 fees down 0.5% FY/FY mainly due to financing fees (-10.0% FY/FY) partly offset by investment fees (+6.7% FY/FY). 4Q19 fees up 3.3% Y/Y thanks to investment fees (+26.9% Y/Y)
- 73,000 gross new clients in FY19 (-2.8% FY/FY)
- FY19 costs down 0.9% FY/FY, driven by lower HR (-1.8% FY/FY). Non HR costs up 0.5% FY/FY due to one-off item. FY19 C/I ratio up at 68.0% (+0.9p.p. FY/FY)
- CoR at 12bps in FY19 and 22bps in 4Q19
- FY19 RoAC[(4)] at 9.2% in line with target of 9.1%

Data in m	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	2,445	2,392	-2.2%	622	579	635	+9.6%	+2.1%
o/w Net interest	*1,519*	*1,517*	*-0.2%*	*401*	*384*	*374*	*-2.7%*	*-6.7%*
o/w Fees	*720*	*717*	*-0.5%*	*173*	*178*	*179*	*+0.2%*	*+3.3%*
Operating costs	-1,641	-1,627	-0.9%	-413	-398	-416	+4.7%	+0.7%
Gross operating profit	804	765	-4.9%	208	182	219	+20.4%	+5.0%
LLPs	-145	-100	-30.9%	-106	-27	-48	+73.9%	-55.1%
Net operating profit	659	665	+0.8%	102	154	171	+11.0%	+67.2%
Net profit	606	542	-10.5%	437	168	82	-51.1%	-81.2%
Stated RoAC	13.4%	11.7%	-1.7p.p.	37.3%	14.5%	7.1%	-7.5p.p.	-30.2p.p.
C/I	67.1%	68.0%	+0.9p.p.	66.5%	68.6%	65.5%	-3.1p.p.	-1.0p.p.
CoR (bps)	17	12	-6	50	12	22	+9	-29
Branches[(3)]	339	337	-0.6%	339	337	337	+0.0%	-0.6%
FTEs	9,167	9,120	-0.5%	9,167	9,138	9,120	-0.2%	-0.5%
Gross NPE ratio	1.8%	1.7%	-18bps	1.8%	1.7%	1.7%	-5bps	-18bps

(1) Sum of net interest and fees. See Glossary.

(2) Managerial figures.

(3) Branch figures consistent with CMD 2016 perimeter.

(4) RoAC normalised for release of provisions for US sanctions (+41m) in 1Q19, non-operating items (-158m) in 4Q19, also include recast effect on real estate revaluation in FY19 (+232m).

CB Austria – Net operating profit 0.5bn in FY19, down 4.2% with resilient revenues and lower costs offset by normalisation of LLPs

Main drivers

- FY19 commercial revenues up 0.6% FY/FY
- Net interest up 2.0% FY/FY in FY19, mainly thanks to volume growth and non commercial items; 4Q19 down 3.5% Q/Q mainly due to non commercial items
- Gross new loan production(1) at 6.8bn in FY19 (-5.0% FY/FY)
- FY19 fees down 1.1% FY/FY mainly due to transaction fees (-3.3% FY/FY) while 4Q19 up 8.0% Y/Y thanks to investment fees (+21.5% Y/Y)
- 51,000 gross new clients in FY19 (+2.9% FY/FY)
- Costs in FY19 down 4.5% FY/FY thanks to lower Non HR (-5.7% FY/FY) and HR costs (-3.5% FY/FY). FY19 C/I ratio at 62.6%, down 2.8p.p. FY/FY
- FY19 CoR at 9bps below FY19 target of 16bps, thanks to net write-backs in 1H19
- Income taxes benefitted from DTA tax loss carried forward
- FY19 RoAC(3) at 14.1%, above target of 13.3%

Data in m	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	1,561	1,558	-0.2%	376	393	419	+6.6%	+11.5%
o/w Net interest	*685*	*698*	*+2.0%*	*172*	*180*	*173*	*-3.5%*	*+0.8%*
o/w Fees	*614*	*607*	*-1.1%*	*154*	*147*	*166*	*+12.9%*	*+8.0%*
Operating costs	-1,021	-975	-4.5%	-259	-244	-249	+2.2%	-3.8%
Gross operating profit	541	583	+7.9%	117	149	170	+13.8%	+45.3%
LLPs	25	-41	n.m.	-7	-19	-32	+67.9%	n.m.
Net operating profit	565	542	-4.2%	110	130	138	+5.9%	+24.7%
Net profit	425	568	+33.7%	98	119	222	+86.4%	n.m.
Stated RoAC	15.8%	19.3%	+3.5p.p.	14.4%	16.1%	30.0%	+13.8p.p.	+15.6p.p.
C/I	65.4%	62.6%	-2.8p.p.	68.9%	62.0%	59.5%	-2.6p.p.	-9.4p.p.
CoR (bps)	-5	9	+15	6	17	28	+11	+22
Branches(2)	123	122	-0.8%	123	122	122	+0.0%	-0.8%
FTEs	4,873	4,833	-0.8%	4,873	4,890	4,833	-1.2%	-0.8%
Gross NPE ratio	3.9%	3.8%	-11bps	3.9%	3.9%	3.8%	-6bps	-11bps

(1) Managerial figures.

(2) Branch figures consistent with CMD 2016 perimeter.

(3) RoAC normalised for release of provisions for US sanctions (+39m) in 1Q19 and one-off pension related item (+16m) in 2Q19, non-operating items (-110m) and DTA tax loss carried forward (+210m) in 4Q19, also include recast effect on real estate revaluation in FY19 (-3m).

CEE – Net operating profit 2.3bn in FY19, up 1.3% FY/FY thanks to strong commercial revenue dynamics

Main drivers

- FY19 net interest up 0.5% FY/FY at constant FX mainly thanks to increased loan volumes while up 0.6% Q/Q in 4Q19
- Gross new loan production(2) at 21.8bn in FY19 (-5.4% FY/FY at constant FX)
- Fees up 2.3% FY/FY at constant FX in FY19 mainly thanks to transactional fees (+4.3% FY/FY) while up 1.7% Y/Y in 4Q19 mainly thanks to investment fees (+24.0% Y/Y)
- FY19 dividends down 16.9% FY/FY at constant FX due to lower Yapi contribution (-18.5% FY/FY)
- 1.3 million gross new clients in FY19(3) (-0.3% FY/FY)
- FY19 costs up 2.3% FY/FY at constant FX due to competitive labour markets. FY19 C/I ratio up at 36.1% (+0.4p.p. FY/FY)
- CoR at 68bps in FY19 thanks to supportive risk environment
- Successful de-risking with gross NPE ratio down 1.8p.p. at 4.6% in FY19, much better than target. Coverage ratio at 70.6% (+3.7p.p. Y/Y)
- Net Profit -3.4% FY/FY due to non-operating items
- FY19 RoAC(4) at 14.8%, above target of 13.4%

Data in m (1)	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	4,199	4,251	+1.5%	1,093	1,062	1,046	-3.7%	-7.3%
o/w Net interest	*2,709*	*2,726*	*+0.5%*	*714*	*680*	*685*	*+0.6%*	*-5.3%*
o/w Fees	*816*	*835*	*+2.3%*	*213*	*211*	*218*	*+3.0%*	*+1.7%*
o/w Dividends	*322*	*246*	*-16.9%*	*96*	*79*	*15*	*-83.1%*	*-86.0%*
Operating costs	-1,501	-1,535	+2.3%	-395	-378	-408	+7.7%	+2.4%
Gross operating profit	2,699	2,716	+1.0%	698	684	638	-9.8%	-12.6%
LLPs	-457	-456	-0.4%	-160	-116	-153	+30.3%	-5.7%
Net operating profit	2,241	2,260	+1.3%	538	567	486	-17.7%	-14.5%
Net profit	1,712	1,639	-3.4%	399	443	320	-31.1%	-25.1%
Stated RoAC	15.6%	14.5%	-1.1p.p.	14.7%	15.6%	11.1%	-4.4p.p.	-3.6p.p.
C/I	35.7%	36.1%	+0.4p.p.	36.1%	35.6%	39.0%	+3.4p.p.	+2.8p.p.
CoR (bps)	73	68	-5	98	68	90	+21	-9
Branches(3)	1,663	1,640	-1.4%	1,663	1,648	1,640	-0.5%	-1.4%
FTEs	24,214	24,229	+0.1%	24,214	24,308	24,229	-0.3%	+0.1%
Gross NPE ratio	6.4%	4.6%	-177bps	6.4%	5.1%	4.6%	-54bps	-177bps

(1) Stated numbers at current FX. Variations Q/Q, Y/Y and FY/FY 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 not considered in CoR, FTEs and Gross NPE ratio.
(2) Managerial figures.
(3) Yapi's branches and clients considered at 100%.
(4) RoAC normalised for non-operating items (-16m) in 4Q19, also include recast effect on real estate revaluation in FY19 (-19m).

CIB – Net operating profit 2.3bn in FY19, up 4.8% FY/FY thanks to higher trading income

Main drivers

- FY19 net interest down 1.8% FY/FY due to decreased loan volumes and lower spreads but up 1.9% Q/Q in 4Q19 thanks to non recurring items
- Fees in FY19 down 10.0% FY/FY due to financing fees (-10.5% FY/FY) while in 4Q19 up 4.8% Y/Y
- FY19 trading up 26.6% FY/FY thanks to sound client activity and better market making conditions
- Leading franchise confirmed: #2 in "EMEA All Bonds in EUR" by value and number of transactions, #1 in "EMEA Syndicated Loans in All Currencies in Italy, Austria and CEE, #2 in Germany[(1)]
- Confirmed cost discipline, with FY19 costs down 2.0% FY/FY. FY19 C/I ratio at 39.1%, down 1.9p.p. FY/FY
- CoR low at 8bps thanks to write-backs in 4Q19
- Net profit +53.1% FY/FY, thanks to release of provisions for US sanctions. FY18 impacted by provisions for US sanctions
- FY19 RoAC[(2)] at 13.9% well above target of 11.7%

Data in m	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	3,799	3,901	+2.7%	929	978	1,033	+5.7%	+11.3%
o/w Net interest	*2,289*	*2,247*	*-1.8%*	*582*	*570*	*581*	*+1.9%*	*-0.2%*
o/w Fees	*595*	*536*	*-10.0%*	*151*	*145*	*159*	*+9.8%*	*+4.8%*
o/w Trading	*790*	*1,000*	*+26.6%*	*135*	*236*	*240*	*+1.6%*	*+77.1%*
Operating costs	-1,556	-1,526	-2.0%	-411	-360	-399	+10.8%	-2.9%
Gross operating profit	2,243	2,375	+5.9%	518	618	635	+2.7%	+22.6%
LLPs	-76	-106	+39.0%	-157	-4	47	n.m.	n.m.
Net operating profit	2,167	2,270	+4.8%	361	615	682	+11.0%	+88.9%
Net profit	897	1,374	+53.1%	236	413	369	-10.7%	+56.0%
Stated RoAC	8.9%	13.2%	+4.2p.p.	9.2%	15.4%	14.1%	-1.2p.p.	+4.9p.p.
C/I	41.0%	39.1%	-1.9p.p.	44.2%	36.8%	38.6%	+1.8p.p.	-5.7p.p.
CoR (bps)	7	8	+2	53	1	-14	-15	-67
FTEs	3,234	3,161	-2.3%	3,234	3,202	3,161	-1.3%	-2.3%
Gross NPE ratio	2.5%	1.9%	-53bps	2.5%	2.3%	1.9%	-33bps	-53bps

(1) Source: Dealogic, as of 7 January 2020. Period: 1 January – 31 December 2019; rankings by volume, unless otherwise stated.

(2) RoAC Normalised for release of provisions for US sanctions (+180m) in 1Q19, disposal of Ocean Breeze (-178m) and a participation (+15m) in 2Q19, and non-operating items in 4Q19 (-97m), also include recast effect on real estate revaluation in FY19 (+2m).

Group Corporate Centre – Net operating loss 0.7bn in FY19, higher FY/FY due to lower revenues

Main drivers

- FY19 Revenues down FY/FY due to increased subordinated issuance
- Lean but Steering Corporate Centre transformation delivered with a reduction of 279 FTEs FY/FY (HR costs down 6.1% FY/FY). Since December 2015, FTEs down by 21.5% (-3,821 FTEs)
- The ratio of GCC costs to total costs is down to 3.0% in FY19, beating target of 3.5%

Data in m	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	-245	-371	+51.3%	-45	-74	-35	-52.1%	-20.7%
Operating costs	-349	-300	-14.1%	-90	-79	-62	-21.3%	-30.3%
Gross operating loss/profit	-595	-671	+12.8%	-134	-153	-98	-36.2%	-27.1%
LLPs	7	-2	n.m.	-4	1	-2	n.m.	-53.0%
Net operating loss/profit	-587	-673	+14.7%	-139	-152	-100	-34.2%	-27.9%
Other charges & provisions	-379	-360	-4.9%	-113	-17	-149	n.m.	+32.0%
o/w Systemic charges	*-216*	*-229*	*+6.2%*	*-28*	*-35*	*-27*	*-21.6%*	*-2.5%*
Profits (loss) from investments	-738	-518	-29.8%	37	2	-561	n.m.	n.m.
Profit before taxes	-1,681	-1,660	-1.3%	-201	-169	-915	n.m.	n.m.
Income taxes	1,509	-54	n.m.	1,002	45	-224	n.m.	n.m.
Net profit from discontinued operations	273	1,369	n.m.	64	0	0	n.m.	-100.0%
Net loss/profit (1)	-55	-468	n.m.	822	-125	-1,142	n.m.	n.m.
FTEs	14,247	13,968	-2.0%	14,247	13,967	13,968	+0.0%	-2.0%
Costs GCC/ Total costs	3.4%	3.0%	-0.4p.p.	3.4%	3.2%	2.5%	-0.8p.p.	-0.9p.p.

(1) Include recast effect on real estate revaluation in FY19 (-135m).

Non Core – 2021 rundown fully on track, FY20 gross NPEs below 4.3bn

Main drivers

- In 4Q19 gross NPEs reduced by 2.6bn Q/Q thanks to write-offs and disposals
- FY19 gross NPEs 8.6bn, beating guidance of <9bn and more than 50% better than Transform 2019 target of 19.2bn
- FY20 gross NPE target improved to <4.3bn
- FY19 revenues down 84m FY/FY driven by lower contribution from time value
- FY19 costs down 12.5% FY/FY thanks to both lower HR costs (-10.3% FY/FY) and Non HR costs (-13.0% FY/FY)
- LLPs at 1.6bn in FY19 including 1.0bn[(1)] LLPs for updated rundown strategy. Future LLPs not material. Coverage ratio, as a result, improved to 78.1% (+13.7p.p. FY/FY)
- Net loss of 1.7bn in FY19 driven by LLPs for updated rundown strategy.

Data in m	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	42	-41	n.m.	-9	-6	-30	n.m.	n.m.
Operating costs	-206	-180	-12.5%	-69	-50	-45	-10.0%	-34.7%
Gross operating profit	-163	-221	+35.4%	-78	-56	-75	+33.0%	-4.5%
LLPs	-921	-1,632	+77.2%	-189	-147	-1,188	n.m.	n.m.
Net operating profit	-1,085	-1,854	+70.9%	-267	-203	-1,263	n.m.	n.m.
Net loss [(2)]	-800	-1,685	n.m.	-208	-183	-1,103	n.m.	n.m.
Gross customer loans	18,517	8,592	-53.6%	18,517	11,230	8,592	-23.5%	-53.6%
o/w NPEs	*18,513*	*8,592*	*-53.6%*	*18,513*	*11,230*	*8,592*	*-23.5%*	*-53.6%*
o/w Performing	*4*	*0*	*n.m.*	*4*	*0*	*0*	*n.m.*	*n.m.*
NPE coverage ratio	64.3%	78.1%	+13.7p.p.	64.3%	65.8%	78.1%	+12.2p.p.	+13.7p.p.
Net NPEs	6,608	1,886	-71.5%	6,608	3,837	1,886	-50.8%	-71.5%
RWA	12,221	10,966	-10.3%	12,221	13,641	10,966	-19.6%	-10.3%

(1) Excluding -6m related to net interest.
(2) Include recast effect on real estate revaluation in FY19 (+2m).

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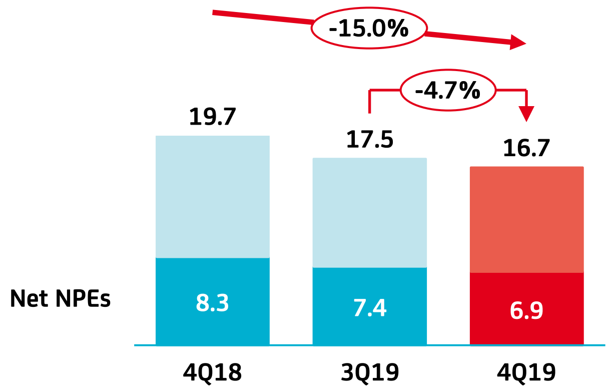
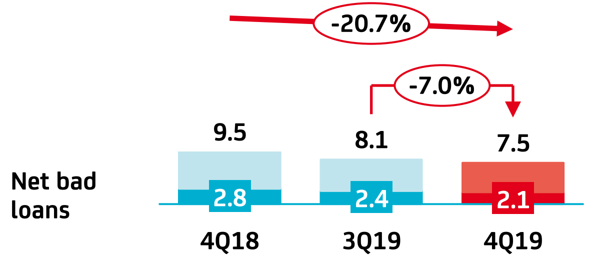
Group excluding Non Core – Gross NPE ratio 3.4%, down 74bps Y/Y Coverage ratio 58.7%, up 0.8p.p. Y/Y

Non performing exposures[1], bn



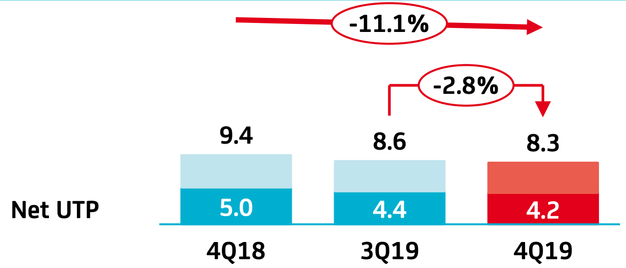
	4Q18	3Q19	4Q19
Gross NPE ratio	4.1%	3.6%	3.4%[2]
Net NPE ratio	1.8%	1.5%	1.4%
Coverage ratio	57.8%	57.8%	58.7%

o/w Gross bad loans, bn



	4Q18	3Q19	4Q19
Coverage ratio	70.7%	70.7%	71.9%

o/w Gross unlikely to pay, bn



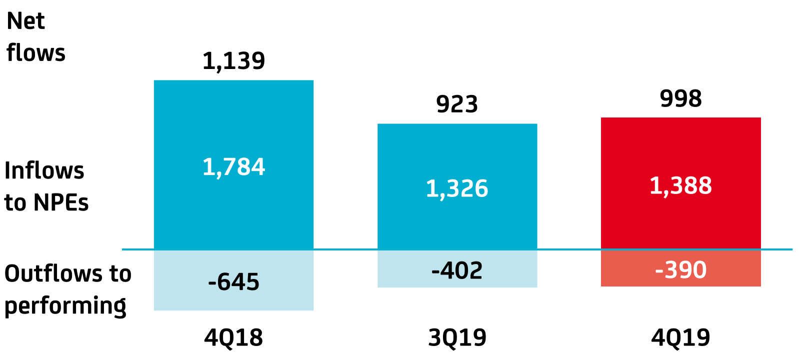
	4Q18	3Q19	4Q19
Coverage ratio	47.0%	48.3%	49.3%

(1) Gross NPEs including gross bad loans, gross unlikely to pay and gross past due. Gross past due at 854m in 4Q19 (-2.4% Q/Q and +6.7% Y/Y).

(2) Weighted average "NPL" ratio of EBA sample banks is 2.9%. Source: EBA risk dashboard (data as at 3Q19). UniCredit's managerial definition of "NPE" ratio presented is more conservative than EBA. Comparable "NPL" ratio for UniCredit at 4Q19 is 3.0% for the Group excluding Non Core.

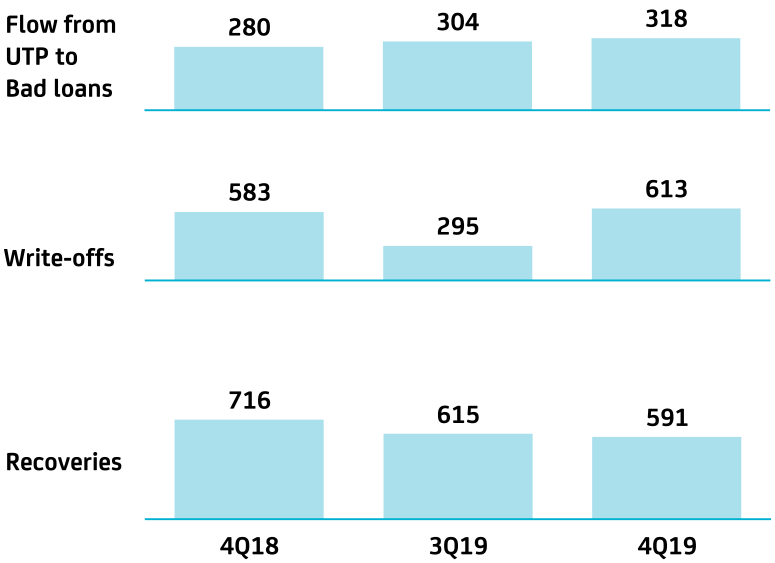
Group excluding Non Core – Default rate at 1.2% in 4Q19, down 50bps Y/Y

Group excl. Non Core – net flows to NPEs, m



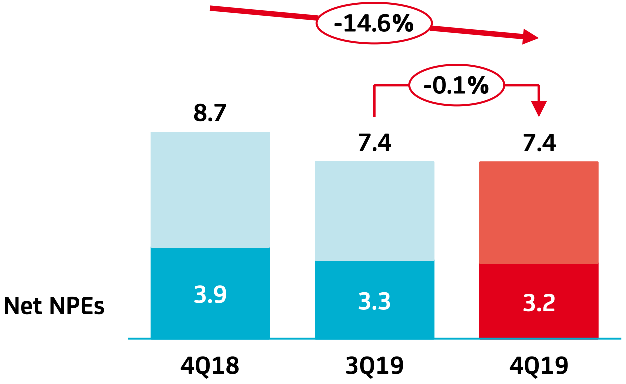
	4Q18	3Q19	4Q19
Default rate	1.7%	1.2%	1.2%
Cure rate	11.6%	8.2%	7.9%
Migration rate	10.6%	13.0%	13.6%

Group excl. Non Core – key drivers, m



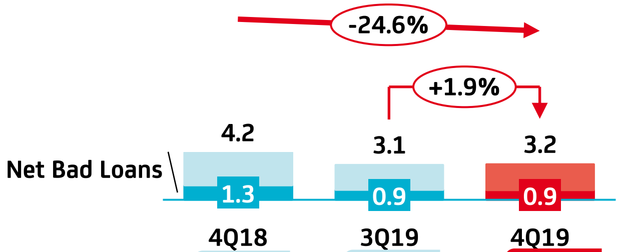
CB Italy – Gross NPE ratio 5.1%, down 67bps Y/Y
Coverage ratio 57.3%, up 1.7p.p. Y/Y

Non performing exposures[1], bn



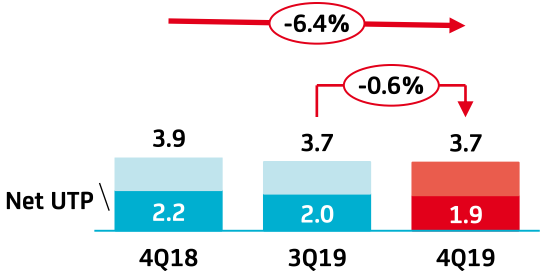
	4Q18	3Q19	4Q19
Gross NPE ratio	5.7%	5.0%	5.1%
Net NPE ratio	2.7%	2.3%	2.2%
Coverage ratio	55.5%	55.4%	57.3%

o/w Gross bad loans, bn



	4Q18	3Q19	4Q19
Coverage ratio	69.3%	71.8%	73.3%

o/w Gross unlikely to pay, bn

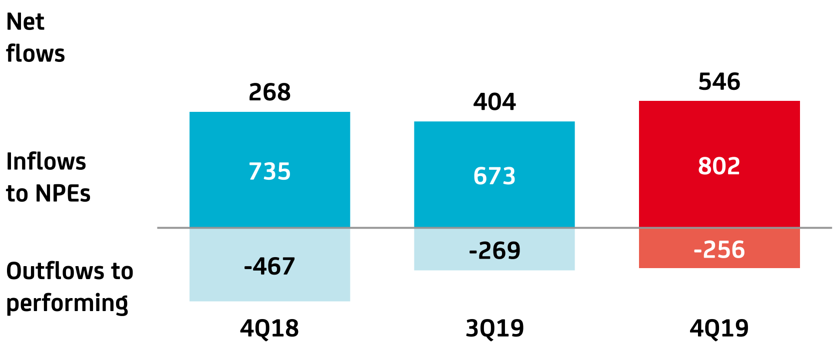


	4Q18	3Q19	4Q19
Coverage ratio	44.4%	46.0%	47.8%

(1) Gross NPEs including gross bad loans, gross unlikely to pay and gross past due. Gross past due at 557m in 4Q19 (-7.7% Q/Q and +5.9% Y/Y).

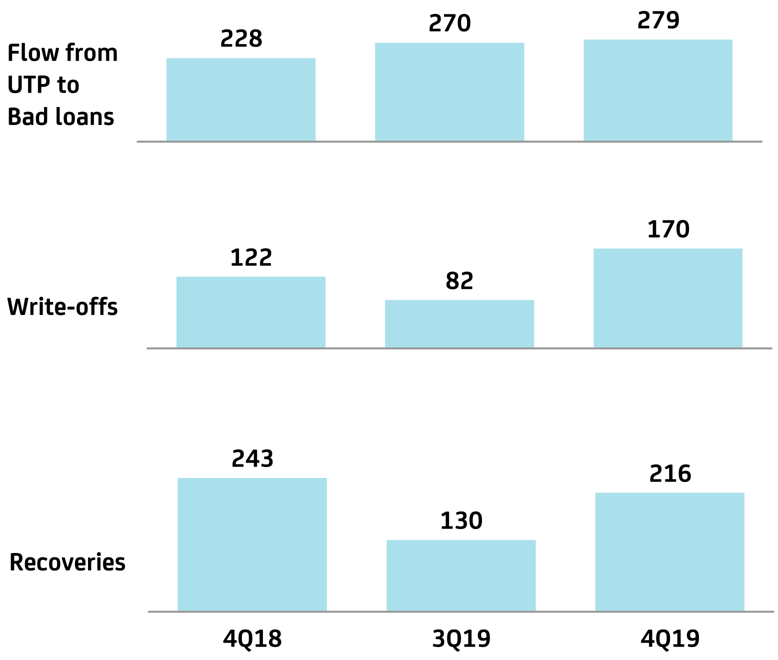
CB Italy – Default rate at 2.2% in 4Q19, stable Y/Y

CB Italy – net flows to NPEs, m



	4Q18	3Q19	4Q19
Default rate	2.2%	1.9%	2.2%
Cure rate	19.5%	12.4%	11.8%
Migration rate	20.0%	27.7%	28.5%

CB Italy – key drivers, m

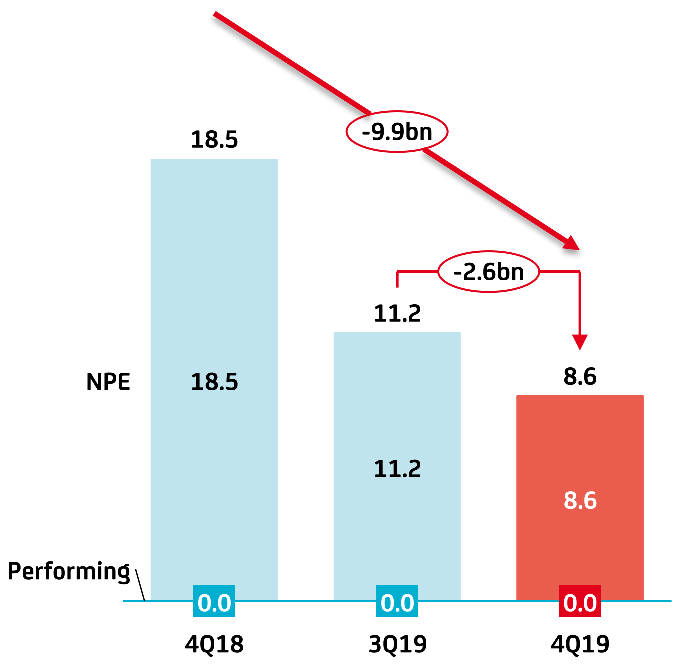


Non Core – Gross NPEs reduced by 9.9bn Y/Y

Actions of Non Core rundown, bn

	4Q19	FY19
Disposals	0.9	6.2
Recoveries	0.4	1.2
Write-offs	1.3	2.2
Back to Group excl. Non Core(1)	0.1	0.4
Repayments	-	-
Other	-	-
Total	2.6	9.9

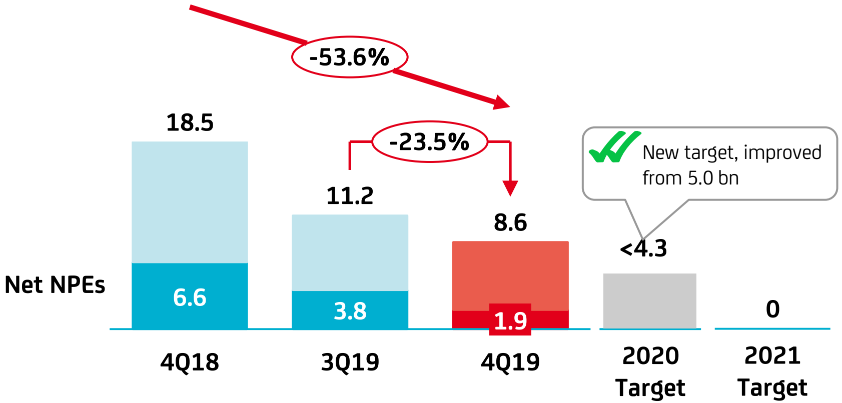
Gross NPEs, bn



(1) Outflow to performing.

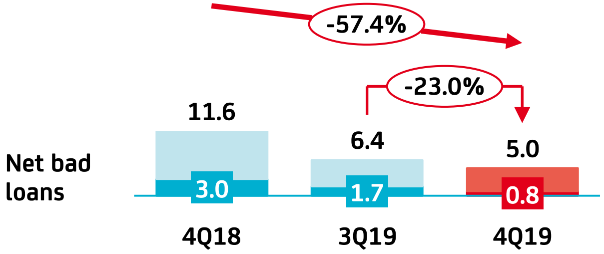
Non Core – Gross NPEs at 8.6bn, down 53.6% Y/Y and 23.5% Q/Q
Coverage ratio 78.1%, up 13.7p.p. Y/Y

Non performing exposures[(1)], bn



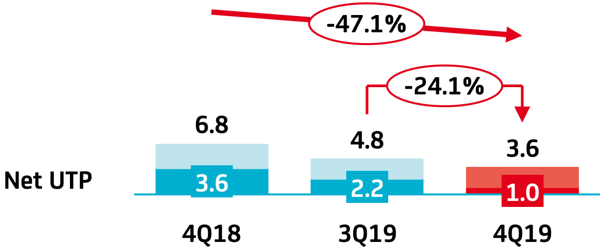
	4Q18	3Q19	4Q19	2020 Target	2021 Target
Gross NPE ratio	100%	100%	100%	100%	-
Net NPE ratio	99.9%	100%	100%	100%	-
Coverage ratio	64.3%	65.8%	78.1%	>75%	-

o/w Gross bad loans, bn



	4Q18	3Q19	4Q19
Coverage ratio	74.2%	74.1%	83.1%

o/w Gross unlikely to pay, bn



	4Q18	3Q19	4Q19
Coverage ratio	47.7%	54.8%	71.2%

(1) Gross NPEs including gross bad loans, gross unlikely to pay and gross past due. Gross past due at 16m in 4Q19 (-29.1% Q/Q and -58.1% Y/Y).

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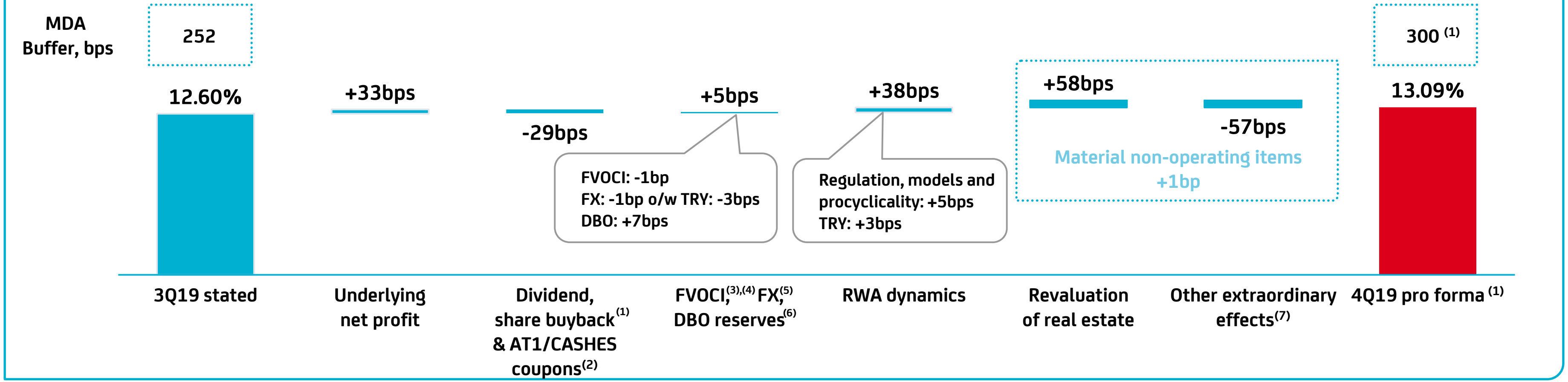
Group – Pro forma CET1 ratio at 13.09% mainly thanks to RWA dynamics

Fully loaded Common Equity Tier 1 ratio, %

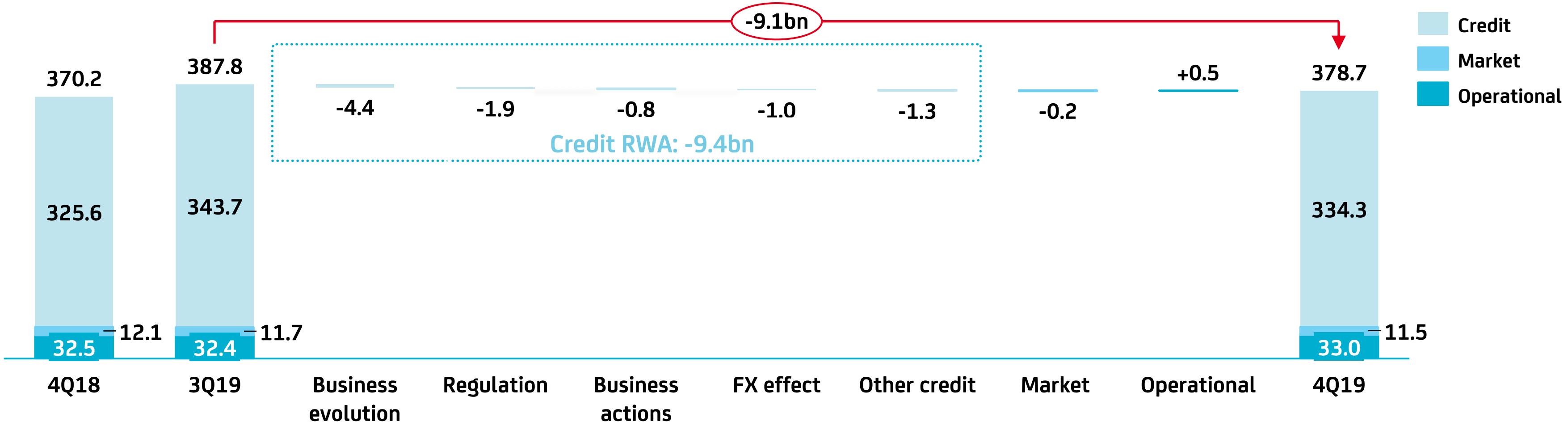


- FY19 pro forma CET1 ratio 13.09% up 49bps Q/Q, mainly thanks to RWA dynamics
- Pro-forma CET1 MDA buffer at similar levels to 4Q19 throughout the year until end 4Q20 when it will be closer to the upper-end of target range of 200-250bps due to FY20 capital distribution

(1) Pro forma CET1 ratio and MDA buffer includes deduction of 12bps for FY19 share buyback (subject to supervisory and AGM approval).
(2) Payment of coupons on AT1 instruments (174m pre tax in 4Q19, 393m in FY19) and CASHES (30m pre and post tax in 4Q19, 124m in FY19). Dividends accrued based on 30% of underlying net profit.
(3) In 4Q19 CET1 ratio impact from FVOCI -1bp, o/w -2bps due to BTP.
(4) BTP sensitivity: +10bps parallel shift of BTP asset swap spreads has a -2.1bps pre and -1.5bps post tax impact on the fully loaded CET1 ratio as at 31 December 2019.
(5) TRY sensitivity: 10% depreciation of the TRY has around +1bp net impact (-3bps from capital, +3bps from RWA) on the fully loaded CET1 ratio. Managerial data as 31 December 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 31 December 2019.
(7) Includes disposal of 9% of Yapi Kredi (-9bps), integration costs in Germany and Austria (-8bps), Non Core LLPs for updated rundown strategy (-27bps), and impairment of intangible and other (-12bps).

Group – RWA down 9.1bn Q/Q mainly thanks to business evolution and regulation

RWA(1) Q/Q, bn

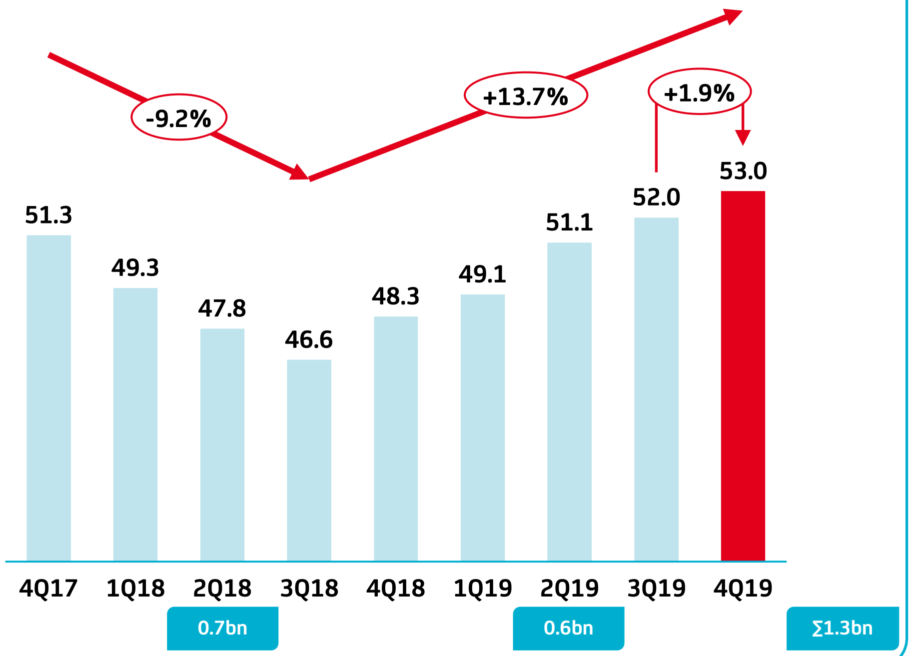


- Credit RWA down 9.4bn Q/Q mainly thanks to business evolution and regulation
- Market RWA down 0.2bn Q/Q
- Operational RWA up 0.5bn Q/Q

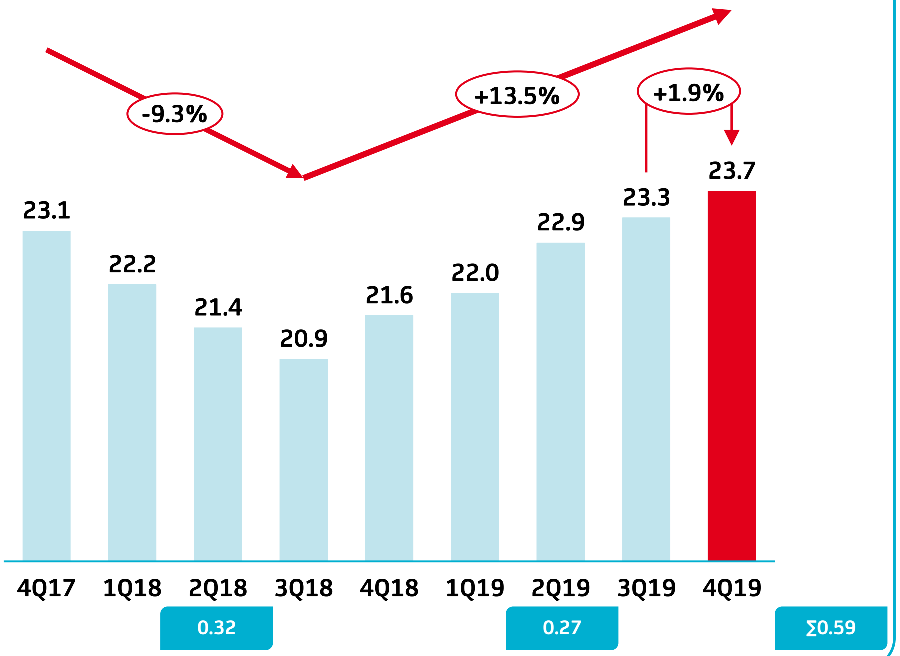
(1) Business evolution: changes related to customer driven activities (mainly loans). Regulation includes: regulatory changes (eg. CRR or CRD) determining variations of RWA; Procyclicality: change in macroeconomy or client's credit worthiness; Models: methodological changes to existing or new models. Business actions: initiatives to decrease RWA (e.g. securitisations, collateral related actions). FX effect: impact from exposures in foreign currencies. Other credit includes extraordinary/non recurring disposals.

Group – 4Q19 tangible equity 53.0bn, up 13.7% from 3Q18 trough

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 – Pro forma TLAC ratio 22.35%(1), 276bps pro forma MDA buffer, 3.3bn subordinated funding completed

UniCredit SpA 2020 TLAC/MREL Funding Plan

MREL buffer target at upper end of 50-100bps range

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

	FY19 pro forma(1)	€/bn	Updated Plan 2020	to be issued(3)
MREL FY23 Target 25.3%-25.8%				
MREL eligible instruments			4.7	4.7
TLAC FY19 Requirement >19.6%(1)	**22.35%**			
Senior Preferred exemption			2.5	2.5
Subordination FY19 req. >17.1%	**19.85%**			
Senior Non Preferred & Other(2)			2.0	-
Tier 2			2.6	1.3
AT1			1.3	1.3
CET1 ratio	**13.09%**	***Total***	**c. 13**	**c. 10**
		o/w subordinated	***c. 6***	***c. 2.6***

CET1 MDA Buffer target 200-250bps

- 2019 TLAC/MREL funding plan has been completed. T2 issued in September as pre-funding for 2020
- In January 2020, UC SPA successfully issued €1.25bn 12NC7 subordinated Tier 2 and €2bn dual tranche Senior Non Preferred in both 6NC5 and 10Y format
- Stated FY19 TLAC ratio 22.48%, o/w 19.98% TLAC subordination ratio and 2.5% senior preferred exemption

(1) After deduction of share buyback of 467m, subject to supervisory and AGM approval. Stated FY19 TLAC ratio 22.48% (o/w 19.98% TLAC subordination ratio and 2.5% senior preferred exemption) and stated MDA buffer of 288bps. Fully loaded requirement of 21.6% with 3.5% senior preferred exemption.

(2) Non computable portion of subordinated instruments.

(3) As of 31 January 2020.

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Successful conclusion of Transform 2019 creates solid base for Team 23

Outlook FY20

- Revenues of 18.2bn[1] confirmed
- Costs of <10.2bn confirmed
- CoR of 46bps confirmed
- Underlying net profit[2] of 4.3bn and RoTE of 8% confirmed

Capital distribution to shareholders

- Share buyback for FY19 to be submitted for approval by supervisor and AGM[3]
- Proposed FY19 cash dividend of 0.63 per share expected to be paid in April 2020[4]
- Increased capital distribution[5] to 50% to be considered for the remainder of the plan
- Medium to long term CET1 MDA buffer target confirmed at 200-250bps
- Extraordinary capital distribution[5],[6] in 2021 and/or 2022, based on estimate of projected CET1 MDA buffer excess for duration of Team 23, to be considered

(1) Not including quarterly, pro rata dividend contribution from Yapi.
(2) Underlying net profit is the basis for capital distribution.
(3) 10% payout on underlying net profit as share buyback (subject to supervisory and AGM approval).
(4) Subject to AGM approval. Ex dividend date 20 April 2020, record date 21 April 2020 and payment date 22 April 2020. 30% payout on underlying net profit as cash dividend.
(5) Subject to supervisory and AGM approval.
(6) Once all the regulatory headwinds will be clear, including impact of Basel 4.

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Capital distribution based on resilient underlying net profit

Stated net profit	▪ Relevant for CET1 and tangible book value trajectory ▪ Affected by non-operating items
Adjustments for non-operating items[1]	▪ Sale of non-strategic assets[2] ▪ Non-operating non recurring charges[3] ▪ Non-operating items in LLPs[4]
Underlying net profit	**Relevant recurring and sustainable profit base of the bank** **Basis for capital distribution composed of cash dividends and share buybacks**

(1) Adjustments neutral for coupon payments of AT1 and CASHES.

(2) Includes, but not limited to Fineco, Ocean Breeze, selected real estate assets.

(3) Includes, but not limited to integration costs, extraordinary IT write-offs.

(4) Includes, but not limited to Non Core LLPs for updated rundown strategy, regulatory headwinds.

Group – 2018 non-operating items

2018			
		Net Profit, m	Division
1Q	Group recast effect from real estate revaluation / disposals	+21	All divisions
2Q	Group recast effect from real estate revaluation / disposals	-59	All divisions
3Q	Yapi impairment(1)	-846	GCC
	Group recast effect from real estate revaluation / disposals	-12	All divisions
4Q	IFRS9 FTA tax effect	+887	GCC
	Group recast effect from real estate revaluation / disposals	+265	All divisions

N.B. Net impacts excluded from Group and Group excluding Non Core underlying net profit and RoTE. Non-operating items include recast for revaluation of real estate. See pages 49-51 for details.

(1) Used only for underlying 2018 RoTE calculation.

Group – 2019 non-operating items

2019		Net Profit, m	Division
1Q	Group recast effect from real estate revaluation / disposals	+46[(1)]	All divisions
2Q	Group recast effect from real estate revaluation / disposals	-1	All divisions
2Q	Fineco disposal and other related effects	+1,176	GCC
2Q	One-offs: Ocean Breeze disposal	-178	CIB
2Q	One-offs: Others	-173	CB Italy, GCC, Non Core

2019		Net Profit, m	Division
3Q	Group recast effect from real estate revaluation / disposals	+80	All divisions
4Q	Disposal of 9% of Yapi Kredi[(5)]	-365	GCC
4Q	Integration costs in Germany & Austria	-319	Germany, Austria[(2)]
4Q	Revaluation of RE and effects of disposals	-45	All divisions
4Q	Non Core LLPs for updated rundown strategy	-1,055[(3)]	Non Core
4Q	Impairment of intangibles and other	-468[(4)]	All divisions

N.B. Net impacts excluded from Group and Group excluding Non Core underlying net profit and RoTE. Non-operating items include recast for revaluation of real estate. See pages 49-51 for details.

(1) 1Q19 previously published impact from real estate disposal was +258m. After the recast effect of -212m, it is only +46m in 1Q19.
(2) Severance charges for Germany and Austria booked in commercial banking, CIB and GCC divisions.
(3) Including -6m related to net interest.
(4) Impairment of intangibles and other include -189m software write-off and -279m other (o/w -93m Core and -186m Non Core).
(5) As per specific Press Release published on 30 November 2019.

Group – 4Q19 non-operating items, reconciliation with CMD19

4Q19	Net P&L impact, bn		
	As per CMD, pre-recast	Recast effect	Final
Disposal of 9% of Yapi Kredi[1]	-0.4		-0.4
Integration costs in Germany & Austria	-0.3		-0.3
Revaluation of Real Estate and effects of disposals[2]	-0.2	+0.2[3]	0
Non Core LLPs for updated rundown strategy	-1.0		-1.1
Impairment of intangible and other	-0.6		-0.5[4]

Managerial estimates based on latest available information.

(1) P&L impact from the disposal of 9% of Yapi Kredi as per specific Press Release published on 30 November 2019.

(2) According to both the accounting adoption of the current value model for the evaluation of the held for investments (IAS 40) and used in business (IAS 16) Group real estate portfolio following its active management, and the disposal of real estate assets in 4Q19.

(3) CMD19 impacts were calculated as FY19 impact minus 9M19 actual, before a subsequent recast.

(4) Impairment of intangibles and other include -189m software write-off and -279m other (o/w -93m Core and -186m Non Core).

Impact from revaluation of real estate (1/3)

- UniCredit Group has a substantial real estate portfolio with more than four thousand properties in Europe, with an historical cost mainly deriving from several acquisitions completed over a long period of time.
- The Group began to actively manage its real estate portfolio, with actions to be further carried over within and beyond its strategic multiyear plan 'Team 23'. Specifically, the initiatives aimed to valorise the real estate portfolio for:
  - properties used for business purposes: in line with the corporate strategy focused on typical commercial banking activities, the initiatives aim to actively manage these properties, even beyond the time horizon of the multiyear plan 'Team 23'. Option includes a disposal where the appropriate conditions are met;
  - properties held for investment: disposal of these properties is expected by 2025, depending on market opportunities
- As a result, the Group's real estate portfolio can no longer be considered from a "stable" perspective". In order to achieve more reliable and straight information regarding the effects of the above mentioned actions, the Group moved from a cost model to a current value model(1) that, considering also 2019 disposals, led to increase the Group's net equity by +1,990m and the Net Profit by +79m for FY19. The overall 4Q19 CET1 capital effect amounted to +58bps.

(1) The appropriateness of the current value model adoption (fair value for held for investments properties/revaluation model for used in business properties) was assessed in accordance with the guidance on voluntary changes in accounting policies (as defined by IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors) requiring that the change in accounting policy shall result in financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows. In this contest for: (i) properties held for investment, the higher relevance of the fair value model is linked to its (predictive) capability to approximate the expected disposal price, accounting for the related effects timely in advance; (ii) properties used in business, the change to the revaluation model allows to better represent the equity of the bank which is a relevant information for financial statements users. In this sense, the adoption of the revaluation model provides an information that is more relevant with respect to the cost model, giving it represents the net equity updated in light of current market conditions.

Impact from revaluation of real estate (2/3)

Changes	Description	Impact	Net effect in FY18	Net effect in 9M19
P&L	Treatment of difference between carrying and fair value amount: • IAS 40: retrospective application for 2018-2019 official data[(1)]. Figures recast will include only fair value changes from 1 January 2018	Revenues Non HR costs *o/w Depreciation* *POI* *Income taxes* *Minority interest*	**+215m[(2)]**	**-133m[(3)]**

Changes	Description	Impact	Net effect in FY19
Net equity	• Cumulated adjustment in Net equity (including disposal impact) coming from fair value revaluation under both accounting standards (IAS 16, IAS 40)	Net equity	**+1,990m**

(1) Including amortisation, impairment, gains/losses on sales, on properties that was IAS 40 at 1 January 2018.

(2) For restatement purposes, please note that such amount has been recognized into P&L as of 31 December 2018, and then turn into Net Equity as of 01.01.2019; in the end, it is therefore included in "Net Effect in FY19" (+1,990m) reported just below.

(3) See next page for details. Effect of recast refers to 2019 official data.

Impact from revaluation of real estate (3/3)

P&L, m	1Q18			2Q18			3Q18			4Q18			FY18		
	Previous	Revaluation of RE effects	Restated	Previous	Revaluation of RE effects	Restated	Previous	Revaluation of RE effects	Restated	Previous	Revaluation of RE effects	Restated	Previous	Revaluation of RE effects	Restated
Revenues	4,912	1	**4,913**	4,736	1	**4,737**	4,622	1	**4,623**	4,692	1	**4,692**	18,961	3	**18,965**
o/w Trading	469	0	**469**	312	0	**312**	293	0	**293**	204	0	**204**	1,279	0	**1,279**
o/w Balance	56	1	**57**	33	1	**34**	6	1	**7**	17	1	**18**	112	4	**116**
Opex	-2,634	9	**-2,625**	-2,564	10	**-2,554**	-2,497	9	**-2,487**	-2,647	7	**-2,640**	-10,342	35	**-10,307**
o/w Depreciation	-270	9	**-261**	-272	10	**-262**	-276	9	**-267**	-274	7	**-267**	-1,092	35	**-1,057**
POI	18	20	**37**	204	-96	**108**	-655	-26	**-681**	-52	390	**338**	-485	288	**-198**
Income Taxes	-194	-8	**-202**	-226	27	**-199**	-20	4	**-16**	1,024	-118	**906**	584	-95	**489**
Minority interest	-55	0	**-55**	-56	0	**-57**	-56	0	**-56**	-49	-16	**-65**	-216	-16	**-233**
PPA	-1	0	**-1**	-1	0	**-1**	-1	0	**-1**	0	0	**0**	-3	0	**-3**
Net Profit	1,112	21	**1,133**	1,024	-59	**966**	29	-12	**16**	1,727	265	**1,992**	3,892	215	**4,107**

P&L, m	1Q19			2Q19			3Q19			9M19		
	Previous	Revaluation of RE effects	Restated	Previous	Revaluation of RE effects	Restated	Previous	Revaluation of RE effects	Restated	Previous	Revaluation of RE effects	Restated
Revenues	4,766	1	**4,768**	4,517	1	**4,518**	4,701	1	**4,703**	13,984	4	**13,988**
o/w Trading	442	0	**442**	253	0	**253**	378	0	**378**	1,073	0	**1,073**
o/w Balance	38	1	**39**	-10	1	**-8**	16	1	**17**	44	4	**48**
Opex	-2,515	5	**-2,510**	-2,452	4	**-2,448**	-2,451	5	**-2,447**	-7,418	13	**-7,404**
o/w Depreciation	-277	5	**-272**	-280	4	**-276**	-285	5	**-281**	-843	13	**-829**
POI	391	-301	**90**	-307	-4	**-311**	-45	87	**41**	39	-218	**-179**
Income Taxes	-577	83	**-494**	-174	-3	**-176**	-341	3	**-338**	-1,092	83	**-1,008**
Minority interest	-59	0	**-59**	-29	0	**-29**	-10	-15	**-26**	-98	-16	**-114**
PPA	-1	0	**-1**	-63	0	**-63**	-1	0	**-1**	-65	0	**-65**
Net Profit	1,387	-212 (1)	**1,175**	1,854	-1	**1,853**	1,101	80	**1,180**	4,342	-133 (1)	**4,208**

(1) For the calculation of the underlying net profit, 1Q19 previously published impact from real estate disposal was +258m. After the recast effect of -212m, it is only +46m in 1Q19 and +125m in 9M19.

Team 23 KPIs

	Group			Non Core			
	FY19	FY20	FY23	FY19	FY20	FY21	FY22
Revenues, bn	18.8	18.2 (1)	19.3 (1)	0.0	0.0	0.0	-
Cost, bn	-9.9	<10.2	10.2	-0.2	-0.1	-0.1	-
LLPs, bn	-3.4			-1.6	-0.1	<-0.1	-
Cost of Risk, bps	71	46	40	n.m.			
Net profit, bn	4.7 (2)	4.3 (2)	5 (2)(3)	-1.7	-0.1	<-0.1	-
RWA, bn	378.7			11.0	8.5	0	-
RoTE (2), %	9.2	8	>8				
CET1 MDA buffer, bps	300 (4)	>250	200-250				
Gross loans, bn	501.6			8.6			
Gross NPE, bn	25.3	<25	<20	8.6	<4.3	0	-
Gross NPE ratio, %	5.0	5.0	<3.8	100	100	-	
NPE coverage, %	65.2			78.1	>75	-	-

(1) Not including quarterly, pro rata dividend contribution from Yapi.
(2) Underlying net profit is the basis for capital distribution. See pages 45-47 for details.
(3) FY23 net profit does not include any contribution from Yapi.
(4) Pro forma including deduction of share buyback of 467m (subject to supervisory and AGM approval). Stated CET1 ratio MDA buffer at 312bps.

Group excluding Non Core – Underlying FY19 net profit[1] 5.4bn, up 43.1% FY/FY

Main drivers

- FY19 Revenues down 0.2% FY/FY due to lower net interest (-2.5% FY/FY). Fees stable (-0.1% FY/FY) and strong performance from client driven trading (+11.2% FY/FY)
- 1.8 million gross new clients in FY19
- Gross new loan production[2] at 89.6bn in FY19 (-14.1% FY/FY)
- Costs down 3.5% in FY19 FY/FY thanks to continued strong focus on cost discipline. FY19 C/I ratio at 51.6%, down 1.7p.p. FY/FY
- LLPs up 3.4% FY/FY to 1.8bn due to LLPs normalisation in CB Austria
- CoR at 37bps down 1bp FY/FY, much better than 43bps target
- Gross NPE ratio 3.4%[3], down by 74bps Y/Y, much better than FY19 target of 4.7%
- FY19 underlying RoTE at 11.1%, up 1.1p.p. FY/FY[1]

Data in m	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	18,922	18,880	-0.2%	4,701	4,709	4,880	+3.6%	+3.8%
o/w Net interest	*10,471*	*10,214*	*-2.5%*	*2,704*	*2,564*	*2,525*	*-1.5%*	*-6.6%*
o/w Fees	*6,299*	*6,294*	*-0.1%*	*1,544*	*1,567*	*1,627*	*+3.9%*	*+5.4%*
Operating costs	-10,101	-9,749	-3.5%	-2,571	-2,397	-2,480	+3.5%	-3.5%
Gross operating profit	8,822	9,131	+3.5%	2,131	2,312	2,400	+3.8%	+12.6%
LLPs	-1,693	-1,750	+3.4%	-732	-416	-457	+9.8%	-37.6%
Net operating profit	7,129	7,381	+3.5%	1,399	1,897	1,943	+2.5%	+38.9%
Net profit	4,908	5,059	+3.1%	2,200	1,363	268	-80.3%	n.m.
Underlying net profit[1]	3,806	5,447	+43.1%	1,049	1,284	1,628	+26.9%	+55.3%
Underlying RoTE[1]	10.0%	11.1%	+1.1p.p.	9.2%	10.3%	12.8%	+2.5p.p.	+3.6p.p.
C/I	53.4%	51.6%	-1.7p.p.	54.7%	50.9%	50.8%	-0.1p.p.	-3.9p.p.
CoR (bps)	38	37	-1	64	35	38	+3	-26
Gross NPE ratio	4.1%	3.4%	-74bps	4.1%	3.6%	3.4%	-19bps	-74bps

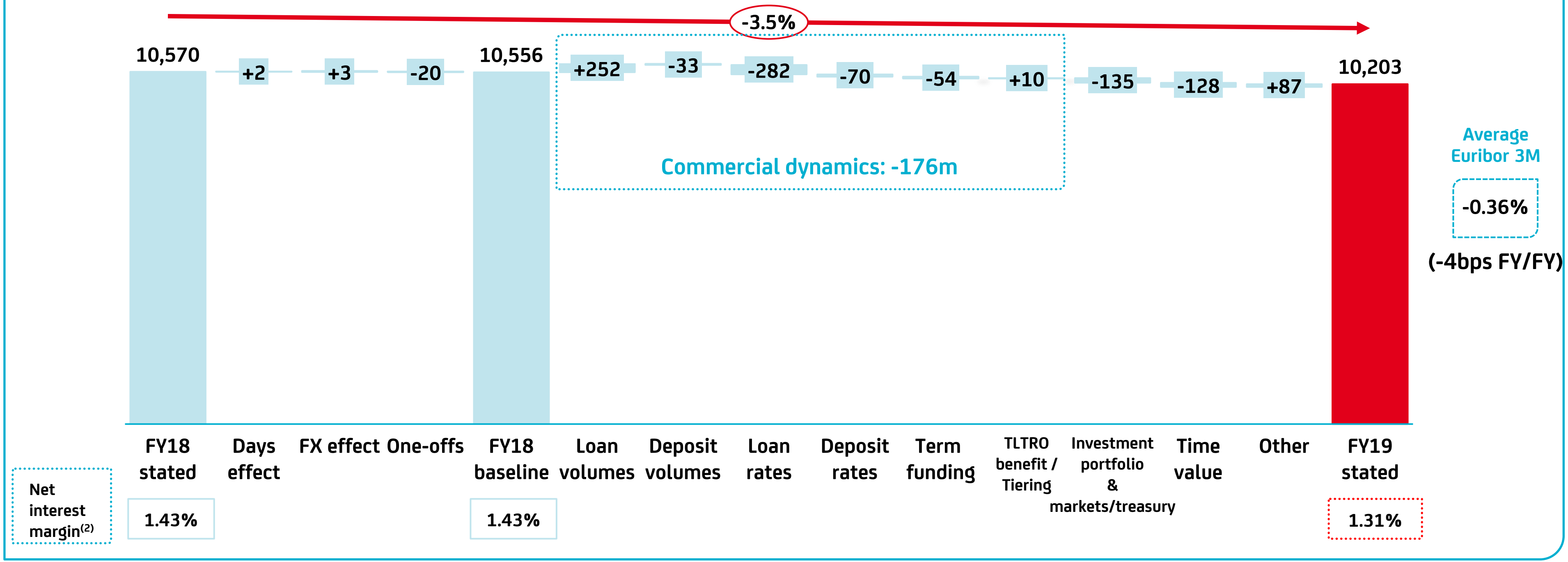
(1) Underlying net profit calculated after adjusting for material non-operating items. See pages 45-47 for details.

(2) Managerial figures.

(3) Weighted average "NPL" ratio of EBA sample banks is 2.9%. Source: EBA risk dashboard (data as at 3Q19). UniCredit's managerial definition of "NPE" ratio presented is more conservative than EBA. Comparable "NPL" ratio for UniCredit at 4Q19 is 3.0% for the Group excluding Non Core.

Group – Net interest at 10.2bn in FY19, down 3.5% FY/FY mainly due to lower contribution from loan rates, treasury and markets and time value

Net interest(1) FY/FY, m

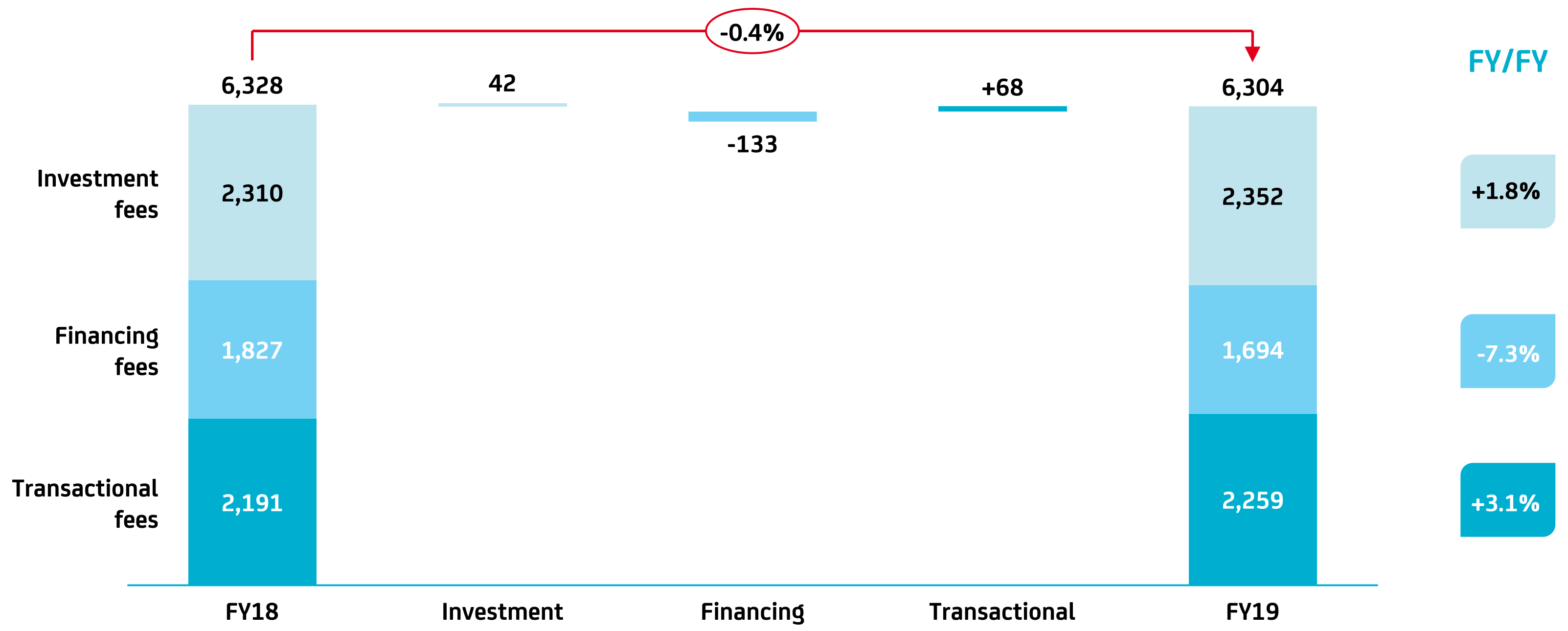


(1) Net contribution from hedging strategy of non-maturity deposits in FY19 at 1,422m, -54.2m FY/FY.

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

Group – FY19 fees down 0.4% FY/FY due to financing fees

Fees FY/FY, m

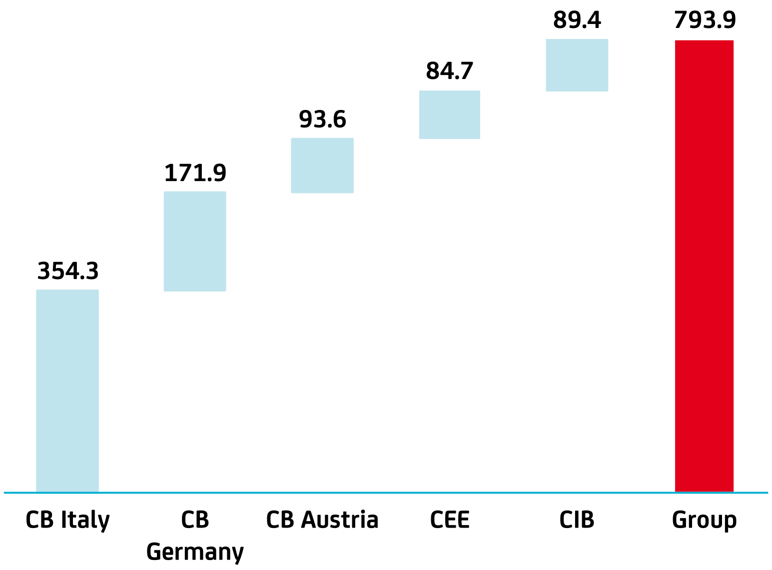


TFAs – Divisional breakdown

Main drivers

- Group TFAs up 51.7bn (+7.0% Y/Y) to 793.9bn in 4Q19:
  - CB Italy: TFAs up 18.3bn (+5.5% Y/Y) to 354.3bn thanks to higher AuM (+9.6% Y/Y) and deposits (+4.6% Y/Y)
  - CB Germany: TFAs up 19.7bn (+12.9% Y/Y) to 171.9bn mainly thanks to higher AuC (+39.7% Y/Y)
  - CB Austria: TFAs up 5.4bn (+6.1% Y/Y) to 93.6bn thanks to higher AuM (+9.8% Y/Y) and AuC (+11.8% Y/Y)
  - CEE: TFAs up 6.3bn (+5.8% Y/Y at constant FX) to 84.7bn thanks to higher deposits (+4.9% Y/Y at constant FX)
  - CIB: TFAs up 2.0bn (+2.3% Y/Y) to 89.4bn, thanks to higher deposits (+6.8% Y/Y)

4Q19 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

4Q19, m	Systemic Charges	o/w SRF	o/w DGS	o/w Bank levies
CB Italy	**11**	0	11	0
CB Germany	**7**	0	7	0
CB Austria	**4**	0	1	4
CEE	**28**	0	13	15
CIB	**3**	0	2	1
GCC	**27**	0	0	27
Non Core	**1**	0	0	1
Group	**82**	0	34	48

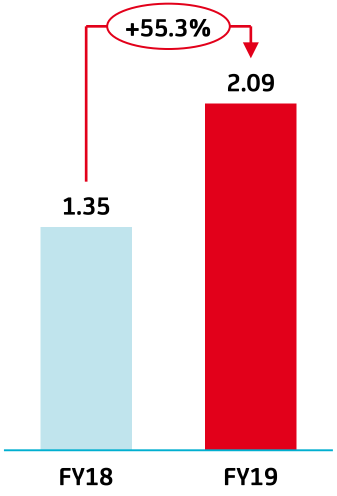
Systemic charges – Breakdown by type and division

FY19, m	Systemic Charges	o/w SRF	o/w DGS	o/w Bank levies
CB Italy	**148**	55	92	1
CB Germany	**66**	36	30	0
CB Austria	**101**	31	19	51
CEE	**184**	72	75	37
CIB	**141**	118	8	15
GCC	**229**	95	25	110
Non Core	**17**	13	0	4
Group	**886**	419	249	218

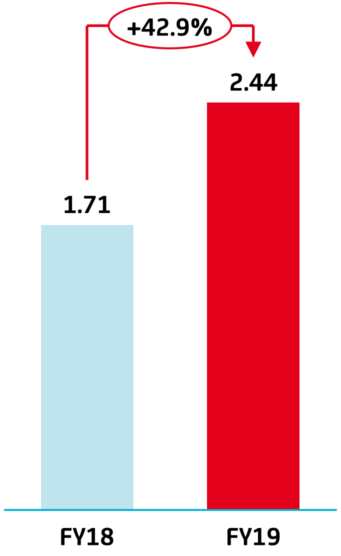
Group – Underlying[(1)] FY19 Group earnings per share at 2.09

Underlying[(1)] earnings per share

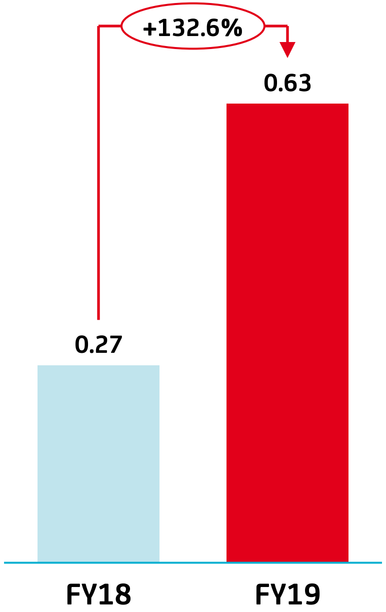
Group



Group excl. Non Core



Dividends per share[(2)]



(1) Underlying net profit is the basis for capital distribution. See pages 45-47 for details.
(2) Subject to AGM approval: 30% payout on underlying net profit as cash dividend.

Yapi – Net operating profit 0.3bn in FY19, down 15.8% FY/FY at constant FX mainly due to higher LLPs

Main drivers[1]

- FY19 net interest down 4.0% FY/FY at constant FX due to lower income on CPI linked bonds
- Fees up 32.1% FY/FY at constant FX, thanks to contributions from all fee items
- Costs in FY19 up 9.7% FY/FY at constant FX due to HR costs (+7.6% FY/FY), due to collective salary increase, and Non HR costs (+12.8% FY/FY)
- CoR at 324bps in FY19, up 71bps FY/FY driven by higher LLPs reflecting a prudent risk approach
- Net operating profit at 330m in FY19 down 15.8% FY/FY at constant FX
- Further reduction of FX loans / total loans ratio to 40.6% (-4.8p.p. Y/Y)
- RoAC at 7.7% in FY19

Data in m [1]	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	1,245	1,200	+7.2%	362	300	313	+5.9%	-10.4%
o/w Net interest	*965*	*834*	*-4.0%*	*278*	*211*	*213*	*+2.3%*	*-20.9%*
o/w Fees	*250*	*297*	*+32.1%*	*59*	*73*	*84*	*+17.8%*	*+44.6%*
Operating costs	-371	-367	+9.7%	-93	-91	-94	+4.7%	+2.9%
Gross operating profit	874	834	+6.2%	269	209	219	+6.4%	-15.1%
LLPs	-440	-504	+27.6%	-174	-108	-184	+72.5%	+12.1%
Net operating profit	434	330	-15.8%	94	102	36	-64.7%	-62.6%
Net profit	299	220	-18.5%	92	71	9	-87.3%	-89.9%
RoAC	9.7%	7.7%	-2.0p.p.	12.7%	10.0%	1.3%	-8.7p.p.	-11.4p.p.
C/I	29.8%	30.5%	+0.7p.p.	25.6%	30.3%	30.0%	-0.3p.p.	+4.4p.p.
CoR (bps)	253	324	+71	444	278	479	+201	+35
FX loans/Total loans	45.4%	40.6%	-4.8p.p.	45.4%	40.1%	40.6%	+0.5p.p.	-4.8p.p.
Gross NPE ratio[2]	7.3%	9.1%	+177bps	7.3%	9.3%	9.1%	-21bps	+177bps

(1) Managerial view representing proportional contribution of Yapi to P&L (UniCredit Group participates with 40.95% in FY18 and FY19 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, Y/Y and FY/FY 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 0.3bn in FY19, up 4.8% FY/FY at constant FX thanks to higher revenues

Main drivers[1]

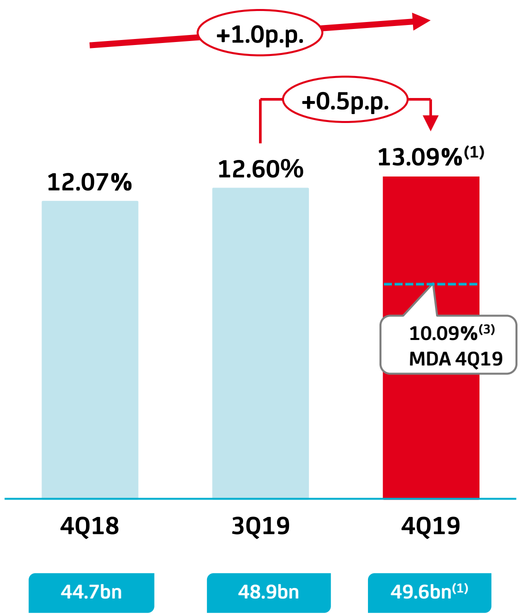
- FY19 net interest up 0.5% FY/FY at constant FX thanks mainly increased commercial volumes
- Fees up 2.5% in FY19 FY/FY at constant FX, thanks to strong financing fees (+8.3% FY/FY)
- FY19 Trading up +18m FY/FY at constant FX thanks to bonds and FX swaps
- Costs up 5.1% in FY19 FY/FY at constant FX due to higher HR costs (+8.4% FY/FY) in a competitive labour market
- CoR at 122bps in FY19, down 12bps FY/FY
- Net operating profit 325m in FY19 up 4.8% FY/FY at constant FX
- RoAC at 12.8% in FY19

Data in m [1]	*FY18*	*FY19*	*Δ % vs. FY18*	*4Q18*	*3Q19*	*4Q19*	*Δ % vs. 3Q19*	*Δ % vs. 4Q18*
Total revenues	673	713	+3.8%	158	195	183	-7.7%	+7.3%
o/w Net interest	*552*	*567*	*+0.5%*	*138*	*138*	*144*	*+3.1%*	*-2.3%*
o/w Fees	*118*	*124*	*+2.5%*	*30*	*31*	*33*	*+2.3%*	*+2.8%*
Operating costs	-237	-255	+5.1%	-59	-63	-69	+9.0%	+9.6%
Gross operating profit	435	458	+3.0%	100	132	114	-15.6%	+6.0%
LLPs	-132	-133	-0.9%	-23	-35	-27	-25.4%	+4.6%
Net operating profit	304	325	+4.8%	76	97	87	-12.1%	+6.4%
Net profit	221	238	+5.6%	48	73	58	-21.4%	+12.0%
RoAC	13.0%	12.8%	-0.2p.p.	11.6%	15.7%	12.7%	-2.9p.p.	+1.1p.p.
C/I	35.3%	35.8%	+0.5p.p.	37.1%	32.1%	37.8%	+5.7p.p.	+0.7p.p.
CoR (bps)	134	122	-12	90	127	98	-28	+8
FTEs	4,119	4,115	-0.1%	4,119	4,201	4,115	-2.0%	-0.1%
Gross NPE ratio	7.1%	5.6%	-148bps	7.1%	6.9%	5.6%	-131bps	-148bps

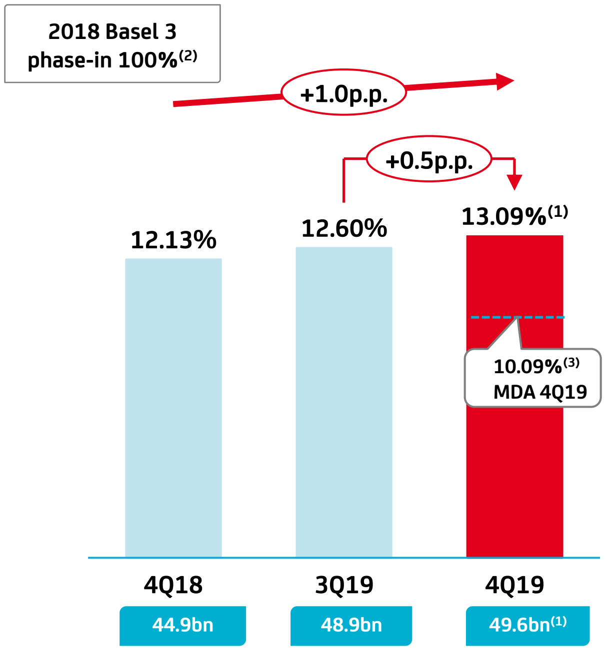
(1) Stated numbers at current FX. Variations Q/Q and Y/Y at constant FX (RoAC, C/I, gross NPE ratio and CoR variations at current FX).

Group – CET1 capital fully loaded and transitional

CET1 fully loaded



CET1 transitional(2)

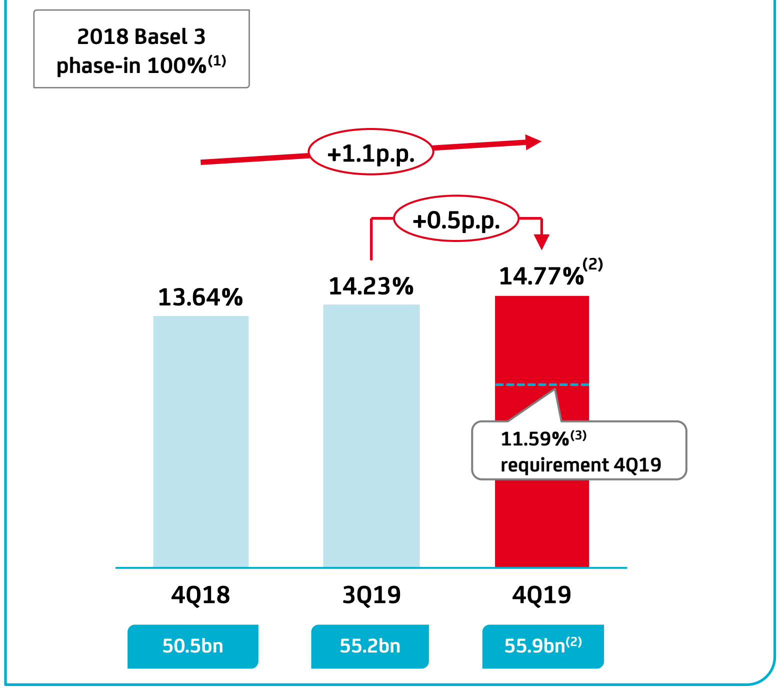


(1) Pro forma including deduction of share buyback of 467m (subject to supervisory and AGM approval). Stated CET1 ratio at 13.22% and stated MDA buffer at 312bps.
(2) Phase-in of net liability related to Defined Benefit Obligation at 80% in 2018.
(3) Capital requirement: 10.09% CET1 ratio computed as 4.50% CET1 Pillar 1 + 2.00% Pillar 2 + 3.59% combined capital buffer

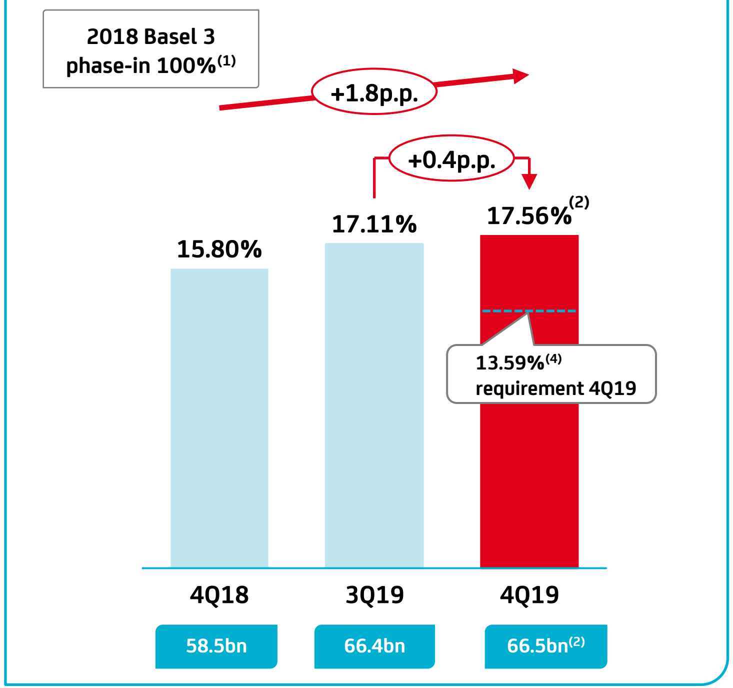
Absolute amount

Group – Transitional Tier 1 and total capital ratios well above requirements

Tier 1 transitional[1]



Total capital transitional[1]

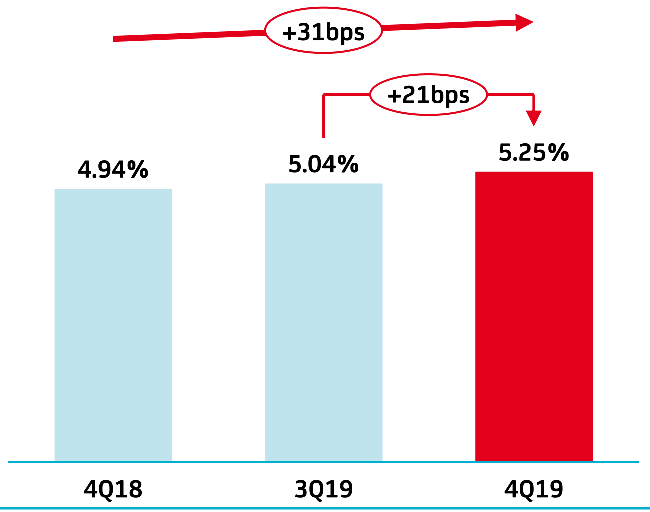


(1) Phase-in of net liability related to Defined Benefit Obligation at 80% in 2018.
(2) Pro forma including deduction of share buyback of 467m (subject to supervisory and AGM approval). Stated Tier1 ratio at 14.90%, 330bps above requirement. Stated Total capital ratio at 17.69%, 409bps above requirement.
(3) Minimum capital requirement: 11.59% Tier1 (T1) ratio computed as 6.00% T1 Pillar 1 + 2.00% Pillar 2 + 3.59% combined capital buffer.
(4) Minimum capital requirement: 13.59% Total Capital (TC) ratio computed as 8.00% TC Pillar 1 + 2.00% Pillar 2 + 3.59% combined capital buffer.

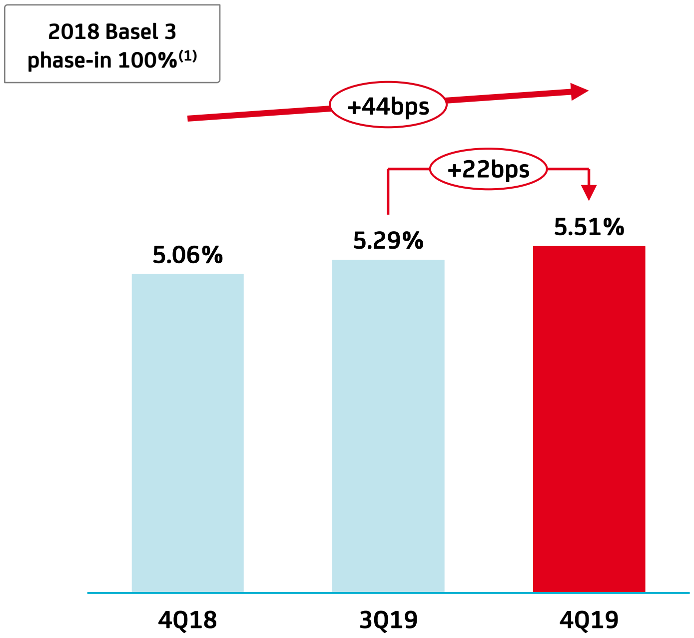
Absolute amount

Group – Leverage ratio fully loaded at 5.25%, up 21bps Q/Q and up 31bps Y/Y

Basel 3 leverage ratio fully loaded[(1)]



Basel 3 leverage ratio transitional[(1),(2)]



(1) Phase-in of net liability related to Defined Benefit Obligation at 80% in 2018.
(2) The delta between leverage ratio transitional and fully loaded is due to grandfathered AT1 instruments (i.e. not fully eligible). The amount of grandfathered AT1 instruments has increased starting from 2Q19 following the reclassification of certain AT1 instruments from fully eligible to grandfathered, further to the entry in force of the CRR2 as of 2Q19.

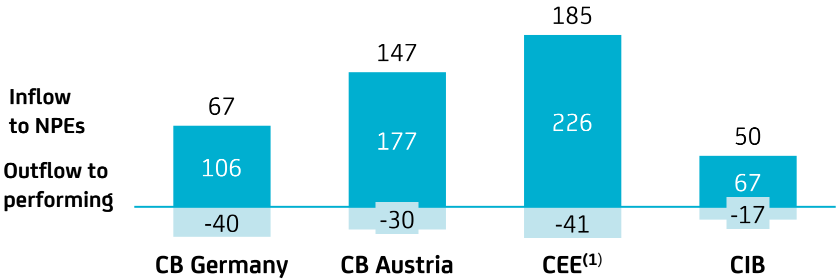
Asset quality by division

4Q19	Group	Group excl. Non Core	CB Italy	CB Germany	CB Austria	CEE	CIB	Non Core
Gross loans, bn	**501.6**	493.0	146.7	88.3	47.0	70.7	142.1	8.6
Gross NPE, bn	**25.3**	16.7	7.4	1.5	1.8	3.3	2.7	8.6
Net NPE, bn	**8.8**	6.9	3.2	0.8	0.9	1.0	1.0	1.9
Gross NPE ratio,%	**5.0**	3.4	5.1	1.7	3.8	4.6	1.9	100.0
Net NPE ratio,%	**1.8**	1.4	2.2	0.9	2.0	1.4	0.7	100.0
NPE coverage,%	**65.2**	58.7	57.3	44.2	50.0	70.6	61.8	78.1
UTP coverage,%	**55.9**	49.3	47.8	30.7	28.8	64.8	50.2	71.2
Bad loans coverage,%	**76.3**	71.9	73.3	46.2	82.3	84.1	77.4	83.1

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

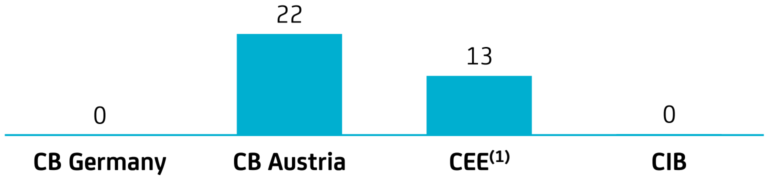
Net flows to NPEs, recoveries and write-offs – 4Q19, m

	CB Germany	CB Austria	CEE(1)	CIB
Recoveries	61	101	124	92
Write-off	52	77	192	121



	CB Germany	CB Austria	CEE(1)	CIB
Default rate	0.5%	1.6%	1.4%	0.2%
Cure rate	10.1%	6.5%	3.7%	2.2%

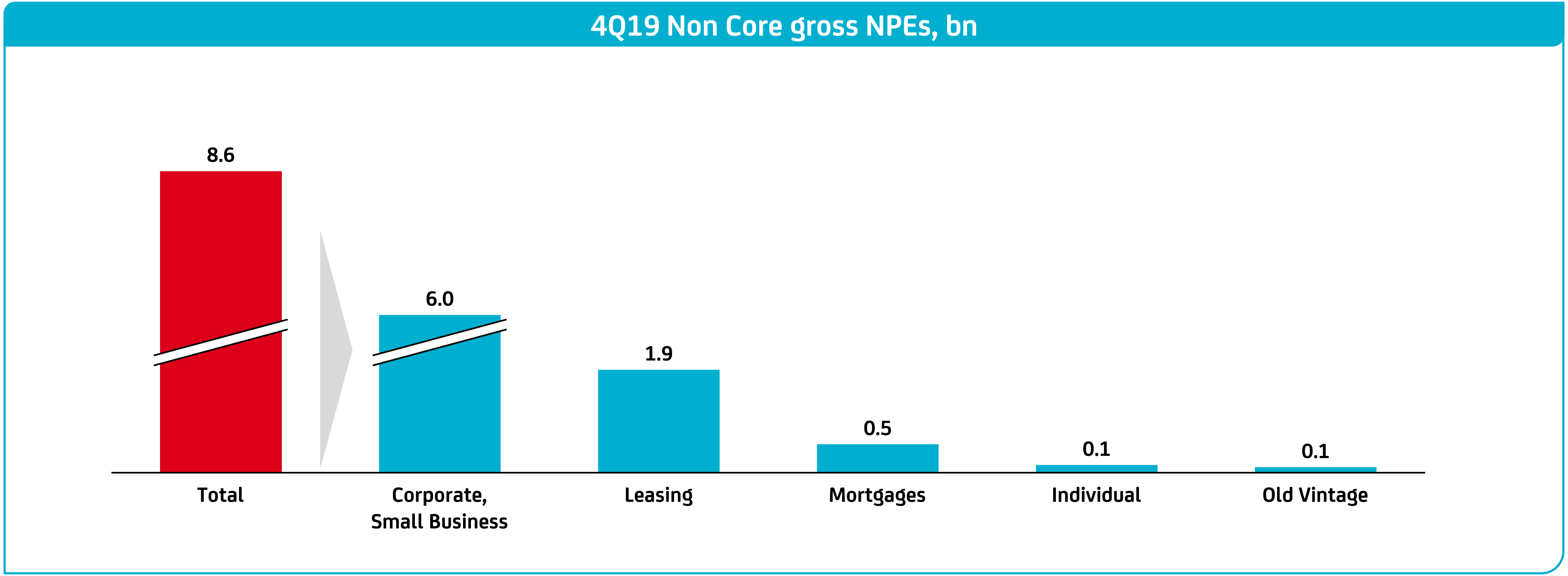
Migrations from unlikely to pay to bad loans – 4Q19, m



	CB Germany	CB Austria	CEE(1)	CIB
Migration rate	0.0%	9.3%	2.0%	0.0%

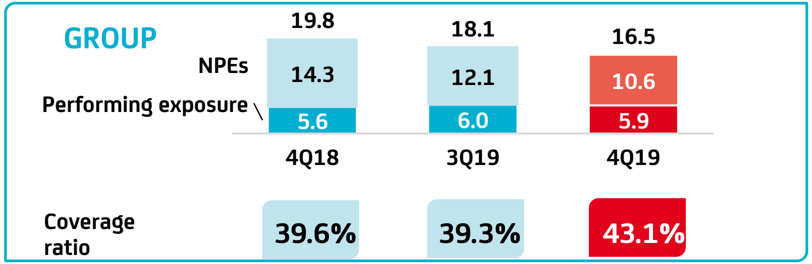
(1) Including Profit Centre Milan.

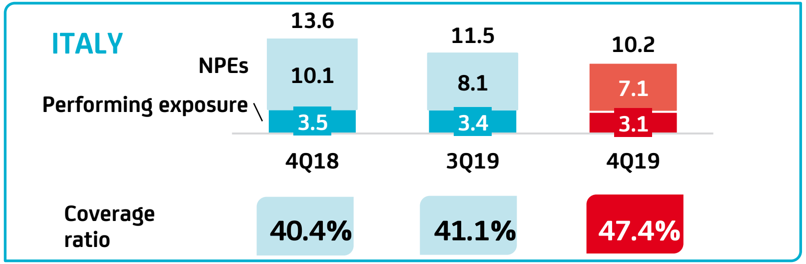
Asset quality – Non Core gross NPEs breakdown by asset class

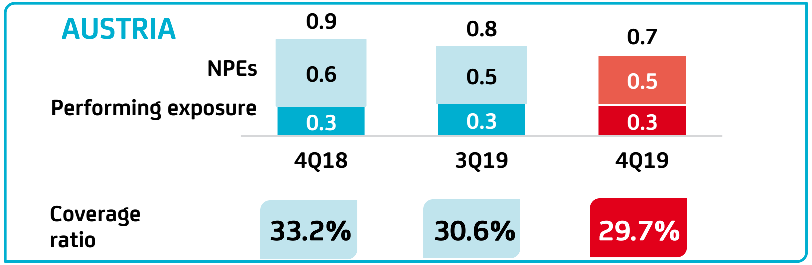


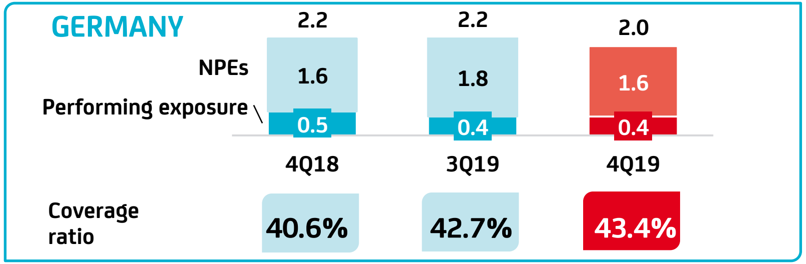
Asset quality – Forborne exposures by region

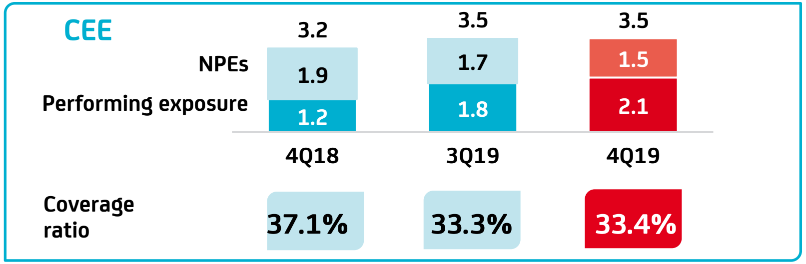
Forborne loans[1], bn







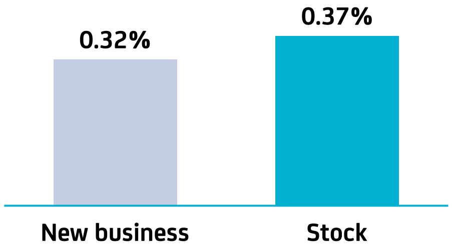




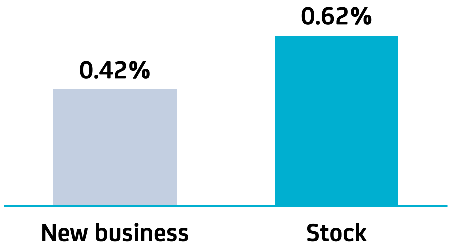
(1) Source: Regulatory reporting data.

Asset quality – 4Q19 Group EL stock at 37bps with new business(1) contribution at 32bps

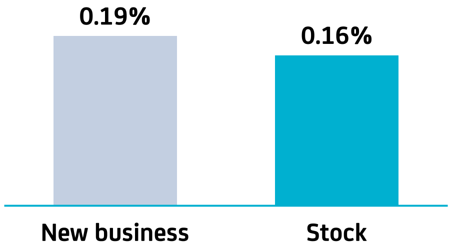
Group



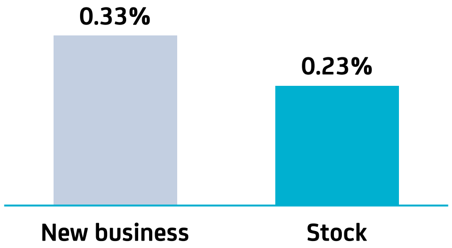
CB Italy



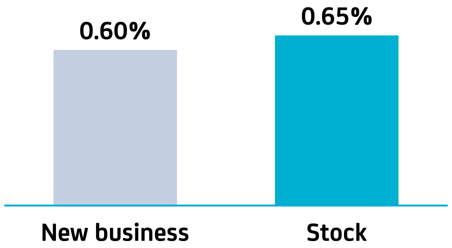
CB Germany



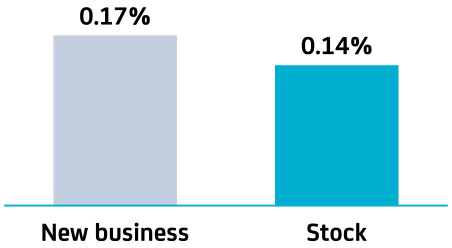
CB Austria



CEE



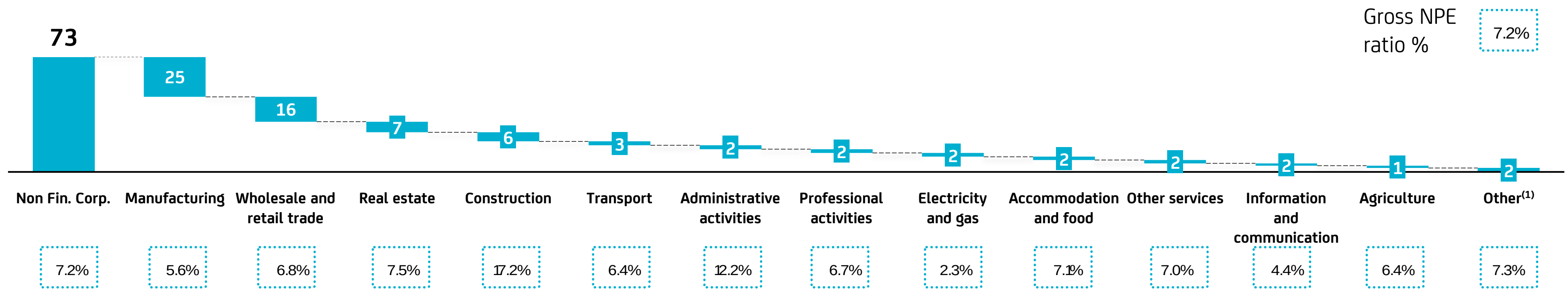
CIB



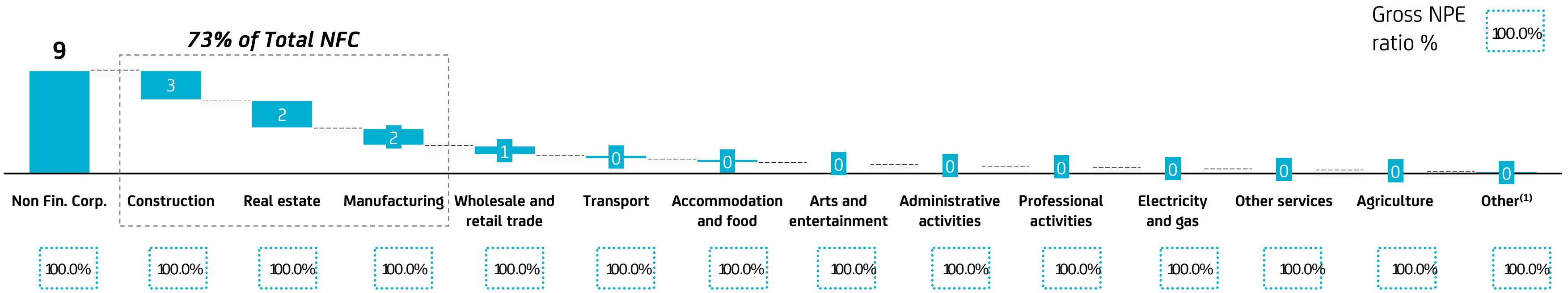
(1) New business is based on year-to-date values, ie in this case for FY19.

Asset quality – CB Italy and Non Core gross loans and NPE ratio by industries

CB ITA 3Q19 – Gross loans breakdown by NACE Classification



Non Core 3Q19 - Gross loans breakdown by NACE Classification

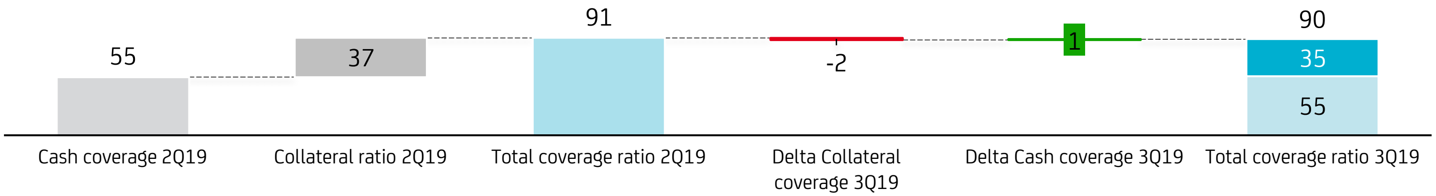


(1) Other includes other NACE code.

Source: Managerial data

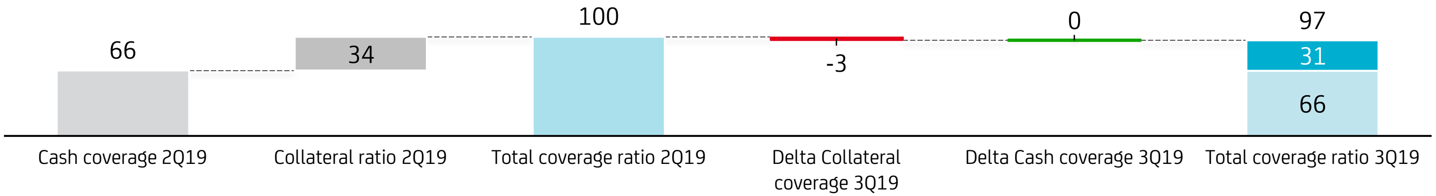
Asset quality – CB Italy and Non Core collateralisation level

CB Italy[1] NPE Cash + Collateral coverage ratio walk (%)



	2Q19	3Q19
NPE stock (€, bn)	**8.3**	**7.4**
o/w unsecured	31%	34%
o/w secured	69%	66%
o/w Real Estate guarantees	55%	51%

Non Core[1] NPE Cash + Collateral coverage ratio walk (%)

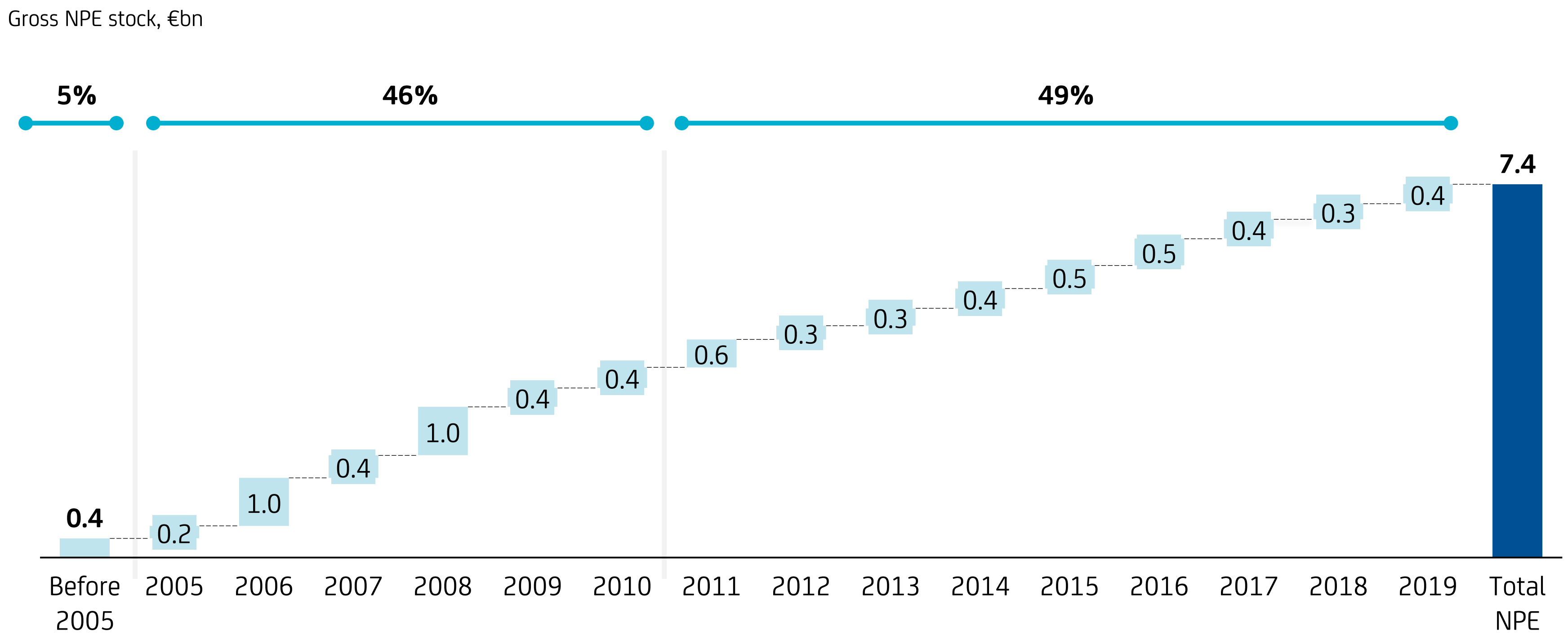


	2Q19	3Q19
NPE stock (€, bn)	**15.7**	**11.2**
o/w unsecured	21%	23%
o/w secured	79%	77%
o/w Real Estate guarantees	61%	60%

(1) FINO Portfolio not included; Collateral ratio calculated as EBA methodology = Collateral value capped at net loan level / Gross Loan.

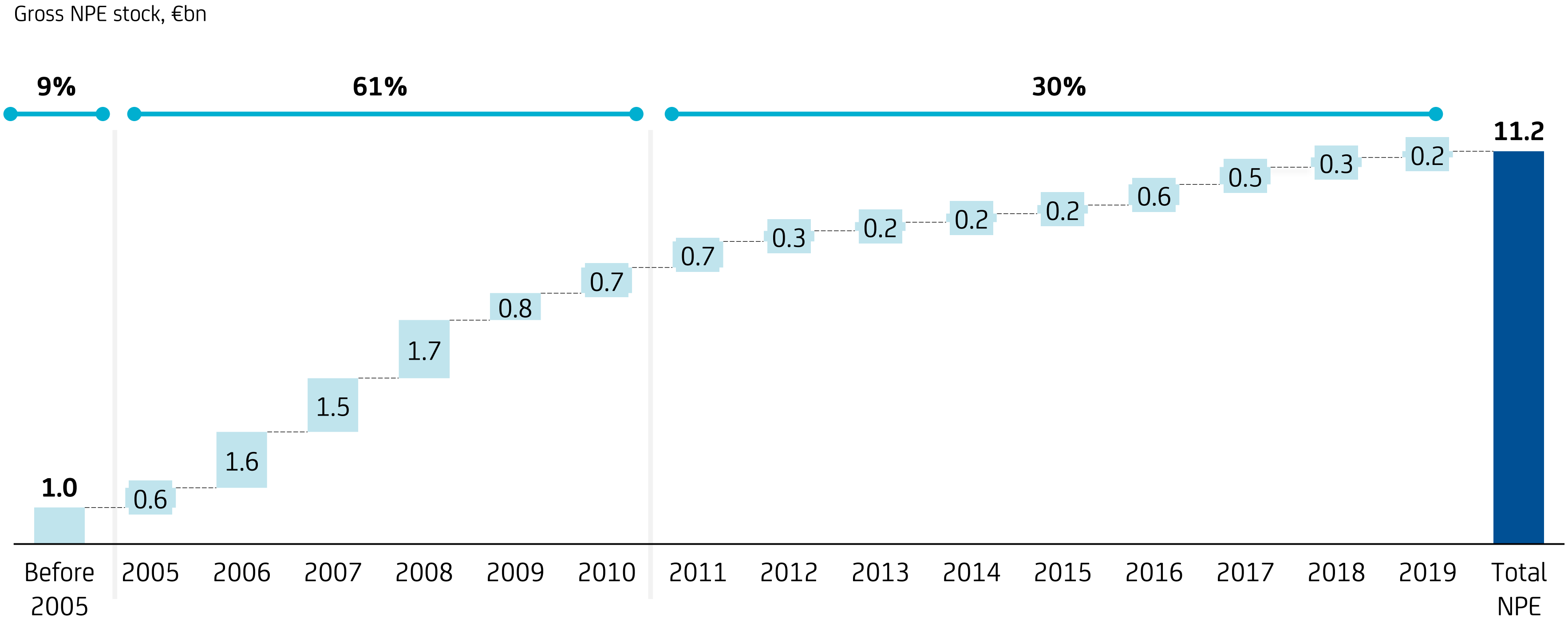
Asset quality CB Italy – Gross NPE breakdown by origination date

CB Italy NPE stock by year of origination as of 3Q19



Asset quality Non Core – Gross NPE breakdown by origination date

Non Core NPE stock by year of origination as of 3Q19



Glossary

Glossary (1/9)

AGM	Annual General Meeting
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
BTP	This refers to the whole Italian sovereign bond portfolio (BTPs, BOT, et al)
Bps	Basis points
Capital distribution	Cash dividend and / or share buyback. Share buyback subject to supervisory approval
CASHES	Convertible and Subordinated Hybrid Equity-linked Securities
CB	Commercial Banking

Glossary (2/9)

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
C/I	Cost/Income ratio
CMD 2016	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
CMD 19	Capital Markets Day 2019
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
Coverage ratio	Stock LLPs on NPEs divided by Gross NPEs
CRD5	Capital Requirements Directive 5
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)

Glossary (3/9)

Cure rate	Back to performing (annualised) divided by the stock of gross NPEs at the beginning of the period
CVA	Credit Value Adjustment
Days effect	Effect related to quarters having different number of days
DBO	Defined Benefit Obligation
Default rate	Percentage of gross loans migrating from performing to gross NPEs over a given period (annualised) divided by the initial amount of gross performing loans
DTA	Deferred Tax Asset
EBA	European Banking Authority
EL	Expected Loss
EMEA	Europe, Middle East and Africa
EoP	End of period

Glossary (4/9)

ESG	Environmental, Social and Governance
Euribor 3M	Daily reference rate, published by the European Money Market Institute
FINO	Failure Is Not an Option: project name for the disposal of a NPE portfolio (original gross book value af 17.7bn)
Forborne loans	Exposures to which forbearance measures have been applied, i.e. concessions towards a debtor who is facing or about to face financial difficulties
FRTB	Fundamental Review of the Trading Book
FTA	First Time Adoption
FTE	Full Time Equivalent: an FTE of 1.0 is equivalent to a full-time worker
FVOCI	Fair Value through Other Comprehensive Income
FX	Forex
FY	Financial Year
FY/FY	Current full year versus previous full year

Glossary (5/9)

Gross NPEs	Non Performing Exposures (gross of provisions) as sum of Bad Loans, Unlikely to Pay and Past Due, including only Loans to Customers and excluding Debt Securities
Gross NPE Ratio	Non-performing exposure divided by gross loans (incl. repos)
Group excl. Non Core	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
Group excl. Non Core RoTE	Group RoTE excluding Non Core (Group excl. Non Core Annualised net profit divided by Average Tangible Equity netted of Non Core Allocated Capital)
IAS16	International Accounting Standards 16: It is the standard that defines the accounting treatment to be applied to Property Plant and Equipment which are those fixed assets that are held for use in the production or supply of goods and services, for rentals to others or for administrative purposes (i.e. assets used in business)
IAS40	International Accounting Standards 40: It is the standard that defines the accounting treatment to be applied to land and buildings held for investment in order to earn rentals,. for capital appreciation or both
IFRS9	International Financial Reporting Standards 9
LLPs	Loan Loss Provisions
MDA	Maximum Distributable Amount

Glossary (6/9)

Migration rate	Representing the percentage of gross UTPs that turn into gross bad loans
MREL	Minimum Requirement for own funds and Eligible Liabilities
NACE	"**N**omenclature statistique des **A**ctivités économiques dans la **C**ommunauté **E**uropéenne", statistical classification of economic activities in the European Union (Eurostat)
NC	Non-Callable
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. direct costs) net of expense recoveries, plus depreciation and amortisation
NPEs	Non Performing Exposures as sum of Bad Loans, Unlikely to Pay and Past Due, including only Loans to Customers and excluding Debt Securities
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
P&L	Profit and Loss statement
P2R	Pillar 2 Requirement

Glossary (7/9)

Q/Q	Current quarter vs previous quarter
RoAC	Return on Allocated Capital (annualised net profit divided by the allocated capital)
RoTE	Return on Tangible Equity (Annualised net profit divided by Average Tangible Equity)
RWA	Risk Weighted Asset
Senior preferred exemption	Part of TLAC/MREL requirement that can be filled with senior preferred (2.5% from 2019/3.5% from 2022)
SREP	Supervisory Review and Evaluation Process
SMEs	Small and Medium Enterprises: ▪ In Western Europe: companies below € 50m annual turnover and deserving a specific approach based on dedicated Relationship Manager (RM) and specialists support ▪ In CEE: Thresholds range from c. € 1-2m to c. € 50m annual turnover (varying country to country)
Stated Net Profit	Refers to Group, Group excl. Non Core and divisions. Profit as shown in our financial statements

Glossary (8/9)

Tangible equity	Shareholders' equity (including consolidated profit of the period) less intangible assets (goodwill and other intangibles), less AT1 component; dividend payout is accounted for on a cash basis
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
T2	Tier 2 capital
TRY	Turkish New Lira
UC	UniCredit S.p.A.
Underlying net profit	Stated net profit adjusted for non-operating items
Underlying RoTE	Underlying Return on Tangible Equity (Underlying net profit divided by Average Tangible Equity)

Glossary (9/9)

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
XVA	X-Value Adjustments which include Credit/Debt Value Adjustment, Funding Valuation Adjustment and Hedging desk
Y/Y	Current quarter vs same quarter in the previous year

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