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Testo del comunicato

Vedi allegato

Milan, 24 July 2024

UNICREDIT: 2Q24 AND 1H24 GROUP RESULTS

RECORD QUARTER AND FIRST HALF SETTING THE BENCHMARK FOR EUROPEAN BANKING

14th consecutive quarter of quality profitable growth and record first half, with net profit at €2.7 billion, up 16% versus prior year, and RoTE of c. 20% validating the bank's blue-chip credentials

Net revenue of €6.3 billion, up 6% year on year, with NII growth of 2% to €3.6 billion, and a very strong fee growth of 10% to €2.1 billion driven by all main categories

Industry leading cost-income ratio further improved to 36.3%, with continued reduction in absolute cost base while investing for the future

Superior asset quality confirmed by further reduced gross NPE ratio at 2.6% and continued low and stable cost of risk of 1 basis point, while maintaining c. €1.7 billion overlays

CET1 ratio at 16.2% underpinned by strong organic capital generation of €6.7 billion backing €5.2 billion of distribution accruals in 1H24 or 100% of Net Profit, 60% of the FY24 total distributions guidance already accrued

Excellent shareholder value creation with 1H24 EPS¹ up 36% and Tangible Book Value per share up 20%² versus prior year

Interim 2024 distribution of c. €1.4 billion dividends³ and c. €1.7 billion in share buy-back⁴

Improved 2024 guidance while retaining flexibility to further secure long-term ambitions for 2025 and 2026

UniCredit reaffirms its strong ESG commitment with the launch of the “Skills for Transition” programme to promote a just and fair transition

On 23 July 2024, the Board of Directors of UniCredit S.p.A. (“UniCredit” or “the Group”) approved the Consolidated First Half Financial Report as of 30 June 2024. UniCredit has once again demonstrated its strength in the second quarter with an excellent set of financial results, proof of the significant progress that the bank has made thus far in its transformation journey, with significant value still to unlock.

Please refer to the General Notes and Main Definition sections at the back of this document for information regarding the financial metrics and defined terms mentioned in this press release.

¹ EPS calculated as net profit on average number of outstanding shares excluding avg. treasury and CASHES usufruct shares.

² Including dividend per share paid in April 2024 of €1.80, or +14% Y/Y without it.

³ To be defined by the UniCredit Board of Directors on 23 October 2024, after the completion of the necessary requirements.

⁴ Already authorized for an amount of up to €1.7 billion by the Shareholders' Meeting held on 12 April 2024 and subject to supervisory approval.

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Our focus on sustainable quality earnings through disciplined management of NII with RoAC only in excess of our cost of equity and increased fee growth, together with continued operational and capital excellence, delivered outstanding profitability and organic capital generation. In 2Q24 RoTE was 19.8% while at a 13% CET1 ratio was 23.6%, up by 2.6 p.p. and 2.3 p.p. respectively versus prior year. 2Q24 net profit reached €2.7 billion, with a 15.9 per cent increase year on year.

The 2Q24 financial outcome reflects high-quality growth and delivery across all key levers, regions and product factories, without compromising on investments. These excellent results were driven by €6.3 billion of net revenues in 2Q24, an increase of 6.0 per cent year on year, underpinned by net interest income (“NII”) of €3.6 billion, €2.1 billion of fees, and €15 million of loan loss provisions (“LLPs”).

NII was broadly stable quarter on quarter at €3.6 billion, with a lower Euribor and a disciplined management of our pass-through, closing the quarter at an average of circa 32 per cent. The Group’s prioritisation of quality and profitable clients and segments continues to result in a superior and capital generative net NII⁵. NII was up 1.9 per cent year on year.

The Group confirmed its structurally low and less volatile Cost of Risk (“CoR”) at 1 basis point in 2Q24, booking €15 million of LLPs. The Group continues to have a high quality, geographically diversified and resilient credit portfolio with sound coverage levels and strong lines of defence with €1.7 billion of overlays on the performing portfolio. The FY24 CoR guidance remains unchanged at below 20 basis points.

The very strong increase in quarterly fees of 10.0 per cent year on year demonstrates the effectiveness of our strategic direction and investments. The improvement was spread across most fee categories, and particularly led by investment (+21.1 per cent year on year), advisory & financing (+8.5 per cent year on year), as well as insurance and payment fees. Such performance once again highlights the benefits of our diversification and product factories, resulting in a diversified fee base of 34⁶ per cent out of total gross revenues. Fees were up 6.6 per cent half-year on half-year, or 8.6 per cent when excluding the impact arising from the current account fee reduction in Italy and higher securitisation costs.

In 2Q24 operational costs were €2.3 billion, reduced by 1.7 per cent year on year. This trend confirms the Group’s ability to manage its costs despite inflation while also investing in future growth. Thanks to the proactive actions taken in the past quarters, the already industry leading cost-income-ratio (“C/I”) further improved by 2.9 p.p. versus prior year to 36.3%.

The Group continues to be a sector leader in capital generation, with 234 basis points of organically generated capital in 1H24, or €6.7 billion, supporting the €5.2 billion accrued for distributions in 1H24, resulting in a CET1 ratio of 16.2%. RWAs were reduced by 1.0 per cent quarter on quarter to €276.9 billion, reflecting UniCredit’s commitment to active RWA management to improve capital efficiency.

In line with UniCredit’s unwavering commitment to shareholder value creation, the third and final tranche of €1.5 billion out of the total 2023 share buy-back of €5.6 billion is currently being executed. The second tranche of the 2023 share buy-back in amount of €1.6 billion was concluded on 20 June 2024.

The 2024 interim distribution is confirmed. The interim cash dividend, which will be defined by the UniCredit Board of Directors on 23 October 2024, after the completion of the necessary requirements, envisages a distribution of circa €1.4 billion – with the ex-dividend date on 18 November 2024, record date on 19 November 2024 and payment date on 20 November 2024 – whereas the interim share buy-back was already authorized for

⁵ Stated NII net of LLPs.

⁶ Fees and income from Insurance (Dividend or Net Insurance result) as of 2Q24.

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an amount of up to €1.7 billion by the Shareholders' Meeting held on 12 April 2024 and is subject to supervisory approval.

FY24 net revenue guidance is upgraded to above €23 billion, while the organic capital generation guidance is improved to above 350 basis points. The net profit guidance is confirmed at above €8.5 billion, retaining further flexibility to secure 2025-26, and confirming our confidence in a high sustainable RoTE >15% and strong growth in EPS and DPS.

Our FY24 distribution guidance is confirmed in line with FY23. On a calendar year basis, the 2024 distribution is expected at circa €10 billion⁷.

UniCredit continues to make significant progress on its ESG ambitions, recently disclosing new Net Zero interim targets for Shipping and Commercial Real Estate. The Bank has now outlined its ambitions for seven of the most carbon-intensive sectors, including an industry-leading phase-out policy for coal, a clear sign of how we are embedding ESG in our financing activities.

UniCredit has recently announced the launch of Skills for Transition: the initiative, entirely funded by the bank, sits firmly in line with UniCredit's strong commitment to promoting a just and fair transition, as well as its consistent support for education – a key driver for Europe's future. It will be comprised of a social programme spanning over six UniCredit Group countries that delivers strategic training to young people and companies expected to be impacted by the green transition, helping them to develop the skills they need to meet the demands of a changing environment whilst generating a measurable social impact.

In June 2024, the bank launched 'UniCredit for CEE', a new initiative delivering concrete financial and advisory solutions across Central and Eastern Europe aimed at helping micro and small enterprises, including organizations from the third sector, to grow and confront the issues associated with the green transition. The initiative makes available 60 financing solutions, worth over €2.6 billion, over the course of 2024.

UniCredit has also been recognised Best Bank for ESG in Italy, Austria, Bosnia & Herzegovina, Czech Republic and Romania at Euromoney's 2024 Awards for Excellence, highlighting the progress we are making in integrating ESG into our operations.

The key recent events in 2Q24 and since the end of the quarter, include:

- Notice of early redemption UniCredit S.p.A. €750,000,000 Fixed to Floating Rate Callable Non-Preferred Senior Notes due July 2025 (the "Notes") Isin XS2021993212 (press release published on 3 June 2024);
- Notice of early redemption UniCredit S.p.A. €1,250,000,000 Fixed to Floating Rate Callable Senior Notes due June 2025 (the "Notes") Isin XS2017471553 (press release published on 3 June 2024);
- UniCredit successfully issues dual tranche Senior Non-Preferred bonds for a total amount of EUR 2 billion (press release published on 4 June 2024);
- UniCredit above MREL requirements set by Resolution Authorities (press release published on 17 June 2024);
- 2023 third and final share buy-back tranche of €1.5 billion announced on 21 June 2024, immediately after the completion of the second one. As of 19 July 2024, and considering also the purchases made under the first and second tranche, UniCredit purchased a total of 156.1 million shares equal to over 9% of share capital;
- UniCredit announces the acquisition of Aion Bank and Vodeno, next generation core banking platform, integrated with an independent banking license to strengthen client acquisition and product development, enhancing future technological innovation (press release published on 24 July 2024).

⁷ FY24 calendar distribution of circa €10 billion, of which €3 billion of cash dividend paid in April 2024, €1.1 billion of FY23 share buy-back already executed in 1Q24 (i.e. not including the €1.4 billion of FY23 share buy-back already executed during 2023 calendar year) and the €3.1 billion related to the residual FY23 share buy-back, and circa €3.1 billion FY24 interim distribution (o/w €1.7 billion share buyback, €1.4 billion cash).

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Andrea Orcel, Chief Executive Officer of UniCredit S.p.A. said:

For the first half and second quarter of this year UniCredit posted yet another record set of financial results.

Our RoTE reached 20% (before adjusting for our significant excess capital relative to peers), our net profit increased 16% to €2.7bn in the quarter and 20% to €5.2bn in the half and our organic capital generation improved to €3.3bn and €6.7bn respectively for the quarter and the half. All are records!

They all are the outcome of our continued transformation and focus on prioritising sustainable quality profitable growth while driving operational and capital excellence and investing for the long term.

Fees strongly grew across the board as our product factory and first line investments begin to deliver more visible results. They complemented well a resilient net interest income, far exceeding our cost of equity, to deliver high quality profitable revenue growth. Cost of risk remains low and stable and, while the macro environment is broadly stable, we are well positioned to weather any possible deterioration with sound asset quality and existing overlays. Our cost continued to decline in spite of inflation and sustained investment, as did our capital intensity, driven by the continued quality improvement of our revenues.

We have announced an interim 2024 distribution of €1.4 billion in dividends and €1.7 billion in share buy-backs as part of our total accrued distribution of €5.2 billion in the first half of the year. Despite accruing 100% of Net Profit, or 60% of our yearly distribution guidance, our best-in-class CET1 ratio increased to 16.2% year on year, on a like for like basis, thanks to our excellent organic capital generation.

These elements, together with still greater value to unlock and significant excess capital to deploy or return, make us confident that we will achieve our future ambitions. UniCredit is setting a new benchmark in European banking, and we are on a clear strategic path that will allow us to grow sustainably and consistently reward our investors and people while delivering for our clients and communities.

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UNICREDIT 2Q24 & 1H24 GROUP RESULTS – MILAN, 24 July 2024 – 10.00 CET


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THE **CONFERENCE CALL** WILL ALSO BE **AVAILABLE VIA LIVE AUDIO WEBCAST AT**

<https://www.unicreditgroup.eu/en/investors/financial-reporting/group-results.html>, WHERE THE SLIDES WILL BE DOWNLOADABLE

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2Q24 KEY FIGURES

- **Total revenues:** €6.3 bn, down 0.7% Q/Q and up 6.1% Y/Y
- **Net revenues:** €6.3 bn, up 0.7% Q/Q and up 6.0% Y/Y
- **Net Interest Income (NII):** €3.6 bn, down 0.4% Q/Q and up 1.9% Y/Y
- **Fees:** €2.1 bn, up 0.9% Q/Q and up 10.0% Y/Y
- **Trading income:** €470 m, down 15.8% Q/Q and up 1.7% Y/Y
- **Operating costs:** €2.3 bn, down 0.4% Q/Q and down 1.7% Y/Y
- **Integration costs:** €35 m, up 93.8% Q/Q and down 83.5% Y/Y
- **Cost/Income ratio:** 36.3%, up 0.1 p.p. Q/Q and down 2.9 p.p. Y/Y
- **Stated net profit:** €2.7 bn, up 4.7% Q/Q and up 15.9% Y/Y
- **Net profit:** €2.7 bn, up 4.7% Q/Q and up 15.9% Y/Y
- **RoTE:** 19.8%, up 0.3 p.p. Q/Q and up 2.6 p.p. Y/Y
- **RoTE at 13% CET1 ratio:** 23.6%, up 0.6 p.p. Q/Q and up 2.3 p.p. Y/Y
- **EPS:** €1.61, up 6.4% Q/Q and up 30.3% Y/Y
- **Group CET1 ratio:** 16.2%, down 3 bps Q/Q and down 43bps Y/Y
- **RWAs:** €276.9 bn, down 1.0% Q/Q and down 6.1% Y/Y
- **LLPs:** €15 m, down 85.5% Q/Q and up 25.2% Y/Y
- **Cost of Risk (CoR):** 1 bp, down 8 bps Q/Q and flat Y/Y
- **Average gross commercial performing loans:** €383.3 bn, down 0.4% Q/Q and down 4.9% Y/Y
- **Average commercial deposits:** €457.4 bn, down 0.3% Q/Q and down 2.2% Y/Y
- **Loan/Deposit ratio⁸:** 87.6%, up 0.2 p.p. Q/Q and down 2.1 p.p. Y/Y
- **Gross NPEs:** €11.7 bn, down 3.4% Q/Q and down 3.6% Y/Y
- **Net NPEs:** €6.2 bn, down 6.4% Q/Q and down 2.2% Y/Y
- **NPE Coverage ratio:** 47.2%, up 1.7 p.p. Q/Q and down 0.7 p.p. Y/Y

GROUP KEY FINANCIAL 2024 GUIDANCE

2024 GUIDANCE		c. 10bn ¹ calendar year distributions (c.3.1bn interim, o/w c.1.4bn cash dividend ² and c.1.7bn SBB)	2025-26 FINANCIAL AMBITION			
Net revenue	>23bn ↑		RATES⁵ 2023 3.43% 2024 c.3.7% AVG. PASS-THROUGH⁵ 2023 c.25% 2024 Slightly >30%	Sustainable Growth	EPS, DPS	Strong growth
Cost of Risk	<20bps	High sustainable Profitability		RoTE	Costs	>15% Broadly flat ⁶
Costs	<9.5bn	60% already accrued at 1H24		Best-in-class sustainable Distributions, supported by OCG	Total avg. annual distributions	FY25-26 > FY24 excluding inorganic
Systemic charges	-c.0.4bn vs FY23			> Cash dividend policy ≥40% > SBBs		
Net profit	>8.5bn					
EPS, DPS	Double digit growth ³					
RoTE	c.16.5%					
OCG	>350bps ↑					
Total distributions	In line with FY23 ⁴					

Distribution subject to supervisory and shareholder approvals. The targets, outlook and trends on which the assumptions underlying the distribution ambitions are based on are forward looking assumptions, based on management current expectations and subject to potential change.

1. o/w €3bn of cash dividend paid in April 2024, €1.1bn of FY23 share buy-back already executed in 1Q24 (i.e. not including the €1.4bn of FY23 share buy-back, and circa €3.1bn FY24 interim distribution (o/w €1.7bn SBB, €1.4bn cash) 2. Expected to be paid in November 2024 3. Guidance FY24 net profit on expected average shares; assuming outstanding shares only net of the shares repurchased via residual calendar year SBB at an average price as of 18.07.2024 close 4. Ordinary distribution of at least 90% of Net Profit, capped at organic capital generation 5. Average 3M Euribor Rate. ECB Deposit Facility Rate "DFR" at 4% year end 2023, decreasing in 2024 (assumption) 6. Same perimeter assumed

⁸ Net of Repos and Intercompany end of period.

UNICREDIT GROUP CONSOLIDATED RESULTS

(€ million)	2Q23	1Q24	2Q24	Q/Q	Y/Y
Total revenues	5,967	6,371	6,328	-0.7%	+6.1%
o/w Net interest	3,497	3,578	3,565	-0.4%	+1.9%
o/w Fees	1,928	2,100	2,120	+0.9%	+10.0%
o/w Trading	462	558	470	-15.8%	+1.7%
Operating costs	-2,337	-2,306	-2,298	-0.4%	-1.7%
Gross operating profit	3,630	4,065	4,031	-0.9%	+11.0%
Loan Loss Provisions	-12	-103	-15	-85.5%	+25.2%
Net operating profit	3,619	3,962	4,016	+1.4%	+11.0%
Stated net profit/loss	2,310	2,558	2,679	+4.7%	+15.9%
Net profit	2,310	2,558	2,679	+4.7%	+15.9%
CET1 ratio	16.6%	16.2%	16.2%	-0.0 p.p.	-0.4 p.p.
RoTE	17.2%	19.5%	19.8%	+0.3 p.p.	+2.6 p.p.
Customers loans (excl. repos and IC)	423,280	407,780	406,588	-0.3%	-3.9%
Gross NPE	12,111	12,094	11,681	-3.4%	-3.6%
Customer deposits (excl. repos and IC)	472,382	466,721	464,391	-0.5%	-1.7%
Cost/income ratio	39.2%	36.2%	36.3%	+0.1 p.p.	-2.9 p.p.
Cost of risk (bps)	1	10	1	-8	+0

Note: 1Q24 and 2Q24 CET1r is net of the accrual for the total distribution following the new EBA Q&A 2023_6887, i.e. including also the share buy-back not authorized yet by shareholders and supervisor. 2Q23 CET1r is on a stated basis i.e. as reported at the time of 2Q23 and not pro forma for share buy-back not authorized yet by shareholders and supervisor.

Total revenues stood at €6.3 bn in 2Q24, down 0.7% Q/Q, driven by NII at €3.6 bn (-0.4% Q/Q), fees at €2.1 bn (+0.9% Q/Q) and trading income at €470 m (-15.8% Q/Q). Total revenues were up 6.1% Y/Y, driven by fees (+10.0% Y/Y), NII (+1.9% Y/Y) and trading income (+1.7% Y/Y).

Net revenues reached €6.3 bn in 2Q24, up 0.7% Q/Q and up 6.0% Y/Y.

In 2Q24, **NII** stood at €3.6 bn, down 0.4% Q/Q, driven by lower loan volumes and Euribor decrease partially compensated by higher investment portfolio contribution. NII was up 1.9% Y/Y driven by higher customer loan rates, together with better results in the investment portfolio, partially compensated by higher funding costs and lower loan volumes.

Fees reached €2.1 bn in 2Q24, up 0.9% Q/Q and up 10.0% Y/Y, the latter driven by higher investment fees, especially in Italy thanks to higher AuM sales on increased client appetite and broader product offering, and higher financing and advisory fees. UniCredit's fee base continues to show its momentum, diversification and resilience. In particular, in 2Q24:

- **Investment fees** were €0.6 bn, down 4.1% Q/Q, with higher average AuM volumes and related management fees partially offsetting the impact of lower AuM sales. Investment fees were up 21.1% Y/Y, growing across all divisions, particularly in Italy and in Central and Eastern Europe, and mainly driven by both higher AuM sales and AuM management fees.

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- **Insurance fees** stood at €0.2 bn, down 6.0% Q/Q driven by life insurance, while non-life was up Q/Q and registered a double-digit growth Y/Y, mainly thanks to CPI related products growth. Total insurance fees grew 5.2% Y/Y, driven by a strong growth in both CPI related products and property and casualty insurance.
- **Current accounts & payments fees** generated €0.7 bn, up 4.7% Q/Q, entirely driven by payments, especially in Italy and Central Europe. Current accounts & payments were up 7.0% Y/Y, largely driven by payments and cards related fees.
- **Financing & advisory fees** were €0.5 bn, up 4.1% Q/Q, mainly driven by Italy. On a Y/Y basis, financing & advisory fees were up 8.5%, with better loans related fees.
- **Client hedging fees** were €0.2 bn, down 4.5% Q/Q, mainly driven by Germany. Client hedging fees were down 6.7% Y/Y, reflecting the very high activity levels in commodities in 2Q23.

Trading income stood at €470 m in 2Q24, down 15.8% Q/Q on lower client driven activity in Italy and Germany, and up 1.7% Y/Y mostly driven by the positive contribution from client driven activity in Germany, mostly offset by lower non client driven results.

Dividends⁹ were at €118 m in 2Q24, up 9.1% Q/Q and down 8.3% Y/Y.

Operating costs stood at €2.3 bn in 2Q24 down 0.4% Q/Q, and down 1.7% Y/Y, confirming the Group's track-record in operational efficiency through targeted cost reductions to mitigate inflationary pressures, while keep investing, among others, in streamlining the organisation and processes. In particular:

- **HR costs** were €1.4 bn in 2Q24, down 0.4% Q/Q and down 0.2% Y/Y thanks to net FTE reductions more than compensating salary inflation.
- **Total Non-HR costs¹⁰** were €0.9 bn in 2Q24, down 0.4% Q/Q and down 4.0% Y/Y mainly thanks to lower depreciation and real estate costs.

The **Cost/Income ratio** stood at of 36.3% in 2Q24, broadly flat Q/Q, and down 2.9 p.p. Y/Y.

Cost of Risk, stood at 1 bp in 2Q24, down 8 bps Q/Q and flat Y/Y. This was supported by a highly covered and robust credit portfolio and writebacks on NPE, with a low default rate at 1.1% year to date. The Group reiterates the amount of overlays on performing exposures only marginally moved to c.€1.7 bn, reinforcing the Group's capacity to withstand shocks.

Other charges and provisions in 2Q24 were €228 m, down 34.0% Q/Q, the reduction was mainly driven by the consistent seasonal reduction in systemic charges and partially offset by the provisions for risk and charges.

The 2Q24 **Group stated tax rate** stood at 28.0%.

DTA TLCF write-up were absent in the quarter, thus **stated net profit** equalled **net profit** at €2.7 bn in 2Q24, both up 4.7% Q/Q and up 15.9% Y/Y.

⁹ Include other dividends and equity investments.

¹⁰ Includes Non-HR costs, recovery of expenses and amortisations and depreciations.

BALANCE SHEET

Average gross commercial performing loans were €383.3 bn¹¹ as of 30 June 2024 (-0.4% Q/Q, -4.9% Y/Y). The main contributors were Italy (€144.2 bn), Germany (€110.2 bn) and Central Europe (€90.6 bn).

Gross customer performing loan rates were 4.6%¹² in 2Q24, flat Q/Q and up 61 bps Y/Y.

Average commercial deposits stood at €457.4 bn¹² as of 30 June 2024 (-0.3% Q/Q, -2.2% Y/Y). The main contributors were Italy (€180.4 bn), Germany (€129.7 bn) and Central Europe (€92.8 bn).

Customer deposit rates stood at -1.33%¹² in 2Q24, -2 bps Q/Q and -45 bps Y/Y.

Loan/Deposit ratio net of Repos and Intercompany at 2Q24 end of period was 87.6%, up 0.2 p.p. Q/Q, and down 2.1 p.p. Y/Y.

Total Financial Assets (TFAs) were €799.5 bn in 2Q24, up 0.4% Q/Q and up 5.3% Y/Y.

- **AuM + AuA:** €155.3 bn, up 2.4% Q/Q and up 10.9% Y/Y;
- **Insurance:** €58.1 bn, up 0.8% Q/Q and up 1.7% Y/Y;
- **AuC:** €198.5 bn, flat Q/Q and up 15.3% Y/Y;
- **Deposits:** €387.6 bn, down 0.2% Q/Q and down 0.5% Y/Y.

ASSET QUALITY¹²

Gross NPEs were €11.7 bn in 2Q24 (-3.4% Q/Q and -3.6% Y/Y) leading to a **gross NPE ratio** of 2.6% (-0.1 p.p. Q/Q, flat Y/Y), while **net NPEs** were €6.2 bn in 2Q24 (-6.4% Q/Q and -2.2% Y/Y), with a **net NPE ratio** of 1.4% (-0.1 p.p. Q/Q, flat Y/Y). The **NPE coverage ratio** was 47.2% (+1.7 p.p. Q/Q and -0.7 p.p. Y/Y).

Gross bad loans amounted to €3.4 bn in 2Q24 (+2.8% Q/Q, +19.2% Y/Y) with a coverage ratio of 65.3% (-0.9 p.p. Q/Q, -9.3 p.p. Y/Y). **Gross unlikely to pay** stood at €7.5 bn (-6.5% Q/Q, -11.5% Y/Y), with a coverage ratio of 40.4% (+2.3 p.p. Q/Q, -0.3 p.p. Y/Y).

CAPITAL & FUNDING

The Group's 2Q24 **CET1 ratio** stood at 16.2%, down 3 bps Q/Q, mainly driven by +119 bps organic capital generation (+96 bps from net profit and +23 bps from RWA), -102 bps from distribution (-57 bps from 2Q24 SBB accrual of €1.6 bn, -38 bps from 2Q24 dividend accrual of €1.1 bn and -6 bps AT1 & CASHES coupons of €0.2bn), -8 bps from RWA Probability of Default ("PD") scenario, -1 bp from regulatory impacts, -10 bps from other items¹³.

Group Tangible Equity was €55.9 bn, down 4.3% Q/Q and up 2.0% Y/Y, while **Group tangible book value per share** was €34.3, down 1.3% Q/Q and up 13.6% Y/Y.

The **RoTE at 13% CET1 ratio** was 23.6% in 2Q24, up 0.6 p.p. Q/Q and up 2.3 p.p. Y/Y.

The **transitional leverage ratio** stood at 5.5% in 2Q24, down 9 bps Q/Q and down 33 bps Y/Y.

RWA was €276.9 bn in 2Q24, down 1.0% Q/Q, driven by RWA savings resulting from active portfolio management (-€2.9 bn o/w -€1.0 bn stemming from sEVA negative business review and -€0.8 bn from securitization), business

¹¹ Includes Group Corporate Centre.

¹² NPEs excludes exposures classified as held for sale.

¹³ Including +3 bps capital reserve (-6 bps FVOCI and +10 bps FX reserve and -1bp DBO), -1 bp AVA/DVA/OCS, -9bps FX loss on USD AT1 called in June, and -2 bps Intangibles.

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dynamics (-€1.9 bn), partially compensated by PD scenario update (+€1.4 bn), FX effects stemming from the ruble appreciation (+€1.0 bn). RWA was down 6.1% Y/Y in 2Q24.

Regulatory liquidity ratios are sound: **LCR** above 140% as of 2Q24, meaningfully above the regulatory limit of 100% and within the 125-150% managerial target range. The **NSFR¹⁴** above 125% as of 2Q24, well above the regulatory limit of 100%.

The 2024 Funding Plan focuses mostly on covered bond issuance and more senior instruments, with limited MREL needs. The 2Q24 **MREL ratio on RWA** stood at 32.5%, down 28 bps Q/Q, implying a buffer of 519 bps above regulatory requirement of 27.34%. The **2Q24 MREL ratio on Leverage exposure** stood at 10.1%, down 5 bps Q/Q with a buffer of 402 bps above regulatory requirement of 6.1%.

¹⁴ Based on managerial figures.

DIVISIONAL HIGHLIGHTS¹⁵

ITALY

(€ million)	2Q23	1Q24	2Q24	Q/Q	Y/Y
Total revenues	2,787	2,914	2,903	-0.4%	+4.2%
o/w Net interest	1,602	1,661	1,655	-0.3%	+3.3%
o/w Fees	1,039	1,146	1,147	+0.1%	+10.4%
Operating costs	-981	-985	-984	-0.1%	+0.3%
Gross operating profit	1,806	1,929	1,919	-0.5%	+6.3%
Loan Loss Provisions	-86	-144	-102	-29.4%	+18.6%
Net operating profit	1,720	1,784	1,817	+1.8%	+5.6%
Stated net profit/loss	1,018	1,089	1,201	+10.3%	+18.0%
Net profit/Loss	1,018	1,089	1,201	+10.3%	+18.0%
RoAC	25.1%	30.6%	33.4%	+2.8 p.p.	+8.3 p.p.
Cost/income ratio	35.2%	33.8%	33.9%	+0.1 p.p.	-1.3 p.p.
Cost of risk (bps)	18	33	23	-10	+5

GERMANY

(€ million)	2Q23	1Q24	2Q24	Q/Q	Y/Y
Total revenues	1,389	1,466	1,399	-4.6%	+0.7%
o/w Net interest	694	627	619	-1.2%	-10.8%
o/w Fees	400	436	411	-5.8%	+2.7%
Operating costs	-596	-565	-558	-1.2%	-6.3%
Gross operating profit	793	902	841	-6.7%	+6.0%
Loan Loss Provisions	-23	-66	-68	+3.6%	n.m.
Net operating profit	770	835	773	-7.5%	+0.4%
Stated net profit/loss	503	560	503	-10.1%	-0.1%
Net profit/Loss	503	560	503	-10.1%	-0.1%
RoAC	17.8%	23.2%	19.7%	-3.5 p.p.	+1.9 p.p.
Cost/income ratio	42.9%	38.5%	39.9%	+1.4 p.p.	-3.0 p.p.
Cost of risk (bps)	7	21	21	+0	+14

¹⁵ Please consider that (i) all divisional figures in "Divisional Highlights" represent the contribution of each division to Group data; (ii) Return on Allocated Capital (RoAC) related to each division and shown in this section is calculated as: annualised net profit / allocated capital. Allocated capital calculated as 13% of RWA plus deductions.

CENTRAL EUROPE

(€ million)	2Q23	1Q24	2Q24	Q/Q	Y/Y
				<i>at constant FX</i>	
Total revenues	1,071	1,070	1,110	+3.8%	+5.5%
o/w Net interest	684	698	680	-2.6%	+1.4%
o/w Fees	296	308	329	+6.9%	+13.2%
Operating costs	-400	-393	-403	+2.6%	+2.4%
Gross operating profit	672	677	707	+4.5%	+7.3%
Loan Loss Provisions	46	47	-22	<i>n.m.</i>	<i>n.m.</i>
Net operating profit	717	724	686	-5.3%	-2.5%
Stated net profit/loss	569	481	569	+17.7%	+1.4%
Net profit/Loss	569	481	569	+17.7%	+1.4%
RoAC	25.7%	22.4%	26.2%	+3.6 p.p.	+0.5 p.p.
Cost/income ratio	37.3%	36.7%	36.3%	-0.4 p.p.	-1.1 p.p.
Cost of risk (bps)	-19	-20	9	+29	+28

Note:

Stated numbers at current FX. Variations Q/Q and Y/Y are at constant FX.

EASTERN EUROPE

(€ million)	2Q23	1Q24	2Q24	Q/Q	Y/Y
				<i>at constant FX</i>	
Total revenues	625	701	706	+0.7%	+13.2%
o/w Net interest	444	493	497	+0.8%	+11.9%
o/w Fees	164	179	186	+3.8%	+13.6%
Operating costs	-209	-213	-213	+0.2%	+2.0%
Gross operating profit	415	488	493	+1.0%	+18.9%
Loan Loss Provisions	-3	23	78	<i>n.m.</i>	<i>n.m.</i>
Net operating profit	412	511	571	+11.7%	+38.7%
Stated net profit/loss	347	392	448	+14.4%	+29.4%
Net profit/Loss	347	392	448	+14.4%	+29.4%
RoAC	35.7%	38.9%	42.7%	+3.7 p.p.	+7.0 p.p.
Cost/income ratio	33.5%	30.4%	30.2%	-0.2 p.p.	-3.3 p.p.
Cost of risk (bps)	4	-27	-89	-62	-93

Note:

Stated numbers at current FX. Variations Q/Q and Y/Y are at constant FX.

GROUP CORPORATE CENTRE (GCC)

(€ million)	2Q23	1Q24	2Q24	Q/Q	Y/Y
Total revenues	-165	-62	-88	+41.3%	-46.5%
Operating costs	-94	-94	-83	-12.6%	-12.1%
Gross operating profit	-259	-157	-171	+8.8%	-34.0%
Loan Loss Provisions	0	0	0	+54.2%	-38.9%
Stated net profit/loss	-300	-177	-159	-10.6%	-47.1%
Net profit/Loss	-300	-177	-159	-10.6%	-47.1%
FTE	7,408	6,964	6,928	-0.5%	-6.5%
Costs GCC/total costs	4.0%	4.1%	3.6%	-1 p.p.	-0 p.p.

RUSSIA

(€ million)	2Q23	1Q24	2Q24	Q/Q	Y/Y
				<i>at constant FX</i>	
Total revenues	260	282	298	+4.3%	+26.3%
o/w Net interest	195	200	201	-0.5%	+13.6%
o/w Fees	56	44	58	+29.6%	+14.8%
Operating costs	-57	-56	-57	-0.1%	+9.6%
Gross operating profit	203	226	241	+5.3%	+31.1%
Loan Loss Provisions	55	37	99	<i>n.m.</i>	<i>n.m.</i>
Net operating profit	258	264	340	+27.3%	+47.2%
Stated net profit/loss	173	213	116	-46.3%	-24.9%
Net profit/Loss	173	213	116	-46.3%	-24.9%
RoAC	15.0%	28.2%	-3.8%	-31.4 p.p.	-14.9 p.p.
Cost/income ratio	21.8%	19.8%	19.0%	-0.8 p.p.	-2.9 p.p.
Cost of risk (bps)	-423	-498	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>

Note:

Stated numbers at current FX. Variations Q/Q and Y/Y are at constant FX.

SIGNIFICANT EVENTS DURING AND AFTER 2Q24

With reference to the main events that occurred during 2Q24 and after 30 June 2024, refer to section “Subsequent events” in the Consolidated interim report on operations, which is an integral part of the Consolidated first half financial report as of 30 June 2024, as well as the press releases published on the UniCredit Group website.

ECONOMIC OUTLOOK

We forecast that the US economy will grow by 2.2% this year and by 1.3% in 2025, with quarterly GDP growth likely to slow in 2H24 before recovering in 2025. The main drivers of private consumption have lost steam, while business investment is unlikely to offer much support amid election-related uncertainty and high interest rates. In China, we now forecast GDP growth to reach 4.8% this year and 4.3% in 2025. The outlook on the demand side is not bright: consumer confidence is not recovering and remains stuck at historically low levels. The main growth impulse is from exports and state-driven investment. In the eurozone, economic activity surprised to the upside in 1Q24, but with domestic demand still weak, the economy is not out of the woods yet. We forecast GDP will rise by 0.6% this year and by 1.2% in 2025 as the drag from monetary policy eases while growth in real wages supports private consumption. A resilient labor market mitigates downside risks to activity. In Italy, we expect GDP to expand by 0.8% in 2024 (on the back of stronger-than-expected growth in 1Q24) and by 1.1% in 2025. Activity in industry, excluding construction, remains weak amid a still-modest recovery in demand and high financing costs, while the construction sector is likely to cool as the positive impact from housing tax credits has begun to fade. The main growth engine is likely to remain consumer demand and service activity, amid improving purchasing power and strong tourism and professional activities, together with investment related to the National Recovery and Resilience Plan. Disinflation has slowed in recent months, with eurozone headline inflation hovering around 2.5% since February, but the downward trend remains intact. Wage growth has likely peaked, while companies are increasingly absorbing high labor costs into their profit margins. The ECB cut interest rates at its June meeting without giving guidance about a future rate path. We expect a slow easing cycle at a pace of 25bp per quarter in 2024.

GROUP TABLES

UNICREDIT GROUP: RECLASSIFIED INCOME STATEMENT

(€ million)	2Q23	1Q24	2Q24	Q/Q	Y/Y
Net interest	3,497	3,578	3,565	-0.4%	+1.9%
Dividends	129	108	118	+9.1%	-8.3%
Fees	1,928	2,100	2,120	+0.9%	+10.0%
Trading income	462	558	470	-15.8%	+1.7%
Other expenses/income	(48)	27	56	n.m.	n.m.
Revenue	5,967	6,371	6,328	-0.7%	+6.1%
HR costs	(1,426)	(1,429)	(1,424)	-0.4%	-0.2%
Non HR costs	(641)	(632)	(649)	+2.7%	+1.2%
Recovery of expenses	16	23	36	+55.1%	n.m.
Amortisations and depreciations	(286)	(268)	(260)	-3.0%	-9.0%
Operating costs	(2,337)	(2,306)	(2,298)	-0.4%	-1.7%
GROSS OPERATING PROFIT (LOSS)	3,630	4,065	4,031	-0.9%	+11.0%
Loan Loss Provisions (LLPs)	(12)	(103)	(15)	-85.5%	+25.2%
NET OPERATING PROFIT (LOSS)	3,619	3,962	4,016	+1.4%	+11.0%
Other charges and provisions	(92)	(346)	(228)	-34.0%	n.m.
<i>of which: systemic charges</i>	(48)	(360)	(45)	-87.6%	-6.6%
Integration costs	(214)	(18)	(35)	+93.8%	-83.5%
Net income from investments	(109)	1	(24)	n.m.	-77.9%
PROFIT (LOSS) BEFORE TAX	3,204	3,599	3,728	+3.6%	+16.4%
Income taxes	(883)	(1,033)	(1,043)	+1.0%	+18.1%
Profit (Loss) of discontinued operations	-	-	-	n.m.	n.m.
NET PROFIT (LOSS) FOR THE PERIOD	2,320	2,566	2,685	+4.7%	+15.7%
Minorities	(6)	(8)	(7)	-20.8%	+8.7%
NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA	2,314	2,558	2,679	+4.7%	+15.8%
Purchase Price Allocation (PPA)	(4)	-	-	n.m.	n.m.
Goodwill impairment	-	-	-	n.m.	n.m.
GROUP STATED NET PROFIT (LOSS)	2,310	2,558	2,679	+4.7%	+15.9%

Note: Figures of Reclassified consolidated income statement relating to 2023 have been restated, starting from March 2024, with the effects of the:

- extension of shift from Trading Income to Fees of the client hedging mark-up for some additional derivatives non-linear product: Equity derivatives, FX derivatives and prepaid forward carbon trades;
- shift from Non HR Costs to Loan Loss Provisions of Credit recovery expenses for the variable portion of the outsourced NPE recovery costs not recovered from the clients and charged to the bank based on the recovered volumes;
- shift from Other charges and provision to Other expenses/income of amounts related to asset management distribution agreements.

Figures of Reclassified consolidated income statement have been restated starting from June 2024, with reference to 2023 and first quarter 2024, for the reclassification of "Tax Recovery" from Recovery of expenses to Non HR Costs.

UNICREDIT GROUP: RECLASSIFIED BALANCE SHEET

(€ million)	2Q23	1Q24	2Q24	Q/Q	Y/Y
ASSETS					
Cash and cash balances	76,069	65,433	50,029	-23.5%	-34.2%
Financial assets held for trading	66,942	55,472	55,674	+0.4%	-16.8%
Loans to banks	66,895	53,205	54,447	+2.3%	-18.6%
Loans to customers	450,846	434,834	433,997	-0.2%	-3.7%
Other financial assets	150,468	167,130	171,620	+2.7%	+14.1%
Hedging instruments	(3,334)	(1,425)	(2,387)	+67.5%	-28.4%
Property, plant and equipment	8,936	9,151	8,958	-2.1%	+0.2%
Goodwill	-	-	-	n.m.	n.m.
Other intangible assets	2,255	2,210	2,194	-0.7%	-2.7%
Tax assets	12,003	11,068	10,470	-5.4%	-12.8%
Non-current assets and disposal groups classified as held for sale	1,410	356	610	+71.4%	-56.7%
Other assets	11,016	13,145	13,313	+1.3%	+20.9%
Total assets	843,506	810,578	798,925	-1.4%	-5.3%
LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits from banks	97,781	87,099	82,916	-4.8%	-15.2%
Deposits from customers	514,138	502,120	499,492	-0.5%	-2.8%
Debt securities issued	92,987	90,942	91,656	+0.8%	-1.4%
Financial liabilities held for trading	50,769	38,277	36,858	-3.7%	-27.4%
Other financial liabilities	12,983	14,332	15,039	+4.9%	+15.8%
Hedging instruments	(17,343)	(11,782)	(13,114)	+11.3%	-24.4%
Tax liabilities	1,773	1,748	1,778	+1.7%	+0.3%
Liabilities included in disposal groups classified as held for sale	524	-	0	n.m.	-99.9%
Other liabilities	27,865	22,250	22,128	-0.5%	-20.6%
Minorities	148	172	158	-8.0%	+6.8%
Group Shareholders' Equity:	61,881	65,420	62,013	-5.2%	+0.2%
- Capital and reserves	57,507	62,862	56,777	-9.7%	-1.3%
- Group stated net profit (loss)	4,374	2,558	5,236	n.m.	+19.7%
Total liabilities and Shareholders' Equity	843,506	810,578	798,925	-1.4%	-5.3%

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

With reference to the Group's sovereign exposures¹⁶, the book value of sovereign debt securities as at 30 June 2024 amounted to €111,660 million (of which 109,161 million classified in the banking book¹⁷), over the 77% of it concentrated in eight countries; Italy, with €39,872 million, represents about 36% of the total. For each of the eight countries, the following table shows the book value, the nominal value and the fair value of the exposures broken down by portfolio as at 30 June 2024

¹⁶ Information on Sovereign exposures refers to the scope of the UniCredit Group consolidated results as of 30 June 2024, determined under IAS/IFRS. Sovereign exposures are bonds issued by and loans given to central and local governments and governmental bodies.

To the purpose of this risk exposure are not included:

- Sovereign exposures and Group's Legal entities classified as held for sale as at 30 June 2024
- ABSs.

¹⁷ The banking book includes financial assets designated at fair value, those mandatorily at fair value, those at fair value through other comprehensive income and those at amortised cost.

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(€ million)	Book value	Nominal value	Fair Value
As of June 30 2024			
- Italy	39,872	40,751	39,873
financial assets/liabilities held for trading (net exposures*)	348	351	348
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	53	52	53
financial assets at fair value through other comprehensive income	18,984	18,980	18,984
financial assets at amortised cost	20,487	21,368	20,488
- Spain	15,014	15,672	14,894
financial assets/liabilities held for trading (net exposures*)	103	163	103
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	4,121	4,313	4,121
financial assets at amortised cost	10,790	11,196	10,670
- Germany	7,319	7,356	7,189
financial assets/liabilities held for trading (net exposures*)	525	564	525
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	264	268	264
financial assets at fair value through other comprehensive income	2,878	2,900	2,878
financial assets at amortised cost	3,652	3,624	3,522
- U.S.A.	6,595	8,047	6,628
financial assets/liabilities held for trading (net exposures*)	820	1,189	820
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	3,563	3,690	3,563
financial assets at amortised cost	2,212	3,168	2,245
- Japan	6,202	6,294	6,206
financial assets/liabilities held for trading (net exposures*)	-	-	-
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	5,582	5,712	5,582
financial assets at amortised cost	620	582	624
- France	4,227	4,412	4,101
financial assets/liabilities held for trading (net exposures*)	228	349	228
financial assets designated at fair value	-	1	-
financial assets mandatorily at fair value	17	17	17
financial assets at fair value through other comprehensive income	2,445	2,513	2,445
financial assets at amortised cost	1,537	1,532	1,411
- Czech Republic	3,576	3,464	3,567
financial assets/liabilities held for trading (net exposures*)	57	59	57
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	2,174	2,122	2,174
financial assets at amortised cost	1,345	1,283	1,336
- Austria	3,408	3,650	3,373
financial assets/liabilities held for trading (net exposures*)	8	7	8
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	68	70	68
financial assets at fair value through other comprehensive income	2,599	2,851	2,599
financial assets at amortised cost	733	722	698
Total on-balance sheet exposures	86,213	89,646	85,831

Note:

(*) Including exposures in Credit Derivatives. In case of negative amount, it indicates the prevalence of liabilities positions.

UNICREDIT GROUP: WEIGHTED DURATION

The weighted duration of the sovereign bonds shown in the table above, divided by the banking and trading book, is the following:

Weighted duration (years)	Banking Book	Trading Book	
		Assets positions	Liabilities positions
– Italy	3.86	3.82	3.64
– Spain	4.62	21.53	17.99
– Germany	4.64	11.43	6.78
– U.S.A.	7.90	18.49	-
– Japan	4.31	-	-
– France	7.31	18.33	10.75
– Czech Republic	4.38	4.06	5.36
– Austria	7.64	16.52	9.54

The remaining 23% of the total of sovereign debt securities, amounting to €25,447 million with reference to the book values as at 30 June 2024, is divided into 31 countries, including Romania (€2,745 million), Bulgaria (€2,413 million), Croatia (€2,146 million), Hungary (€1,848 million), Slovakia (€1,181 million), Poland (€1,158 million), Portugal (€979 million), Serbia (€904 million), China (€720 million), Russia (€710 million) and Ireland (€699 million).

With respect to these exposures, as at 30 June 2024 there were no indications that default have occurred and the Group is closely monitoring the evolution of the situation.

With particular reference to the book value of the sovereign debt securities exposure to Russia it should be noted that it is almost totally held by the Russian controlled bank in local currency and classified in the banking book.

It should also be noted that among the aforementioned remaining part of sovereign debt securities as at 30 June 2024 there are also debt securities towards Supranational Organisations such as the European Union, the European Financial Stability Facility and the European Stability Mechanism amounting to €8,018 million.

In addition to the exposures to sovereign debt securities, loans¹⁸ given to central and local governments and governmental bodies must be taken into account, amounting to €24,520 million as at 30 June 2024, of which over 69% to Germany, Austria and Italy.

UNICREDIT GROUP: RATINGS

	Short-term debt	Medium and long-term debt	Outlook	Standalone Rating
Standard & Poor's	A-2	BBB	Stable	bbb+
Moody's	P-2	Baa1	Stable*	baa3
Fitch Ratings	F2	BBB	Stable	bbb

Note: *UniCredit SpA's bank deposit outlook is 'stable', while senior unsecured outlook remains 'negative'

¹⁸ Tax items are not included.

GENERAL NOTES


- **CET1 ratio** fully loaded throughout the document, unless otherwise stated.
- **Numbers** throughout the press release may not add up precisely to the totals provided in tables and text due to rounding.
- **Russia** includes the local bank and legal entities, plus the cross-border exposure booked in UniCredit SpA.
- **Shareholders distribution** subject to supervisory and shareholder approvals.
- **Q/Q means:** current quarter versus previous quarter (in this document equal to 2Q24 versus 1Q24)
- **Y/Y means:** current quarter of the current year versus the same quarter of the previous year (in this document equal to 2Q24 versus 2Q23)

MAIN DEFINITIONS

- **Allocated capital** calculated as 13.0% of RWA plus deductions.
- **Average commercial deposits** (excluding repurchase agreements – repos) are managerial figures and are calculated as daily averages. Deposits net of Group bonds are placed by the network.
- **Average gross commercial performing loans** defined as average stock for the period of performing loans to commercial clients (e.g., excluding markets counterparts and operations); managerial figures, key driver of the NII generated by the network activity.
- **Client Hedging Fees** refers to the client markup on client hedging transactions. The client markup is the difference between the final price to the client and the offer price, containing bid/ask spread, market risk hedging costs and day one XVA.
- **Cost of risk (CoR)** is based on reclassified P&L and Balance sheet, calculated as (i) LLPs of the period (annualised in the interim periods) over (ii) average loans to customers (including active repos, excluding debt securities and IFRS5 reclassified assets).
- **Coverage ratio (on NPE)** defined as stock of LLPs on NPEs over gross NPEs excluding IFRS5 reclassified assets.
- **EPS** calculated as net profit - as defined below - on average number of outstanding shares excluding avg. treasury and CASHES usufruct shares.
- **Dividend per share (DPS)** calculated as end-of-reference-period cash dividend amount accrued, divided by the number of outstanding shares eligible for cash dividend payments, as at the end-of-reference-period (i.e. excluding treasury shares bought back as of the same date, excluding the ordinary shares underlying the Usufruct contract (Cashes)).
- **Gross Non Performing Exposure (Gross NPE)** defined as non-performing exposures before deduction of provisions comprising bad loans, unlikely to pay, and past due; including only loans to customers (including repurchase agreements – repos), excluding debt securities and IFRS5 reclassified assets.
- **Gross Non Performing Exposure ratio (Gross NPE ratio)** defined as (i) gross NPEs over (ii) gross loans (including repurchase agreements – repos) excluding debt securities and IFRS5 reclassified assets.
- **IFRS5 reclassified assets** means exposures classified as Held for Sale.
- **LCR** means Liquidity Coverage Ratio - ratio between the high-quality liquid assets (HQLA) and the net cash outflows expected over the coming 30 days, under stress test conditions.
- **Net non performing exposure (Net NPE)** defined as loans to customers non-performing exposures after deduction of provisions, comprising bad loans, unlikely to pay and past due (including active repurchase agreements – repos, excluding debt securities and IFRS5 reclassified assets).
- **Net Non Performing Exposure ratio (Net NPE ratio)** defined as (i) Net NPEs over total net loans (including repurchase agreements – repos), excluding debt securities and IFRS5 reclassified assets.
- **Net profit** means stated net profit adjusted for impacts from DTAs tax loss carry forward resulting from sustainability test. The result is used for cash dividend accrual / total distribution.
- **Net profit after AT1 /CASHES** means net profit as defined above adjusted for impacts from AT1 and Cashes coupons. The result is used for RoTE and RoAC calculation.
- **Net revenue** means (i) revenues minus (ii) Loan Loss Provisions (LLPs).

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- **NPE** means Non Performing Exposure
- **NSFR** means Net Stable Funding Ratio - ratio between the available amount of stable funding and the required amount of stable funding that are calculated applying defined weighting factors to on and off-balance sheet items. The relevant instructions for its calculation are included in the Regulation (EU) 876/2019 of the European Parliament.
- **Organic capital generation** for Group calculated as (Net profit, as defined above, minus delta RWA excluding Regulatory impacts and PD scenario impacts x CET1r actual)/ RWA.
- **Pass-through** calculated as average cost of total deposits on average Euribor 3M or equivalent interest rate in the period. Deposit amount including term and sight products.
- **PD scenario** means the impacts deriving from probability of default scenario, including rating dynamics.
- **Regulatory impacts** are impacts mostly driven by regulatory changes and model maintenance, shortfall, and calendar provisioning (impacting on capital).
- **RoAC** means annualized ratio between (i) Net profit after AT1/Cashes minus excess capital charge (where applicable) and (ii) allocated capital, both as defined above.
- **RoTE** means (i) Net profit after AT1/ CASHES – as defined above, over (ii) average tangible equity excluding CASHES and DTA from tax loss carry forward contribution.
- **RoTE at 13% CET1 ratio** means RoTE as defined above, but with a tangible equity assuming to distribute the capital in excess of a 13% CET1r (FL), upper end of UniCredit CET1 ratio management target, reducing immediately the tangible equity by this amount of distribution.
- **Share buy-back** defined as repurchasing of shares by the company that issued them to reduce the number of shares available on the open market.
- **Stated net profit** means accounting net profit.
- **Tangible book value per share** for Group calculated as end-of-period tangible equity over end-of-period number of outstanding shares excluding treasury shares.
- **Tangible equity** for Group calculated as shareholders' equity (including Group Stated profit of the period) minus intangible assets (goodwill and other intangibles), minus AT1 component.

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DECLARATION BY THE MANAGER CHARGED WITH PREPARING THE FINANCIAL REPORTS

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

DECLARES

that, pursuant to article 154 bis, paragraph 2, of the “Consolidated Law on Finance”, the information disclosed in this document corresponds to the accounting documents, books, and records.

Milan, 23 July 2024

**Manager charged with
preparing the financial reports**



Fine Comunicato n.0263-127-2024

Numero di Pagine: 23