



PRESS RELEASE

UniCredit postpones resolutions on FY19 dividend and share buyback following ECB recommendation

UniCredit today announced that on 29 March 2020 the Board of Directors held an extraordinary meeting and resolved to withdraw – without modifying the Agenda of the Shareholders' Meeting convened on 9 April 2020 – the proposed resolutions (i) to distribute a FY19 dividend of €0.63 per share from profit reserves and (ii) to authorise a share buyback up to €467m (not exceeding 67m UniCredit shares) and (iii) to cancel the treasury shares that may be purchased under the above mentioned authorisation.

The withdrawn proposals refer to the following items of the Agenda:

- item no. 3, Ordinary Session "Distribution of a dividend from profit reserves";
- item no. 11, Ordinary Session "Authorisation to purchase treasury shares. Consequent and inherent resolutions";
- item no. 4, Extraordinary Session "Cancellation of treasury shares with no reduction of share capital; consequent amendment to clause 5 of the Articles of Association. Consequent and inherent resolutions".

This decision was taken following the ECB's recommendation on 27 March 2020 to not pay dividends until at least October 2020. As a consequence, the Group has also formally withdrawn its ECB application for the FY19 €467m share buyback.

The Board reserves the right to convene a new Shareholders' Meeting in order to submit new resolution proposals on the three items withdrawn subject to an ECB review of its recommendation. Such a meeting would only occur after 1 October 2020 or post any new ECB recommendation on this topic, unless the market conditions or the consequences of the Covid-19 pandemic do not allow such course of action.

Consequently, in line with the latest ECB clarification (see https://www.bankingsupervision.europa.eu/press/pr/date/2020/html/ssm.pr200320_FAQs~a4ac38e3ef_en.html):

- the Group will release the FY19 dividend deducted up to now from CET1 capital for prudential purposes. This will generate a positive effect of 37 basis points on the CET1 capital ratio;
- the board will resolve to amend the FY20 dividend policy, and will not yet accrue any dividend for 2020.

These decisions are neutral for coupon payments of AT1 bonds and for CASHES instruments.

Thanks to the successful implementation of Transform 2019, UniCredit has a solid financial position in terms of both capital and liquidity. It has a resilient and diversified business model, a fact which has, once again, been recognised by international rating agencies that recently reviewed bank ratings in light of the Covid-19 pandemic. Both Fitch and Moody's confirmed UniCredit SpA's issuer rating and outlook.

Milan, 29 March 2020

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