

This document constitutes a supplement to the prospectus dated 22 June 2011, as supplemented from time to time, pursuant to section 16 paragraph 1 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*).

## **Supplement No. 1**

**to the Prospectus dated 22 June 2011**  
**UniCredit Bank AG**  
Munich, Federal Republic of Germany

**Euro 10,000,000,000 Credit Linked Securities Programme**  
for the issuance of Credit Linked Notes and Credit Linked Certificates



**Arranger and Dealer**  
**UniCredit Bank AG**

**21 October 2011**

This supplement is to be read and construed in conjunction with the base prospectus listed above (the "**Prospectus**") and in connection with any issue of Instruments, with the relevant Final Terms and/or Terms and Conditions. Therefore, with respect to issues under the Prospectus references in the Final Terms and/or Terms and Conditions to the Prospectus are to be read as references to the relevant Prospectus as amended and supplemented.

**UniCredit Bank AG having its registered office at Kardinal-Faulhaber-Strasse 1, 80333 Munich accepts responsibility for the information contained in this Supplement No. 1. UniCredit Bank AG declares that the information contained in this Supplement No. 1 is, to the best of its knowledge, in accordance with the facts and that no material information has been omitted.**

**Investors who have already agreed to purchase or subscribe for the Instruments before the supplement is published shall have the right, exercisable within two working days after the publication of the Supplement No. 1, to withdraw their acceptances, pursuant to section 16 paragraph 3 of the German Securities Prospectus Act.**

**UniCredit Bank AG, LCI4SS Structured Securities and Regulatory, Arabellastraße 12, 81925 Munich, Germany, fax no.: +49-89-378 33 13944, has been appointed as recipient for the revocation notices according to Section 16 Paragraph 3 in connection with section 8 paragraph 1 sentence 4 of the German Securities Prospectus Act.**

**This Supplement No. 1 and the Prospectus are available during usual business hours on any weekday (except Saturdays and public holidays) at the office of UniCredit Bank AG, LCI4SS Structured Securities and Regulatory, Arabellastraße 12, 81925 Munich, Germany.**

UniCredit Bank AG announces the following changes with regard to the Prospectus:

- In the section "**Summary of the Prospectus – 4. Summary description of the Issuer**" beginning on page 11 of the Prospectus, the paragraph "**Consolidated Financial Highlights of HVB Group as of 31 March 2011 (extracted from the unaudited Interim Report)**" shall be deleted and replaced with the following paragraph:

**"Consolidated Financial Highlights of HVB Group as of 30 June 2011 (extracted from the unaudited Interim Report)**

| <b>Key performance indicators</b>             | <b>1/1 – 30/6/2011</b> | <b>1/1 – 30/6/2010</b> |
|---|------------------------|------------------------|
| Net operating profit                          | €1,986 m               | €1,091 m               |
| Cost-income ratio (based on operating income) | 47.8%                  | 52.3%                  |
| Profit before tax                             | €1,920 m               | €1,096                 |
| Consolidated profit                           | €1,320 m               | €720m                  |
| Return on equity before tax <sup>1</sup>      | 17.1%                  | 9.9%                   |
| Return on equity after tax <sup>1</sup>       | 11.8%                  | 7.0%                   |
| Earnings per share                            | €1.59                  | €0.92                  |

| <b>Balance sheet figures</b> | <b>30/6/2011</b> | <b>31/12/2010</b> |
|------------------------------|------------------|-------------------|
| Total assets                 | €359.1 bn        | €371.9 bn         |
| Shareholders' equity         | €23.7 bn         | €23.7 bn          |
| Leverage ratio <sup>2</sup>  | 15.1             | 15.7              |

| <b>Key capital ratios compliant with Basel II</b>                               | <b>30/6/2011</b> | <b>31/12/2010</b> |
|---|------------------|-------------------|
| Core capital without hybrid capital (core Tier 1 capital)                       | €19.8 bn         | €19.8 bn          |
| Core capital (Tier 1 capital)   | €20.6 bn         | €20.6 bn          |
| Risk-weight assets (including equivalents for market risk and operational risk) | €115.5 bn        | €124.5 bn         |
| Core capital ratio without hybrid capital (core Tier 1 ratio) <sup>3</sup>      | 17.1%            | 15.9%             |
| Core capital ratio (Tier 1 ratio) <sup>3</sup>                                  | 17.8%            | 16.6%             |

1: return on equity calculated on the basis of average shareholders' equity according to IFRS

2: ratio of total assets to shareholders' equity compliant with IFRS

3: calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk"

2. The content of section "**Summary of the Prospectus - 5. Risk Factors – General Risks relating to the Securities - Initial Sales charges, premium**" on page 14 of the Prospectus shall be deleted and replaced by the following:

**"Initial Sales charges, premium**

The issue price of the Securities may, where applicable, include, in addition to an issuance premium (agio), embedded commissions payable to the distributor(s) or other disclosed fees and costs, if any, an expected margin to be received by the Issuer. Such margin, where applicable, may not be ascertainable for Holders and is dependent on several factors."

3. In the section "**German Translation of Summary of the Prospectus (Zusammenfassung des Prospekts) – 4. Zusammenfassung der Beschreibung der Emittentin**" beginning on page 29 of the Prospectus, the paragraph "**Ausgewählte konsolidierte Finanzkennzahlen der HVB Group zum 31. März 2011 (auszugsweise dem ungeprüften Zwischenbericht entnommen)**" shall be deleted and replaced with the following paragraph:

**"Ausgewählte konsolidierte Finanzkennzahlen zum der HVB Group 30. Juni 2011 (auszugsweise dem ungeprüften Zwischenbericht entnommen)**

| <b>Kennzahlen der Erfolgsrechnung</b>         | <b>1.1.-30.6.2011</b> | <b>1.1.-30.6.2010</b> |
|---|-----------------------|-----------------------|
| Operatives Ergebnis nach Kreditrisikovorsorge | 1.986 Mio €           | 1.091 Mio €           |
| Cost-Income-Ratio gemessen an den             | 47,8%                 | 52,3%                 |

|  |             |             |
|--|-------------|-------------|
| operativen Erträgen)                               |             |             |
| Ergebnis vor Steuern                               | 1.920 Mio € | 1.096 Mio € |
| Konzernüberschuss                                  | 1.320 Mio € | 720 Mio €   |
| Eigenkapitalrentabilität vor Steuern <sup>1</sup>  | 17,1%       | 9,9%        |
| Eigenkapitalrentabilität nach Steuern <sup>1</sup> | 11,8%       | 7,0%        |
| Ergebnis je Aktie                                  | 1,59€       | 0,92 €      |

| <b>Bilanzzahlen</b>         | <b>30.6.2011</b> | <b>31.12.2010</b> |
|-----------------------------|------------------|-------------------|
| Bilanzsumme                 | 359,1 Mrd €      | 371,9 Mrd €       |
| Bilanzielles Eigenkapital   | 23,7 Mrd €       | 23,7 Mrd €        |
| Leverage Ratio <sup>2</sup> | 15,1             | 15,7              |

| <b>Bankaufsichtsrechtliche Kennzahlen nach Basel II</b>                            | <b>30.6.2011</b> | <b>31.12.2010</b> |
|--|------------------|-------------------|
| Kernkapital ohne Hybridkapital (Core Tier 1-Kapital)                               | 19,8 Mrd €       | 19,8 Mrd €        |
| Kernkapital (Tier 1-Kapital)   | 20,6 Mrd €       | 20,6 Mrd €        |
| Risikoaktiva (inklusive Äquivalente für das Marktrisiko bzw. operationelle Risiko) | 115,5 Mrd €      | 124,5 Mrd €       |
| Kernkapitalquote ohne Hybridkapital (Core Tier 1 Ratio) <sup>3</sup>               | 17,1%            | 15,9%             |
| Kernkapitalquote (Tier 1 Ratio) <sup>3</sup>                                       | 17,8%            | 16,6%             |

1: Eigenkapitalrentabilität berechnet auf Basis des durchschnittlichen bilanziellen Eigenkapitals gemäß IFRS.

2: Verhältnis von Bilanzsumme zu bilanziellem Eigenkapital gemäß IFRS.

3: Berechnet auf der Basis von Risikoaktiva inklusive Äquivalente für das Marktrisiko und für das operationelle Risiko."

4. The content of section "**Zusammenfassung des Prospekts – 5. Risikofaktoren – Allgemeine Risiken in Bezug auf die Wertpapiere - Abschlussgebühren, Aufgelder**" on page 33 of the Prospectus shall be deleted and replaced by the following:

**"Abschlussgebühren, Aufgelder** Der Ausgabepreis der Wertpapiere kann zusätzlich zu einem Ausgabeaufschlag (Agio), Provisionen, die an den Platzeur bzw. die Platzeure zu zahlen sind, oder sonstigen offengelegten Gebühren und Kosten, gegebenenfalls eine erwartete Marge, die bei der

Emittentin verbleibt, enthalten. Diese Marge kann, soweit zutreffend, für die Wertpapierinhaber nicht offenkundig sein und hängt von mehreren Faktoren ab."

5. The content of section "**Risk Factors (English version) - General risks relating to the Securities - Initial Sales charges, premium**" on page 42 of the Prospectus shall be deleted and replaced by the following:

**"Initial Sales charges, premium**

The issue price of the Securities may, where applicable, include, in addition to an issuance premium (agio), embedded commissions payable to the distributor(s) or other disclosed fees and costs, if any, an expected margin to be received by the Issuer. Such margin, where applicable, may not be ascertainable for Holders and is dependent on several factors, including but not limited to the placed notional amount of the securities of each series, prevailing and expected market conditions as of the time of the issuance of the Securities and is added to the value of the Securities. The expected margin, if any, may be different for each issue of Securities and from premiums charged by other market participants."

6. The content of the sub-section in § § [14][15][16] (2) (Teilunwirksamkeit) in section "**Form of Terms and Conditions for German or Austrian law Securities (German version)**" on page 291 of the Prospectus shall be deleted and replaced by the following:

"**[Bei Wertpapieren, die nicht an österreichische Konsumenten angeboten werden, einfügen:** § [14][15][16]

(Teilunwirksamkeit)

- (2) [Die Emittentin ist berechtigt, in diesen Wertpapierbedingungen ohne Zustimmung der Inhaber offensichtliche Bezeichnungs-, Schreib- oder Rechenfehler oder sonstige offensichtliche Unrichtigkeiten zu berichtigen, die unter Berücksichtigung der Interessen der Emittentin und der Inhaber diesen zumutbar (insbesondere unter Annahme der Gleichwertigkeit von Leistung eines Inhabers als Erwerber der Wertpapiere und Gegenleistung der Emittentin unter diesen Wertpapierbedingungen) sind, wobei ein Fehler dann offensichtlich ist, wenn er für einen Anleger, der hinsichtlich der jeweiligen Art von Wertpapieren sachkundig ist, insbesondere unter Berücksichtigung des Verkaufspreises und der weiteren wertbestimmenden Faktoren der Wertpapiere erkennbar ist. Berichtigungen dieser Wertpapierbedingungen werden unverzüglich gemäß § [12][13][●] mitgeteilt.

Darüber hinaus ist die Emittentin berechtigt, in diesen Wertpapierbedingungen widersprüchliche oder lückenhafte Bestimmungen zu ändern bzw. zu ergänzen, wobei nur solche Änderungen bzw. Ergänzungen zulässig sind, die unter Berücksichtigung der Interessen der Emittentin und der Inhaber diesen zumutbar sind. Änderungen bzw. Ergänzungen dieser Wertpapierbedingungen werden unverzüglich gemäß § [12][13][●] mitgeteilt.] **[vergleichbare Bestimmungen für eine Korrektur der Wertpapierbedingungen einfügen]**".

7. The content of the sub-section in § [14][15][16] (2) (Partial Invalidity) in section "**Form of Terms and Conditions for German or Austrian law Securities (English version)**" on page 150 of the Prospectus shall be deleted and replaced by the following:

"**[In case of Securities, which are not offered to Austrian consumers, insert:** § [14][15][16]

(Partial Invalidity)

- (2) [The Issuer is authorised, within these Terms and Conditions of the Securities, without consent of the Holders to correct obvious typing or arithmetic errors or other obvious mistakes that are reasonable under consideration of the Issuer's and Holders' interests (in particular, assuming that the obligation of a Holder as purchaser of the Securities and the corresponding obligation of the Issuer under these Terms and Conditions of the Securities are equivalent), whereas an error shall be deemed to be obvious, if such error is manifest to an investor who is competent

in respect of the relevant type of Securities, in particular, in consideration of the selling price and further factors which affect the value of the Securities. Notices of corrections to these Terms and Conditions of the Securities shall be given without delay, pursuant to § [12][13][•].

Furthermore, the Issuer is authorised to change and/or supplement contradictory or incomplete provisions, where only such changes and/or additions are permissible that are reasonable under consideration of the Issuer's and Holders' interests. Notice of changes and/or additions to these Terms and Conditions of the Securities shall be given without delay, pursuant to § [12][13][•.] [specify comparable provisions for a correction of the Terms and Conditions of the Securities]".

8. The following paragraph shall be inserted at the end of section "**Information about the Issuer**" on page 547 of the Prospectus:

**"Rating**

Unless otherwise specified in the applicable final terms, securities currently issued by HVB have been rated as follows by Fitch Ratings Ltd. ("Fitch"), Moody's Investors Service Ltd. ("Moody's") and Standard & Poor's Ratings Services ("S&P"):

| Type of Instruments    | Fitch | Moody's | S&P |
|------------------------|-------|---------|-----|
| Long-term Senior Notes | A+    | A2*     | A** |
| Short-term Notes       | F1+   | P-1     | A-1 |

\* outlook negative (5 October 2011)

\*\* outlook on the long term ratings revised to negative from stable (21 September 2011)

Securities to be issued under the Programme may be rated or unrated. Where an issue of Securities is rated, its rating may not be the same as the rating as set out above.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency."

9. Immediately after the section "**General Information - Documents incorporated by reference**", after page 554 of the Prospectus, the unaudited Interim Report of HVB as at 30 June 2011 as laid out in Appendix 1 of this Supplement No. 1 is inserted as F-Pages in its entirety.

## **APPENDIX 1**



# Consolidated Income Statement

for the period from 1 January to 30 June 2011

| Income/Expenses   | NOTES | 1/1–30/6/2011  | 1/1–30/6/2010  | CHANGE       |               |
|---|-------|----------------|----------------|--------------|---------------|
|   |       | € millions     | € millions     | € millions   | in %          |
| Interest income   |       | 4,312          | 4,320          | (8)          | (0.2)         |
| Interest expense  |       | (2,199)        | (2,297)        | + 98         | (4.3)         |
| Net interest  | 4     | 2,113          | 2,023          | + 90         | + 4.4         |
| Dividends and other income from equity investments                                    | 5     | 101            | 74             | + 27         | + 36.5        |
| Net fees and commissions  | 6     | 690            | 681            | + 9          | + 1.3         |
| Net trading, hedging and fair value income  | 7     | 787            | 456            | + 331        | + 72.6        |
| Net other expenses/income   | 8     | 42             | 117            | (75)         | (64.1)        |
| <b>OPERATING INCOME</b>   |       | <b>3,733</b>   | <b>3,351</b>   | <b>+ 382</b> | <b>+ 11.4</b> |
| Payroll costs   |       | (917)          | (927)          | + 10         | (1.1)         |
| Other administrative expenses   |       | (763)          | (717)          | (46)         | + 6.4         |
| Amortisation, depreciation and impairment losses<br>on intangible and tangible assets |       | (103)          | (107)          | + 4          | (3.7)         |
| <b>Operating costs</b>  |       | <b>(1,783)</b> | <b>(1,751)</b> | <b>(32)</b>  | <b>+ 1.8</b>  |
| <b>OPERATING PROFIT</b>   |       | <b>1,950</b>   | <b>1,600</b>   | <b>+ 350</b> | <b>+ 21.9</b> |
| Net write-downs of loans and provisions<br>for guarantees and commitments             | 9     | 36             | (509)          | + 545        |               |
| <b>NET OPERATING PROFIT</b>   |       | <b>1,986</b>   | <b>1,091</b>   | <b>+ 895</b> | <b>+ 82.0</b> |
| Provisions for risks and charges  |       | (174)          | (17)           | (157)        | >+ 100.0      |
| Restructuring costs   |       | —              | —              | —            | —             |
| Net income from investments   | 10    | 108            | 22             | + 86         | >+ 100.0      |
| <b>PROFIT BEFORE TAX</b>  |       | <b>1,920</b>   | <b>1,096</b>   | <b>+ 824</b> | <b>+ 75.2</b> |
| Income tax for the period   |       | (600)          | (376)          | (224)        | + 59.6        |
| <b>CONSOLIDATED PROFIT</b>  |       | <b>1,320</b>   | <b>720</b>     | <b>+ 600</b> | <b>+ 83.3</b> |
| attributable to shareholder of UniCredit Bank AG                                      |       | 1,274          | 740            | + 534        | + 72.2        |
| attributable to minorities  |       | 46             | (20)           | + 66         |               |

## Earnings per share

(in €)

|  | NOTES | 1/1–30/6/2011 | 1/1–30/6/2010 |
|--|-------|---------------|---------------|
| Earnings per share (undiluted and diluted) | 11    | 1.59          | 0.92          |

**Statement of total comprehensive income for the period from 1 January to 30 June 2011**

(€ millions)

|  | 1/1–30/6/2011 | 1/1–30/6/2010 |
|--|---------------|---------------|
| <b>Consolidated profit recognised in the income statement</b>                          | <b>1,320</b>  | <b>720</b>    |
| <b>Components of income and expenses recognised in other comprehensive income</b>      |               |               |
| Changes from foreign currency translation and other changes                            | (66)          | 110           |
| Changes from companies accounted for using the equity method                           | —             | —             |
| Actuarial profit on defined benefit plans (pension commitments)                        | —             | —             |
| Assets held for sale   | —             | —             |
| Change in valuation of financial instruments (AfS reserve)                             | 69            | 11            |
| Change in valuation of financial instruments (hedge reserve)                           | (33)          | (88)          |
| Taxes on income and expenses recognised in equity                                      | 26            | 20            |
| <b>Total income and expenses recognised in equity under other comprehensive income</b> | <b>(4)</b>    | <b>53</b>     |
| <b>Total comprehensive income</b>  | <b>1,316</b>  | <b>773</b>    |
| of which:  |               |               |
| attributable to shareholder of UniCredit Bank AG                                       | 1,324         | 679           |
| attributable to minorities   | (8)           | 94            |

# Consolidated Income Statement (CONTINUED)

for the period from 1 April to 30 June 2011

| Income/Expenses   | 1/4–30/6/2011 | 1/4–30/6/2010 | CHANGE       |                    |
|---|---------------|---------------|--------------|--------------------|
|   | € millions    | € millions    | € millions   | in %               |
| Interest income   | 2,207         | 2,167         | + 40         | + 1.8              |
| Interest expense  | (1,127)       | (1,154)       | + 27         | (2.3)              |
| Net interest  | 1,080         | 1,013         | + 67         | + 6.6              |
| Dividends and other income from equity investments                                    | 36            | 59            | (23)         | (39.0)             |
| Net fees and commissions  | 323           | 308           | + 15         | + 4.9              |
| Net trading, hedging and fair value income  | 273           | 16            | + 257        | >+ 100.0           |
| Net other expenses/income   | 11            | 52            | (41)         | (78.8)             |
| <b>OPERATING INCOME</b>   | <b>1,723</b>  | <b>1,448</b>  | <b>+ 275</b> | <b>+ 19.0</b>      |
| Payroll costs   | (461)         | (475)         | + 14         | (2.9)              |
| Other administrative expenses   | (383)         | (364)         | (19)         | + 5.2              |
| Amortisation, depreciation and impairment losses<br>on intangible and tangible assets | (51)          | (53)          | + 2          | (3.8)              |
| <b>Operating costs</b>  | <b>(895)</b>  | <b>(892)</b>  | <b>(3)</b>   | <b>+ 0.3</b>       |
| <b>OPERATING PROFIT</b>   | <b>828</b>    | <b>556</b>    | <b>+ 272</b> | <b>+ 48.9</b>      |
| Net write-downs of loans and provisions<br>for guarantees and commitments             | 163           | (137)         | + 300        |                    |
| <b>NET OPERATING PROFIT</b>   | <b>991</b>    | <b>419</b>    | <b>+ 572</b> | <b>&gt;+ 100.0</b> |
| Provisions for risks and charges  | (116)         | (12)          | (104)        | >+ 100.0           |
| Restructuring costs   | —             | —             | —            | —                  |
| Net income from investments   | 50            | (5)           | + 55         |                    |
| <b>PROFIT BEFORE TAX</b>  | <b>925</b>    | <b>402</b>    | <b>+ 523</b> | <b>&gt;+ 100.0</b> |
| Income tax for the period   | (286)         | (142)         | (144)        | >+ 100.0           |
| <b>CONSOLIDATED PROFIT</b>  | <b>639</b>    | <b>260</b>    | <b>+ 379</b> | <b>&gt;+ 100.0</b> |
| attributable to shareholder of UniCredit Bank AG                                      | 623           | 272           | + 351        | >+ 100.0           |
| attributable to minorities  | 16            | (12)          | + 28         |                    |

## Earnings per share

(in €)

|  | 1/4–30/6/2011 | 1/4–30/6/2010 |
|--|---------------|---------------|
| Earnings per share (undiluted and diluted) | 0.78          | 0.34          |

**Statement of total comprehensive income for the period from 1 April to 30 June 2011**

(€ millions)

|  | 1/4–30/6/2011 | 1/4–30/6/2010 |
|--|---------------|---------------|
| <b>Consolidated profit recognised in the income statement</b>                          | <b>639</b>    | <b>260</b>    |
| <b>Components of income and expenses recognised in other comprehensive income</b>      |               |               |
| Changes from foreign currency translation and other changes                            | (13)          | 68            |
| Changes from companies accounted for using the equity method                           | —             | —             |
| Actuarial profit on defined benefit plans (pension commitments)                        | —             | —             |
| Assets held for sale   | —             | —             |
| Change in valuation of financial instruments (AfS reserve)                             | 47            | (41)          |
| Change in valuation of financial instruments (hedge reserve)                           | (28)          | (33)          |
| Taxes on income and expenses recognised in equity                                      | 3             | 7             |
| <b>Total income and expenses recognised in equity under other comprehensive income</b> | <b>9</b>      | <b>1</b>      |
| <b>Total comprehensive income</b>  | <b>648</b>    | <b>261</b>    |
| of which:  |               |               |
| attributable to shareholder of UniCredit Bank AG                                       | 643           | 206           |
| attributable to minorities   | 5             | 55            |

# Balance Sheet

at 30 June 2011

## Assets

|   | NOTES | 30/6/2011      | 31/12/2010     | CHANGE          |              |
|---|-------|----------------|----------------|-----------------|--------------|
|   |       | € millions     | € millions     | € millions      | in %         |
| Cash and cash balances  |       | 7,920          | 3,065          | + 4,855         | >+ 100.0     |
| Financial assets held for trading   | 12    | 117,412        | 133,389        | (15,977)        | (12.0)       |
| Financial assets at fair value through profit or loss   | 13    | 28,119         | 26,631         | + 1,488         | + 5.6        |
| Available-for-sale financial assets   | 14    | 5,839          | 5,915          | (76)            | (1.3)        |
| Shares in associates accounted for using the equity method and joint ventures accounted for using the equity method | 15    | —              | 94             | (94)            | (100.0)      |
| Held-to-maturity investments  | 16    | 2,518          | 2,600          | (82)            | (3.2)        |
| Loans and receivables with banks  | 17    | 48,540         | 46,332         | + 2,208         | + 4.8        |
| Loans and receivables with customers  | 18    | 135,264        | 139,351        | (4,087)         | (2.9)        |
| Hedging derivatives   |       | 3,381          | 4,205          | (824)           | (19.6)       |
| Hedge adjustment of hedged items in the fair value hedge portfolio  |       | 58             | 100            | (42)            | (42.0)       |
| Property, plant and equipment   |       | 3,021          | 3,053          | (32)            | (1.0)        |
| Investment properties   |       | 1,711          | 1,879          | (168)           | (8.9)        |
| Intangible assets   |       | 583            | 608            | (25)            | (4.1)        |
| of which: goodwill  |       | 424            | 424            | —               | —            |
| Tax assets  |       | 2,818          | 3,257          | (439)           | (13.5)       |
| Current tax assets  |       | 348            | 406            | (58)            | (14.3)       |
| Deferred tax assets   |       | 2,470          | 2,851          | (381)           | (13.4)       |
| Non-current assets or disposal groups held for sale   | 19    | 8              | 28             | (20)            | (71.4)       |
| Other assets  |       | 1,861          | 1,402          | + 459           | + 32.7       |
| <b>Total assets</b>   |       | <b>359,053</b> | <b>371,909</b> | <b>(12,856)</b> | <b>(3.5)</b> |

## Liabilities

|  | NOTES | 30/6/2011      | 31/12/2010     | CHANGE          |              |
|--|-------|----------------|----------------|-----------------|--------------|
|  |       | € millions     | € millions     | € millions      | in %         |
| Deposits from banks  | 22    | 53,985         | 51,887         | + 2,098         | + 4.0        |
| Deposits from customers  | 23    | 114,501        | 108,494        | + 6,007         | + 5.5        |
| Debt securities in issue   | 24    | 47,296         | 48,676         | (1,380)         | (2.8)        |
| Financial liabilities held for trading                                   |       | 108,665        | 127,096        | (18,431)        | (14.5)       |
| Hedging derivatives  |       | 1,828          | 2,091          | (263)           | (12.6)       |
| Hedge adjustment of hedged items<br>in the fair value hedge portfolio    |       | 974            | 1,471          | (497)           | (33.8)       |
| Tax liabilities  |       | 2,013          | 2,203          | (190)           | (8.6)        |
| Current tax liabilities  |       | 741            | 840            | (99)            | (11.8)       |
| Deferred tax liabilities   |       | 1,272          | 1,363          | (91)            | (6.7)        |
| Liabilities of disposal groups held for sale                             | 25    | —              | 598            | (598)           | (100.0)      |
| Other liabilities  |       | 4,109          | 3,822          | + 287           | + 7.5        |
| Provisions   | 26    | 1,978          | 1,901          | + 77            | + 4.1        |
| Shareholders' equity   |       | 23,704         | 23,670         | + 34            | + 0.1        |
| Shareholders' equity attributable to<br>shareholder of UniCredit Bank AG |       | 22,925         | 22,866         | + 59            | + 0.3        |
| Subscribed capital   |       | 2,407          | 2,407          | —               | —            |
| Additional paid-in capital   |       | 9,791          | 9,791          | —               | —            |
| Other reserves   |       | 9,474          | 9,485          | (11)            | (0.1)        |
| Change in valuation of financial instruments                             | 27    | (21)           | (87)           | + 66            | + 75.9       |
| AfS reserve  |       | (52)           | (141)          | + 89            | + 63.1       |
| Hedge reserve  |       | 31             | 54             | (23)            | (42.6)       |
| Consolidated profit 2010   |       | —              | 1,270          | (1,270)         | (100.0)      |
| Net profit 1/1 – 30/6/2011 <sup>1</sup>                                  |       | 1,274          | —              | + 1,274         |              |
| Minority interest  |       | 779            | 804            | (25)            | (3.1)        |
| <b>Total shareholders' equity and liabilities</b>                        |       | <b>359,053</b> | <b>371,909</b> | <b>(12,856)</b> | <b>(3.5)</b> |

<sup>1</sup> attributable to shareholder of UniCredit Bank AG

## Statement of Changes in Shareholders' Equity

at 30 June 2011

|  | SUBSCRIBED<br>CAPITAL | ADDITIONAL<br>PAID-IN CAPITAL | OTHER RESERVES |   |
|--|-----------------------|-------------------------------|----------------|---|
|  |                       |                               | TOTAL          | OF WHICH:<br>PENSIONS<br>AND SIMILAR<br>OBLIGATIONS<br>(IAS 19) |
| Shareholders' equity at 1 January 2010                                     | 2,407                 | 9,791                         | 9,034          | (223)   |
| <b>Recognised income and expenses</b>                                      |                       |                               |                |   |
| <b>Consolidated profit recognised in the consolidated income statement</b> | —                     | —                             | —              | —   |
| <b>Income and expenses recognised in equity</b>                            |                       |                               |                |   |
| Change in valuation of financial instruments not affecting income          | —                     | —                             | —              | —   |
| Change in valuation of financial instruments affecting income              | —                     | —                             | —              | —   |
| Reserve arising from foreign currency translation and other changes        | —                     | —                             | 12             | —   |
| <b>Total income and expenses recognised in equity</b>                      |                       |                               |                |   |
| <b>under other comprehensive income<sup>3</sup></b>                        | —                     | —                             | 12             | —   |
| <b>Total income and expenses recognised</b>                                | —                     | —                             | 12             | —   |
| <b>Other changes recognised in equity</b>                                  |                       |                               |                |   |
| Dividend payouts   | —                     | —                             | —              | —   |
| Changes in group of consolidated companies                                 | —                     | —                             | (30)           | —   |
| <b>Total other changes in equity</b>                                       | —                     | —                             | (30)           | —   |
| Shareholders' equity at 30 June 2010                                       | 2,407                 | 9,791                         | 9,016          | (223)   |
| Shareholders' equity at 1 January 2011                                     | 2,407                 | 9,791                         | 9,485          | (189)   |
| <b>Recognised income and expenses</b>                                      |                       |                               |                |   |
| <b>Consolidated profit recognised in the consolidated income statement</b> | —                     | —                             | —              | —   |
| <b>Income and expenses recognised in equity</b>                            |                       |                               |                |   |
| Change in valuation of financial instruments not affecting income          | —                     | —                             | —              | —   |
| Change in valuation of financial instruments affecting income              | —                     | —                             | —              | —   |
| Reserve arising from foreign currency translation and other changes        | —                     | —                             | (16)           | —   |
| <b>Total income and expenses recognised in equity</b>                      |                       |                               |                |   |
| <b>under other comprehensive income<sup>3</sup></b>                        | —                     | —                             | (16)           | —   |
| <b>Total income and expenses recognised</b>                                | —                     | —                             | (16)           | —   |
| <b>Other changes recognised in equity</b>                                  |                       |                               |                |   |
| Dividend payouts   | —                     | —                             | —              | —   |
| Changes in group of consolidated companies                                 | —                     | —                             | 5              | —   |
| <b>Total other changes in equity</b>                                       | —                     | —                             | 5              | —   |
| Shareholders' equity at 30 June 2011                                       | 2,407                 | 9,791                         | 9,474          | (189)   |

1 attributable to shareholder of UniCredit Bank AG

2 UniCredit Bank AG (HVB)

3 see Statement of Total Comprehensive Income

4 The Annual General Meeting of Shareholders of 21 May 2010 resolved to distribute the 2009 consolidated profit in the amount of €1,633 million as a dividend to our sole shareholder, UniCredit S.p.A. (UniCredit), Rome, Italy. This represents a dividend of around €2.03 per share of common stock and per share of preferred stock, an advanced dividend of €0.064 per share of preferred stock and a retroactive payment on the advance share of profits of €0.064 per share of preferred stock for 2008.

5 The Annual General Meeting of Shareholders of 18 May 2011 resolved to distribute the 2010 consolidated profit in the amount of €1,270 million as a dividend to our sole shareholder, UniCredit S.p.A. (UniCredit), Rome, Italy. This represents a dividend of around €1.58 per share.

(€ millions)

| CHANGE IN VALUATION<br>OF FINANCIAL INSTRUMENTS |               | CONSOLIDATED<br>PROFIT | PROFIT<br>1/1 – 30/6 <sup>1</sup> | TOTAL<br>SHAREHOLDERS'<br>EQUITY ATTRIBUTABLE<br>TO SHAREHOLDER<br>OF HVB <sup>2</sup> | MINORITY<br>INTEREST | TOTAL<br>SHAREHOLDERS'<br>EQUITY |
|---|---------------|------------------------|-----------------------------------|--|----------------------|----------------------------------|
| AFS RESERVE                                     | HEDGE RESERVE |                        |                                   |  |                      |                                  |
| (190)   | 195           | 1,633                  | —                                 | 22,870   | 768                  | 23,638                           |
| —   | —             | —                      | 740                               | 740  | (20)                 | 720                              |
| 28  | 1             | —                      | —                                 | 29   | (1)                  | 28                               |
| (24)  | (61)          | —                      | —                                 | (85)   | —                    | (85)                             |
| (17)  | —             | —                      | —                                 | (5)  | 115                  | 110                              |
| (13)  | (60)          | —                      | —                                 | (61)   | 114                  | 53                               |
| (13)  | (60)          | —                      | 740                               | 679  | 94                   | 773                              |
| —   | —             | (1,633) <sup>4</sup>   | —                                 | (1,633)  | (18)                 | (1,651)                          |
| (9)   | (58)          | —                      | —                                 | (97)   | (1)                  | (98)                             |
| (9)   | (58)          | (1,633)                | —                                 | (1,730)  | (19)                 | (1,749)                          |
| (212)   | 77            | —                      | 740                               | 21,819   | 843                  | 22,662                           |
| (141)   | 54            | 1,270                  | —                                 | 22,866   | 804                  | 23,670                           |
| —   | —             | —                      | 1,274                             | 1,274  | 46                   | 1,320                            |
| 95  | —             | —                      | —                                 | 95   | 1                    | 96                               |
| (11)  | (23)          | —                      | —                                 | (34)   | —                    | (34)                             |
| 5   | —             | —                      | —                                 | (11)   | (55)                 | (66)                             |
| 89  | (23)          | —                      | —                                 | 50   | (54)                 | (4)                              |
| 89  | (23)          | —                      | 1,274                             | 1,324  | (8)                  | 1,316                            |
| —   | —             | (1,270) <sup>5</sup>   | —                                 | (1,270)  | (17)                 | (1,287)                          |
| —   | —             | —                      | —                                 | 5  | —                    | 5                                |
| —   | —             | (1,270)                | —                                 | (1,265)  | (17)                 | (1,282)                          |
| (52)  | 31            | —                      | 1,274                             | 22,925   | 779                  | 23,704                           |



# Cash Flow Statement (abridged version)

(€ millions)

|  | 2011           | 2010           |
|--|----------------|----------------|
| <b>Cash and cash equivalents at 1 January</b>                  | <b>3,065</b>   | <b>6,400</b>   |
| <b>Cash flows from operating activities</b>                    | <b>6,585</b>   | <b>4,390</b>   |
| <b>Cash flows from investing activities</b>                    | <b>245</b>     | <b>(1,979)</b> |
| <b>Cash flows from financing activities</b>                    | <b>(1,975)</b> | <b>(2,189)</b> |
| Effects of exchange rate changes                               | —              | —              |
| Less disposal groups held for sale and discontinued operations | —              | —              |
| <b>Cash and cash equivalents at 30 June</b>                    | <b>7,920</b>   | <b>6,622</b>   |

# Selected Notes

## 1 Accounting and valuation principles

### IFRS basis

The present Half-yearly Financial Report has been prepared in accordance with the regulations defined in the International Financial Reporting Standards (IFRS) and complies with IAS 34, which covers interim reporting. Thus, the present Half-yearly Financial Report meets the requirements of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) for the half-yearly financial reporting of capital-market-oriented companies.

We have applied the same accounting, valuation and disclosure principles in 2011 as in the consolidated financial statements for 2010 (please refer to the HVB Group Annual Report for 2010, starting on page 104).

The following standards and interpretations newly released or revised by the IASB are applicable for the first time in the 2011 financial year:

- Annual Improvements Project 2010 “Improvements to IFRSs”
- Amendments to IAS 24 “Related Party Disclosures”
- Amendments to IAS 32 “Classification of Right Issues”
- IFRIC 19 “Extinguishing Financial Liabilities with Equity Investments”
- Amendments to IFRIC 14 “Prepayments of a Minimum Funding Requirement”.

The new regulations have not had any material impact.

We have made minor structural adjustments to our income statement as of the 2011 financial year. The aggregate items “Net interest income” and “Net non-interest income” within operating income are no longer shown. The items “Net interest” and “Dividends and other income from equity investments” included in the old aggregate item “Net interest income” continue to be shown separately. Furthermore, we have added a new aggregate item “Net operating profit”, which reflects the balance of the aggregate item “Operating profit” and the income statement item “Net write-downs of loans and provisions for guarantees and commitments”. No changes have been made to the composition of the individual income statement items.

We did not avail ourselves of the possibility of reviewing the present local Half-yearly Financial Report of HVB Group compliant with Section 37w (5) of the German Securities Trading Act (WpHG).

### Segment reporting

In segment reporting, the market-related activities of HVB Group are divided into the following globally active divisions: Corporate & Investment Banking (CIB), Family & SME (F&SME; formerly known as the Retail division), and Private Banking (PB).

Also shown is the “Other/consolidation” segment that covers Global Banking Services and Group Corporate Centre activities and the effects of consolidation.

The same principles are being applied in the 2011 financial year as were used at year-end 2010. We use risk-weighted assets compliant with Basel II as the criterion for allocating tied equity capital. The interest rate used to assess the equity capital allocated to companies assigned to several divisions (HVB, UniCredit Luxembourg) was 4.09% in 2010. This interest rate was redetermined for 2011 and has been 4.08% since 1 January 2011.

## Selected Notes (CONTINUED)

The following changes were made to the segment assignments in the first half of 2011:

- The final phase of our One for Clients programme (One4C) was implemented at the start of 2011. This involved the transfer of small and medium-sized companies with revenues of up to €50 million from the Corporate & Investment Banking division to the Retail division, which was renamed Family & SME to coincide with the expansion of the customer base. In the second quarter of 2010, retail customers with free assets of at least €500,000 had already been moved from the Retail division to the PB division and customers with assets of less than €500,000 transferred from the PB division to what at that time was the Retail division.
- The autonomous “Leasing” product unit, which was previously allocated to the CIB division, was transferred to F&SME.
- In order to ensure that the performance of the Private Banking division in 2011 can be compared with previous periods, the contribution to profits generated by the parts of the private banking business of UniCredit Luxembourg S.A. sold at year-end 2010, were assigned to the Other/consolidation segment together with the resulting gain on disposal and the associated restructuring costs.
- The income and expenses of a special purpose entity that were previously shown in the CIB division are now included in the Other/consolidation segment.
- There were further minor reorganisations, especially in operating costs.

The previous year's figures and those of the previous quarters have been adjusted accordingly to reflect the changes in segment allocations described above.

### 2 Companies included in consolidation

The following companies were added to the group of companies included in consolidation in the first half of 2011:

- Antus Immobilien- und Projektentwicklungs GmbH, Munich
- BIL Immobilien Fonds GmbH & Co Objekt Perlach KG, Munich
- BV Grundstücksentwicklungs-GmbH & Co. Verwaltungs-KG, Munich
- CUMTERRA Gesellschaft für Immobilienverwaltung mbH, Munich
- Elektra Purchase No. 27 Limited, Dublin
- Elektra Purchase No. 28 Limited, Dublin
- Elektra Purchase No. 50 Limited, Dublin
- Elektra Purchase No. 52 Limited, Dublin
- Erste Onshore Windkraft Beteiligungsgesellschaft mbH & Co. Windpark Grefrath KG, Oldenburg
- Erste Onshore Windkraft Beteiligungsgesellschaft mbH & Co. Windpark Mose KG, Oldenburg
- HAWA Grundstücks GmbH & Co. OHG Hotelverwaltung, Munich
- HAWA Grundstücks GmbH & Co. OHG Immobilienverwaltung, Munich
- H & B Immobilien GmbH & Co. Objekte KG, Munich
- HVB Expertise GmbH, Munich
- HVB Life Science GmbH & Co. Beteiligungs-KG, Munich
- HVB Profil Gesellschaft für Personalmanagement mbH, Munich
- HYPO-REAL Haus & Grundbesitz Gesellschaft mbH & Co. Immobilien-Vermietungs KG, Munich
- Keller Crossing L.P., Wilmington
- Life Science I Beteiligungs GmbH, Munich
- MILLETERRA Gesellschaft für Immobilienverwaltung mbH, Munich
- Omnia Grundstücks-GmbH & Co. Objekt Eggenfeldener Straße KG, Munich
- Omnia Grundstücks-GmbH & Co. Objekt Haidenauplatz KG, Munich
- Simon Verwaltungs-Aktiengesellschaft i.L., Munich
- Transterra Gesellschaft für Immobilienverwaltung mbH, Munich
- VuWB Investments Inc., Atlanta
- Wealth Capital Investments, Inc., Wilmington.

The following companies have left the group of companies included in consolidation:

- Morgan Stanley Series 2008-2933, New York
- Sofimmocentrale S.A., Brussels
- UniCredit Global Information Services Società Consortile per Azioni, Milan
- Elektra Purchase No. 26 Limited, Dublin.

In the course of implementing All4Quality, a group-wide UniCredit project for enhancing the quality of internal services, we sold all but ten of our shares in UniCredit Global Information Services S.C.p.A. (UGIS) to UniCredit S.p.A. on 13 May 2011. Upon the sale of our shares (previous shareholding of 24.7%), UGIS, which was consolidated at equity, was deconsolidated.

# Notes to the Income Statement

## 3 Segment reporting

Income statement broken down by division for the period from 1 January to 30 June 2011

(€ millions)

|   | CORPORATE &<br>INVESTMENT<br>BANKING | FAMILY & SME | PRIVATE BANKING | OTHER/<br>CONSOLIDATION | HVB GROUP |
|---|--------------------------------------|--------------|-----------------|-------------------------|-----------|
| <b>OPERATING INCOME</b>   |                                      |              |                 |                         |           |
| 1/1 – 30/6/2011   | 2,483                                | 919          | 137             | 194                     | 3,733     |
| 1/1 – 30/6/2010   | 2,018                                | 890          | 134             | 309                     | 3,351     |
| <b>Operating costs</b>  |                                      |              |                 |                         |           |
| 1/1 – 30/6/2011   | (792)                                | (797)        | (78)            | (116)                   | (1,783)   |
| 1/1 – 30/6/2010   | (806)                                | (768)        | (82)            | (95)                    | (1,751)   |
| <b>Net write-downs of loans<br/>and provisions for guarantees<br/>and commitments</b> |                                      |              |                 |                         |           |
| 1/1 – 30/6/2011   | 8                                    | (20)         | (3)             | 51                      | 36        |
| 1/1 – 30/6/2010   | (339)                                | (125)        | (1)             | (44)                    | (509)     |
| <b>NET OPERATING PROFIT</b>   |                                      |              |                 |                         |           |
| 1/1 – 30/6/2011   | 1,699                                | 102          | 56              | 129                     | 1,986     |
| 1/1 – 30/6/2010   | 873                                  | (3)          | 51              | 170                     | 1,091     |
| <b>Restructuring costs</b>  |                                      |              |                 |                         |           |
| 1/1 – 30/6/2011   | —                                    | —            | —               | —                       | —         |
| 1/1 – 30/6/2010   | —                                    | —            | —               | —                       | —         |
| <b>Net income from<br/>investments and other items<sup>1</sup></b>                    |                                      |              |                 |                         |           |
| 1/1 – 30/6/2011   | (95)                                 | (12)         | —               | 41                      | (66)      |
| 1/1 – 30/6/2010   | 40                                   | 8            | —               | (43)                    | 5         |
| <b>PROFIT BEFORE TAX</b>  |                                      |              |                 |                         |           |
| 1/1 – 30/6/2011   | 1,604                                | 90           | 56              | 170                     | 1,920     |
| 1/1 – 30/6/2010   | 913                                  | 5            | 51              | 127                     | 1,096     |

<sup>1</sup> contains the following income statement items: provisions for risks and charges and net income from investments

## Notes to the Income Statement (CONTINUED)

Income statement of the Corporate &amp; Investment Banking division

(€ millions)

| INCOME/EXPENSES  | 1/1 – 30/6/<br>2011 | 1/1 – 30/6/<br>2010 | Q2<br>2011   | Q1<br>2011   | Q4<br>2010   | Q3<br>2010   | Q2<br>2010   |
|--|---------------------|---------------------|--------------|--------------|--------------|--------------|--------------|
| Net interest   | 1,305               | 1,247               | 686          | 619          | 699          | 599          | 648          |
| Dividends and other income                               |                     |                     |              |              |              |              |              |
| from equity investments                                  | 85                  | 59                  | 25           | 60           | 38           | 14           | 47           |
| Net fees and commissions                                 | 309                 | 278                 | 142          | 167          | 156          | 119          | 110          |
| Net trading, hedging and fair value income               | 777                 | 392                 | 271          | 506          | 15           | 239          | 25           |
| Net other expenses/income                                | 7                   | 42                  | 4            | 3            | (12)         | 8            | 17           |
| <b>OPERATING INCOME</b>                                  | <b>2,483</b>        | <b>2,018</b>        | <b>1,128</b> | <b>1,355</b> | <b>896</b>   | <b>979</b>   | <b>847</b>   |
| Payroll costs  | (316)               | (337)               | (158)        | (158)        | (96)         | (153)        | (181)        |
| Other administrative expenses                            | (469)               | (459)               | (239)        | (230)        | (231)        | (228)        | (242)        |
| Amortisation, depreciation and impairment                |                     |                     |              |              |              |              |              |
| losses on intangible and tangible assets                 | (7)                 | (10)                | (3)          | (4)          | (7)          | (5)          | (6)          |
| <b>Operating costs</b>                                   | <b>(792)</b>        | <b>(806)</b>        | <b>(400)</b> | <b>(392)</b> | <b>(334)</b> | <b>(386)</b> | <b>(429)</b> |
| <b>OPERATING PROFIT</b>                                  | <b>1,691</b>        | <b>1,212</b>        | <b>728</b>   | <b>963</b>   | <b>562</b>   | <b>593</b>   | <b>418</b>   |
| Net write-downs of loans and provisions                  |                     |                     |              |              |              |              |              |
| for guarantees and commitments                           | 8                   | (339)               | 97           | (89)         | 12           | (176)        | (45)         |
| <b>NET OPERATING PROFIT</b>                              | <b>1,699</b>        | <b>873</b>          | <b>825</b>   | <b>874</b>   | <b>574</b>   | <b>417</b>   | <b>373</b>   |
| Restructuring costs                                      | —                   | —                   | —            | —            | 3            | —            | —            |
| Net income from investments and other items <sup>1</sup> | (95)                | 40                  | (97)         | 2            | (522)        | (1)          | 10           |
| <b>PROFIT BEFORE TAX</b>                                 | <b>1,604</b>        | <b>913</b>          | <b>728</b>   | <b>876</b>   | <b>55</b>    | <b>416</b>   | <b>383</b>   |
| Cost-income ratio in %                                   | 31.9                | 39.9                | 35.5         | 28.9         | 37.3         | 39.4         | 50.6         |

<sup>1</sup> contains the following income statement items: provisions for risks and charges and net income from investments

**Development of the Corporate & Investment Banking division**

The Corporate & Investment Banking division generated operating income of €2,483 million in the first half of 2011, which is €465 million more than the €2,018 million recorded at this point last year. With operating costs down €14 million, the operating profit improved sharply in the first half of 2011 to €1,691 million after €1,212 million in the corresponding period last year.

The €58 million increase in net interest can be attributed to improved margins and volumes in deposit-taking activities coupled with special effects in the Multinational Corporates units. Dividends and other income from equity investments essentially include dividend payments from private equity funds, which were €26 million higher than in the equivalent period last year. Net fees and commissions rose by €31 million to €309 million on account of lower expenses in connection with own securitisation transactions coupled with higher income from structured financing.

Net trading, hedging and fair value income improved significantly on last year, rising by €385 million to €777 million in the first half of 2011. The Rates (fixed-income products) and Equities (equity and index products) units, together with credit-related activities, made a major contribution to this pleasing total. With operating costs declining by €14 million, or 1.7%, to €792 million, the division's cost-income ratio improved by 8.0 percentage points compared with last year to the very good figure of 31.9% during the reporting period on account of the strong operating performance.

A net reversal of €8 million was recorded in net write-downs of loans and provisions for guarantees and commitments in the first half of 2011 on account of the vastly improved lending environment, following on from net additions of €339 million in the first half of 2010. On the non-operating side, there were net expenses of €95 million (net income of €40 million in 2010) resulting from additions to provisions that were only partially offset by net income from investments. All in all, the division generated a very good profit before tax of €1,604 million in the first six months of 2011, which is much higher than the €913 million recorded in the first half of 2010.

## Income statement of the Family &amp; SME division

(€ millions)

| INCOME/EXPENSES  | 1/1 – 30/6/<br>2011 | 1/1 – 30/6/<br>2010 | Q2<br>2011   | Q1<br>2011   | Q4<br>2010   | Q3<br>2010   | Q2<br>2010   |
|--|---------------------|---------------------|--------------|--------------|--------------|--------------|--------------|
| Net interest   | 610                 | 578                 | 306          | 304          | 301          | 290          | 288          |
| Dividends and other income                               |                     |                     |              |              |              |              |              |
| from equity investments                                  | 4                   | 4                   | 4            | —            | 1            | —            | 4            |
| Net fees and commissions                                 | 290                 | 301                 | 135          | 155          | 142          | 128          | 150          |
| Net trading, hedging and fair value income               | 2                   | 7                   | 1            | 1            | 6            | 1            | 3            |
| Net other expenses/income                                | 13                  | —                   | 8            | 5            | (3)          | —            | (1)          |
| <b>OPERATING INCOME</b>                                  | <b>919</b>          | <b>890</b>          | <b>454</b>   | <b>465</b>   | <b>447</b>   | <b>419</b>   | <b>444</b>   |
| Payroll costs  | (301)               | (288)               | (151)        | (150)        | (147)        | (147)        | (141)        |
| Other administrative expenses                            | (487)               | (473)               | (244)        | (243)        | (249)        | (231)        | (238)        |
| Amortisation, depreciation and impairment                |                     |                     |              |              |              |              |              |
| losses on intangible and tangible assets                 | (9)                 | (7)                 | (5)          | (4)          | (7)          | (4)          | (3)          |
| <b>Operating costs</b>                                   | <b>(797)</b>        | <b>(768)</b>        | <b>(400)</b> | <b>(397)</b> | <b>(403)</b> | <b>(382)</b> | <b>(382)</b> |
| <b>OPERATING PROFIT</b>                                  | <b>122</b>          | <b>122</b>          | <b>54</b>    | <b>68</b>    | <b>44</b>    | <b>37</b>    | <b>62</b>    |
| Net write-downs of loans and provisions                  |                     |                     |              |              |              |              |              |
| for guarantees and commitments                           | (20)                | (125)               | 4            | (24)         | 23           | 20           | (50)         |
| <b>NET OPERATING PROFIT/(LOSS)</b>                       | <b>102</b>          | <b>(3)</b>          | <b>58</b>    | <b>44</b>    | <b>67</b>    | <b>57</b>    | <b>12</b>    |
| Restructuring costs                                      | —                   | —                   | —            | —            | —            | —            | —            |
| Net income from investments and other items <sup>1</sup> | (12)                | 8                   | (11)         | (1)          | (13)         | (2)          | 7            |
| <b>PROFIT BEFORE TAX</b>                                 | <b>90</b>           | <b>5</b>            | <b>47</b>    | <b>43</b>    | <b>54</b>    | <b>55</b>    | <b>19</b>    |
| Cost-income ratio in %                                   | 86.7                | 86.3                | 88.1         | 85.4         | 90.2         | 91.2         | 86.0         |

<sup>1</sup> contains the following income statement items: provisions for risks and charges and net income from investments

**Development of the Family & SME division**

The operating income of the F&SME division increased by 3.3% to €919 million in the first half of 2011. Net interest rose by 5.5% to €610 million as a result of higher interest margins in deposit-taking operations. This effect more than offset the lower net interest in lending activities caused by a decline in both volumes and margins. At €290 million, net fees and commissions failed to fully match the strong €301 million recorded in the corresponding period last year. The slight decline in net fees and commissions results primarily from the brokerage of insurance and transactions involving open-ended funds. This could not be offset by higher income from sales of fixed-income securities.

Total operating costs increased by 3.8% to €797 million. There were shifts between payroll costs (higher as a result) and other administrative expenses (lower as a result) on account of the initial consolidation of UniCredit Direct Services (UCDS). The 3.0% rise in other administrative expenses can be attributed primarily to higher marketing costs in connection with the new media campaign and higher indirect costs. The increase in operating income was offset by the 3.8% rise in operating costs, meaning that the operating profit of €122 million is the same as after six months of last year. As a result of much lower net write-downs of loans and provisions for guarantees and commitments compared with the first half of 2010 (down 84% to €20 million), the division generated a net operating profit of €102 million, which is significantly better than the net operating loss of €3 million recorded last year. On the non-operating side, there were net expenses of €12 million resulting notably from additions to provisions. All in all, the F&SME division generated a strong profit before tax of €90 million in the first half of 2011, which is much larger than the total of €5 million reported at the same point last year.

## Notes to the Income Statement (CONTINUED)

Income statement of the Private Banking division

(€ millions)

| INCOME/EXPENSES  | 1/1 – 30/6/<br>2011 | 1/1 – 30/6/<br>2010 | Q2<br>2011  | Q1<br>2011  | Q4<br>2010  | Q3<br>2010  | Q2<br>2010  |
|--|---------------------|---------------------|-------------|-------------|-------------|-------------|-------------|
| Net interest   | 51                  | 46                  | 27          | 24          | 27          | 24          | 22          |
| Dividends and other income                               |                     |                     |             |             |             |             |             |
| from equity investments                                  | 3                   | 2                   | 1           | 2           | 6           | 1           | 2           |
| Net fees and commissions                                 | 83                  | 87                  | 40          | 43          | 35          | 35          | 41          |
| Net trading, hedging and fair value income               | —                   | —                   | —           | —           | —           | —           | —           |
| Net other expenses/income                                | —                   | (1)                 | —           | —           | 1           | 2           | (1)         |
| <b>OPERATING INCOME</b>                                  | <b>137</b>          | <b>134</b>          | <b>68</b>   | <b>69</b>   | <b>69</b>   | <b>62</b>   | <b>64</b>   |
| Payroll costs  | (36)                | (35)                | (18)        | (18)        | (18)        | (19)        | (16)        |
| Other administrative expenses                            | (41)                | (46)                | (21)        | (20)        | (20)        | (22)        | (23)        |
| Amortisation, depreciation and impairment                |                     |                     |             |             |             |             |             |
| losses on intangible and tangible assets                 | (1)                 | (1)                 | (1)         | —           | (1)         | —           | (1)         |
| <b>Operating costs</b>                                   | <b>(78)</b>         | <b>(82)</b>         | <b>(40)</b> | <b>(38)</b> | <b>(39)</b> | <b>(41)</b> | <b>(40)</b> |
| <b>OPERATING PROFIT</b>                                  | <b>59</b>           | <b>52</b>           | <b>28</b>   | <b>31</b>   | <b>30</b>   | <b>21</b>   | <b>24</b>   |
| Net write-downs of loans and provisions                  |                     |                     |             |             |             |             |             |
| for guarantees and commitments                           | (3)                 | (1)                 | (3)         | —           | —           | (1)         | —           |
| <b>NET OPERATING PROFIT</b>                              | <b>56</b>           | <b>51</b>           | <b>25</b>   | <b>31</b>   | <b>30</b>   | <b>20</b>   | <b>24</b>   |
| Restructuring costs                                      | —                   | —                   | —           | —           | (18)        | —           | —           |
| Net income from investments and other items <sup>1</sup> | —                   | —                   | (1)         | 1           | 1           | (2)         | —           |
| <b>PROFIT BEFORE TAX</b>                                 | <b>56</b>           | <b>51</b>           | <b>24</b>   | <b>32</b>   | <b>13</b>   | <b>18</b>   | <b>24</b>   |
| Cost-income ratio in %                                   | 56.9                | 61.2                | 58.8        | 55.1        | 56.5        | 66.1        | 62.5        |

<sup>1</sup> contains the following income statement items: provisions for risks and charges and net income from investments

**Development of the Private Banking division**

The Private Banking division is being shown in the reporting period without the contributions to profits provided by the private banking activities of UniCredit Luxembourg that were sold at year-end 2010. The year-ago figures have been adjusted accordingly. The division generated a profit before tax of €56 million in the first half of 2011, which exceeded the high figure reported at the equivalent point last year.

Within operating income, a year-on-year increase of 10.9% was generated in net interest as a result of higher margins in the deposit-taking business. By contrast, the €83 million recorded for net fees and commissions failed to match the year-ago total essentially on account of declining demand for long-term bonds. Nonetheless, operating income rose by 2.2% to €137 million overall.

The cost-income ratio improved by a strong 4.3 percentage points to 56.9%, which can be attributed to both the higher operating income and the 4.9% decline in operating costs achieved by applying strict cost management. The operating profit rose a sharp 13.5% to €59 million.

## Income statement of the Other/consolidation segment

(€ millions)

| INCOME/EXPENSES  | 1/1 – 30/6/<br>2011 | 1/1 – 30/6/<br>2010 | Q2<br>2011 | Q1<br>2011 | Q4<br>2010 | Q3<br>2010 | Q2<br>2010  |
|--|---------------------|---------------------|------------|------------|------------|------------|-------------|
| <b>OPERATING INCOME</b>                                  | <b>194</b>          | <b>309</b>          | <b>73</b>  | <b>121</b> | <b>149</b> | <b>186</b> | <b>93</b>   |
| Operating costs  | (116)               | (95)                | (55)       | (61)       | (44)       | (53)       | (41)        |
| <b>OPERATING PROFIT</b>                                  | <b>78</b>           | <b>214</b>          | <b>18</b>  | <b>60</b>  | <b>105</b> | <b>133</b> | <b>52</b>   |
| Net write-downs of loans and provisions                  |                     |                     |            |            |            |            |             |
| for guarantees and commitments                           | 51                  | (44)                | 65         | (14)       | (3)        | 2          | (42)        |
| <b>NET OPERATING PROFIT</b>                              | <b>129</b>          | <b>170</b>          | <b>83</b>  | <b>46</b>  | <b>102</b> | <b>135</b> | <b>10</b>   |
| Restructuring costs                                      | —                   | —                   | —          | —          | (22)       | —          | —           |
| Net income from investments and other items <sup>1</sup> | 41                  | (43)                | 43         | (2)        | (6)        | (34)       | (34)        |
| <b>PROFIT/(LOSS) BEFORE TAX</b>                          | <b>170</b>          | <b>127</b>          | <b>126</b> | <b>44</b>  | <b>74</b>  | <b>101</b> | <b>(24)</b> |

<sup>1</sup> contains the following income statement items: provisions for risks and charges and net income from investments

**Development of the Other/consolidation segment**

The operating income of this segment declined by €115 million in the first half of 2011. This strong decrease can be attributed primarily to gains realised on the buy-back of hybrid capital in the equivalent period last year. These have not recurred in the reporting period. Furthermore, the total also includes the expenses arising from the bank levy that has been charged in Germany for the first time, although this is offset in part by a positive effect arising from foreign currency translation.

Operating costs rose by a total of €21 million, attributable primarily to the bank levy in Austria that has been included here for the first time. Thus, the operating profit posted by this segment in the first half of 2011 amounted to €78 million (first half of 2010: €214 million).

Within net write-downs of loans and provisions for guarantees and commitments, there was a net reversal of €51 million in the first six months of 2011 compared with net additions of €44 million required in the corresponding period last year. With net income from investments and other items amounting to €41 million, the profit before tax totalled €170 million (first half of 2010: €127 million).

**4 Net interest**

(€ millions)

|  | 1/1 – 30/6/2011 | 1/1 – 30/6/2010 |
|--|-----------------|-----------------|
| <b>Interest income from</b>                          | <b>4,312</b>    | <b>4,320</b>    |
| lending and money market transactions                | 2,945           | 2,982           |
| other interest income                                | 1,367           | 1,338           |
| <b>Interest expense from</b>                         | <b>(2,199)</b>  | <b>(2,297)</b>  |
| deposits   | (761)           | (589)           |
| debt securities in issue and other interest expenses | (1,438)         | (1,708)         |
| <b>Total</b>   | <b>2,113</b>    | <b>2,023</b>    |

**5 Dividends and other income from equity investments**

(€ millions)

|   | 1/1 – 30/6/2011 | 1/1 – 30/6/2010 |
|---|-----------------|-----------------|
| Dividends and other similar income              | 95              | 70              |
| Companies accounted for using the equity method | 6               | 4               |
| <b>Total</b>                                    | <b>101</b>      | <b>74</b>       |



## Notes to the Income Statement (CONTINUED)

**6 Net fees and commissions**

(€ millions)

|  | 1/1 – 30/6/2011 | 1/1 – 30/6/2010 |
|--|-----------------|-----------------|
| Management, brokerage and consultancy services | 345             | 384             |
| Collection and payment services                | 85              | 89              |
| Lending operations                             | 245             | 198             |
| Other service operations                       | 15              | 10              |
| <b>Total</b>                                   | <b>690</b>      | <b>681</b>      |

This item comprises the balance of fee and commission income of €980 million (2010: €1,128 million) and fee and commission expenses of €290 million (2010: €447 million).

**7 Net trading, hedging and fair value income**

(€ millions)

|  | 1/1 – 30/6/2011 | 1/1 – 30/6/2010 |
|--|-----------------|-----------------|
| Net gains on financial assets held for trading <sup>1</sup>  | 710             | 362             |
| Effects arising from hedge accounting  | 63              | 19              |
| Changes in fair value of hedged items  | 394             | (1,095)         |
| Changes in fair value of hedging derivatives   | (331)           | 1,114           |
| Net gains/(losses) on financial assets at fair value through profit or loss (fair value option) <sup>2</sup> | 10              | (24)            |
| Other net trading income   | 4               | 99              |
| <b>Total</b>   | <b>787</b>      | <b>456</b>      |

<sup>1</sup> including dividends on financial assets held for trading

<sup>2</sup> also including the valuation results of derivatives concluded to hedge financial assets through fair value at profit or loss

The effects arising from hedge accounting include the hedge results of the fair value hedge portfolio and the individual micro fair value hedges as a net aggregate total.

The net gains on holdings at fair value through profit or loss (held-for-trading portfolio and fair value option) generally only contain the changes in fair value disclosed in the income statement. The interest income from held-for-trading portfolios is normally disclosed under net interest. To ensure that the full contribution to profits is disclosed, the interest cash flows are only carried in net trading, hedging and fair value income for the interest rate swap trading book, which exclusively contains interest rate derivatives.

**8 Net other expenses/income**

(€ millions)

|                | 1/1 – 30/6/2011 | 1/1 – 30/6/2010 |
|----------------|-----------------|-----------------|
| Other income   | 149             | 168             |
| Other expenses | (107)           | (51)            |
| <b>Total</b>   | <b>42</b>       | <b>117</b>      |

In the first half of 2011, other expenses include the German bank levy in the amount of €51 million for the first time.

**9 Net write-downs of loans and provisions for guarantees and commitments**

(€ millions)

|  | 1/1 – 30/6/2011 | 1/1 – 30/6/2010 |
|--|-----------------|-----------------|
| <b>Additions/releases</b>                                      | <b>(93)</b>     | <b>(532)</b>    |
| Allowances for losses on loans and receivables                 | (79)            | (465)           |
| Allowances for losses on guarantees and indemnities            | (14)            | (67)            |
| <b>Recoveries from write-offs of loans and receivables</b>     | <b>132</b>      | <b>23</b>       |
| <b>Gains on the disposal of impaired loans and receivables</b> | <b>(3)</b>      | <b>—</b>        |
| <b>Total</b>   | <b>36</b>       | <b>(509)</b>    |

## 10 Net income from investments

(€ millions)

|   | 1/1 – 30/6/2011 | 1/1 – 30/6/2010 |
|---|-----------------|-----------------|
| Available-for-sale financial assets             | 118             | 45              |
| Shares in affiliated companies                  | 2               | —               |
| Companies accounted for using the equity method | (7)             | —               |
| Held-to-maturity investments                    | (4)             | —               |
| Land and buildings                              | —               | —               |
| Investment properties                           | (1)             | (23)            |
| Other   | —               | —               |
| <b>Total</b>                                    | <b>108</b>      | <b>22</b>       |

Net income from investments breaks down as follows:

(€ millions)

|  | 1/1 – 30/6/2011 | 1/1 – 30/6/2010 |
|--|-----------------|-----------------|
| <b>Gains on the disposal of</b>                        | <b>111</b>      | <b>47</b>       |
| available-for-sale financial assets                    | 110             | 48              |
| shares in affiliated companies                         | 2               | —               |
| companies accounted for using the equity method        | (7)             | —               |
| held-to-maturity investments                           | (4)             | —               |
| land and buildings                                     | —               | —               |
| investment properties                                  | 10              | (1)             |
| other  | —               | —               |
| <b>Write-downs, value adjustments and write-ups on</b> | <b>(3)</b>      | <b>(25)</b>     |
| available-for-sale financial assets                    | 8               | (3)             |
| shares in affiliated companies                         | —               | —               |
| companies accounted for using the equity method        | —               | —               |
| held-to-maturity investments                           | —               | —               |
| investment properties <sup>1</sup>                     | (11)            | (22)            |
| <b>Total</b>   | <b>108</b>      | <b>22</b>       |

<sup>1</sup> impairments and write-ups together with fair value fluctuations for investment properties measured at market value

## 11 Earnings per share

|  | 1/1 – 30/6/2011 | 1/1 – 30/6/2010 |
|--|-----------------|-----------------|
| Consolidated profit attributable to shareholder (€ millions) | 1,274           | 740             |
| Average number of shares                                     | 802,383,672     | 802,383,672     |
| Earnings per share (€)                                       | 1.59            | 0.92            |

# Notes to the Balance Sheet

## 12 Financial assets held for trading

(€ millions)

|  | 30/6/2011      | 31/12/2010     |
|--|----------------|----------------|
| <b>Balance sheet assets</b>                                      | 43,514         | 44,903         |
| Fixed-income securities  | 27,227         | 26,952         |
| Equity instruments   | 5,861          | 6,422          |
| Other financial assets held for trading                          | 10,426         | 11,529         |
| <b>Positive fair value from derivative financial instruments</b> | <b>73,898</b>  | <b>88,486</b>  |
| <b>Total</b>   | <b>117,412</b> | <b>133,389</b> |

The financial assets held for trading include €376 million (31 December 2010: €392 million) in subordinated assets at 30 June 2011.

## 13 Financial assets at fair value through profit or loss

(€ millions)

|   | 30/6/2011     | 31/12/2010    |
|---|---------------|---------------|
| Fixed-income securities                                     | 26,224        | 24,555        |
| Equity instruments  | —             | —             |
| Investment certificates                                     | 2             | 1             |
| Promissory notes  | 1,893         | 2,075         |
| Other financial assets at fair value through profit or loss | —             | —             |
| <b>Total</b>  | <b>28,119</b> | <b>26,631</b> |

The financial assets at fair value through profit or loss include €276 million (31 December 2010: €297 million) in subordinated assets at 30 June 2011.

## 14 Available-for-sale financial assets

(€ millions)

|   | 30/6/2011    | 31/12/2010   |
|---|--------------|--------------|
| Fixed-income securities                   | 3,902        | 3,974        |
| Equity instruments                        | 772          | 778          |
| Other available-for-sale financial assets | 429          | 448          |
| Impaired assets                           | 736          | 715          |
| <b>Total</b>                              | <b>5,839</b> | <b>5,915</b> |

At 30 June 2011, available-for-sale financial assets include financial instruments of €1,431 million (31 December 2010: €1,416 million) valued at cost compliant with IAS 39.46.

The available-for-sale financial assets contain a total of €736 million (31 December 2010: €715 million) in impaired assets at 30 June 2011 for which impairments of €12 million (30 June 2010: €19 million) were taken to the income statement during the period under review. None of the non-impaired debt instruments are financial instruments past due.

The available-for-sale financial assets include €290 million (31 December 2010: €493 million) in subordinated assets at 30 June 2011.

The available-for-sale financial assets include Greek government bonds with a carrying amount/market value of €4 million, or a nominal amount of €6 million, at 30 June 2011. We have recognised an impairment of €1 million on this holding in previous periods.

### 15 Shares in associates accounted for using the equity method and joint ventures accounted for using the equity method

(€ millions)

|  | 30/6/2011 | 31/12/2010 |
|--|-----------|------------|
| Associated companies accounted for using the equity method | —         | 94         |
| of which: goodwill   | —         | —          |
| Joint ventures accounted for using the equity method       | —         | —          |
| <b>Total</b>   | <b>—</b>  | <b>94</b>  |

In the course of implementing All4Quality, a group-wide UniCredit project for enhancing the quality of internal services, we sold all but ten of our shares in UniCredit Global Information Services S.C.p.A. (UGIS) to UniCredit S.p.A. on 13 May 2011. Upon the sale of our shares (previous shareholding of 24.7%), UGIS, which was consolidated at equity, was deconsolidated.

### 16 Held-to-maturity investments

(€ millions)

|                         | 30/6/2011    | 31/12/2010   |
|-------------------------|--------------|--------------|
| Fixed-income securities | 2,518        | 2,596        |
| Impaired assets         | —            | 4            |
| <b>Total</b>            | <b>2,518</b> | <b>2,600</b> |

Held-to-maturity investments include a total of €0 million (31 December 2010: €4 million) in impaired assets. None of the non-impaired debt instruments are financial instruments past due. No impairment losses were recognised in the income statement during the reporting period.

The held-to-maturity investments include a total of €10 million (31 December 2010: €15 million) in subordinated assets at 30 June 2011.

No Greek government bonds are included in held-to-maturity investments at 30 June 2011.

### 17 Loans and receivables with banks

(€ millions)

|                                      | 30/6/2011     | 31/12/2010    |
|--------------------------------------|---------------|---------------|
| Current accounts and demand deposits | 14,206        | 16,222        |
| Repos <sup>1</sup>                   | 12,480        | 12,343        |
| Reclassified securities              | 3,668         | 4,983         |
| Other loans to banks                 | 18,186        | 12,784        |
| <b>Total</b>                         | <b>48,540</b> | <b>46,332</b> |

<sup>1</sup> repurchase agreements

The loans and receivables with banks include €659 million (31 December 2010: €784 million) in subordinated assets at 30 June 2011.

### 18 Loans and receivables with customers

(€ millions)

|                                      | 30/6/2011      | 31/12/2010     |
|--------------------------------------|----------------|----------------|
| Current accounts                     | 9,869          | 8,923          |
| Repos <sup>1</sup>                   | 1,237          | 484            |
| Mortgage loans                       | 48,430         | 50,062         |
| Finance leases                       | 2,653          | 2,600          |
| Reclassified securities              | 5,280          | 6,068          |
| Non-performing loans and receivables | 4,198          | 5,095          |
| Other loans and receivables          | 63,597         | 66,119         |
| <b>Total</b>                         | <b>135,264</b> | <b>139,351</b> |

<sup>1</sup> repurchase agreements

The loans and receivables with customers include €1,912 million (31 December 2010: €2,006 million) in subordinated assets at 30 June 2011.

No Greek government bonds are included in loans and receivables with customers at 30 June 2011.

## Notes to the Balance Sheet (CONTINUED)

**19 Non-current assets and disposal groups held for sale**

(€ millions)

|                                      | 30/6/2011 | 31/12/2010 |
|--------------------------------------|-----------|------------|
| Loans and receivables with customers | —         | 25         |
| Property, plant and equipment        | 4         | —          |
| Investment properties                | 4         | 3          |
| <b>Total</b>                         | <b>8</b>  | <b>28</b>  |

**20 Application of reclassification rules defined in IAS 39.50 et seq.**

No further assets held for trading have been reclassified as loans and receivables in 2011. The intention to trade no longer exists for the assets reclassified in 2008 and 2009, since the markets in these financial instruments had become illiquid as a result of the extraordinary circumstances created by the financial crisis through to the time of reclassification. Given the high quality of the assets concerned, HVB intends to retain the assets for a longer period. HVB has not reclassified any assets from the available-for-sale portfolio.

The following table shows the development of the reclassified holdings:

(€ billions)

| RECLASSIFIED ASSET-BACKED SECURITIES AND OTHER DEBT SECURITIES | CARRYING AMOUNT OF ALL RECLASSIFIED ASSETS <sup>1</sup> | FAIR VALUE OF ALL RECLASSIFIED ASSETS | NOMINAL AMOUNT OF ALL RECLASSIFIED ASSETS |
|--|---|---------------------------------------|---|
| <b>Reclassified in 2008</b>                                    |   |                                       |   |
| Balance at 31/12/2008  | 13.7  | 11.8                                  | 14.6                                      |
| Balance at 31/12/2009  | 9.0   | 8.0                                   | 9.7                                       |
| Balance at 31/12/2010  | 6.5   | 5.9                                   | 7.0                                       |
| Balance at 30/6/2011   | 5.3   | 5.0                                   | 5.7                                       |
| <b>Reclassified in 2009</b>                                    |   |                                       |   |
| Balance at 31/12/2009  | 7.3   | 7.4                                   | 7.4                                       |
| Balance at 31/12/2010  | 4.6   | 4.5                                   | 4.6                                       |
| Balance at 30/6/2011   | 3.7   | 3.6                                   | 3.8                                       |
| <b>Balance of reclassified assets at 30/6/2011</b>             | <b>9.0</b>  | <b>8.6</b>                            | <b>9.5</b>                                |

<sup>1</sup> before accrued interest

The fair value of the financial instruments reclassified as loans and receivables with banks and customers amounts to a total of €8.6 billion at 30 June 2011. If these reclassifications had not been carried out in 2008 and 2009, mark-to-market valuation (including realised disposals) would have given rise to a net gain of €283 million in net trading, hedging and fair value income in the first half of 2011. A net gain of €416 million (2010) and €1,159 million (2009) would have arisen in net trading, hedging and fair value income in the financial years 2010 and 2009 while a net loss of €1,792 million would have accrued in net trading, hedging and fair value income from the reclassified holdings in 2008. These effects reflect a theoretical, pro forma calculation, as the assets are measured at amortised cost on account of the reclassification.

We took write-downs of loans of €8 million on the reclassified assets in the first six months of 2011 (whole of 2010: €8 million, 2009: €80 million, 2008: €63 million). The fair value at the date when the reclassification takes effect represents the new acquisition cost, which in some cases is considerably less than the nominal value. Accordingly, this difference (discount) is to be amortised over the remaining term of the reclassified financial assets. This, together with the reclassified securities that had matured or been partially repaid, gives rise to an effect of €52 million in the first half of 2011 (whole of 2010: €160 million, 2009: €208 million, 2008: €127 million), which is recognised in net interest.

A loss of €2 million (whole of 2010: gain of €19 million, 2009: gain of €83 million) on reclassified securities that had been sold was recognised in the income statement in the first six months of 2011.

In the first half of 2011, the reclassifications carried out in 2008 and 2009 resulted in a profit before tax that was €241 million too low. Between the date when the reclassifications took effect and the reporting date, the cumulative net impact on the income statement from the reclassifications already carried out totalled €422 million before tax (first half of 2011: minus €241 million, whole of 2010: minus €245 million, 2009: minus €948 million, 2008: plus €1,856 million).

## 21 Allowances for losses on loans and receivables with customers and banks

Analysis of loans and receivables

(€ millions)

|  |              |
|--|--------------|
| <b>Balance at 1 January 2010</b>   | <b>5,222</b> |
| Changes affecting income <sup>1</sup>  | 465          |
| Changes not affecting income   |              |
| Changes due to make-up of group of consolidated companies and reclassifications of disposal groups held for sale | —            |
| Use of existing loan-loss allowances   | (338)        |
| Effects of currency translation and other changes not affecting income   | 108          |
| Non-current assets or disposal groups held for sale  | —            |
| <b>Balance at 30 June 2010</b>   | <b>5,457</b> |
| <b>Balance at 1 January 2011</b>   | <b>5,059</b> |
| Changes affecting income <sup>1</sup>  | 82           |
| Changes not affecting income   |              |
| Changes due to make-up of group of consolidated companies and reclassifications of disposal groups held for sale | —            |
| Use of existing loan-loss allowances   | (305)        |
| Effects of currency translation and other changes not affecting income   | 20           |
| Non-current assets or disposal groups held for sale  | —            |
| <b>Balance at 30 June 2011</b>   | <b>4,856</b> |

<sup>1</sup> the total includes the gains on disposal of impaired loans and receivables

## 22 Deposits from banks

(€ millions)

|                                      | 30/6/2011     | 31/12/2010    |
|--------------------------------------|---------------|---------------|
| <b>Deposits from central banks</b>   | <b>5,168</b>  | <b>4,396</b>  |
| <b>Deposits from banks</b>           | <b>48,817</b> | <b>47,491</b> |
| Current accounts and demand deposits | 14,347        | 12,815        |
| Reverse repos <sup>1</sup>           | 9,967         | 8,071         |
| Other liabilities                    | 24,503        | 26,605        |
| <b>Total</b>                         | <b>53,985</b> | <b>51,887</b> |

<sup>1</sup> repurchase agreements

## 23 Deposits from customers

(€ millions)

|                                      | 30/6/2011      | 31/12/2010     |
|--------------------------------------|----------------|----------------|
| Current accounts and demand deposits | 47,375         | 47,893         |
| Savings deposits                     | 14,431         | 14,893         |
| Reverse repos <sup>1</sup>           | 17,630         | 10,010         |
| Other liabilities                    | 35,065         | 35,698         |
| <b>Total</b>                         | <b>114,501</b> | <b>108,494</b> |

<sup>1</sup> repurchase agreements

## 24 Debt securities in issue

(€ millions)

|                  | 30/6/2011     | 31/12/2010    |
|------------------|---------------|---------------|
| Bonds            | 44,883        | 46,142        |
| Other securities | 2,413         | 2,534         |
| <b>Total</b>     | <b>47,296</b> | <b>48,676</b> |

## Notes to the Balance Sheet (CONTINUED)

**25 Liabilities of disposal groups held for sale**

(€ millions)

|  | 30/6/2011 | 31/12/2010 |
|--|-----------|------------|
| Deposits from customers                | —         | 597        |
| Financial liabilities held for trading | —         | 1          |
| <b>Total</b>                           | <b>—</b>  | <b>598</b> |

The liabilities of disposal groups held for sale disclosed at year-end 2010 relate to the sale of parts of the private banking activities of UniCredit Luxembourg S.A. to DZ Privatbank S.A. that took effect in December 2010. These have been carried forward to the start of January 2011.

**26 Provisions**

(€ millions)

|   | 30/6/2011    | 31/12/2010   |
|---|--------------|--------------|
| Provisions for pensions and similar commitments     | 50           | 51           |
| Allowances for losses on guarantees and commitments | 217          | 283          |
| Restructuring provisions                            | 74           | 87           |
| Actuarial provisions                                | 32           | 35           |
| Other provisions                                    | 1,605        | 1,445        |
| <b>Total</b>  | <b>1,978</b> | <b>1,901</b> |

**27 Change in valuation of financial instruments**

The reserves arising from changes in the valuation of financial instruments recognised in equity totalled minus €21 million at 30 June 2011 (31 December 2010: minus €87 million). Whereas the hedge reserve narrowed by a minor €23 million to €31 million compared with year-end 2010, this positive development can be attributed exclusively to the €89 million increase in the AFS reserve to minus €52 million. Within this total, financial instruments classified as available for sale, which still constituted a large negative AFS reserve at year-end 2010, were redeemed early at their face value. In the first half of 2011, there was a market-related increase in the value of ABS holdings in the available-for-sale portfolio, for which there were no impairment criteria as defined in IAS 39.59 and hence no impairment losses needed to be recognised.

**28 Subordinated capital**

The following table shows the breakdown of subordinated capital included in deposits from banks and customers and debt securities in issue: (€ millions)

|  | 30/6/2011    | 31/12/2010   |
|--|--------------|--------------|
| Subordinated liabilities               | 2,542        | 2,628        |
| Participating certificates outstanding | 155          | 205          |
| Hybrid capital instruments             | 721          | 1,299        |
| <b>Total</b>                           | <b>3,418</b> | <b>4,132</b> |

# Other Information

## 29 Contingent liabilities and other commitments

(€ millions)

|   | 30/6/2011     | 31/12/2010    |
|---|---------------|---------------|
| <b>Contingent liabilities<sup>1</sup></b> | <b>20,148</b> | <b>19,170</b> |
| Guarantees and indemnities                | 20,148        | 19,170        |
| <b>Other commitments</b>                  | <b>67,212</b> | <b>65,015</b> |
| Irrevocable credit commitments            | 41,219        | 39,721        |
| Other commitments                         | 25,993        | 25,294        |
| <b>Total</b>                              | <b>87,360</b> | <b>84,185</b> |

<sup>1</sup> contingent liabilities are offset by contingent assets to the same amount

## 30 Notes to selected structured products

Additional information regarding selected structured products is given below in order to provide greater transparency. Assets of fully consolidated commercial paper conduits and other fully consolidated special purpose vehicles are shown alongside tranches retained by HVB Group and holdings of asset-backed securities (ABS) transactions issued by third parties, broken down by various criteria.

### ABS portfolio

In a securitisation transaction, above all the originator transfers credit receivables and/or credit risks to third parties. The securitisation itself is usually performed via special purpose vehicles (SPVs). In order to refinance the acquisition of receivables, these SPVs issue securities on the capital market that are secured by the receivables acquired. This serves to transfer the associated credit risks to investors in the form of asset-backed securities. The securities issued by SPVs are generally divided into tranches which differ above all in terms of seniority in the servicing of claims to repayment and interest payments. These tranches are generally assessed by rating agencies.

Depending on the underlying assets in a securitisation transaction, the following types of security among others are distinguished in ABS transactions:

- residential mortgage-backed securities (RMBS) relating to mortgage loans in the private sector (residential mortgage loans)
- commercial mortgage-backed securities (CMBS) relating to mortgage loans in the commercial sector (commercial mortgage loans)
- collateralised loan obligations (CLO) relating to commercial bank loans
- collateralised bond obligations (CBO) relating to securities portfolios

Besides this, consumer loans, credit card receivables and lease receivables are also securitised.



## Other Information (CONTINUED)

Positions retained from own securitisation transactions and in third-party ABS transactions, broken down by rating class (HVB Group without fully consolidated commercial paper conduits and other fully consolidated special purpose vehicles; these are shown separately) (€ millions)

| CARRYING AMOUNTS   | 30/6/2011         |              |              |              | 31/12/2010   |
|--|-------------------|--------------|--------------|--------------|--------------|
|  | SENIOR            | MEZZANINE    | JUNIOR       | TOTAL        | TOTAL        |
| <b>Positions retained from own securitisations</b>                               | <b>308</b>        | <b>87</b>    | <b>1</b>     | <b>396</b>   | <b>469</b>   |
| <b>Positions in third-party ABS transactions</b>                                 | <b>3,820</b>      | <b>1,465</b> | <b>32</b>    | <b>5,317</b> | <b>5,139</b> |
| Residential mortgage-backed securities (RMBS)                                    | 1,915             | 475          | —            | 2,390        | 2,320        |
| thereof:   |                   |              |              |              |              |
| US subprime  | 2                 | —            | —            | 2            | —            |
| US Alt-A   | 2                 | —            | —            | 2            | 6            |
| Commercial mortgage-backed securities (CMBS)                                     | 701               | 323          | —            | 1,024        | 1,018        |
| Collateralised debt obligations (CDO)  | 78                | 118          | —            | 196          | 242          |
| thereof:   |                   |              |              |              |              |
| US subprime  | —                 | —            | —            | —            | 7            |
| US Alt-A   | —                 | 3            | —            | 3            | 4            |
| Collateralised loan obligations (CLO)/<br>collateralised bond obligations (CBO)  | 694               | 411          | 28           | 1,133        | 913          |
| Consumer loans   | 154               | 54           | 4            | 212          | 271          |
| Credit cards   | —                 | —            | —            | —            | 3            |
| Leases   | 200               | 63           | —            | 263          | 263          |
| Others   | 78                | 21           | —            | 99           | 109          |
| <b>Total</b>   | <b>30/6/2011</b>  | <b>4,128</b> | <b>1,552</b> | <b>33</b>    | <b>5,713</b> |
|  | <b>31/12/2010</b> | <b>4,133</b> | <b>1,461</b> | <b>14</b>    | <b>5,608</b> |
| <b>Synthetic collateralised debt obligations (CDO) (derivatives)<sup>1</sup></b> | <b>30/6/2011</b>  | <b>14</b>    | <b>89</b>    | <b>30</b>    | <b>133</b>   |
|  | <b>31/12/2010</b> | <b>15</b>    | <b>237</b>   | <b>44</b>    | <b>296</b>   |

<sup>1</sup> the amounts shown in the table represent the carrying amount (fair value)

The positions are classified as senior, mezzanine and junior on the basis of external ratings, or internal ratings where no external rating exists. Only those tranches with the best rating are carried as senior tranches. Only tranches with low ratings (worse than BB- in external ratings) and unrated tranches (known as first loss pieces) are carried as junior tranches; all other tranches are grouped together as mezzanine tranches.

Positions retained from own securitisation transactions and in third-party ABS transactions, broken down by region (HVB Group without fully consolidated commercial paper conduits and other fully consolidated special purpose vehicles; these are shown separately)

(€ millions)

| CARRYING AMOUNTS   | 30/6/2011         |              |            |               |              | TOTAL        |
|--|-------------------|--------------|------------|---------------|--------------|--------------|
|  | EUROPE            | USA          | ASIA       | OTHER REGIONS |              |              |
| <b>Positions retained from own securitisations</b>                               | <b>396</b>        | —            | —          | —             | <b>396</b>   |              |
| <b>Positions in third-party ABS transactions</b>                                 | <b>4,398</b>      | <b>642</b>   | <b>41</b>  | <b>236</b>    | <b>5,317</b> |              |
| Residential mortgage-backed securities (RMBS)                                    | 2,199             | 4            | 28         | 159           | 2,390        |              |
| thereof:   |                   |              |            |               |              |              |
| US subprime  | —                 | 2            | —          | —             | 2            |              |
| US Alt-A   | —                 | 2            | —          | —             | 2            |              |
| Commercial mortgage-backed securities (CMBS)                                     | 829               | 168          | 11         | 16            | 1,024        |              |
| Collateralised debt obligations (CDO)  | 76                | 107          | 2          | 11            | 196          |              |
| thereof:   |                   |              |            |               |              |              |
| US subprime  | —                 | —            | —          | —             | —            |              |
| US Alt-A   | —                 | 3            | —          | —             | 3            |              |
| Collateralised loan obligations (CLO)/<br>collateralised bond obligations (CBO)  | 832               | 251          | —          | 50            | 1,133        |              |
| Consumer loans   | 122               | 90           | —          | —             | 212          |              |
| Credit cards   | —                 | —            | —          | —             | —            |              |
| Leases   | 242               | 21           | —          | —             | 263          |              |
| Others   | 98                | 1            | —          | —             | 99           |              |
| <b>Total</b>   | <b>30/6/2011</b>  | <b>4,794</b> | <b>642</b> | <b>41</b>     | <b>236</b>   | <b>5,713</b> |
|  | <b>31/12/2010</b> | <b>4,851</b> | <b>452</b> | <b>62</b>     | <b>243</b>   | <b>5,608</b> |
| <b>Synthetic collateralised debt obligations (CDO) (derivatives)<sup>1</sup></b> | <b>30/6/2011</b>  | <b>10</b>    | <b>123</b> | —             | —            | <b>133</b>   |
|  | <b>31/12/2010</b> | <b>10</b>    | <b>286</b> | —             | —            | <b>296</b>   |

<sup>1</sup> the amounts shown in the table represent the carrying amount (fair value)

## Other Information (CONTINUED)

Positions retained from own securitisation transactions and in third-party ABS transactions, broken down by remaining maturity (HVB Group without fully consolidated commercial paper conduits and other fully consolidated special purpose vehicles; these are shown separately) (€ millions)

| CARRYING AMOUNTS   | 30/6/2011         |                       |                   | TOTAL        |
|--|-------------------|-----------------------|-------------------|--------------|
|  | LESS THAN 1 YEAR  | BETWEEN 1 AND 5 YEARS | MORE THAN 5 YEARS |              |
| <b>Positions retained from own securitisations</b>                               | <b>308</b>        | <b>88</b>             | <b>—</b>          | <b>396</b>   |
| <b>Positions in third-party ABS transactions</b>                                 | <b>682</b>        | <b>2,839</b>          | <b>1,796</b>      | <b>5,317</b> |
| Residential mortgage-backed securities (RMBS)                                    | 237               | 955                   | 1,198             | 2,390        |
| thereof:   |                   |                       |                   |              |
| US subprime  | —                 | 1                     | 1                 | 2            |
| US Alt-A   | —                 | 2                     | —                 | 2            |
| Commercial mortgage-backed securities (CMBS)                                     | 160               | 661                   | 203               | 1,024        |
| Collateralised debt obligations (CDO)  | 13                | 88                    | 95                | 196          |
| thereof:   |                   |                       |                   |              |
| US subprime  | —                 | —                     | —                 | —            |
| US Alt-A   | —                 | —                     | 3                 | 3            |
| Collateralised loan obligations (CLO)/<br>collateralised bond obligations (CBO)  | 108               | 744                   | 281               | 1,133        |
| Consumer loans   | 50                | 148                   | 14                | 212          |
| Credit cards   | —                 | —                     | —                 | —            |
| Leases   | 40                | 222                   | 1                 | 263          |
| Others   | 74                | 21                    | 4                 | 99           |
| <b>Total</b>   | <b>990</b>        | <b>2,927</b>          | <b>1,796</b>      | <b>5,713</b> |
|  | <b>31/12/2010</b> | <b>571</b>            | <b>3,658</b>      | <b>5,608</b> |
| <b>Synthetic collateralised debt obligations (CDO) (derivatives)<sup>1</sup></b> | <b>2</b>          | <b>45</b>             | <b>86</b>         | <b>133</b>   |
|  | <b>31/12/2010</b> | <b>—</b>              | <b>71</b>         | <b>296</b>   |

<sup>1</sup> the amounts shown in the table represent the carrying amount (fair value)

Positions retained from own securitisation transactions and in third-party ABS transactions, broken down by class as per IAS 39 (HVB Group without fully consolidated commercial paper conduits and other fully consolidated special purpose vehicles; these are shown separately)

(€ millions)

| CARRYING AMOUNTS   | 30/6/2011         |                   |                     |                  |                    | TOTAL        |
|--|-------------------|-------------------|---------------------|------------------|--------------------|--------------|
|  | HELD FOR TRADING  | FAIR VALUE OPTION | LOANS & RECEIVABLES | HELD TO MATURITY | AVAILABLE FOR SALE |              |
| <b>Positions retained from own securitisations</b>                               | <b>116</b>        | <b>—</b>          | <b>—</b>            | <b>—</b>         | <b>280</b>         | <b>396</b>   |
| <b>Positions in third-party ABS transactions</b>                                 | <b>640</b>        | <b>90</b>         | <b>4,117</b>        | <b>97</b>        | <b>373</b>         | <b>5,317</b> |
| Residential mortgage-backed securities (RMBS)                                    | 177               | 35                | 2,078               | 1                | 99                 | 2,390        |
| thereof:   |                   |                   |                     |                  |                    |              |
| US subprime  | —                 | —                 | 1                   | 1                | —                  | 2            |
| US Alt-A   | —                 | —                 | 2                   | —                | —                  | 2            |
| Commercial mortgage-backed securities (CMBS)                                     | 120               | 7                 | 854                 | —                | 43                 | 1,024        |
| Collateralised debt obligations (CDO)  | 16                | 26                | 123                 | 29               | 2                  | 196          |
| thereof:   |                   |                   |                     |                  |                    |              |
| US subprime  | —                 | —                 | —                   | —                | —                  | —            |
| US Alt-A   | —                 | —                 | 3                   | —                | —                  | 3            |
| Collateralised loan obligations (CLO)/ collateralised bond obligations (CBO)     | 292               | 14                | 643                 | 54               | 130                | 1,133        |
| Consumer loans   | —                 | —                 | 202                 | 10               | —                  | 212          |
| Credit cards   | —                 | —                 | —                   | —                | —                  | —            |
| Leases   | 35                | —                 | 127                 | 2                | 99                 | 263          |
| Others   | —                 | 8                 | 90                  | 1                | —                  | 99           |
| <b>Total</b>   | <b>756</b>        | <b>90</b>         | <b>4,117</b>        | <b>97</b>        | <b>653</b>         | <b>5,713</b> |
|  | <b>31/12/2010</b> | <b>566</b>        | <b>96</b>           | <b>4,204</b>     | <b>42</b>          | <b>700</b>   |
| <b>Synthetic collateralised debt obligations (CDO) (derivatives)<sup>1</sup></b> | <b>133</b>        | <b>—</b>          | <b>—</b>            | <b>—</b>         | <b>—</b>           | <b>133</b>   |
|  | <b>31/12/2010</b> | <b>296</b>        | <b>—</b>            | <b>—</b>         | <b>—</b>           | <b>296</b>   |

<sup>1</sup> the amounts shown in the table represent the carrying amount (fair value)

## Other Information (CONTINUED)

**Fully consolidated commercial paper conduits and other consolidated special purpose vehicles**

Alongside the directly held portfolios of own and external ABS transactions, further structured products are held through commercial paper conduits (SPVs that issue short-term commercial paper to refinance their assets) and other fully consolidated special purpose vehicles that are managed by HVB. Essentially, these involve credit receivables of third parties that are securitised by HVB using the services of the commercial paper conduits. Positions in hedge funds and customer receivables held by fully consolidated special purpose vehicles are also shown. An amount of €269 million out of the total €1,365 million disclosed under "Other" relates to investments under which HVB passes on all the risks and rewards to customers.

Positions held by fully consolidated commercial paper conduits and other consolidated special purpose vehicles, broken down by product category and rating class

| CARRYING AMOUNTS                              | 30/6/2011         |              |                  |            | 31/12/2010   |
|---|-------------------|--------------|------------------|------------|--------------|
|   | SENIOR            | MEZZANINE    | JUNIOR           | TOTAL      | TOTAL        |
| Residential mortgage loans/                   |                   |              |                  |            |              |
| residential mortgage-backed securities (RMBS) | —                 | 1,379        | 217 <sup>1</sup> | 1,596      | 1,722        |
| Commercial mortgage loans/                    |                   |              |                  |            |              |
| commercial mortgage-backed securities (CMBS)  | 584               | —            | —                | 584        | 992          |
| Collateralised debt obligations (CDO)         | —                 | —            | —                | —          | 3            |
| Collateralised loan obligations (CLO)/        |                   |              |                  |            |              |
| collateralised bond obligations (CBO)         | —                 | —            | —                | —          | 95           |
| Consumer loans                                | 680               | 149          | —                | 829        | 599          |
| Credit cards                                  | —                 | —            | —                | —          | —            |
| Leases  | 846               | 9            | —                | 855        | 553          |
| Other (including hedge fund investments)      | 454               | 519          | 392 <sup>2</sup> | 1,365      | 1,726        |
| <b>Total</b>                                  |                   |              |                  |            |              |
|   | <b>30/6/2011</b>  | <b>2,564</b> | <b>2,056</b>     | <b>609</b> | <b>5,229</b> |
|   | <b>31/12/2010</b> | <b>2,031</b> | <b>2,831</b>     | <b>828</b> | <b>5,690</b> |

1 these assets are impaired

2 the volume shown here relates to investment and hedge funds with no rating and are hence disclosed under Junior

The positions are classified as senior, mezzanine and junior on the basis of external ratings, or internal ratings where no external ratings exist. Only those tranches with the best rating are carried as senior tranches. Only tranches with low ratings (worse than BB- in external ratings) and unrated tranches (known as first loss pieces) are carried as junior tranches; all other tranches are grouped together as mezzanine tranches.

Positions held by fully consolidated commercial paper conduits and other consolidated special purpose vehicles, broken down by product category and region

| CARRYING AMOUNTS                              | 30/6/2011         |              |            |               | TOTAL      |
|---|-------------------|--------------|------------|---------------|------------|
|   | EUROPE            | USA          | ASIA       | OTHER REGIONS | TOTAL      |
| Residential mortgage loans/                   |                   |              |            |               |            |
| residential mortgage-backed securities (RMBS) | 1,379             | —            | 217        | —             | 1,596      |
| Commercial mortgage loans/                    |                   |              |            |               |            |
| commercial mortgage-backed securities (CMBS)  | 584               | —            | —          | —             | 584        |
| Collateralised debt obligations (CDO)         | —                 | —            | —          | —             | —          |
| Collateralised loan obligations (CLO)/        |                   |              |            |               |            |
| collateralised bond obligations (CBO)         | —                 | —            | —          | —             | —          |
| Consumer loans                                | 829               | —            | —          | —             | 829        |
| Credit cards                                  | —                 | —            | —          | —             | —          |
| Leases  | 846               | 9            | —          | —             | 855        |
| Other (including hedge fund investments)      | 758               | 346          | 19         | 242           | 1,365      |
| <b>Total</b>                                  |                   |              |            |               |            |
|   | <b>30/6/2011</b>  | <b>4,396</b> | <b>355</b> | <b>236</b>    | <b>242</b> |
|   | <b>31/12/2010</b> | <b>4,212</b> | <b>970</b> | <b>248</b>    | <b>260</b> |

Positions held by fully consolidated commercial paper conduits and other consolidated special purpose vehicles,  
broken down by product category and remaining maturity

(€ millions)

| CARRYING AMOUNTS  | 30/6/2011                             |                              |                         | TOTAL                        |
|---|---------------------------------------|------------------------------|-------------------------|------------------------------|
|   | LESS THAN 1 YEAR                      | BETWEEN<br>1 AND 5 YEARS     | MORE THAN<br>5 YEARS    |                              |
| Residential mortgage loans/<br>residential mortgage-backed securities (RMBS)    | 384                                   | —                            | 1,212                   | 1,596                        |
| Commercial mortgage loans/<br>commercial mortgage-backed securities (CMBS)      | —                                     | 584                          | —                       | 584                          |
| Collateralised debt obligations (CDO)   | —                                     | —                            | —                       | —                            |
| Collateralised loan obligations (CLO)/<br>collateralised bond obligations (CBO) | —                                     | —                            | —                       | —                            |
| Consumer loans  | 829                                   | —                            | —                       | 829                          |
| Credit cards  | —                                     | —                            | —                       | —                            |
| Leases  | 855                                   | —                            | —                       | 855                          |
| Other (including hedge fund investments)  | 1,147                                 | 55                           | 163                     | 1,365                        |
| <b>Total</b>  | <b>30/6/2011</b><br><b>31/12/2010</b> | <b>3,215</b><br><b>2,974</b> | <b>639</b><br><b>91</b> | <b>1,375</b><br><b>2,625</b> |
|   |                                       |                              |                         | <b>5,229</b><br><b>5,690</b> |

Positions held by fully consolidated commercial paper conduits and other consolidated special purpose vehicles,  
broken down by product category and class as per IAS 39

(€ millions)

| CARRYING AMOUNTS  | 30/6/2011                             |                          |                          |                              |                       | TOTAL                        |
|---|---------------------------------------|--------------------------|--------------------------|------------------------------|-----------------------|------------------------------|
|   | HELD FOR<br>TRADING                   | FAIR VALUE<br>OPTION     | LOANS &<br>RECEIVABLES   | HELD TO<br>MATURITY          | AVAILABLE<br>FOR SALE |                              |
| Residential mortgage loans/<br>residential mortgage-backed securities (RMBS)    | —                                     | —                        | 1,596                    | —                            | —                     | 1,596                        |
| Commercial mortgage loans/<br>commercial mortgage-backed securities (CMBS)      | —                                     | —                        | 584                      | —                            | —                     | 584                          |
| Collateralised debt obligations (CDO)   | —                                     | —                        | —                        | —                            | —                     | —                            |
| Collateralised loan obligations (CLO)/<br>collateralised bond obligations (CBO) | —                                     | —                        | —                        | —                            | —                     | —                            |
| Consumer loans  | —                                     | —                        | 829                      | —                            | —                     | 829                          |
| Credit cards  | —                                     | —                        | —                        | —                            | —                     | —                            |
| Leases  | —                                     | —                        | 855                      | —                            | —                     | 855                          |
| Other (including hedge fund investments)  | 392                                   | 163                      | 810                      | —                            | —                     | 1,365                        |
| <b>Total</b>  | <b>30/6/2011</b><br><b>31/12/2010</b> | <b>392</b><br><b>409</b> | <b>163</b><br><b>321</b> | <b>4,674</b><br><b>4,536</b> | <b>—</b><br><b>75</b> | <b>—</b><br><b>349</b>       |
|   |                                       |                          |                          |                              |                       | <b>5,229</b><br><b>5,690</b> |

## Other Information (CONTINUED)

### 31 Members of the Supervisory Board and Management Board

#### Supervisory Board

Federico Ghizzoni  
since 2 March 2011  
Chairman since 4 March 2011

**Chairman**

Sergio Ermotti  
until 1 March 2011

**Chairman**

Peter König  
Dr Wolfgang Sprissler

**Deputy Chairman**

**Deputy Chairman**

Aldo Bulgarelli  
Beate Dura-Kempf  
Klaus Grünewald  
Werner Habich  
since 16 January 2011  
Dr Lothar Meyer  
Marina Natale  
Klaus-Peter Prinz  
Jutta Streit  
until 15 January 2011  
Jens-Uwe Wächter  
Dr Susanne Weiss

**Members**

**Management Board**

|                                      |  |
|--------------------------------------|--|
| Peter Buschbeck                      | <b>Family &amp; SME division<sup>1</sup></b>                   |
| Jürgen Danzmayr<br>since 1 July 2011 | <b>Private Banking division</b>                                |
| Lutz Diederichs                      | <b>Corporate &amp; Investment<br/>Banking division</b>         |
| Peter Hofbauer                       | <b>Chief Financial Officer (CFO)</b>                           |
| Heinz Laber                          | <b>Human Resources Management,<br/>Global Banking Services</b> |
| Andrea Umberto Varese                | <b>Chief Risk Officer (CRO)</b>                                |
| Dr Theodor Weimer                    | <b>Board Spokesman</b>   |
| Andreas Wölfer<br>until 30 June 2011 | <b>Private Banking division</b>                                |

<sup>1</sup> formerly Retail division; the division was renamed Family & SME on 1 January 2011 after resegmentation

Munich, 2 August 2011

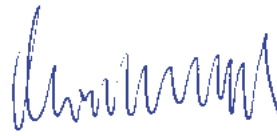
UniCredit Bank AG  
The Management Board



Buschbeck



Danzmayr



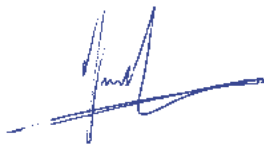
Diederichs



Hofbauer



Laber



Varese



Dr Weimer



# Statement by the Management Board

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Interim Management Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Munich, 2 August 2011

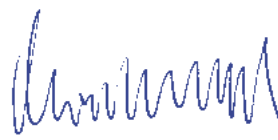
UniCredit Bank AG  
The Management Board



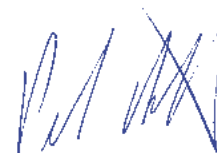
Buschbeck



Danzmayr



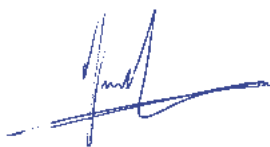
Diederichs



Hofbauer



Laber



Varese



Dr Weimer

**UniCredit Bank AG**  
Kardinal-Faulhaber-Strasse 1  
80333 Munich

Signed by  
Bettina Rödl                      Katrin Felix